The Defence + Industry Conference 2017 got off to a loud start on Tuesday last week at a gala dinner the night before the conference. Dep Sec Kim Gilles asked for a bit of Hollywood, and Footy Show host Erin Molan (daughter of ex Chief of Army) and comedian Vince Sorrenti delivered! However, they did not upstage the awesome efforts of the Essington Lewis finalists (http://www.australiandefence.com.au/news/outstanding-defence-and-industry-collaboration-recognised).

The conference the next day commenced with capability updates. Being in the defence people business, I was paying particular attention to the updates and challenges that would affect the workforce within the Defence Sector. I noted the following points on people matters from various presenters in two large defence organisations.

**DSTG**
- Looming skills crisis in STEM.
- Competition to recruit grads is high. Now reaching back further, offering cadetships to 2nd year students.
- Working with universities to develop new streams of study, eg cyber programs.
- Staff mobility: don’t resign – go out and come back.

**CASG**
- Smart Buyer is not just about procurement – it’s also about not hoarding (people) resources.
- Attrition rate in CASG is around 8% (this is pretty good, BTW).
- Why do we need to reform functional management? To manage people better.
- Is there a way to share across agencies more efficiently?

There was a great presentation from CEO of a defence SME, Rowan Gilmore from EM Solutions (http://www.emsolutions.com.au/) on the SME experience with Prime contractors.
• Many Primes will only work with an SME if defence tell them to.
• Primes want to use own/ existing supply chain.
• Primes can be a barrier to direct contact with defence.
• Primes see SME as risky.
• SME must work hard.

I would agree to one extent or another with all of the above points. Our opportunity here is to address the existing market failures, and support Primes and SME to move SME up the value chain and contribute to the up skilling of our nation’s workforce.

Overall, and like many recent industry events, there was a generally positive atmosphere in the air. All acknowledged that there are challenges to face, but I got the feeling that there is increasingly the will to do so.

By Rob Kremer (http://kinexus.com.au/get-to-know-kinexus/)

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