



NATO Support and
Procurement Agency
(NSPA)

NSPA STRATEGIC FRAMEWORK

2023-2027



#WEARENATO

INTRODUCTION

In November 2021, the Agency Supervisory Board (ASB) tasked NSPA's leadership team to review the existing Strategic Direction and, if necessary, to revise its intent. Following a comprehensive review, it was evident that a shift in the Agency's posture was necessary, with the clear aim to continue to improve customer satisfaction and to ensure the Agency remains effective, efficient and responsive to customers' requirements.

To address the current and future challenges and to guide the Agency to achieve the aspirations set by the governance, a unifying mission, an aspirational vision, five Strategic Goals and core values were identified as described in this framework. This Framework aims to enable NSPA to strengthen its indispensable position in supporting NATO's

mission, to expand its reach across Allies, tackle any challenges and become the lead organization for multinational acquisition, support and logistics to the Alliance. It is recognised that this Strategy will evolve over time as the Agency adapts to the rapidly changing geopolitical reality, and this will be reflected in the annual business planning.

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MISSION & VISION

The Executive Management Board (EMB) formulated an updated Mission and Vision, which will both inspire and guide the execution of the Strategic Framework 2023-2027.



MISSION

We are the lead organisation for multinational acquisition, support and sustainment to NATO nations



VISION

To enable the Alliance to maintain peace and security by providing innovative and sustainable capabilities

VALUES

The following are the key values that will guide the Agency and its staff in their professional duties:



Integrity: We are committed to maintaining the highest standards of professional and personal conduct to uphold the trust and confidence of all our customers.



Accountability: We are responsible and accountable for our actions and decisions, or failure to act, and accept the consequences of their outcomes. We are also transparent in our dealings with both customers and suppliers to reinforce this culture.



Professionalism: We are professionals who are entrusted to carry out our duties to the best of our abilities for the common good. We will adhere to best practice international and industry standards to ensure we deliver of our best to our customers.



Innovation: We investigate new ideas, in science, technology and ways of working. We aspire to continuous development recognising and rewarding good ideas and initiative.



Customer Focus: We are effective and responsive towards our customers. We provide effective capabilities and services at the best cost.

NSPO STRATEGIC GUIDANCE

The ASB approved the NSPO Strategic Direction and Guidance 2023-2027¹, which focuses on four key areas listed below:

- > **01** Ensuring customer satisfaction and continuing Agency optimisation

- > **02** Ensuring the required capability portfolio

- > **03** Strengthening and expanding Life Cycle Management capabilities

- > **04** Creating the conditions to meet future challenges

These four key focus areas provide the Agency with guideposts, to which the NSPA Strategic Goals align. Future oriented and ambitious, they challenge the Agency to be prepared to meet current and future requirements of NATO Allies and Partners.



¹ AC/338-D(2022)0063, dated 25 May 2022.

NSPA STRATEGIC GOALS

Leveraging guidance from the ASB, the Agency established the following five key Strategic Goals that provide tangible targets towards achieving the NSPA Mission and Vision. Executive Champions have been assigned and working groups formed to further refine and lead execution of these Strategic Goals^{2 3}.

A. Development - Adapt the Agency to the evolving strategic environment and exploit emerging business areas.

B. Acquisition - Be the first choice for acquisition of multinational systems to deliver innovative and sustainable capabilities for the Alliance and nations.

C. Resources - Demonstrate stewardship of customer funding that ensures transparency and builds trust & flexibility.

D. Processes - Standardise, automate & streamline business processes to deliver excellence to our customers.

E. People - Attract, develop & empower our diverse & high performing workforce using modern & flexible tools.

Figure 1 below illustrates how the framework pulls all these strands together to provide a comprehensive overview of the way forward.

Stakeholder Engagement is a critical Agency-wide support activity across all the Strategic Goals. The new Stakeholder Engagement Strategy will rely on collaboration and systematic sharing of information across all directorates and departments. Its execution will focus on:

- Enhancing NSPA’s awareness and reputation
- Supporting the Development Goal which targets new and expanded business areas
- Supporting the establishment of Acquisition policies, tools, structures and skills

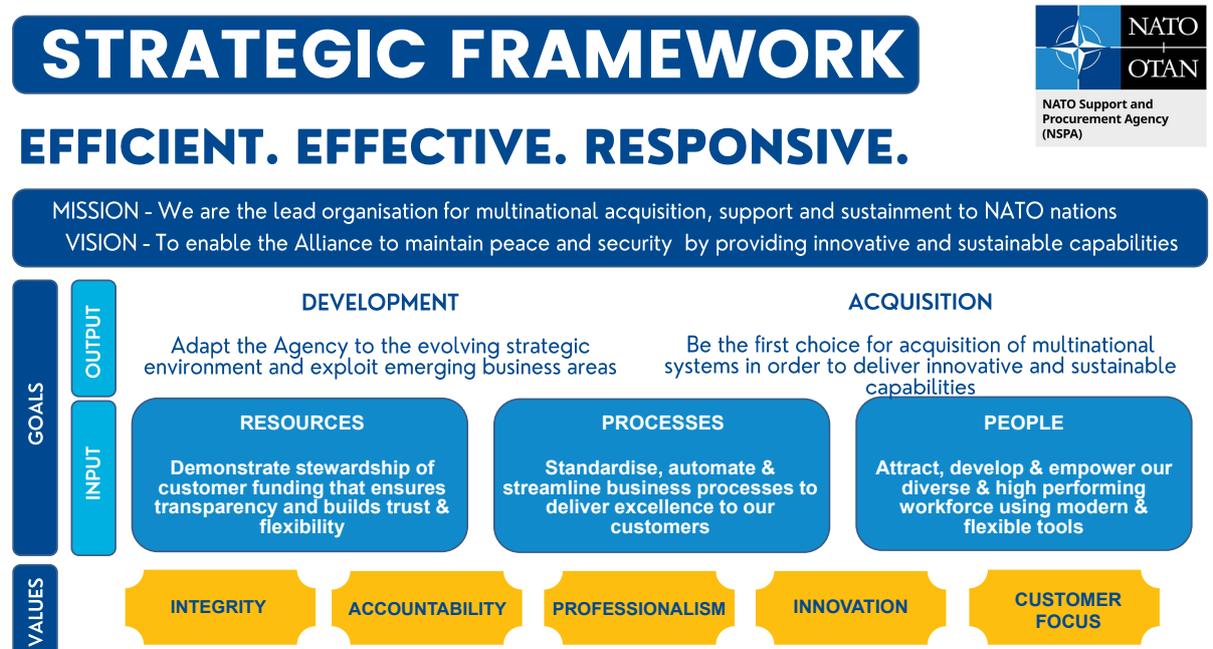


Figure 1 Summary of NSPA Strategic Framework 2023-2027

² While developing the plans to complete each goal, any risk related to their achievement will be managed in accordance with NSPA risk management procedures in a designated Strategic Framework risk register.

³ A key element in attaining the goals will be the management of innovation within the Agency to deliver efficient, effective and responsive solutions. Innovation ideas will be coordinated through the Agency Innovation Panel to ensure cross-Agency benefit and to prevent conflict between ideas.

STRATEGIC GOAL A: DEVELOPMENT

Lead: Director of Support to Operations

Adapt the Agency to the evolving strategic environment and exploit emerging business areas.

Description and Scope

Align the Agency business delivery with the evolving strategic environment, in order to effectively and efficiently capitalise on the output of the Agency in support of our customers, and strategically target new and expanded business in line with NATO priorities (including but not limited to surge capabilities, connectivity to NATO military, environmental considerations) & NSPA Strengths. This goal will identify specific top-down focus areas to maximise delivery and support to customers, in addition to the routine bottom-up changes dealt with as business as usual.

A three-stage approach will be pursued: “**understand**” (the business environment to identify and catalogue the Agency’s capabilities), “**engage**” (to build-up with targeted stakeholders on the opportunity/ focus area) and “**adapt**” (to turn the opportunity into tangible value through stakeholder engagement).

Objectives

1. Development and delivery of a comprehensive ‘**catalogue of capabilities**’ for use as a corporate tool for development activities and stakeholder engagement.
2. Development of **combat supplies, engineering and base services** in support of Deterrence and Defence.
3. Provide a responsive, resilient and integrated **fuel** provision and transportation system, and storage and distribution capability, through two of the four NATO Fuel Supply Chain pillars: the NATO Pipeline System (via the CEPS) and contractual support.
4. Increase delivery of **remotely operated / autonomous solutions** based on disruptive technologies and loitering munitions support.
5. Adapt NSPA **Transportation and Warehousing** capabilities to meet future demands for deployment and sustainment.
6. Deliver sustainable and innovative capabilities that feature clean energy solutions.

Forecast Benefits

- A benefits-driven business development process.
- Divestiture of unproductive capabilities.
- Improved efficiency through increased outputs
- Agency fit for the future

Measure of Effectiveness

- Number of divested capabilities
- % annual turnover attributable to targeted/ emerging capabilities
- % new customers

STRATEGIC GOAL B: ACQUISITION

Lead: Director of Life Cycle Management

Be the first choice to acquire multinational systems in order to deliver innovative and sustainable capabilities for the Alliance and nations

Description and Scope

Demonstrate to NATO stakeholders that NSPA has the right policies, tools, structure and skills to deliver complex, multinational systems through the establishment of an Acquisition Pillar. As a result, the Agency will be the first choice for acquisition of common funded and multinational systems for the Alliance and the nations.

Objectives

- 1. Develop and implement an Acquisition Capability Development strategy** to establish a sufficiently resourced, comprehensive and responsive acquisition capability within the Agency—enabling delivery of multinational major systems and equipment acquisition programmes.
- 2. Successfully manage current and near-future acquisition programme concept and pre-production stages, specifically AFSC and NGRC**, to enhance the Agency's reputation as a widely recognised credible choice for multinational acquisition programmes.
- 3. Establish innovative approaches to acquisition and capability development** and enhance ability to support delivery of innovative projects.
- 4. Implement effective policies and regulations.** Adapt financial and procurement policies and regulations to provide the necessary flexibility and responsiveness to support existing areas of activity, as well as rapid acquisition, early adoption, or acquisition of less technically mature capabilities.
- 5. Through bottom up driven efficiency and automation**, ensure progression on the existing areas of activity, whether in-service support, or supplies and services across all environment.

Forecast Benefits

- Operational effectiveness with open-architecture, standardisation and commonality built-in to new multinational systems.
- Cost savings for nations through multinational cooperation.
- Delivery of true cradle-to-grave lifecycle management with seamless transition from acquisition through to effective and cost-efficient in-service support.
- Innovative approaches helping to maintain the Alliance's technological edge.

Measure of Effectiveness

- Number of new multinational acquisition projects tasked to the Agency.
- Customer Satisfaction levels in acquisition projects.
- Cost savings delivered through multinational approaches compared with single nation approach.

STRATEGIC GOAL C: RESOURCES

Lead: Financial Controller

Demonstrate stewardship of customer funding that ensures transparency and builds trust & flexibility

Description and Scope

Make the most efficient use of the resources entrusted to us by the customers to ensure that we continue to deliver value added, timely support to Customers as effectively and efficiently as possible.

Objectives

- 1. Increase the Attractiveness of the Agency.** Using the NSPA Affordability Report published in April 2022 as a baseline, and considering the evolving Agency business, adapt the NSPA resourcing posture to ensure that it remains relevant to customers.
- 2. Complete benchmarking review of IT structure and costs.** Complete this benchmarking review to identify and implement optimization of our IT staffing and costs.
- 3. Improve methodology and approach for forecasting business turnover.** Identify and implement changes to the budgeting process to improve the Agency's forecasting and planning 1 to 3 years out.
- 4. Align resources to Agency business priorities.** Using the improved business forecasting capability, leverage data analytics capabilities (especially focused on enhanced capabilities offered by the ERP) to monitor business trends.
- 5. Explore alternative funding model that is flexible to evolving Agency needs.** Evaluate and propose alternative funding models to increase resiliency, flexibility and responsiveness of the Agency.

Forecast Benefits

- Demonstrate stewardship of customer funding entrusted to the Agency
- Ensure effectiveness, efficiency and responsiveness of Agency activities
- Better understanding of cost drivers
- Improved alignment of resources to Agency priorities
- Ensure transparency of resource allocation decisions
- Improve Customer satisfaction

Measure of Effectiveness

- % difference between forecast and actual budget
- % of budget allocated to overhead functions
- Annual business turnover

STRATEGIC GOAL D: PROCESSES

Lead: Chief of Staff (COS)

Standardise, automate & streamline business processes to deliver excellence to our customers.

Description and Scope

Optimise Agency internal processes to maximise efficiencies and effectiveness and ensure it has the best practices and remains fit for the future.

This necessitates a review of our business model and all processes across the Agency. This project will be coordinated by the COS, whilst individual heads of departments will own each process review and will identify relevant measures of performance for each process as part of the review.

Objectives

1. **Optimise Agency processes** to eliminate waste, maximise efficiencies and effectiveness and to ensure embedded compliance.
2. Develop a standardised set of Agency **process maps** to support corporate knowledge, compliance, education and training.
3. Develop a hierarchical corporate set of **performance measures** to continually monitor each process and measure the efficiency, effectiveness and responsiveness of the Agency.
4. Introduce a **lean process management culture** to the Agency by embedding a culture of continuous improvement regarding processes and reduction of process waste through an internal communications campaign.

Forecast Benefits

- Increased productivity
- Improved timeliness of delivery
- Increased customer satisfaction
- Increased efficiency & reduced waste.

Measure of Effectiveness

- Number of processes mapped
- % of processes optimised through cost, time and people.

STRATEGIC GOAL E: PEOPLE

Lead: Human Resources Executive (HRE)

Attract, develop & empower our diverse & high performing workforce using modern & flexible tools.

Description and Scope

Increase staff satisfaction and motivation through enhanced learning and career opportunities as well as an inclusive and empowering working environment. NSPA will be a leader in developing an inclusive, innovative and engaged workforce. We will empower our staff to deliver ever-improving goods and services.

Objectives

- 1. Recruitment and retention.** Introduce improvements in the recruitment, internal mobility and candidate-sourcing processes to develop and retain a competent, inclusive, innovative and engaged workforce.
- 2. Diversity and Inclusion.** Update policies, processes and training to increase diversity and inclusiveness, while setting up a work environment where people are treated fairly and with respect, so they can fully contribute to the organisation's success.
- 3. Empowerment.** Update policies, processes and training to empower people and teams. Employees given the necessary information, resources, and opportunity, while being held responsible for their outcomes, will be more productive and responsive to customer requirements.
- 4. Learning and Development.** Introduce solutions that allow for self-paced personal development and provide a transparent framework to support career success.
- 5. Organisational Design.** Adjust/improve the personnel planning process to provide the Agency with sufficient flexibility in organisational restructuring and reconfiguration of teams to better adapt to the evolving environment.

Forecast Benefits

- Increased innovation
- Contained staff turnover (better retention)
- Enhanced employer attractiveness
- Better client-service

Measure of Effectiveness

- Staff satisfaction level especially in the areas of Respect and Learning & Development.
- Recruitment number/year
- Attrition rate
- Reasons for departure (retirement age, end of contract, non-renewal of contract, disciplinary dismissal, voluntary departure mid-contract, etc.)

CONCLUSION

This new Strategic Framework identifies five goals for the development of the Agency for the period 2023-2027. These goals provide the key elements to ensure the Agency remains efficient, effective and responsive and, incorporating the guidance from the ASB, they provide a strategic way forward for the NSPA workforce and key stakeholders.

Each goal is supported by an implementation plan with key activities, which will be included in the Agency Annual Business Plans. Measures of effectiveness (MoE) that are included in the goal descriptions will be monitored and reported to the ASB to assure Governance that adequate progress is being made. These MoE will be supported internally by Measures of Performance (MoP) that will provide evidence that improvements are being made in terms of efficiency, effectiveness and responsiveness.

Critical Success Factors (CSFs) applicable to all objectives are as follows:

- Improve Efficiency, measured as the resources used to produce a given output.
- Improve Effectiveness, measured through annual customer satisfaction survey.
- Improve Responsiveness, i.e. reduce the time to deliver a particular output, measured as the time taken from customer tasking/order to delivery.

The key factor for success for this endeavour is the support and active engagement of all stakeholders, including the staff and the governance. Together, we will ensure the Agency remains efficient, effective and responsive.



