

ADF Ground Support Equipment Management Services



Partnership to Stewardship – Babcock’s evolution to a mutually trusting and beneficial partnership

The ADF Ground Support Equipment (GSE) contract represents a fleet of approximately 11,000 critical assets across 250 asset types, which support Air Force, Army and Navy fixed-wing and rotary aircraft. The Commonwealth sought an experienced partner who could bring a modern commercial Asset Management system to transform the management of the Aviation GSE, increase asset availability and reduce Total Cost of Ownership.

As a trusted Defence partner, Babcock has been delegated full responsibility for the GSE program management, including:

- › End-to-end asset management, including acquisition, engineering, introduction into service, training, through life support and disposal
- › Consultation on capability requirements for each fleet and product lines
- › Technical Authority to implement cost savings and asset availability in managing over 11,000 products

- › Applying a detailed market testing process principally focused on enhancing Australian Industry content and capability.

Based at over 20 operating bases in Australia and internationally, the GSE fleet of 11,000+ assets across more than 250+ types Aviation GSE is a critical enabler for all Air Force, Army and Navy fixed-wing and rotary-wing aircraft. Prior to 2018, Babcock Australia’s engineering capability largely relied on expertise from the UK team. There was also a lack of mutual understanding of needs, planning and communication between Defence and existing contractors which was leading to distrust of defence industry. Our understanding of Army’s operational rhythm, and how GSE supported the wide variety of Force Element Groups, also required improvement.

In 2017, Defence partnered with Babcock for the strategic asset management of the common GSE fleet.



Technical Authority. Babcock was entrusted with Technical Authority for the GSE contract, signifying our expertise and commitment.

This commenced with a 6 month transition program. We approached the transition with an understanding that we had to transform both the asset management practices as well as our approach to partnership with Defence. Within the six months, Babcock successfully attained ISO 55001 Asset Management accreditation, conducted in-depth hand overs with CASG fleet managers and developed a new fleet intelligence tool, while continuing to sustain the fleet. We were able to achieve due to three key collaborative strategies:

1. Understanding the operational rhythm and differences within Defence

GSE supports a wide variety of Force Elements Groups. To gain insight, Babcock established relationships with operating and maintenance units, supplier groups and industry service partners to know their needs, frustrations and operating cycles. We had to put in place long-term planning, adjust to the Defence annual

budgetary and expenditure cycle, and communicate Defence's needs to external suppliers and maintenance providers. This enabled us to accurately represent and adjust to Defence's interests. We were also able to leverage the understanding of Babcock staff with Defence service experience. We consulted with ex-service members within Babcock, which enabled us to:

- › Speak the same language as our Defence end users and know the pressures they experienced in their day to day work
- › Translate Defence needs to non-defence industry suppliers to enable them to better understand the importance of their work
- › Implement improvements in a staged manner while recognising both the tradition and wider complexities of Defence.
- › These facets allowed us to have effective relationships at the working and management levels of Defence.

2. Making suitable technical and cultural recommendations to build a synergetic tea

Effective commercial execution could only be achieved through organisational compatibility. Team configuration played a large role in this. Babcock understood the daily interface/working teams needed to be both technically proficient, as well as collaborative and attuned to each other. To achieve this synergy, Babcock:

- › Empowered Defence to approve key positions
- › Assessed candidates for technical prowess as well as teaming capability
- › Held regular face-to-face meetings with end users at all Defence locations operating GSE to fully appreciate their issues and action changes
- › Regularly met with key suppliers to understand their issues and keep them abreast of future opportunities and understand trends within industry and technology

3. Embedded trust to enable evolution

Babcock recognised the full outsourcing of AvSSPO was a risk to CASG and to Defence aviation operations. Mindful of this privilege, Babcock, over the past five years, has championed the following techniques which have and continue to create a strong culture of trust:

- › Defence first. We know our responsibility is to Defence as our customer first, so we remove any commercial arrogance and encircle Defence in our service delivery.
- › Support based off integrity. The volume and scale of the GSE contract means that errors can, and do, occur. We know owning up to issues paves the way for solving them. We operate a 24/7 service desk and keep our support team visible and available to end users.

Results

- › Babcock's approach to partnership enabled a genuine asset management stewardship to emerge, wherein Babcock was trusted to:
- › Act as the Designated Logistics Manager for GSE
- › Assume Engineering Authority over the asset and fleet groups
- › Drive the Life of Type Review
- › Draft Capability Definition Documents and manage the tender process for new asset acquisitions for Commonwealth approval
- › Independently improve introduction into service processes
- › Manage the approved spare part system
- › Implement financial efficiencies of over A\$1.5 million in 2022/2023



Creating one team. Our team building approach matched capability and cultural fit to create a best-for-program outcome.

Incorporating digital capabilities to optimise fleet management

Babcock manages the GSE fleet of 10,000+ assets across more than 253 common (multi-platform users) types GSE for all Air Force, Army and Navy fixed-wing and rotary-wing aircraft. Relevant to the SMS LDP contract, our management of GSE entails:

- › Asset Management Services across the entire life cycle of the asset including design and acquisition phase, technical certification, acceptance into service, operational sustainment, and ends with asset disposal.
- › Detailed recommendations to Head Quarters Air Command (HQAC) on the replacement of fleets through annual Life of Type (LoT) reviews.
- › Provision of comprehensive support to the customer, supported by our 24/7 GSE Service Desk.

Improving fleet management with digital capabilities

To maximise availability, and embed transparency and improvement into the fleet management operations, Babcock developed a Digital Fleet Intelligence Capability (DFIC). This system integrates, analyses and reports on fleet data from a number of sources to improve evidence based. Hosted on Babcock's secure network and accessible by Defence staff it provides a single point of truth and is accessible to all who require the information. The DFIC enables our team to have a comprehensive and up-to-date picture of the fleet, including:

- › Overview of each asset type, including the value, number, and location of the fleet, including the number of assets in warehouse or in transit.

- › History of work orders and costs. DFIC tracks >10 years' work history by material and labour costs which can then be filtered by district or operating unit. Graphic representation of the data allows our team to easily view and identify trends in repair and maintenance costs for each base or squadron.
- › Report on Defective or Unsatisfactory Materiel (RODUMS) DFIC tracks RODUMS by categories, which enables our team to easily identify any historical trends in defective or unsatisfactory material. This data is used to plan preventative maintenance or identify potential materiel improvements.
- › Meter readings for each asset to forecast trends on utilisation, fuel usage and maintenance and repair costs
- › Stock asset class and in-position quantity. Given the diverse range of assets, locations and end-user groups, this feature importantly provides our team an accurate picture of asset locations to optimise asset availability for their respective end-user groups.
- › Fleet replacement plans are routinely reviewed and tracked on DFIC to support obsolescence management. This ensures the Babcock team is looking ahead and collaborating with Defence to ensure obsolescence planning is up-to-date for each product line.

The DFIC is hosted on Babcock's secure network and accessible by Defence staff. It enables Babcock and Defence to have an accurate and up-to-date profile of the diverse GSE fleet on a macro and micro level.

The success of this system is seen in Babcock's performance across:

- › Uniformed resourcing maintenance. To support Air Force uniformed personnel to process and complete maintenance, Babcock took on the maintenance responsibility for backlog routine and corrective maintenance items including Key Capability Assets in support of multiple large Mechanical Equipment and Operational Maintenance Sections (MEOMS) maintenance venues across the National Support Bases. This was achieved through third party contractors, but was only possible due to Babcock's flexibility and dedication to ensuring minimal impact to operational capability. Our ability to support rapidly was positively received by Air Force, and as a result, we are planning to expand our resourcing to enable additional support. We have received ongoing praise from RAAF hierarchy including maintenance and operator stakeholders.



- › Support Program Offices. Babcock's GSE Service Desk, which incorporated an email inbox and 1800 number, enabled us to support data remediation, asset safety and technical compliance, and overall availability. Since 2018, the service desk has closed over 13,500 cases, representing 96% of all cases received. This success can be attributed to Babcock's ability to manage procurement, inventory and repair activities, which is possible due to our responsible position as Engineering Authority and Stock Item Owners of assets sitting in a SPO.
- › Modification programs. Defect (RODUM) management is an important part of maximising asset availability. Babcock has successfully conducted several modification programs, including marinisation of Power Carts for Navy and coastal located assets. A fleet of 20 assets were marinised by adding corrosion-resistant coatings to the exterior, and waterproofing and insulation to protect against moisture. After a year in service, the assets were still in excellent used condition with no reported rust or corrosion.
- › As a result of the new capability from the DFIC, Babcock has grown our asset management pool from 164 to approximately 250 fleets. Our capability is widely known across Defence, which has contributed to expanded scope from operating units and SPOs. New fleet acquisition programs have also contributed to the portfolio increase.