

# Flying right

## Strategic partnership benefits military, community, business and government

by Dennis Lewycky

**A**n integrated strategic alliance between the Canadian government and aerospace companies has created a dramatically new model for training military pilots – the NATO Flying Training in Canada (NFTC) program. Involving two government departments, a number of North Atlantic Treaty Organization countries, and seven companies, the program is unique in Canada.

The customer/contractor relationship between the Canadian Forces and the prime contractor, Bombardier Aerospace, Defence Services (Quebec), is unusual. According to Ian Milani, project manager for NFTC in the DND Canadian Aerospace Training Project Office (Ottawa), “the size, complexity and iterative nature of the NFTC project, together with the high level of private investment involved,” has necessitated an unconventional relationship between government and industry.

The Department of National Defence (DND) and Public Works and Government Services Canada (PWGSC) are involved in the \$2.85 billion alternative service delivery project. Bombardier, which also proposed the initial program in 1994, leads the consortium of aerospace firms.

Located at Canadian Forces bases in Moose Jaw, Saskatchewan and Cold Lake, Alberta, the program builds on the capacity of both military and business to plan, deliver, market and manage the program at a higher level than ever before. The program provides high standard technical training and state-of-the-art technology, at substantially reduced costs for the next 20 years.

About 200 student pilots receive training each year, starting with basic instruction through to advanced and lead-in phases to prepare them to fly the particular aircraft of their respective Air Forces. An important feature of the program is that pilots learn to fly a new generation of “glass cockpit” aircraft that rely on computerized systems. As Zev Rosenzweig, vice president of aviation training for Bombardier Aerospace says, the pilots become “systems mangers, who manage data and assure the system functions well. The computer then does the work, tracks targets or selects weapons, for example.”



Mike Reyno

*Pilot training progresses from Basic to Fighter Lead In Training. In addition to both types of planes, training includes time in simulators. In the Hawk 115 simulator, pictured here, pilots train 31 hours in Phase III and 18 hours in Phase IV.*

DND has overall responsibility for NFTC and provides program marketing and management, basic infrastructure, training standards, the training syllabus and Air Force instructors. PWGSC provides specialized procurement services (including cost, legal and risk analysis) and assists with the drafting of contract terms and conditions.

Bombardier is responsible for the provision of support services, training equipment (such as the flight simulators), classroom and cockpit instruction, and two new fleets of advanced glass cockpit aircraft.

The industry team includes BAE Systems (Britain), Raytheon Aircraft (Switzerland), CAE Electronics (Montreal), ATCO Frontec Corporation (Edmonton), SERCO Aviation Services Inc. and ARAMARK Canada Ltd (both of Toronto). NFTC builds on the experience of these companies at the Canadian Aviation Training Centre (CATC) in Portage la Prairie, Manitoba, where the team supports the Canadian Forces undergraduate pilot training system.

Participating NATO countries include Canada, Denmark, the United Kingdom and Italy. Though not a NATO country, Singapore is sending pilots for training. Hungary signed on to the program recently, and other countries are expected to contract NFTC services this year. Program officials also collaborate with American counterparts who also provide NATO training at Sheppard Air Force Base in Texas.

NATO partners were consulted on the initial design for the program in 1996, and continue to be part of the overall policy side of

the program through the semi-annual meetings of the NFTC Steering Committee. This committee has been meeting since 1997 and is chaired by Canadian Forces officials.

Foreign participation in NFTC represents over \$800 million in long-term commitments. "With new advanced training aircraft, state-of-the-art facilities and over 700,000 square kilometres of flying training airspace, NFTC is a world class program that Canada is proud to offer to NATO and our other allies," said the Minister of National Defence, Art Eggleton when he opened the program in July 2000.

A challenge for NFTC officials is to manage a program that integrates military standards

and procedures with private-sector skills and responsiveness. A practical example of the differences between government and corporate styles of management involves the authority that officials have. At an operational level, company management has greater authority and flexibility to make decisions, while military counterparts require senior approvals, which often must come from Winnipeg or Ottawa. Thus timelines, responsibilities and expenditures are affected and must be negotiated accordingly for the team to meet program objectives.

On a weekly basis the military and company staff will meet at an operational level to discuss issues that need immediate attention. Then every six weeks a DND/Bombardier meeting at a headquarters level deals with long term planning and coordination needs. Each six months there is a contract review meeting in Ottawa or Montreal where a regular performance assessment is conducted.

"It was a challenge for us to work with a multi-headed customer, to work with two departments and the divisions within DND," recounts Rosenzweig. "There often appear to be conflicting requirements of the different sections involved."

For example, "it's outside government's mandate to take risks. However, industry has the means to handle risk; we can make the trade-offs of costs and benefits the government can't do. Government can and does deliver according to the standards, which is good for business as it means a reputation for high quality service," says Rosenzweig.



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*A Hawk 115 (foreground) and a Harvard II overfly training base, Moose Jaw, Saskatchewan.*

From the Air Force perspective, “industry can have a tendency to overstate something – take a very optimistic view. In the Air Force we are more conservative. There may be a difference between what we will do and what we can do,” notes Milani.

The effectiveness of the evolving working alliance is based on a “convergence of self-interest, an alignment of strategic objectives, leading to cooperation,” says Milani. He notes for example that in marketing NFTC to NATO countries there was a close collaboration of military and industry because there was a “clear common goal – it was important to both of us to attract participants for the program.” Thus industry contributed marketing knowledge but it was “Air Force people talking to Air Force people” that ultimately convinced the NATO partners to sign on.

A unifying focus that now gives the alliance its stamina is the importance of quality training. “Both of us want quality pilot training and a solid reputation worldwide to expand the program,” adds Milani. There are problems, as “we are still experiencing start-up teething pains.” But he notes that the few disappointments can be put into context and “in the big picture we have an overall success, the standard of training is high, and the program is steadily gaining in international reputation.”

The NFTC approach emerged at a time when both Canada and NATO allies were seeking cost-effective alternatives for training. At the same time, a new generation of highly computerized aircraft were coming into operation that required skilled pilots and an array of new training equipment.

Specific benefits of the NFTC program already evident include:

- less capital investment in training aircraft and simulators;
- lower training costs for all participating countries (Canada will save \$200 million over 20 years);
- instruction tailored to meet the needs of individual students and Air Forces;
- tactical training needed in Air Force units, thus reducing hours in fighter aircraft and lowering training costs in these operational units;
- new facilities constructed at the Canadian Forces bases in Moose Jaw and Cold Lake;
- budget forecasting and long-term management of pilot training costs; and
- access to advanced multi-engine and helicopter training (at CATC) for NATO Air Forces.

When the program opened, then Minister of Natural Resources, Ralph Goodale, outlined additional benefits. “With NFTC now in operation . . . Moose Jaw and . . . Saskatchewan will benefit from an outstanding program that will maintain and create employment for the next 20 years. In the coming months and years, all these international students and instructors will return home with more than new skills as pilots. They will also bring back with them a better understanding of Canada and its culture which, in the long term, will reflect positively on all Canadians.”

In financial terms, the NFTC program will result in almost \$1 billion in direct industrial

benefits for Canada, including more than 5,600 person-years of employment, predominantly in Western Canada in high-technology industries.

“We’re very gratified to see at different international forums, that NFTC is a worldwide benchmark to which future training systems are being compared,” says Milani. ❧

*Dennis Lewycky (www.magi.com/~comgroup) is a communication consultant who has worked internationally as well as with numerous Canadian government departments. He provides group facilitation, strategic planning, information design and training services, in particular where contentious public issues are involved.*

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