

Opinion: The Next Manhattan Project

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Thu, 2019-01-31 04:00

What are the U.S. military's operational concepts, and is there a way for the defense establishment to draw on commercial lessons to answer that question in an innovative way?

The National Defense Strategy Commission's November report is of interest with regard to those questions ([AW&ST Dec. 10-23, 2018, p. 10](#)), as it calls for clean-sheet reconsideration of operational concepts, what it deems the "essential link between strategic objectives, defense policy and budgetary priorities." Sustaining attention to the topic was then-Defense Secretary James Mattis' abrupt resignation in late December and President Donald Trump's peremptory dismissal of him following publication of his resignation letter, a drama that amplified the commission's alarm over what it already had deemed a "crisis of national security."

These events prompted me to reread *Sharpening the American Military's Competitive Edge*, the unclassified synopsis of the U.S. National Defense Strategy to which Mattis gave his imprimatur in January 2018. In the section "Build a More Lethal Force," it states the precept, "Evolve innovative operational concepts." Echoing the commission, Mattis' commandment makes the point that "modernization is not defined solely by hardware; it requires change in the ways we organize and employ forces."



As defined in the Rand classic *Strategies to Tasks*, military operational concepts “tie together the systems, tactics, and organizational relationships devoted to [a] mission.” More concretely, Commissioner Andrew Krepinevich, a leading exponent of Conops (concept of operations), has cited Nazi Germany’s blitzkrieg and the Cold War-era U.S. Army’s AirLand Battle to illustrate how smart operating concepts can create decisive military advantages.

These calls to innovate operational concepts find a nearly perfect analog in business strategy. In business, that which ties together systems, tactics and relationships is called a business model, and innovating business models is arguably the most vibrant field of contemporary business analysis as well as a source of competitive intensity. And it is not just the darlings of Silicon Valley and behemoths of Seattle disrupting markets with new business models.

Business-model innovation is also transforming heavy industries such as steel, staid financial services such as insurance and other mature industry sectors. As defined by one of the field’s chief priests, Alex Osterwalder, a business model “describes the rationale for how an organization creates, delivers, and captures value.” Substitute Mattis’ mantra “lethality” for the term “value” in that definition, and the analog comes fully to life.

The significance of this analogy for U.S. defense strategy is threefold. First, it suggests a compelling answer to the question of how U.S. military forces will gain leverage that decisively tilts the balance of power against antagonists and competitors. The country’s 20th-century answers to that question—superior scale, first of men then machines, followed in the Cold War by superior capital and technology—are no longer plausible when others now enjoy equal or greater access to these customary sources of U.S. strategic successes.

Consequently, the more plausible answer to the U.S. strategic quandary that business-model innovation suggests is that the 21st-century American military must achieve decisive leverage by conceiving and implementing superior ideas to meet core operational challenges.

The second significance of the business-model analogy is that it suggests the pathway to differentiation, a keystone to any competitive strategy. A strategy staked on deep knowledge, creativity and the ability to apply insights better, quicker and cheaper than competitors especially befits today’s American and other Western societies (if not yet their military establishments).

Indeed, the great preponderance of such winning practices and companies in the commercial sphere are rooted in North America and Europe. Strategic competitors may excel at antagonizing on the cheap and imitating at scale, but because U.S. society exhibits a qualitatively superior propensity to conceive innovative Conops, American strategy should deliberately engage that muscle.

Finally, the significance of business-model innovation for the Pentagon’s strategy is that it suggests the vast headroom available to a campaign of innovation in military concepts of operation. Whereas the campaign for business-model innovation shows an excited fermentation of books, articles, frameworks, patterns, classes, awards, taxonomies and more, the still of military Conops innovation is notably languid, even a full year after Mattis issued his directive. The commission has performed a great service by refocusing attention on the matter, but much more talent, time, organizational effort and institutional money needs to be committed to developing this critical lever in U.S. defense strategy.

No less than a Manhattan Project of Conops innovation would be fully responsive to the crisis of strategy that we face.

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