INTRODUCTION

The service personnel of the UK Armed Forces are amongst the best trained, most talented, committed and respected troops in the world. No employment sector offers the same uniqueness and excitement as a career in defence, and from the latest Armed Forces Continuous Attitude Survey the vast majority feel proud to be in service and would recommend it to others. Despite this, personnel retention in the armed forces is a persistent problem. The loss of personnel causes pinch points for service delivery which, in some instances due to the nature of the work performed by our military, causes those that remain to work longer and harder.

Clearly, improving the way in which personnel are supported through their life in the services is a key area of focus for the UK Armed Forces, and the provision of digitally enabled support is being broadly regarded as a potential game changer for employee experience and satisfaction. New candidates being attracted into the services as well as existing service personnel are used to engaging with a plethora of digital services that enhance their lives, from entertainment to mortgage applications. It is therefore imperative that we support our personnel through their service lives, from hire to retire, with a digital experience that is more in line with Amazon, FaceBook and Google.

Transitioning from industrial age personnel systems and processes to an outcome-based system requires digital transformation that can keep pace with demand. Pega capability can be delivered as a **golden thread of digital HR fabric** throughout the hire to retire lifecycle, automating manual processes, removing layers of complexity and improving decision making and employee engagement. This "HR fabric", will digitally transform the delivery of a world class employee experience and enable operational effectiveness by having the right personnel, with the right skills, at the right time.

In many ways, the journey has already begun, with Pega capability being developed alongside resources from the Royal Navy and the Royal Air Force to deliver an end to end recruiting platform spanning the process from interest to service offer. But why stop there? Our intelligent automation, customer service and 1:1 customer engagement capability can just as easily be applied to the rest of the through life journey of our service personnel. Without needing to disrupt the back end systems of record, Pega can deliver new ways of personnel engagement that fully support our service personnel through life.

In summary, Pega can help the Ministry of Defence to deliver:
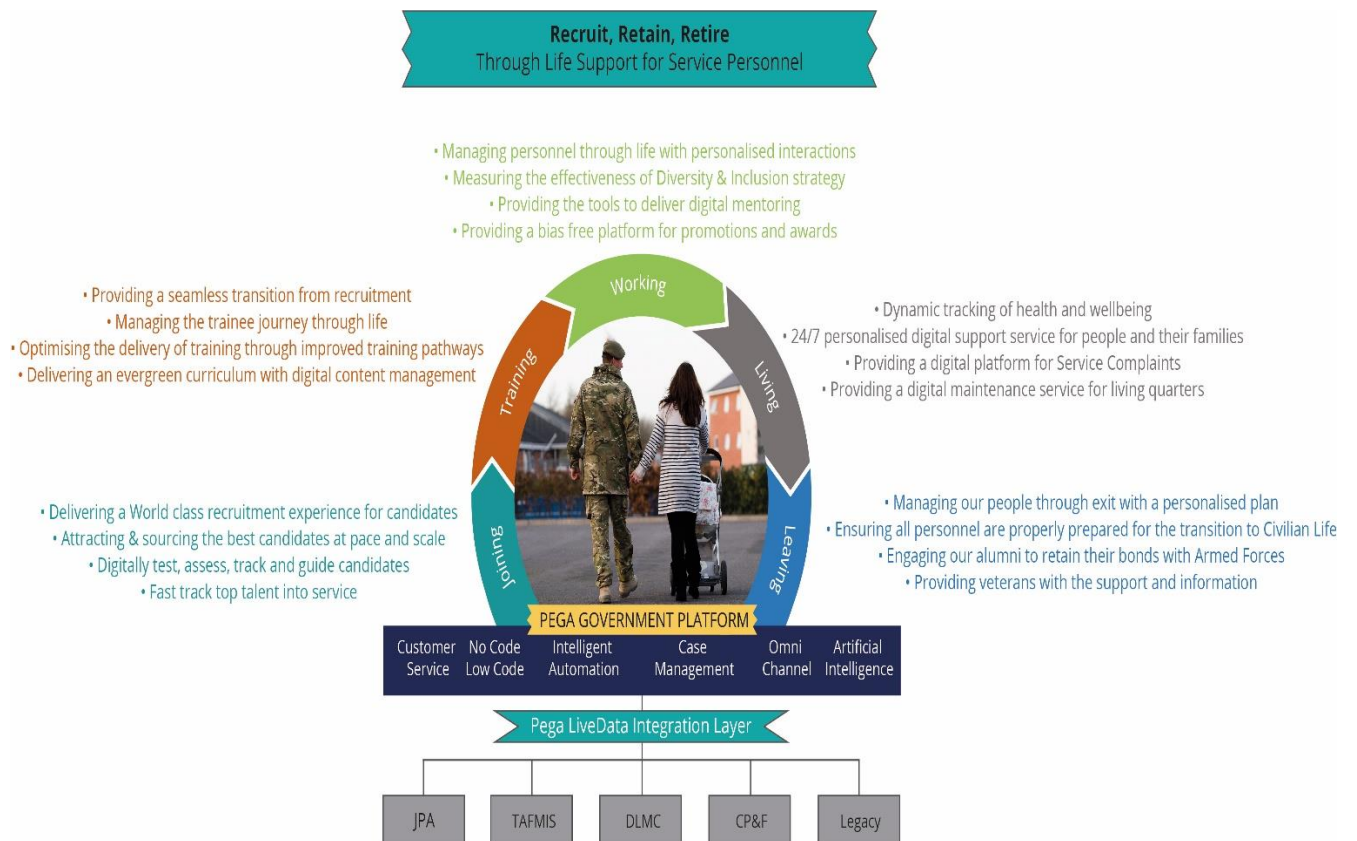
- A world class experience for service personnel who are provided with proactive and pre-emptive support that empowers their journey through life

- An HR fabric that provides a complete real-time view of service personnel that takes relevant personnel information from underlying legacy systems, and captures data to feed into data warehousing for analytics

- Enterprise scale automation of manual processes across the through life journey to significantly improve efficiency

- Effective feedback loops throughout the personnel landscape to enable agile fine tuning of processes and better decision making

RECRUIT, RETAIN, RETIRE

Solving the challenge of employee engagement requires a holistic approach to improve all aspects of service personnel. The Royal Navy and RAF has a unique opportunity to build upon the recruiting platform to provide a through life journey that:

- Recruits the right quantity, quality and mix of candidates

- Retains service personnel through better training, support and career management

- Retires service personnel in a way that supports them in their onward journey

EXAMPLE GRAPHIC BELOW … (Can this be improved ?)

Recruit, Retain, Retire
Through Life Support for Service Personnel

- Managing personnel through life with personalised interactions
- Measuring the effectiveness of Diversity & Inclusion strategy
- Providing the tools to deliver digital mentoring
- Providing a bias free platform for promotions and awards

Working

- Providing a seamless transition from recruitment
- Managing the trainee journey through life
- Optimising the delivery of training through improved training pathways
- Delivering an evergreen curriculum with digital content management

Training

- Dynamic tracking of health and wellbeing
- 24/7 personalised digital support service for people and their families
- Providing a digital platform for Service Complaints
- Providing a digital maintenance service for living quarters

Living

- Delivering a World class recruitment experience for candidates
- Attracting & sourcing the best candidates at pace and scale
- Digitally test, assess, track and guide candidates
- Fast track top talent into service

Joining

- Managing our people through exit with a personalised plan
- Ensuring all personnel are properly prepared for the transition to Civilian Life
- Engaging our alumni to retain their bonds with Armed Forces
- Providing veterans with the support and information

Leaving

PEGA GOVERNMENT PLATFORM

| Customer Service | No Code Low Code | Intelligent Automation | Case Management | Omni Channel | Artificial Intelligence |

Pega LiveData Integration Layer

| JPA | TAFMIS | DLMC | CP&F | Legacy |

Delivering this outcome requires efficient, optimised, and responsive services to be at the heart of digital HR transformation for the MoD. Nobody likes ineffective service experiences, driven by dated requirements, cemented in a variety of legacy systems and incoherent system interfaces. Yet these are still common for service personnel at all levels and stands in stark contrast to their digital experience as consumers and customers to industry. Winning the hearts and minds of users and evidencing progress is most visibly achieved by modernised support services, that resolve their questions and problems quickly and completely. By making every user interaction an opportunity to

demonstrate service excellence, Pega drives high levels of user satisfaction, increases motivation, and reduces the processing effort, freeing valuable time for more productive activities.

Pega's capability can orchestrate work and collate all relevant information from a variety of MoD information sources. This can then be made available at the correct point of any user interaction. The needs of the user are serviced with context-relevant information to ease the required workflow and deliver a positive experience. Additionally, users can be guided in their interactions to recommended best actions, derived either from a decision rule set or AI generated based on previous user interactions. In a personnel query with an HR expert, they would be serviced with all relevant data from the personnel and payment system, as well as supplementary information relevant to the interaction with the soldier. Suggestions for 'next best actions' guide towards a speedy and positive resolution of the query and offer suggestions for additional value-add interactions at this point of contact. The same principle is applied to a self-service capability, allowing service personnel to see the relevant information to guide them to a positive resolution of the query, resulting in a positive user experience.

With the rapid growth of accredited mobile devices, remote access to business functions through the Defence Gateway, and support for remote working, there are plenty of opportunities to empower service personnel wherever they are. However, most current business systems are designed for specific channels, typically a base MODNet UAD user and have disparate user interfaces. Extending the access to new, especially mobile, user communities creates technical and user experience challenges. Pega capability is designed to give users the same experience across different channels, creating an intermediate layer between the user and the legacy system and process through a 'Wrap & Renew' approach. By organising disjointed systems and processes into a case, you can provide a seamless user experience that guarantees good service no matter how users access the service. The same modernised process can radiate from the Center Out ™ to all communication channels. A user can start a case, such as demanding an item, on a disconnected mobile device and follow up later on a Common User Portal, via email, or even through an AI-powered chat function. The case centralises the communications into one record to ensure continuity of service and successful resolution of the original request.

THE MILITARY HR SYSTEM

The Military HR System has evolved to sustain a "flow" of personnel through a variety of roles and training across their service career; this flow often characterised as inflow, throughflow and outflow. The flow is managed using a variety of systems, with often different approaches taken at different stages in the overall process. Opportunity exists to streamline and cohere these systems; simplify them where possible; and ensure they are integrated to provide a seamless experience and the high quality of service that will be demanded by the service person – today and in the future.

Pega capability can be delivered as a **golden thread of digital HR fabric** throughout this HR system.

At its most simple level, the HR system needs to:

a. <u>Manage People Flow</u> – The system needs to ensure balance across the system and ensure smooth and effective delivery and movement of service people to the vast array of roles/positions across Defence. This flow and constant "matching" exercise is manifest in a stream of decision making based on 3 fundamental criteria:

    i. <u>Personal Capability</u> – This is characterised in a variety of ways and is currently under-review in the Pan-Defence Skills Framework. But, at its core it will include a range of characteristics (Knowledge, Skills, Attitude, Aptitude, Ability, Experience, Behaviours, etc) which can be tested, captured, and used in the "matching" decision making process(es).

    ii. <u>Fitness to Serve</u> – no more complicated than:

        <u>Physical Fitness</u> – the ability to be physically capable of the required military activity (e.g., firefighting, flying, or ground close combat).

        <u>Medical Fitness</u> – free from conditions or ailments that would impact on service or become burdensome in an operational environment.

        <u>Mental Fitness</u> – This will become more prominent, and is characterised as temperamental suitability, resilience, etc.

    iii. <u>Continued Availability</u> – This captures the individual choice to serve, as well as those instances where service is terminated (Medically or Discipline).

b. <u>Provide HR/People Services/Transactions</u> – This encompasses the totality of process, covering pay, leave & travel, medical/dental, sport, welfare, discipline, etc, which are all focused on the individual. And certain of these transactions impact on the criteria above and may require a decision that impacts on flow/matching.

RECRUITMENT

Effective recruitment of desirable candidates into the UK Armed Forces is a key pillar of your ongoing operational success, to continue to attract the brightest, most creative and diligent people you possibly can.

Competition for skills is intense and a never-ending contest against a backdrop of increased annual demand for trades, coupled with increasing diversity and complexity of specialisations. Today's digital age candidates demand a modern and seamless recruitment experience. To attract the best resources, the MoD will have to rely heavily on new ways of engaging, filtering, developing and counselling eligible candidates. This needs to be in an inclusive manner and in the way that today's workforce expects, absorbing them in a captivating journey using modern digital technologies whilst reducing the length of the recruiting process by 75%.

INSERT : Picture of Pega recruiting platform or RAF/RN Website

Pega is currently delivering a new recruiting platform for the Royal Navy and the Royal Air Force which will deliver in three tangible benefit categories; Experience, Efficiency and Effectiveness. Each category contributes to the outcome of achieving improved recruitment volumes and quality, within current resource funding, whilst reducing lifetime TCO:

1. Experience; All areas of transformation contribute to improving candidate and recruiter experience, especially addressing the issue of high dropout rates. A fundamental aim of this benefit category is to push the cost of failure (candidate dropout rate) to lower cost stages and increase successful throughput of promising candidates, reducing the cost per "Intake" candidate.

2. Efficiency; This centres on fully embracing automation, self-optimisation and the ability to gain service insight from all interactions, to dramatically reduce the overall lifecycle time and focus AFCO's effort on the highest value candidate interactions. This supports improvement of overall "Intake" within the constraint of current resource constraint and, the opportunity to cope with higher candidate numbers.

3. Effectiveness; The recruiting platform will transform the end to end recruitment process, improving the candidate experience and streamlining the recruitment process lifecycle facilitating higher throughput. Taking advantage of consistent, predictable and insightful process enables reliable and cost-effective planning of downstream functions such as induction and training events, which further extend the Navy and RAF's ability to increase candidate throughput, within current resourcing levels, ultimately leading to an improved "Intake" outcome.

ONBOARDING

Successfully hiring candidates with the right skills and ability pass through Phase 1 and 2 training is a key driver to reduce attrition. Ensuring a smooth transition into service life is therefore a priority and a natural progression from recruiting to on-boarding. Candidates that have come through the

recruiting process with a service offer will expect a continuation of the digital experience that they have previously encountered. Pega can enable the onward journey with a number of key deliverables:

- Automatically update JPA with the new recruit information

- Automate the process of booking onto Basic and Phase 1 Training courses

- Provide personalised instructions to new service personnel via mobile or other channels of access

INITIAL TRAINING

Effective training of new recruits is of primary importance to delivering UK military capability. To deliver that, a well-managed pipeline that can adjust dynamically to the turbulent world of training delivery is needed to produce the right number of new recruits with the right credentials at the right time to their operational commands. The Ministry of Defence is currently focused on improving the retention of service personnel by providing a range of methods to enhance their career experience. It is self-evident that delays in training delivery have a detrimental impact on the career experience and is thus likely to result in challenges in retaining expensive and highly skilled personnel. Training fulfils an important role in laying down a foundation for the future, and we therefore recognise that providing an inclusive experience for trainees will enhance their overall wellbeing during training.

It is therefore imperative to have a highly effective and efficient Training pipeline management function. Pega's capabilities are an essential ingredient for that function, transforming working practices to become pre-emptive. This will resolve prioritisation, scheduling and sequencing issues before they arise, and provides real-time situational awareness for Front Line Commands, administrators, providers and trainees alike.

A major benefit of a closely connected journey through recruiting and into training is the potential to deliver feedback loops. A through life journey that captures recruiting and training data from day one, enables the MoD to work back from its Workforce demand, model that against its Training capacity, and in turn model that back through its Recruiting pipeline. Pega's Intelligent Automation capability can enable dynamic changes to ripple through the feedback loop to deliver effective changes to the flow of personnel.

GRAPHIC EXPLAINING **THE FEEDBACK LOOP**

SKILLS AND EXPERIENCE MANAGEMENT

At present, few understand the skills held by an individual and work is required to repackage competence, which needs to move from courses completed to skills held. There is also a view that people's skills are not tracked or utilised properly, and there is little forward view of what skills are needed for the future. Not having the right people with the right skills effects the balance of workload.

The MoD is fast becoming an organisation with a highly skilled and agile workforce, but in order to identify candidates that are capable of moving into different roles and developing their careers it is important to understand personal capability for which aptitude is a core facet. A standard way of testing for aptitude needs to be in place across the MoD. Over the past few years the MoD has used a number of different testing capabilities. Recently, the capability that the RAF Recruitment & Selection team has developed with Pega, is capable of testing new recruit candidates and deriving an aptitude score which can be used to counsel them into potential roles. As the same test can be delivered to existing personnel it certainly makes sense to have one assessment capability for both scenarios. A 'single front door' will provide a comprehensive assessment of an individual's aptitude for training and career development, and a quantitative performance score that will enable subsequent career management decisions to be informed.

The origins of Pega's testing solution lie in the Digitised Testing and Candidate Allocation (DTCA) solution which was first developed with the RAF in 2019. The initial aim was to digitise the Airman Selection Test (AST), but the scope expanded to include the ability to match the candidate test scores with the trade in which they were most likely to succeed in as a career path. This enables an informed conversation between AFCO and candidate as to the candidate's career aspirations, their eligibility (aptitude) for certain trades, and available training dates.

The AST is fully digitised and linked to candidate profiles. The application enables a recruiter to access all parts of aptitude scoring immediately following the completion of a test. The current process of paper/acetate, testing/scoring, could now be replaced and this removes around 4 hours of overhead per recruiter. In addition, this enables multiple tests to be conducted per day, or, that the test could be delivered to a single person at a time in an interview room or other locations, or, that the test could even be conducted remotely over the Internet.

The application allows the AST and candidate profile to link to the priority trades within the IRB, which can be updated dynamically by Rec Ops, so that, post the test, the candidate and the recruiter can be presented with a targeted list of trades available, all with links to the current Trade Information Leaflets (TILs) and RAF Recruiting videos that can be interacted with live via an appropriate device (currently iPads).

From a conceptual basis, Pega's testing capability could be extended to meet the demands of assessing KSA and therefore play firmly into the future Pan Defence Skills Framework. Our vision is for a common platform that can be used across the three services to deliver comprehensive assessments that are actionable with automated forward paths of activity. This will provide a function that improves the experience for service personnel, reduces the manual demand currently associated with assessments, and remove bias from the process. By way of a reference point, Pega has already adapted the core Digital Aptitude Assessment for Strategic Command to use as a tool to measure service personnel aptitude for a career in cyber warfare.

CAREER MANAGEMENT, PROGRESSION AND PERFORMANCE

At its core career management is the mechanism to deliver the constant assessment and matching exercise outlined above. It is presently people intensive and would benefit from automation and the use of AI in decision support. It is about moving people through their service career, ensuring: the service need is met; individual preferences are satisfied; the individual is developed for progression; and that there is a suitable return on the investment made.

Many decisions are measured and cyclical in nature, largely shaped by the needs for progression (and the associated move into Training) or retirement/discharge – this is the natural flow within the system driven by its macro characteristics, such as average length of service. But this structured decision making is impacted by the need for immediate change, driven largely by changes to medical fitness (pregnancy, injury, etc) and continued availability of the individual (e.g., impacted by discipline).

At present, career managers do not get a consistent view of and individual's skills development, nor does an individual get a view of what is required to progress, the promotion process lacks transparency, and the pace of progression is variable which causes inconsistency

Pega has already delivered this capability in RAF Recruitment & Selection, in which new candidates are tested and then matched against available trades for which they are predicted to pass Phase 2 training. This automated capability could easily be delivered to meet the requirements of automation and decision support in a unified career management process. In turn, this could deliver huge efficiency savings across the Armed Forces and deliver an effective way of improving the decisions necessary for managing the careers of service personnel.

Progression

There are 3 dimensions of career progression within the Armed Forces that Pega can deliver improvements:

> Promotion (Vertical Progression) – this requires a decision on suitability for the higher rank, and a degree of competition with others – those who merit it most being progressed.

> Specialisation (Depth Progression) – this is where an individual becomes a specialist in their field and this can shape a sequence of assignment decisions made by a Career Manager (i.e. Instructor roles, follow roles as a practitioner).

> Branch/Service Changes (Horizontal Progression) – this is where an individual chooses to change branch/service (i.e. PTI, Service Police, Cyber).

There are also huge parallels between the recruiting process that Pega is delivering within the RITS programme and the management of career progression. At its heart, progression is a process that identifies where an individual is in their career journey, an assessment of their current ability matched against where they could progress, and ultimately making a decision on their progression. By delivering this as a supportive digital service for career managers and service personnel alike, it would significantly improve efficiency, deliver bias free decision making, and improve the retention of service personnel by giving them a pathway for future growth.

Performance

The system of performance assessment is used to shape development and inform progression decisions in all 3 directions.

As previously described, Pega has already delivered an engine to assess recruiting candidates and also service personnel's aptitude to perform a role. This could be extended to assess an individual's suitability to progress to the next point in their career. By automating the process and incorporating decisioning rules, Pega will enable the Armed Forces to achieve significant efficiencies and drive bias out of this process.

From an MoD-wide perspective, Pega could use the skills bank being delivered by the Pan Defence Skills Framework as a set of benchmarks against which service personnel could be measured in their ongoing performance. For example, with a goal setting and achievement process, the MoD could provide transparency for both career managers and service personnel on their levels of achievement. A portal could be used as a central area from which career managers and service personnel could track performance against target and suitability for progression.

WELLBEING, DIVERSITY AND INCLUSION

One of the key factors in the drive to improve retention within the Armed Forces is to ensure that service personnel are happy in the roles that they perform and that their families are well supported. Wellbeing is a broad church, encompassing everything from fixing a broken boiler to counselling through bereavement. Whilst this is largely a human activity, it can be underpinned by digital capability to manage requests to completion and to provide contextual information support. Pega's vision is to provide a personalised digital support service for people and their families.

The MoD could use Pega Customer Service capability to provide HR support at scale with round the clock access to answers and knowledge for service personnel that is personalised and easy to use. Interactions could be integrated with JPA creating a single source of knowledge, accessible through a single pane of glass. MoD HR support staff would also have the tools to provide a more effective service to service personnel such as; personnel information, cases in flight, key insights, services provisioned etc) and the tools they need to proactively respond to cases across any channel. Pega's world class case management capability enables HR support staff to more effectively manage incidents, problems, and requests. Reducing response times and handling support service tasks more efficiently will ultimately lead to an improved lived experience for service personnel, which is a key indicator for retention.

Diversity and Inclusion

The MoD has set ambitious targets to improve the level of diversity and inclusion within the Armed Forces. One of the key performance indicators is that number of Female and BAME candidates that are recruited into service. Pega has recognised the importance of this and has the capability to deliver ethical bias checking within the RITS application being rolled out by the RN/RAF. This capability will enable the RN/RAF to build alerts into the application to signify when they are underperforming in a given period.

At present, the process for serving or former members of the UK armed forces to make a complaint if they feel they have been wronged is a highly manual paper based process. Managing complex cases from complaint to completion is a core capability that Pega can deliver for the Armed Forces. In addition, the ability to manage the document flow through the process and the integration into other systems of record such as HR, make Pega a logical choice to deliver transformation in a much needed area of service life. As a reference point, Her Majesty's Revenue and Customs (HMRC) uses Pega as their core case management solution for tax investigators.

EXIT MANAGEMENT

Streamlining service personnel separation process is a ripe target for automation and improvements in user experience. Pega can easily automate the processes and document employee termination of employment whether through retirement, discharge or specialised transition. The MoD process can be automated for all specific separation activities and procedures such as transitioning from JPA to the Veterans Agency, end of service medical, kit return and valediction.

Pega can also managing service personnel through exit with a personalised plan. Using capability already delivered in the "Know Your Role" function of the RN/RAF recruiting system, this could easily be adapted to provide exiting service personnel with a single information area for all their requirements during the exit process.

SUMMARY

Building on the foundation of digital HR transformation that Pega is delivering in military recruiting for the RN/RAF, the MoD is ideally placed to create a **golden thread of digital HR fabric** throughout the hire to retire lifecycle, automating manual processes to deliver massive efficiencies, removing layers of complexity and improving decision making and employee engagement.

The most valuable lesson learnt from Pega's foundational engagement in RN/RAF recruiting is that moving away from the ponderous analysis of business problems to take action to deliver an agile project can significantly accelerate the benefits required from HR transformation.