DRMI Program Mission

Established in 1965, DRMI’s mission is to enhance the effective allocation and use of scarce resources in modern defense organizations by developing participants’ analytical decision-making skills. DRMI faculty teach key concepts in management, economics and quantitative reasoning. In addition, the DRMI curriculum uses real-world cases in contexts that include contemporary issues.

Send Us Your News!

Get promoted? Change jobs? We want to hear from you! Stay connected with DRMI by sending us your news and making sure we have your current email address. When a new newsletter becomes available, we’ll send you an email with a newsletter link so you can keep in touch with your classmates and stay informed on the latest with DRMI. Send your news to drmiadmin@nps.edu.

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Musings from Francois Melese

DRMI received a special letter last month from a distinguished alumnus, Michel Suleiman, the President of Lebanon. He writes:

“I hope that our [continued] constructive cooperation […] would enhance the capability of the military institutions in Lebanon […] preserving sovereignty and security.”

This nicely captures the spirit of DRMI’s engagements with our partners and allies. Since 1965 DRMI has had the vital responsibility to make human capital investments in our domestic defense managers and foreign partners to help build and support more efficient and effective defense institutions. The greater the pressure on defense budgets, the greater the value of economic and financial tools presented in the classroom and applied in collaboration with colleagues in MoDs around the world. Since offering its first course in 1965, DRMI has helped nearly 35,000 military and civilian defense professionals from the U.S. and over 165 partner nations make better use of defense resources.

U.S. Department of Defense (DoD) policy states “that the DRMI shall:”

4.1 “Conduct resources management courses that enhance the understanding, competence, and capabilities of U.S. military and civilian personnel involved in the development, operation or maintenance of DoD and other Government management systems.”

4.2 “Provide such courses for foreign countries and international agencies as may be

Resident Programs

DRMI holds first resident course of 2012

DRMI faculty and staff launched the first of five Defense Resources Management Courses (DRMCs) on 8 January with a social gathering of faculty, staff and participants. The class included 22 participants from seven countries (12 from Armenia, Croatia, Germany, Jordan, Saudi Arabia, Ukraine, and 10 from the U.S.). The reception provided an opportunity for all to learn a little about each other and begin building lasting bonds of common expertise and friendship, both goals of our courses. On 9 January, Executive Director Francois Melese officially opened the four-week course, providing information on current defense resources management issues. On 3 February, Dr. Melese provided closing remarks and presided over the course graduation.

International Defense Management Course (IDMC) 12-1

IDMC commences

DRMI Executive Director Francois Melese officially opened International Defense Management Course (IDMC) 12-1 on 5 February with a brunch and welcoming remarks from Professor Jim Wirtz, Dean of the School of International Graduate Studies, NPS. Twenty-seven participants from 17 countries attending the course heard Dr. Melese’s remarks on defense management challenges then played an all-day military planning game designed to introduce key concepts of the course. DRMI faculty and staff hold two IDMCs per year; the second will begin in late September.

Participants enjoy Field Studies Program

After a hectic first week of classes and in-processing activities, IDMC 12-1 participants enjoyed several social activities as part of the DRMI Field Studies Program (FSP). On the 10 February the participants spent the afternoon at the Monterey Lanes bowling alley where they enjoyed a Mexican lunch, socialized with faculty, staff members and fellow participants, and got a little competitive on the lanes, trying to outscore others, especially DRMI faculty members. On 11 February the participants and their family members toured the Monterey Peninsula. They heard excellent narrations of the history of California and Monterey by two very experienced tour guides and visited the Monterey Police and Fire Departments, Cannery Row, Carmel by the Sea, and Big Sur. Finally, on the evening of 13 February the participants met in the Herrmann Hall Quarterdeck with several U.S. officers from the Foreign Area Officers - Cultural Ambassador Program (FAO-CAP). The FAO cultural ambassadors sponsor IDMC participants from the countries to which they will be assigned after completing their programs of study at DLI or NPS. The FAO-CAP program helps create close, long-lasting friendships between U.S. and international military officials, an important FSP goal, benefitting both the U.S. and the nations represented.

Participants present country security perspectives

Participants in the IDMC 12-1 course presented perspectives on security in their
Resident Programs (cont.)

countries on several different dates. On 23 February, the class leader, Brigadier General Aboui Arok Deng Achouth, from South Sudan, discussed the problems facing a new country that has poorly defined borders and valuable oil resources. He was followed by representatives from Armenia (efforts to enhance interoperability with NATO) and Indonesia (problems with controlling smuggling and terrorism in a county with a huge maritime area). On 27 February, participants from Saudi Arabia, Bangladesh and Tunisia presented their issues. At press time, the remaining class members are preparing to make their presentations on 9 and 12 March. Upon concluding their presentations, the participants leave for a field trip to Washington D.C. on 13 March, where they will tour the Library of Congress, the Capitol, DC Monuments, Jamestown, and Colonial Williamsburg, visit with an official from the Office of the Under Secretary of Defense, see the 9/11 Pentagon Memorial, and have the opportunity to tour the Arlington Cemetery the Udvar-Hazy Air & Space Museum.

Defense Language Institute holds reception for participants

The IDMC 12-1 participants attended an embassy reception at the Defense Language Institute (DLI) where FAOs from DLI had the opportunity to practice their language skills and to introduce the participants to their commanding officers and senior faculty from the school. Along with senior officials from DLI, former U.S. Ambassador David Laurence Lyon attended.

Mobile Programs

DRMI supports Kyrgyzstan’s efforts to manage defense resources

Senior Lecturer Allan Polley and Assistant Professor Laura Armey conducted DRMI’s sixth workshop in Bishkek, Kyrgyz Republic, 23-27 January 2012. In the workshop, funded by the Defense Institution Building-Warsaw Initiative Fund, Mr. Polley and Dr. Armey supported the Kyrgyz attendees in thinking about key criteria to be considered when allocating scarce defense resources—costs, capabilities, risk and time. Workshop participants did several case studies that required them to evaluate and apply the criteria to choices among alternatives for a specific goal, as well as to choices among competing goals. The end of the week came too soon for all and DRMI faculty eagerly await the next opportunity to work with the Kyrgyz MoD, Border Troops and Interior Forces.

DRMI faculty provide support to Armenian MoD

The week of 30 January, Professor CJ LaCivita and Associate Professor Robert McNab supported officials from the Armenian Ministry of Defense (MoD) in their planning and implementation of resources management systems. In partnership with the Geneva Centre for the Democratic Control of the Armed Forces, Drs. McNab and LaCivita helped the Armenians improve their planning, programming, and budgeting, specifically addressing practical issues associated with linking defense plans and programs and the role of national policy in determining defense goals and objectives. Drawing upon publicly available budgets, Drs. McNab and LaCivita engaged the Armenians in making recommendations on improving their defense reform efforts. The work, sponsored by the Defense Institution Building program, aims to improve the capacity of the Armenian Ministry of Defense to efficiently and effectively manage scarce defense resources.
Musings from Francois Melese (cont.)

requested [...] on the basis of benefit to the U.S. Government [...]” [DoDI 5010.35].

DRMI faculty employ team teaching and a case study approach to leverage the expertise of its multi-disciplinary NPS faculty. DRMI faculty write all course materials, receiving guidance from experts and leaders in their fields; for example, DRMI faculty recently designed and delivered in Jordan the newest course in our portfolio, Human Capital Resources Management.

In addition to conducting courses, DRMI's policy guidance specifies three other key activities: conducting and disseminating research; providing consultant services to DoD components; and providing consultant services to foreign governments subject to appropriate approval [DoDI 5010.35]. DRMI's 20 full-time faculty and four military lecturers from each military service actively engage in each of these activities.

As U.S. military leaders restructure commitments to adapt to new funding realities, the importance of good governance and strong partnerships will grow. The core economic, management and financial tools taught at DRMI provide a powerful framework and universal language to help coordinate security activities and build a more peaceful and prosperous future. In this challenging environment, DRMI graduates can draw upon tools and techniques learned in courses and applied in carefully designed problems and case studies to improve the efficiency and effectiveness of defense organizations.

A description of DRMI's courses, workshops, research, and advisory activities can be found in this newsletter and at www.nps.edu/drmi. Please tell your friends about these great opportunities, and send us your news so we can share it with your colleagues around the world.

Best wishes, Francois ■


Research and Publications

DRMI faculty contribute, edit book

Assistant Professor Jomana Amara and Dr. Ann Hendricks of the U.S. Department of Veterans Affairs edited a volume titled, Military medical care: From predeployment to post-separation, which is in press with Routledge Publishers. Associate Professors Natalie Webb and Anke Richter contributed a chapter titled, "Evolution in Optimal Use of Navy Hospital Ships" to the book.

Amara presents research at peacekeeping conference

Assistant Professor Jomana Amara attended the 7th Annual Peacekeeping, Reconstruction, and Stabilization Conference held in Alexandria, Virginia on 7-9 February. The theme of the conference this year was transitioning from states of conflict and disaster to states of security. Dr. Amara gave a talk titled “Progressing reconstruction efforts,” detailing the steps the development community should follow to ensure an effective transition from conflict to peace. The talk stressed that recurring civil wars have become a dominant form of armed conflict in the world today and that post conflict reconstruction is not normal economic development. In addition to economic development, reconstruction and stabilization entail a process of ensuring security and advancing political and social reconciliation.

Hansen reviews water research

Assistant Professor Jason Hansen attended the annual meeting of the American Economic Association (AEA), part of the Allied Social Sciences Association annual meetings held in Chicago early in January. Water researchers who participated in the conference invited Dr. Hansen to review and discuss an article on groundwater modeling in the Snake River Plain of Eastern Idaho. Additionally, he received requests from editors at the Hydrogeology Journal and Water Resources Research to review research articles.

Lipow publishes articles

Associate Professor Jonathan Lipow and Dr. Peter Berck of UC Berkeley had a paper accepted for publication in Applied Economics Letters. The paper, entitled “Trade, tariffs, and terrorism,” considers whether trade barriers such as tariffs can play a positive role in counter-insurgency efforts.

Dr. Lipow also presented a paper co-authored with Dr. Berck titled, “Beyond tax smoothing,” at the AEA meetings in Chicago on 8 January.

Lipow and Simon publish on military reserves

Associate Professor Jonathan Lipow and Assistant Professor Jay Simon published a paper entitled, “Military reserves and social welfare” in Economics Letters 113(3) 208-210.

McNab to attend Pacific Command Science and Technology conference

At press time, Associate Professor Robert McNab, in his role with the Global Public Policy Academic Group (GPPAG), and Dr. Mie Augier, GPPAG, are preparing to present a seminar at the Pacific Command Science and Technology conference late in March. Drs. Augier and McNab will chair an all-day session titled, “The strategic challenge of China.” Panelists from DoD, NATO, and RAND will discuss developments in US-China relations and whether the current environment is characterized by cooperation or conflict.
Richter has article published

Associate Professor Anke Richter’s article entitled “Dispensing Mass Prophylaxis—The search for the perfect solution,” which discusses potential solutions and pros and cons for mass prophylaxis in large urban areas appeared in the Homeland Security Affairs Journal this February. It is available at www.hsaj.org in Volume VIII.

Sullivan publishes public finance paper


Webb publishes social change paper and submits paper to conference


Dr. Webb and Mr. Armando Suppa, visiting scholar at DRMI, submitted a manuscript titled, “Managing performance in the defense field: Cases of the Italian Army and US Navy Surface Warfare Enterprise” for review at the 13th Organizational Structure conference, University of Verona, Italy, May 2012.

Faculty and Staff News

Andin joins DRMI faculty

Lt Col (Ret) José Andin, formerly the active duty U.S. Air Force officer assigned to the faculty in July 2009, retired in Jan 2012 and joins DRMI as a civilian lecturer. Lt Col Andin brings expertise in financial management, comptrollership, and strategic planning. He earned his BA in International Studies from the University of South Carolina (1990), his MA in Human Relations from the University of Oklahoma (2004), and his Master of Military Operational Art and Science (2006) from the USAF Air Command and Staff College. DRMI faculty and staff are pleased to welcome José back to DRMI!

Angelis Teaches in Systems Engineering

Associate Professor Diana Angelis taught two courses in the Systems Engineering department during the spring quarter. In the first course, Engineering Economics and Cost Estimation, Dr. Angelis introduced students to the cost aspects of systems engineering. Dr. Angelis explored cost from a decision making perspective, examining how cost is used to select alternatives and how the cost of systems can be measured. Topics covered included economic analysis, cost behavior, cost allocation, system cost, life-cycle costs, cost over time, cost estimating techniques, cost uncertainty, and risk management. In the second course, Fundamentals of Engineering Project Management, Dr. Angelis covered the principles, methods and tools needed for managing engineering projects using a systems approach. Dr. Angelis was part of a team of four Systems Engineering faculty who presented three sections of this course to 68 resident students.

Angelis Attends Cost Analysis Symposium

Associate Professor Diana Angelis attended the Department of Defense Cost Analysis Symposium held in Williamsburg, VA 15-17 Feb 2012. The annual symposium brings together practitioners from across industry and the military as well as academia to share new ideas and best practices in cost estimating and analysis. The theme for this year’s meeting was “Cost Analysis and the Downturn,” and included four concurrent sessions:

- The New Budget Environment: a series of presentations from noted professionals on the effects of Federal budget reductions on the National Security Complex and the Department of Defense.
- Tools and Data: an in-depth look at the tools and data available to the cost community.
- Operating and Support Costs: an in-depth look at using operating and support costs to make decisions.

Dr. Angelis focused her attention on the Tools and Data presentations with the goal of improving the cost estimating materials available to DRMI and NPS students.

Costain retirement party

As noted in our last newsletter, Phil Costain retired from DRMI at the end of 2011. Faculty and staff celebrated his retirement on Thursday, March 1, with a lunch reception at DRMI. We wish Phil and his wife, Marcela, all the best.

McNab teaches in GPPAG

Associate Professor Robert McNab recently completed instruction in GP 3300: Introduction to Analytic Methods for the Global Pub-
lic Policy Academic Group. GP 3300 is one of three courses that make up the graduate certificate in Stability, Security, and Development in Complex Operations. The graduate certificate is an intensive ten-week course of study culminating in a four-week in-residence session at NPS.

McNab and Simon lead recruiting committees

Associate Professors Robert McNab and Natalie Webb, along with other faculty of DRMI with economics backgrounds, reviewed more than 80 applications for a tenure-track position with DRMI. Dr. McNab led the recruiting team in interviewing 14 candidates at the Allied Social Science Association meetings in Chicago in January 2012 which led to three candidates being invited to present their research at DRMI in February 2012.

Assistant Professor Jay Simon, along with other faculty of DRMI with decision science backgrounds, reviewed more than 20 applications for a tenure-track position with DRMI. Dr. Simon led the recruiting team at the INFORMS 2011 annual meeting in Charlotte, North Carolina in November which resulted in three candidates being invited to present their research in February.

Melese, Polley attend European Strategy Conference

The ESC provides an annual forum for the exchange of strategic visions for the European theater. This year conference attendees focused on the near and long term implications of reductions in US defense spending, the European Union’s financial woes, the Arab Spring, and changing operational demands on US and European forces as a result of withdrawal from Iraq, reductions in Afghanistan, and the new Secretary of Defense Strategic Guidance.

One purpose of the ESC is to help leaders coordinate and integrate disparate security cooperation activities to achieve the greatest good with the limited resources available. DRMI faculty discuss this challenge in all DRMI courses—how to make tradeoffs among competing goals and objectives. To that end, conference attendees clarified priorities and objectives set by Admiral James Stavridis (Commander, EUCOM), and reviewed country cooperation plans’ consistency with the overall theater campaign plan.

Based on the discussions held during this conference, Mr. Polley believes that DRMI will support a number of Defense Institution Building activities in the Balkans and Caucasus in the next few years. Specifics vary by country, but recurring themes are defense personnel system reform and financial management system reform.

He notes that it was particularly gratifying to hear RDML Mark Montgomery (Deputy Director, Plans, Policy and Strategy, EUCOM J-5) mention DRMI during regional breakout sessions as well as in his closing comments. DRMI appreciates his support and is eager to support the EUCOM security cooperation effort.

Orsburn facilitates exercise

During the week of 27 February, Ms. Charlie Orsburn facilitated the BaFa BaFa simulation, evaluation, debriefing and needs assessment for U.S. captains, majors, lieutenant colonels and colonels at Fort Leavenworth Kansas as part of the U.S. Army Command and General Staff College Functional Area (FA) 30 Qualification Course. BaFa BaFa, designed to teach sensitivity to cultural differences, provides participants the opportunity to examine the effect that values, norms and behaviors have on cross-cultural interactions. The assessment challenges participants to examine their own cultural perceptions by acting as members of imaginary cultures. The FA course prepares information operations officers to learn how to influence target audiences to change or modify their behavior and also how to integrate the informational messages and talking points across the staff.

These officers are responsible for preparing their commanders and other staff members for contact with foreign nationals. Ms. Orsburn is scheduled to return for the next course in the fall of 2012.

Orsburn, McNab part of team discussing cross-cultural communications

Ms. Charlie Orsburn, Associate Professor Robert McNab, LTC Jason Weece and LCDR Jay Furman (FAO-CAP) met with Admiral Sinclair M. Harris on 8 March to discuss the importance of cross-cultural communications to his new command at U.S. Fourth Fleet, Mayport, Florida.

Regnier visits the Joint Interagency Task Force

Associate Professor Eva Regnier visited the Joint Interagency Task Force South in Key West, FL, 23-27 January, to learn about the Task Force’s asset allocation decision process for allocating counter-drug detection and monitoring assets. Dr. Regnier’s work, part of an Office of Naval Research funded project, contributes to the project research on methods that provide decision support for agile command decision-making.

Richter attends NATO conferences

During the week of 23 January, Associate Professor Anke Richter attended a NATO
Future Course Dates

Tentative Resident Course Schedule
For Remainder of 2012

- **2 Apr - 6 Apr**
  Performance Management and Budgeting
- **9 Apr - 20 Apr**
  Risk Management Course
- **23 Apr – 17 May**
  Defense Resources Management Course
- **21 May – 15 Jun**
  Defense Resources Management Course
- **25 Jun – 20 Jul**
  43rd Senior Defense Management Course
- **23 Jul – 16 Aug**
  Defense Resources Management Course
- **20 Aug - 31 Aug**
  Multiple Criteria Decision Making Course
- **20 Aug – 14 Sep**
  Defense Resources Management Course
- **17 Sep - 26 Sep**
  Budget Preparation, Execution and Accountability Course
- **24 Sep – 7 Dec**
  International Defense Management Course
- **22 Oct – 2 Nov**
  Multiple Criteria Decision Making Course

Faculty and Staff News (cont.)

Building Integrity (BI) workshop in Brussels, Belgium. Subject matter experts invited to the workshop focused on developing a strategic overview of courses and establishing an equivalent of the academic associate position and curriculum committee for NATO, a voluntary multinational organization. Dr. Richter returned to Belgium 19-23 February to continue this work, the end result of which is the NATO Building Integrity Strategic Education and Training Plan that will be presented to nations before the NATO Chicago Summit in May 2012. The plan focuses on coordinating and unifying efforts at the political-military, strategic, operational and tactical levels.

The plan supports the Building Integrity Initiative, launched within the Euro-Atlantic Partnership Council (EAPC) in November 2007. The BI Initiative has become an integral part of NATO’s partnership program, open to NATO allies and PIP, Mediterranean Dialogue, Istanbul Cooperation Initiative and other partners across the globe. Heads of state and government have endorsed on-going efforts to develop national capacity through NATO BI tools and have supported two aims of the BI Initiative: First, NATO personnel and partners will develop an understanding of corruption and its impact on NATO-led operations and will devise means to address this threat. Second, NATO personnel and partners will provide practical support to help nations develop “smart” institutions and to enhance nation capabilities in key areas set out in the Partnership Action Plan for Defence Institution Building. This includes providing tailored support to promote good practice and enhance institutional capabilities.

DRMI faculty attend research conference

Five DRMI faculty members attended the annual meeting of the American Economic Association (AEA), part of the Allied Social Sciences Association annual meetings held in Chicago early in January. Assistant Professors Laura Armenty, Jason Hansen and Ryan Sullivan, and Associate Professors Jonathan Lipow and Robert McNab attended conference sessions, presented and reviewed research, and interviewed job candidates for a position at DRMI. The conference attracts thousands of economists from across the U.S. and other countries. Its size, and the diversity of the audience it attracts, makes the meeting a convenient opportunity to conduct interviews, collaborate on research, and network with researchers from other universities. Next year the conference will convene in San Diego in early January.

Participant News

In November 2011, former DRMI participant Amos Skosana from South Africa (DRMC 11-5 and MIDMC 02-11 in South Africa) was promoted within the logistic support formation as the director of product system support. In his email to Charlie Orsburn, he writes to thank DRMI faculty and staff for their help and for their foresight in referring to him as “general” before the title came to him. He says the knowledge he accumulated while at DRMI will be used effectively in his new position. We congratulate General Skosana.
Recent DRMI Graduates

DRMI congratulates recent graduates!

![Class Photo: DRMC 12-1](image)

Additional Articles

GWOT Medals awarded to DRMI faculty

Adapted from an article by Kate Oliver, Director of Strategic Communications, NPS School of International Graduate Studies

Six DRMI faculty members from the School of International Graduate Studies (SIGS) were among NPS faculty who received the Defense Civilian Medal for the Global War on Terrorism (GWOT). DoD leadership bestows the award on civilian Department of Defense employees who have worked in a region impacted by GWOT operations.

Associate Professor Diana Angelis, Assistant Professor Jomana Amara, Senior Lecturers Stephen Hurst and Allan Polley, and Lecturers Mark Hladky and Luis Morales, spent time in a number of different countries, including Iraq, Jordan, Tajikistan, Egypt, Colombia, Kazakhstan and Sierra Leone.

Dr. Amara spent time in GWOT countries conducting academic research. “Being in the field allows us great liberty in research; we can collect data that would not be available otherwise, and we can ask the research questions that would have been impossible to answer if we are sitting in the office,” said Amara, who has worked extensively in Jordan. “As a researcher, being closer to the data allows for better questions to be asked, and I hope it makes for a richer product.”

The other five DRMI faculty members participated in educational programs with partner nations, focusing on teaching professional education programs in analytical decision making and resources management.

“One of the keys to success of DRMI’s resources management workshops in Iraq was building strong and lasting relationships with various Iraqi security ministries and in particular the Ministry of Interior,” said Morales. “Since these workshops were funded by the U.S., conducting them in Iraq gave the U.S. more ‘bang for the buck’ by significantly increasing the number of Iraqi personnel who could attend the workshops, reducing the unit cost of teaching best practices on resources management to Iraqi participants.”

Polley concurred with Morales: “It was not critical that I or anyone else [working with me] conduct classes in the various countries I have visited. It was mostly a practical matter. It is cheaper to send one or two faculty to a distant site than to bring ten to twenty participants to Monterey, and we can make use of local interpreters to communicate with people.”

The leadership at SIGS is proud of its faculty members’ commitment to service.

“Academics are often viewed as removed from the real world, preoccupied with esoteric research. This couldn’t be farther from the truth at SIGS,” said Jim Wirtz, Dean of SIGS. “Our faculty analyze current and looming threats and identify solutions that promote global security. I am proud of the real-world research and instruction that SIGS faculty carry out on a daily basis.”