



# Future-ready forces — Tackling defence workforce challenges in a changing world



# Rethinking defence workforce strategy

Defence organisations worldwide are under increasing pressure to deliver more amid shifting threats, disruptive technologies and a rapidly evolving workforce.

We see three interconnected workforce challenges: attracting and retaining talent, rapidly building new capabilities and harnessing AI to transform operating models. Addressing these challenges demands cultural change, workforce innovation and bold leadership.

The defence context is changing fast. Conversations about workforce concerns are now taking place across multiple capitals and democracies with professional, non-conscription-based militaries. As technological disruption accelerates, global threats evolve and expectations around service shift, defence organisations face unprecedented workforce pressures.

Many are being asked to do more at greater speed with uncertain budgets. This jeopardises operational readiness and strategic advantage at a time when long-held assumptions are being replaced by new and often uncomfortable realities.

This publication explores how defence organisations can respond to these challenges — it highlights practical strategies, emerging innovations and leadership approaches that can help shape a resilient and future-ready workforce.



## Challenge 1:

### Attracting and retaining talent

Defence forces frequently rely on complex platforms to operate in hostile environments at great distances. To deliver complex effects, they require deep specialists in their operation and maintenance.

These deep specialists develop skills that make them attractive in the private sector. When competing for these scarce resources, the defence organisation value proposition has stagnated, failing to meet the needs of the emerging new-generational workforce. The defence service member value proposition has not changed quickly enough in line with the expectations of top talent for them to remain.

Measures to tackle growing service member attrition are being executed. In Poland, the government announced pay hikes of about 20% to retain military personnel. Croatia is mulling bringing back conscription. Denmark plans to expand conscription to include women. Germany scrapped conscription in 2011, but with many in the military ageing out of service there is renewed discussion about some kind of national service system being reintroduced. A programme suggested by the UK government to promote 1 year of military experience as a 'gap year' opportunity sought to increase capacity, albeit in the short term, in anticipation that some will stay.

There is a common theme that for countries relying on professional militaries, the challenge is to make the armed forces attractive. This is difficult to do in times of low unemployment, fierce competition from the private sector and with widespread flexible and remote working.

## **What needs to be different? – Enhance workforce experience**

Given seismic shifts in ways of working and complex employee expectations, defence forces need to re-evaluate their member value proposition and what it has to offer a modern workforce. This means articulating exactly what it means to join the defence sector, including delivering on expectations of the day-to-day culture and working experience.

Developing people's individual agency, the culture in which they work, the tools they have available to them and their ability to combine work with their lives are key drivers of overall experience.

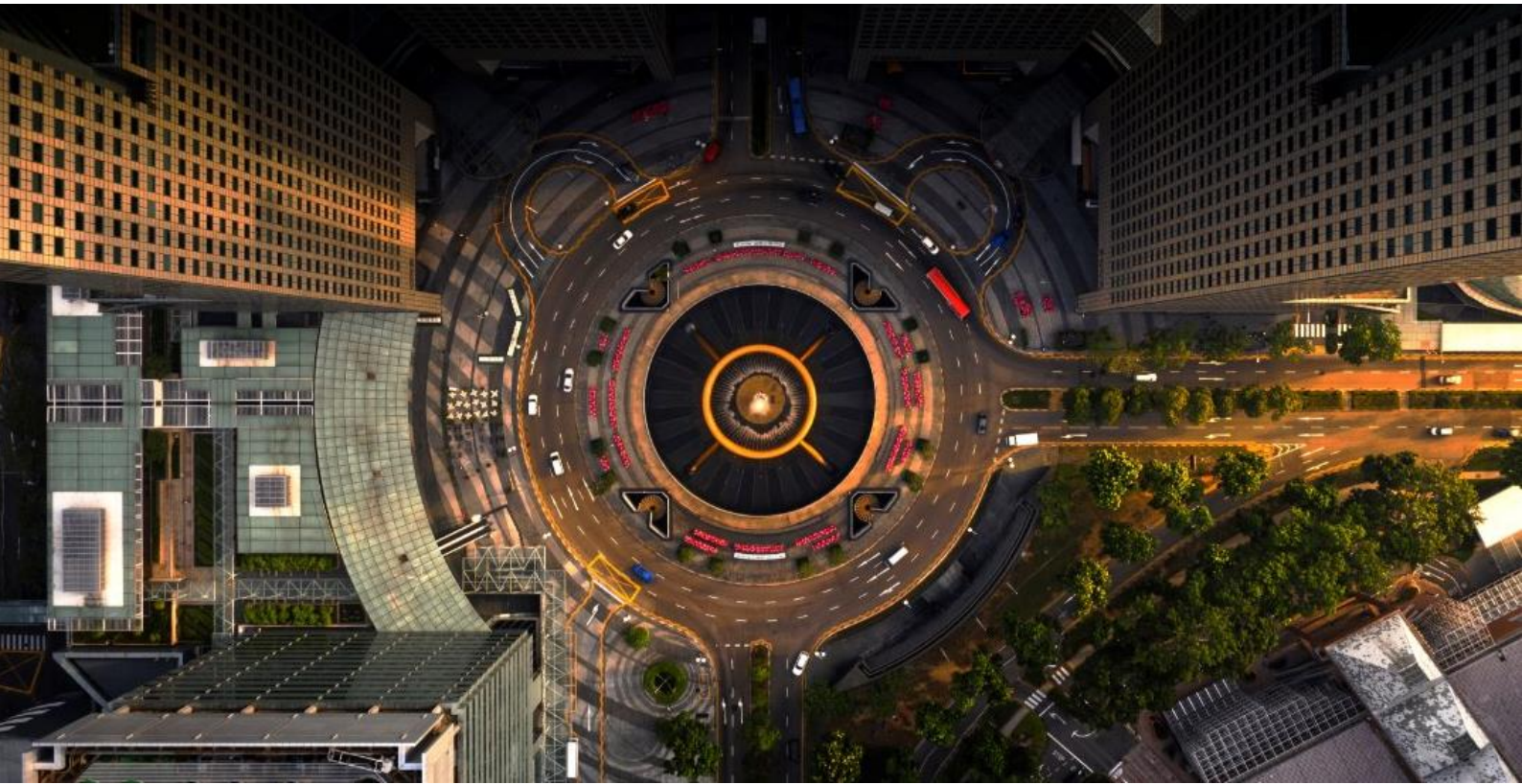
Simply repackaging the existing proposition will not work. It requires defence organisations to improve the day-to-day experience of employees by focusing on aspects like work-life balance, job satisfaction, personal development and creating a supportive and inclusive workplace culture.

Reinvigorating reserve and veteran workforce pools to re-enter also needs to be accelerated. This could be enabled by ensuring flexible pathways for re-entry, specialised contracts and veteran upskilling aligned with emerging needs.

## **Where to start? – Understand current pain points in detail**

It is important that offerings align with workforce expectations. This begins with a detailed understanding of the current approach and identifying where the significant pain points are in detail. These are often found in everyday experiences such as the daily use of a certain tool or when navigating a certain life event.

Mapping these insights across the employee lifecycle enables organisations to design targeted interventions and initiatives for an impactful value proposition. This approach drives material improvements in retaining critical talent.



## Challenge 2:

### **Rapidly building new capabilities across the defence ecosystem to deliver battlefield effects**

Traditional military threat responses, such as relying on large platforms with long equipment programmes, intricate training and maintenance requirements and complex crewing needs, remain relevant.

The nature of modern warfare, as demonstrated in recent conflicts, has also created demand for spontaneous and innovative workforce capabilities. In Ukraine, the equipment project lifecycle, from concept through to in-service and disposal, is now 3-6 weeks. This stark contrasts with current procurement mindsets.

Rapidly building new capabilities, which are increasingly more autonomous in nature, is now imperative. This requires military personnel with a new and continually evolving mix of skills. Leveraging skill adjacencies supports faster upskilling and enables the mobilisation of a workforce with diverse capabilities. This is true whether these individuals are permanently employed or engaged through contingent arrangements.



## What needs to be different?

### Anticipating and developing future skills

To tackle rapid technological advancements and heightened competition in the sector, defence organisations need to proactively anticipate future skill requirements. They also need to manage existing gaps to maintain their edge and deliver for stakeholders.

This means proactively identifying and cultivating the skills needed for tomorrow's challenges, ensuring that the workforce remains relevant and prepared for technological advancements and market shifts.

### Building a frictionless workforce

The labour market is already shifting from lifelong careers to multiple cross-sector careers, presenting unique opportunities for defence organisations. They can capitalise by bringing in mid-career professionals from outside defence and make it easy for them to contribute quickly and effectively.

The UK Government has signalled an appetite for 'zig-zag careers' in their latest Strategic Defence Review with pilots and the development of skills passports to support this approach. As a starting point, several organisations have introduced secondment models across the talent ecosystem (e.g. with suppliers) to promote this mobility. This approach can and should be accelerated.

Executing this strategy will lead to a workforce with a wider variety of skills and backgrounds. A more diverse workforce will be better equipped to adjust to the constantly changing needs and capabilities defence organisations require. It will simultaneously support the creation of nimbler organisational structures that can quickly adapt to new challenges.



## Rethinking the location of ‘work’

Thinking differently about where and how work is done across an expanded ecosystem is increasingly relevant. For example, NATO is exploring the transfer of certain training and certification responsibilities to industry. This move could ease pressure on defence systems while building capacity.

## Decreasing the barriers to entry

Easing entry requirements and removing barriers could increase supply into a reducing talent marketplace. The defence sector is limited by national security restrictions, which hinder talent mobility. To address this, the public sector should review and ease unnecessary barriers such as artificial “national eyes only” requirements, particularly outside top-security projects.

This will allow a broader pool of candidates to be considered for key positions, promoting the “best person for the job” principle and encouraging greater flexibility and collaboration across sectors. As autonomous systems shift control to remote mission centres, traditional soldiering skills become less critical. This opens the door to a more diverse workforce and exciting new opportunities.



## Where to start?

### Strategic workforce planning (SWP)

Organisations should look to proactively identify and address projected gaps between talent supply and demand. They should assess unintended consequences of workforce interventions by analysing key shifts in demand. This should particularly focus on the impact of new technologies on jobs and skills.

Organisations should also model the impact of reskilling in the short, medium and long term to inform strategic workforce planning (SWP). This supports a proactive approach to workforce planning and resource deployment by linking SWP to an integrated talent strategy.

### Increasing investment in upskilling and reskilling

Our research suggests that 80% of the UK workforce is already in the labour market today. Upskilling and reskilling will be the main levers for equipping people within defence with the right skills that are needed now and for the future. Research from the Financial Services Skills Commission shows that reskilling saves businesses up to **£49,100** per re-skilled worker to fill the roles that would otherwise have required external hires. This is a tangible benefit.

### Understand your current skills landscape (including critical skills gaps)

An understanding of the current skills landscape and the impacts of emerging technologies, such as AI, on work composition and skills requirements is invaluable. The future skills landscape will enable organisations to put in place appropriate interventions to close gaps.







## Challenge 3:

### **Mobilising GenAI – building and leading a new workforce model and creating efficiency**

Significant security implications and ethical considerations surrounding the use of GenAI has meant defence organisations have been slower to adopt these technologies in everyday operations and in the workplace.

While this understandable hesitation reflects the complexity of the environment, it has also hindered their ability to boost workforce productivity and respond to the evolving workforce demands. Emerging AI-enabled technologies require swift upskilling. In some cases, where platforms are designed to operate with reduced manpower or autonomously, present both opportunities and challenges for personnel requirements.

These advancements create uncertainty about future workforce needs and place greater emphasis on cyber capabilities, necessitating a highly skilled and adaptable workforce. Remodelling organisations to support integration of AI into the workforce, therefore, is essential.

Defence organisations should pursue regional innovation ecosystems, enabling civilian talent rotation into defence AI and analytics roles. Examples such as the [Eurodrone programme](#) show how public-private structures can support AI advancement in contested domains. The UK Ministry of Defence has recently proposed the creation of a '[Digital Warfighters](#)' cohort, blending civilian, military, and contractor talent, to accelerate GenAI-enabled mission planning and targeting capabilities. Defence organisations should consider similar tri-sector teams.



Defence leaders have demonstrated the capability to operate in increasingly more complex warfare environments. However, shifting labour markets, rapidly evolving technology and the widespread need for reskilling and upskilling demand a new kind of leadership.

It's crucial defence leaders use their existing strengths to help others feel comfortable with uncertainty. They should actively design the way humans and machines work together, not just supervise it. Defence organisations will need a more skilled group of leaders who can creatively and safely guide their teams through changes to become truly transformative.

Reinforcing leadership fundamentals will enable organisations to adapt and thrive in a dynamic environment. Core skills such as navigating change, inspiring others to perform and innovate, cultivating diverse and inclusive teams are essential.

## **What needs to be different?**

### **Maximising workforce efficiency**

A re-evaluation of organisational models and clarity around roles and identity within an evolving defence landscape is needed. Important is understanding whether organisations want to be a talent magnets and attracting the skills they need— or talent factories that develop skills in house.

How this is balanced across skill requirements will determine how successfully strategic outcomes are achieved. Whichever approach is chosen, maximising operational efficiency will allow organisations to better deliver consistent results while managing people-related cost.

### **Underpinned and enabled by technology**

To become a truly transformative enterprise, defence must combine human ideas and ingenuity with powerful automated, AI-enabled systems and integrated tools. Further integrating GenAI tools to empower employees, optimise processes and facilitate better decision-making will support defence's overall aspirations.



## **Where to start?**

### **Read between the metrics**

For many organisations, determining where to start is key to unlocking opportunities to maximise operational efficiency. Conducting a detailed diagnostic using a broad set of workforce and organisational performance data is highly valuable, especially when going beyond traditional metrics.

Understanding the complexity of change, such as shifts in speed or effectiveness of performing day-to-day roles following upskilling initiatives, can deepen the insights, highlight quick win opportunities and help prioritise where to start on a longer-term initiatives.

### **Align leaders on your future direction and evolving skills needs**

Leaders must be willing to take risks by articulating their strategy with sufficient detail to provide a clear demand signal the capabilities they need. This allows the identification of critical skills and the development and execution of a targeted workforce strategy.

Leading organisations clearly articulate their future workforce needs. For instance, the German Ministry of Defence's strategic planning mechanisms for space, drone and cyber capabilities drive skills investment from both public training bodies and private suppliers

### **Encourage transformative leadership**

Organisations need leaders with the skills and capabilities to navigate the increasing ambiguity facing the sector. In many cases, leaders have got to where they are due to excellence at delivering value and executing strategies. The increasing pace of change, however, requires truly transformative leadership.





## **Transform today to be ready for tomorrow**

In an era defined by rapid technological change, evolving threats and shifting workforce expectations, defence organisations must act decisively.

The path forward demands more than incremental change — it requires bold leadership, cultural transformation and a reimagined workforce strategy.

Start by understanding workforce challenges, align leadership on future skills and invest in the people and technologies that will define the battlespaces of the future.

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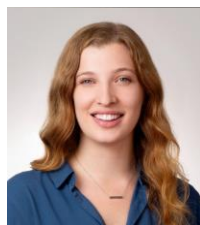
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