US Air Force Acquisition Portfolio Risk Management using Riskonnect's Active Risk Manager (ARM)

riskonnect

The Challenge

US Air Force Materiel Command (AFMC) develops, acquires and sustains the resources the US Air Force needs to remain the leading military force in the world. It is responsible for over 50% of the Air Force's budget. AFMC has responsibility for everything from the most complex fighter aircraft to uniforms.

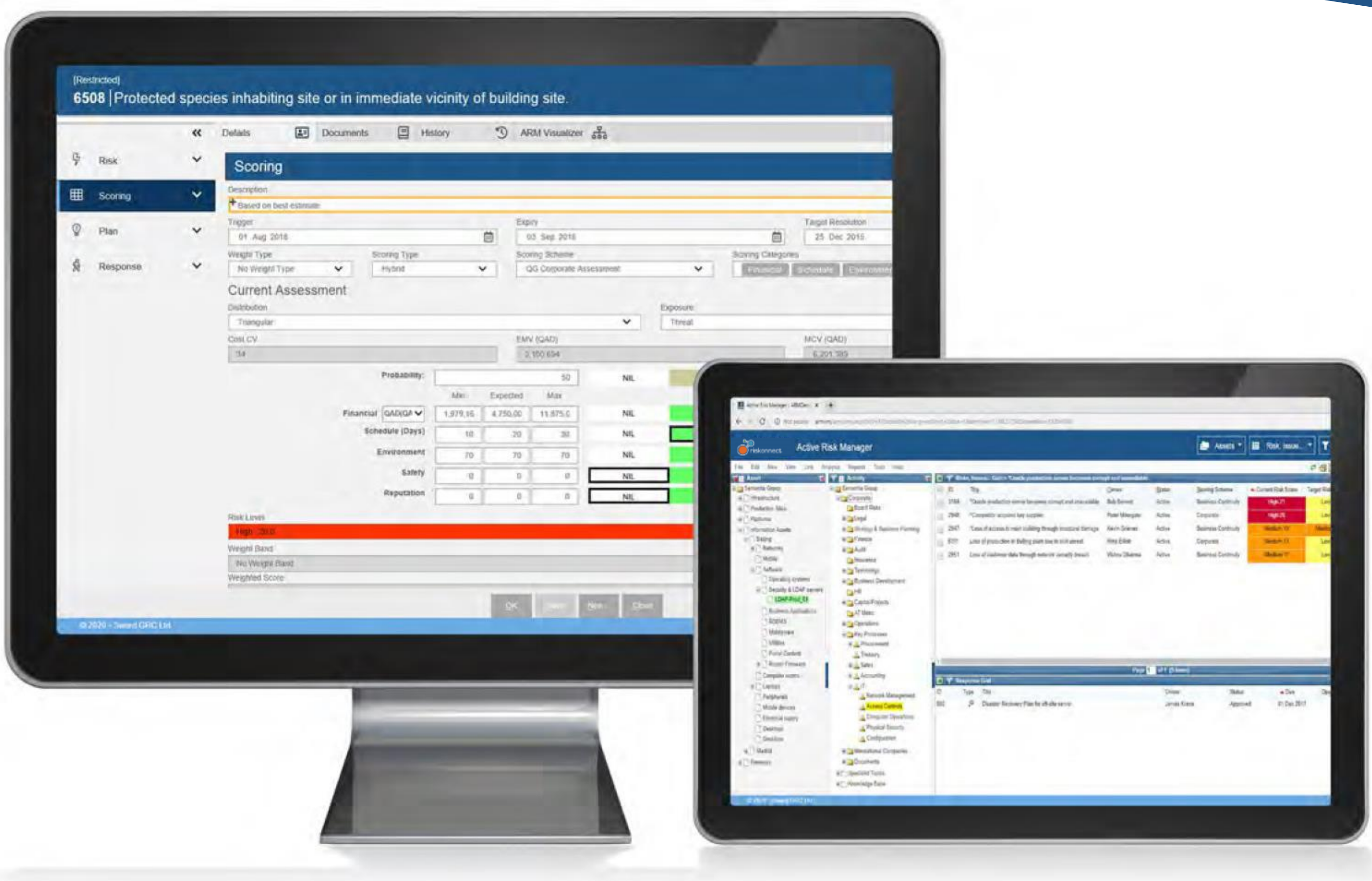
It's four core mission areas are:

- The science and technology to enable new and better military capabilities
- Acquisition management to deliver capabilities
- Test and evaluation to validate and improve capabilities
- Sustainment of Air Force capabilities

"To ensure correct funding and resource investment decisions are made, AFMC needs to know the risk profile of each USAF program. Decisions can then be made whether additional funding is required to mitigate risk in one program while funds in another can be released as successful risk mitigation strategies are deployed."

"Prior to implementing Active Risk Manager, the Air Force undertook a serious examination of the requirements for improving and managing its risk process. Our concern was not just managing risks within programs, but to have a process for understanding risk at the enterprise level."

Director, Acquisition Business Systems, US Air Force



"We see Riskonnect's Active Risk Manager as a 'game changer' for the Air Force."

Director, Acquisition Business Systems, US Air Force

The Solution

AFMC selected Riskonnect's Active Risk Manager (ARM) to monitor the risks of current and future programs, and for the rationalization and allocation of resource across the whole program portfolio. The Deputy Assistant Secretary for Acquisition Integration sponsored the evaluation and subsequent purchase of ARM. USAF awarded the first ARM contract in 2008, and has subsequently expanded its use across many programs.

USAF programs have been encouraged to bolster risk management activities across the acquisition community by senior leadership. ARM is used to support this process directly and through tight integration with USAF's existing management systems and reporting tools.

Training is provided to staff members, both military and contractors, at the majority of bases around the USA in the use of ARM and the Life Cycle Risk Management approach. This ensures program managers are rigorous in their approach to risk management. The use of Active Risk Manager better enables the acquisition programs and projects that equip the Air Force to deliver on time, on budget and to high technical performance, by the identification and reduction of risks.

The Results

When AFMC implemented Riskonnect's Active Risk Manager (ARM), it set ambitious goals for the speed of communication of key risks to reduce the probability/frequency and scale of impact of those risks.

AFMC goals included:

- **Encouraging a more in-depth risk management process and communication of risk at all levels to allow for the delivery of consistent processes to reduce cost**
- **Ensuring that senior management had transparency of the real risks and opportunities across programs so that funding can be assigned/moved and resources allocated to the right programs based on real up-to-date and relevant information**
- **Capturing risk knowledge for today's missions and for the next generation's missions**

Riskonnect's Active Risk Manager delivered on these goals and provides AFMC leadership with faster access to real-time, authoritative risk information across a growing portfolio of programs using a single, web-based system.

"By standardizing our ERM processes and software, we have been able to optimize and streamline our resources significantly."

Director, Acquisition Business Systems,
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