

ASSISTANT SECRETARY OF THE AIR FORCE FOR ACQUISITION INTEGRATION



2017 CONTINUOUS PROCESS IMPROVEMENT (CPI) REPORT

**REPORTING PERIOD
1 OCTOBER 2016 TO 30 SEPTEMBER 2017**

Version 1
2 October 2017

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DEPARTMENT OF THE AIR FORCE
OFFICE OF THE DEPUTY SECRETARY OF THE AIR FORCE
FOR ACQUISITION (INTEGRATION)
UNITED STATES AIR FORCE
WASHINGTON DC 20330



02 October 2017

MEMORANDUM FOR SAF/AQ

FROM: ACQUISITION CHIEF PROCESS OFFICER (CPO)

SUBJECT: Fiscal Year (FY) 2017 Air Force Continuous Process Improvement (CPI) Report

References: (a) HAF MD 1-10, *Assistant Secretary of the Air Force (Acquisition)*

(b) Delegation of CPO and Value Engineering Senior Management Official (VE-SMO) to SAF/AQXP Deputy Director, 4 Jan 16

1. The Assistant Secretary of the Air Force (Acquisition) continues the work started under the Acquisition Improvement Plan in 2009. The CPI Plan for FY 2017 was focused on enterprise-driven, process-based, results-oriented themes for solving problems, executing smart business decisions, reducing acquisition cycle time, and increasing process outcomes. The goal of the plan was to assist the acquisition enterprise in becoming more effective and efficient in executing Air Force (AF) acquisition.
2. The FY17 CPI Report covers accomplishment across three main focus areas:
 - a. CPI Execution/Support: Facilitated/led a total of 5 CPI events. Specifically, facilitated three CPI events that resulted in organization goals for SAF/AQX and improved processes for Interoperability and Acquisition / Intelligence / Requirements (AIR) Early Integration for the tri-services teams as well as led two CPI efforts to improve Audit and Affordability processes. In addition, we beginning planning for one event to establish FY18 organization goals for SAF/AQX. The team conducted Just-In-Time CPI training for over 40 attendees. For CPI implementation, continued the management of over 200 Better Buying 3.0 and SAF/AQ initiatives, completing over half of them. Additionally, provided strategic and tactical process improvement as part of the Light Attack Capability Experiment, and monitored the implementation of prior CPI events such as Directed Energy Weapons Flight Plan and Acquisition Program Reporting Tiger Team (\$2.3 million annual savings).
 - b. Acquisition Process Model (APM): Based on document changes, revisions, and additions, we expanded the APM from over 2,400 processes to over 2,800 processes and over 500 pages. We also transitioned the model to an enterprise architecture tool (Casewise). The APM contributed to both SAF/MG and AF/A5/8 in the standup of the Air Force Warfighting Integration by supporting process design with process highlights. Additionally, we began providing support to PEO BES to migrate their process directory from a DAU enabled SharePoint site to the APM. Capability came with no incremental cost to the Air Force. In our effort to further institutionalize and increase awareness of this beneficial tool, we ramped up training. Specifically, we held 55 APM training sessions with 567 trainees.

BREAKING BARRIERS...SINCE 1947

- c. Value Engineering (VE): Reviewed 25 VE service level award nominations with one award going to the Air Force Mobility Directorate/C-130 Contracting Division saving \$1.008B.
3. Execution and day-to-day operations of this plan is the responsibility of the Chief CPI Branch, and the Center for Reengineering and Enabling Technology team. Any questions with regards to this report can be sent to usaf.pentagon.saf-aq.mbx.saf-aqxp-cpi-wkflw@mail.mil.



MILDRED E. BONILLA-LUCIA, NH-IV
Acquisition Chief Process Officer

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CPI EXECUTION

Throughout FY17, the CPI Branch continued its success of facilitating/helping in multiple CPI events. The CPI Branch completed events addressing the below five topics. During these events, the branch trained over 40 people in various CPI tools/techniques. The following are short summaries of each event with further details located in the appendix. Click the titles below to go to the full write-up.

Events Completed in 2017

- [Enterprise Affordability Process Improvement](#) – In support of SAF/AQX, SAF/AQXP led several O-6 and 2-Star sessions to design an affordability process that would provide AF leadership timely, decision-quality information. As part of the implemented process, FMC, A8X, and AQX agreed to look at programs nearing their Milestone Decision review, and determine constraints at the O-6 level, and if parties are unable to agree elevate to senior leadership for their action in finding possible trade space.
- [Audit Tracking Process](#) – In support of SAF/AQX, SAF/AQXP led several discussions to improve the responsiveness and timeliness of corrective actions taken in response to audit findings and recommendations, leverage corrective actions from audit findings to identify and implement process improvements enterprise-wide, and improve accountability to reduce the need for follow-on audits. Additionally, developed a SharePoint site for the acquisition community to track the status of audits. Worked with the acquisition community to close 56 of 81 recommendations.
- [SAF/AQX FY17 Goals Offsite](#) – In support of SAF/AQX, SAF/AQXP led an offsite to help AQX leadership develop goals/initiatives for the upcoming FY. In the end, the team facilitated and documented 17 initiatives used by SAF/AQX to set direction for its work in FY17.
- [AIR Early Acquisition](#) – In support of J2, SAF/AQXP led a Rapid Improvement Event (RIE) to improve decision making by integrating intelligence considerations early in the acquisition and requirements lifecycle. As a result of the event, the group developed 86 improvement ideas with 6 being further developed – standardization for including intel in the request for proposal process, Critical Intelligence Parameters (CIPs) monitoring, early threat projections, improved senior leader engagement, intel supportability in Overarching Integrated Product Team/ Defense Acquisition Board (OIPT/DAB) materials, and more training across AIR. The expected benefits from these improvements include more timely access and availability of intelligence for acquisition programs and improved workforce competency from an AIR perspective.
- [Interoperability](#) – In support of SAF/CIO A6, SAF/AQXP led an RIE to improve the interoperability process across the lifecycle of a program/system, including the process for the development and evolution of the Information Support Plan (ISP). As a result of the event, the group developed 108 brainstorming ideas with 8 defined courses of actions (COAs). These COAs included decoupling ISP from Clinger Cohen Act and Enterprise Architecture, defining when an ISP is required, standardizing and identifying interoperability requirements early, and gathering and maintaining relevant data for future assessments. The expected benefits from these improvements include reduced

program cycle time through the proper tailoring and reuse of relevant documentation as well as the clarification of the need for an ISP.

The CPI Branch provided process improvement support to the following two areas.

CPI Support in 2017

- Light Attack Demonstration – Acting upon Chief of Staff Air Force (CSAF) guidance, the Office of Strategic Development Planning and Experimentation (SDPE) conducted an experimentation campaign to assess the military utility of various non-developmental, light-attack platforms. The Chief Process Officer served as the Acquisition lead to the highly successful effort that 1) demonstrated the ability of USAF to build and execute an experiment within 5 months from CSAF direction, 2) provided rapid execution of OTA agreements to form government-industry partnerships, and 3) generated decision quality information to support future experimentation and procurement decisions
- Directed Energy Weapons Flight Plan – Resulting from facilitation and documentation support provided by the CPI Branch in FY16, the Directed Energy Weapons Flight Plan received SecAF approval in May 17.
- Acquisition Program Reporting Tiger Team - Resulting from facilitation and documentation support provided by the CPI Branch in FY16, SAF/AQX implemented process and system changes to enable the decommissioning of the System Metric and Reporting Tool in Apr 17 (annual savings of \$2.3 million).

Events Continuing into FY18

- [SAF/AQX FY18 Goals Offsite](#) – In support of SAF/AQX, SAF/AQXP has led an initial discussion to begin development of goals/initiatives for AQX leadership. SAF/AQX plans to conduct an offsite early in FY18. The offsite will focus on both communicating AQX benefits to acquisition as well as implementing specific process improvements to enable agility.

ACQUISITION PROCESS MODEL

Casewise Transition – In February of 2017, SAF/AQXP began the transition of the APM from Visio to Casewise – a Department of Defense Architecture Framework (DoDAF) compliant tool. After a 4-month transition period for the February version of the APM, SAF/AQXP completed the full transition from Visio in September 2017. This secondary period included revisions to the APM for several key documents, such as DoDI 5000.02, DoDI 5000.75 and AFI 63-101/20-101. With Casewise, the APM gained several functional improvements, such as greater search capability, data dictionary capability, and multi-platform/multi-browser compatibility.

Collaboration with Air Force Institute of Technology (AFIT) – SAF/AQXP met with AFIT personnel about including the APM into the Fundamentals of Acquisition Management (FAM) 103 training for new acquisition personnel. AFIT agreed to incorporate the APM into appropriate places throughout the training. Over 500 persons annually attend the training. Additionally, SYS281 (Air Force Acquisition & Sustainment Course) incorporates the APM as a key support tool. This collaboration helps to ensure new acquisition personnel are better armed to support the mission.

Collaboration with Program Executive Office (PEO) Business and Enterprise Systems (BES) – SAF/AQXP met with PEO BES personnel about incorporating the PEO BES Process Directory (BPD) from a DAU-hosted SharePoint site into the APM. AQXP provided initial thoughts about how to best incorporate the various artifacts into the model. In FY18, AQXP will migrate the BPD into the APM. In addition to the benefits derived from reducing the maintenance time for the BPD and improving the integration with the APM, the migration will provide an example for the future integration of other PEO artifacts with the APM.

Process Development – AF/A5/8 used the APM to provide the current state baseline for the development of processes for the Air Force Warfighting Integration Capability (AFWIC). The APM served as a tool that provided the only source of both the Air Force Strategy, Planning, Programming, Budgeting, and Execution (SPPBE) processes, linked to the policies that governed these processes, and the associated current state Requirements processes that underline AFWIC.

APM TRAINING

Consistent with the SAE's Institutionalizing the APM memo signed 11 Sept 2016 (with background provided later in the APM Working Group section of this report), the CPI Branch reinvigorated APM training. Throughout the year, the CPI Branch conducted a total of 44 Defense Collaboration Services sessions (23 Familiarization, 16 Update, and 5 Casewise Orientation) with 408 people attending. In addition to these sessions, 11 in-person sessions were conducted with 159 people attending. The in-person sessions were conducted at Hanscom Air Force Base (AFB) (1 session) Wright Patterson (4 sessions) and the Pentagon (6 sessions).

APM TESTIMONIALS

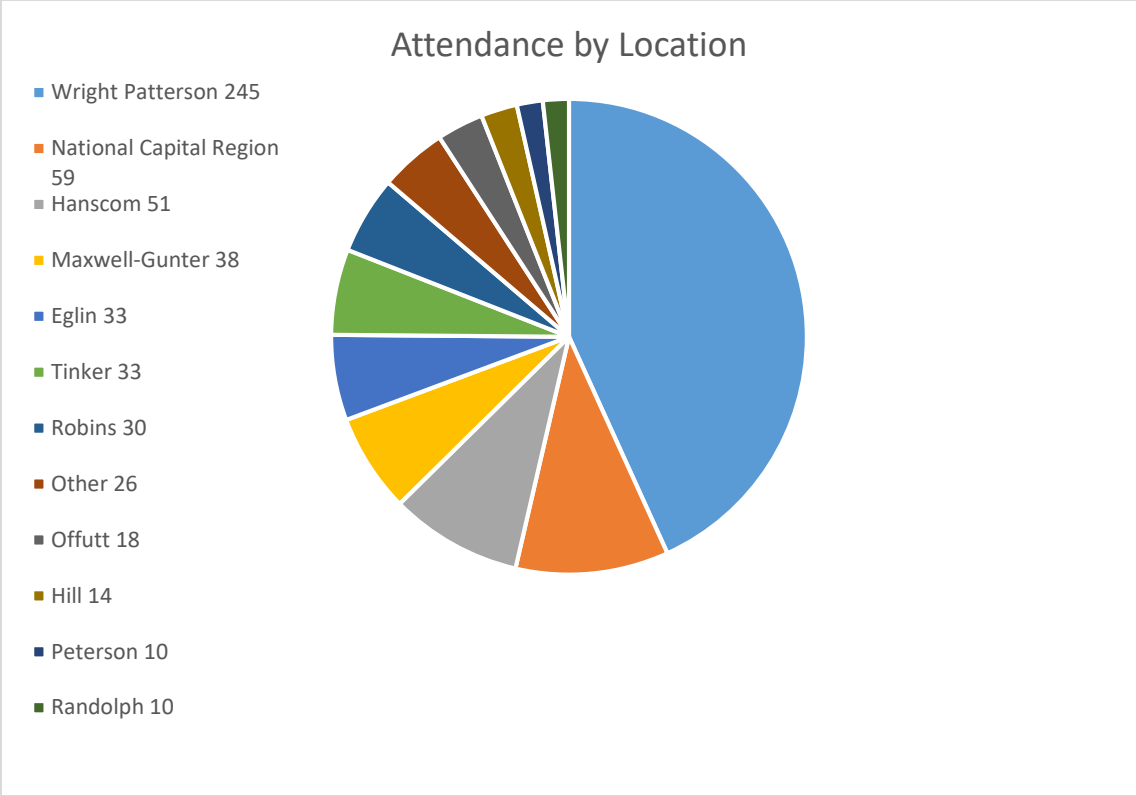
Eliminates confusion – one-stop shop – outstanding value for workforce (AFLCMC/EBK Oct 17).

I work in Space Sustainment, but knowing the steps involved and having the ability to drill down into those steps to know what is being required of the program office is invaluable. (SMC/SLX Oct 16)

The Acquisition CIO leverages the APM to satisfy the process flow component of the Acquisition Enterprise Architecture. (SAF/AQXS Sep 17)

I plan to use the APM to prepare for Early Strategy and Issue Session (ESIS) and Acquisition Strategy Panel with the PEO (AFLCMC/WLMP Dec 16).

2017 Training Statistics						
Training	Delivery Method	Number of Sessions	Number of Attendees			
			Mil	Civ	Ctr	Total
APM Familiarization	In-Person	11	58	82	19	159
	Virtual	23	34	146	37	217
Casewise Orientation	Virtual	5	3	35	13	51
APM Update	Virtual	16	9	87	44	140
Total		55	104	350	113	567



Other includes – Los Angeles (5), Lackland (4), MacDill (4), Kirtland (3), Philadelphia (3), Edwards (1), Germany (1), Holloman (1), Langley (1), Moody (1), Nellis (1), and Patrick (1).

APM WORKING GROUP (APMWG)

Consistent with the direction from the Vice Chief of Staff of the Air Force and the Under Secretary of the Air Force's 4 Feb 16 Strategic Guidance memorandum, the implementation of the Air Force Strategic Master Plan included the direction to advance the institutionalization of the APM. On 11 Sep 16, SAF/AQ issued a memorandum encouraging the acquisition workforce to leverage the APM as both a reference tool reflecting the processes included in policy/guidance and a baseline for conducting CPI events. In the memorandum, SAF/AQ directed the establishment of the APMWG – the group participation is maturing to include Air Staff, PEO Staff, and Program Managers. The objective of the APMWG is to recommend content and functionality improvements to the APM as well as identify specific CPI initiatives related to processes contained in the APM. On 14 Dec, SAF/AQXP led an initial planning session with Air Staff Acquisition personnel to prepare for the first official meeting of the APMWG (held on 15 Mar 17).

With the standup of the APMWG and the continued institutionalization of the APM, SAF/AQXP established plans to manage a significant influx in new recommendations to revise and enhance the model for both content and functional reasons. Specifically, SAF/AQXP established plans to manage the following content and training changes.

Content changes – While the SecAF directed a review of all Air Force reference documents, most of the foundational documents for the APM are in revision. Specifically, SAF/AQXP established plans to manage changes resulting from updates to: Department of Defense Instruction (DoDI) 5000.02, Air Force Instruction (AFI) 63-101/20-101, and Air Force Manual (AFMAN) 63-144 and FY17/18 National Defense Authorization Act. Finally, SAF/AQXP established plans to manage content changes to include processes for Acquisition Categories II/III programs as well as Software Intensive Programs.

Training changes – In addition to providing more frequent on-line training (monthly familiarization and quarterly update), SAF/AQXP established plans to provide addition on-site training throughout the CONUS. At the end of FY17, SAF/AQXP scheduled on-site training offerings at Eglin and Wright Patterson AFBs. SAF/AQXP established plans to work with acquisition personnel at various bases to identify relevant forums for such training, e.g., Program Manager Days. Also, in response to recommendations from 2016 trainees, SAF/AQXP established plans to offer more focused training. For example, established plans to work with Program Offices approaching a milestone review and training to complete the specific milestone review

APM UPDATES

The APM changes frequently throughout the year. Find below the summary of changes for each of the major changes to the model. More information can be found in the [Appendix](#).

[Version 6.7 Release 6 Oct 16](#)

Incorporated several changes as listed in the attached Version Description Document (VDD). Updated the model to incorporate Analysis of Alternatives (AoA) Handbook, AFI 63-101/20-101 Guidance Memorandum, and Ms. Costello's Institutionalize the APM memo.

[Version 6.8 Release 27 Jan 17](#)

Incorporated several changes as listed in the attached control log. Updated the model to incorporate updates of AFI 23-101, Department of Defense (DoD) Logistics Assessment Guidebook, Air Force Life Cycle Management Center (AFLCMC) Standard Process for Logistics Health Assessment, Early Systems Engineering Guidebook, and Executive order 13526.

[Version 6.8 Release 7 Feb 17](#)

Incorporated several changes as listed in the attached control log. Updated the model to incorporate Air Force Guidance Memorandum (AFGM) 2016-90-1011 and AF/A5R Requirements Development Guidebook Volume 1, Air Force Implementation of the Joint Capabilities Integration and Development System Deliberate Process.

[Version 6.8 Release 22 Feb 17](#)

Incorporated several changes as listed in the attached control log. Updated the model to incorporate DoDI 5000.02 (Updated), DoDI 5000.75, AFI 17-101, Department of Defense Risk, Issue, and Opportunity Management Guide for Defense Acquisition Programs (Updated), Title 10, Section 2438, Office of the Secretary of Defense (OSD) Manufacturing Readiness Level (MRL) Deskbook (Updated), Chairman of the Joint Chiefs of Staff Instruction 3170 (Updated), Defense Acquisition Guidebook (Updated), and various templates.

[Version 7.1 Release 15 May 17](#)

Incorporated several changes as listed in the attached control log. Updated the model to incorporate AFI 99-103 (Updated), Under Secretary of Defense for Acquisition, Technology, and Logistics (USD (AT&L)) Memorandum: Implementation of Will-Cost & Should-Cost Management (Updated), Air Force (SAF/AQ) Memorandum: Updated Should Cost Management Guidance and Business Rules, AFLCMC Standard Process for Annual Program Office Cost Estimate (Updated), AFLCMC Standard Process for Intelligence Sensitivity Determination (Updated), AFLCMC Standard Process for Packaging, Handling, Storage & Transportation Data (Updated), and AFLCMC Standard Process for Engineering Data Management (Updated).

[Version 8.0 Release 6 July 17](#)

Incorporated several changes as listed in the attached control log. Updated the model to incorporate AFMAN 17-1402 (Updated), AFLCMC Standard Process for Change Control (Updated), AFLCMC Standard Process for Contract Award Sole Source

(Updated), AFLCMC Standard Process for Cost Capability Analysis (Updated), AFLCMC Standard Process for Unit Self-Assessment (Updated), AFGM 2017-90-01, Planning, Programming, Budgeting, and Execution Reference Guide (Updated).

[Version 8.0 Release 23 Aug 17](#)

Incorporated several changes as listed in the attached control log.
Updated the model to incorporate AFLCMC Process Guide for Schedule Management Fundamentals, AFLCMC Process Guide for Operational Test & Evaluation Readiness Certification, and AFLCMC Standard Process for Pre-Award Acquisition Strategy and Request for Proposal Development (Updated).

[Version 8.1 Release 11 Sep 17](#)

Incorporated several changes as listed in the attached control log.
Updated the model to incorporate AFLCMC Process Guide for Product Support Business Case Analysis (Updated), and AF Pamphlet 63-123.

[Version 8.1 Release 22 Sep 17](#)

Incorporated several changes as listed in the attached control log.
Updated the model to incorporate various revised documents linked to the dau.mil site.

[Version 8.1 Release 26 Sep 17](#)

Incorporated several changes as listed in the attached control log.
Updated the model to incorporate AFI 10-503.

VALUE ENGINEERING

2016 AF VE REPORT

In accordance with DoDI 4245.14 *Value Engineering*, each component is required to submit one VE summary report covering the entire year to the USD (AT&L) within 90 days after the end of the reporting period pursuant to the sample format in OMB A-131 Attachment 1. In the 2016 Report, Ms. Mildred Bonilla-Lucia, the Air Force VE-SMO, used 5 various projects (Joint Air-to-Surface Standoff Missile Value Engineering Change Proposals, C-130J Aircraft Multi-year Procurement, Intercontinental Ballistic Missile Guidance Subsystem Support Contract, Tactical Response Force Alert Facility – Malstrom AFB, MT, and F-35 Aircraft Maintenance Hanger – Luke AFB, AZ) which totaled \$1.4B.

2017 AF VE PLAN and REPORT

As part of the process for establishing the 2017 VE plan, SAF/AQXP recommended and later received approval for the removal of the TOA basis of the VE goals (instead use a base amount as the VE savings goal for 2017). In the 2017 VE plan, we projected saving of \$1.4B. SAF/AQXP will finalize the 2017 VE Report.

2018 AF VE PLAN

SAF/AQXP is finalizing a 2018 VE plan based on timing put forth by the USD (AT&L) senior VE Management Official.

VALUE ENGINEERING MANAGEMENT ADVISORY GROUP (VMAG) PARTICIPATION

Representing the Air Force's interests, SAF/AQXP participated in several VMAG calls throughout FY 2017. The VMAG, as outlined in DoDI 4245.14, is composed of the DoD Components' Senior VE Management Officials and is chaired by the USD (AT&L) senior VE Management Official. The group meets periodically to address the following: review VE program progress and problems, recommend policy changes as required, exchange concepts and techniques, review honorary award nominations and forward its recommendations to the USD (AT&L), recommend and enhance training, and promote VE. At the beginning of the year, SAF/AQXP evaluated 25 VE award nominations from all the services. OSD approved 24 nominations. The Air Force had one awardee which was the Mobility Directorate/C-130 Contracting Division which resulted in a \$1.008B savings for the Air Force. Throughout the year, SAF/AQXP participated in six VMAG calls reviewing 2016 award submissions, covering the award process for 2016 submissions, preparing the 2018 VE plan, and discussing various VE topics for changes (CLE001, VE Timeline, and the Annual Summary Request).

DOCUMENT REVIEWS & COMMUNICATION EFFORTS

DOCUMENT REVIEW

As part of its analytical support, the CPI branch provided Subject Matter Expert review of 21 DoD, AFI, policy and strategy documents. These reviews corrected deficiencies, inaccuracies and content that were aimed at clarifying guidance. The additional oversight strengthened the documents and generated discussions that further fed in-depth knowledge of the APM and Air Force processes as they impact the Acquisition community.

The following contains the 21 documents reviewed: DoDI 5000.02, *Intellectual Property Guide*, CWMD Enterprise Flight Plan, AFI 63-101/20-101 *Integrated Life Cycle Management*, AFI 90-1604 *RAND Project Air Force*, *AF Data Framework*, AFI 63-104 *SEEK EAGLE Process*, AFDP 90-16 *Studies and Analyses, Assessments, and Lessons Learned*, AFI 21-101 *Guidance Memo Revision*, Department of Defense Directive 5134ib *Joint Acquisition Protection and Exploitation Cell (JAPEC)*, AFGM for AFI 90-6001 *Sexual Assault Prevention and Response*, Office of Transition Initiatives Funding Strategy, AFI 24-101 *Transportation Passenger Movement*, AFI 16-201 *AF Foreign Disclosure and Technology Transfer Program*, Department of Defense Manual Intellectual Property, AFMAN 63-144 *Defense Business System Life Cycle management, Capability Development Charter*, AFI 10-503 *Strategic Basing*, RAPID Procurement Charter, DoDI 5000.xf *Managing the use of DoD FFRDC Program*, and AFI 99-108 *Programming and Reporting Aerial Target and Missile Expenditures in Test and Evaluation*.

SAF/AQ SHAREPOINT MANAGEMENT

The CPI branch assisted in the migration of SharePoint from 2010 to 2013. The branch also aided in creating a standardized look for all divisions/branches within SAF/AQ (35 total sites). For most of the year, the branch was the site administrator for the public-facing SAF/AQ site. The SharePoint helps to simplify access to business data as it allows the organization to store and organize business document in one central location facilitating AQ staff work and information sharing. .

ARTICLES PUBLISHED

The CPI branch published several articles throughout the year. Three articles (one about VE, one about the APM, and one about CPI) appeared in the Acquisition News and Gazette. The APM made appearances in a Tips and Tools publication as well as in a Defense Acquisition University (DAU) article. In addition to these articles, the CPI branch also presented the APM on two Acquisition Center of Excellence / Program Executive Group calls which resulted in attendees to multiple training opportunities.

Article Title	Published In	Topic	Date Published
<u>Streamlining Acquisition Processes</u>	Acquisition News and Gazette	CPI	1-Aug-17
<u>VE: Submit your team for the OSD Level Award</u>	Acquisition News and Gazette	VE	14-Dec-16
<u>Acquisition Process Model Training</u>	PM Tips and Tools	APM	18-Nov-16
<u>Air Force Acquisition Process Model (APM)</u>	DAU Acquisition Community Connection	APM	08-Nov-16
<u>The Acquisition Process Model: A Visual Tool Created for You!</u>	Acquisition News and Gazette	APM	01-Oct-16

A. APM UPDATES

The below VDD and control logs provide the details of all the changes to the APM.

Version 6.7 VDD



APMVDD6_7.doc

Version 6.8 Jan Control Log



Jan 17 Control Log

Version 6.8 7 Feb Control Log



7 Feb Control Log

Version 6.8 22 Feb Control Log



22 Feb Control Log

Version 7.1 15 May Control Log



15 May Control Log

Version 8.0 6 July Control Log



6 July Control Log

Version 8.0 23 Aug Control Log



23 Aug Control Log

Version 8.1 11 Sep Control Log



11 Sep Control Log

Version 8.1 22 Sep Control Log



22 Sep Control Log

Version 8.1 26 Sep Control Log



26 Sep Control Log

B. CPI EVENT SUMMARIES

Event	Dates	Owner
Events Continuing into 2017		
Enterprise Affordability Process Improvement	Sep 16 – May 17	SAF/AQX
Audit Tracking Process	Nov 16 – Sep 17	SAF/AQX
SAF/AQX FY17 Goals Offsite	Feb 17	SAF/AQX
AIR Early Acquisition	Mar 17	J2
Interoperability	Apr 17	SAF/CIO
SAF/AQX FY18 Goals Offsite	Sep 17 - Present	SAF/AQX

Enterprise Affordability Process Improvement (Multiple Sessions held between Sep 16 and Sep 17)

Better Buying Power (BBP) Initiative – Eliminate Unproductive Processes and Bureaucracy and SAF/AQ Priority - Tailor acquisition process to provide capability to the warfighter when needed.

Participating Organizations:

SAF/AQX, SAF/FMC, SAF/FMB, SAF/FMP and AF/A8X

Problem Statement:

DAU defines affordability as “Conducting a program at a cost constrained by the maximum resources that the DoD or DoD component can allocated to that capability.” Leadership addressed affordability at each Major Milestone by reviewing the affordability constraints (goals and caps) documented in an Enterprise Affordability Assessment (EAA).

MDAP/MAIS programs were not meeting their affordability goals at Major Milestone Decisions. Disconnects between Core Function Leads and Program Office cost estimates led to unaffordable programs.

The objective is to achieve consensus on a process providing AF leadership timely, decision quality information concerning affordability to enable acquisition success.

Direct Results/Benefits:

Through SAF/AQX facilitated exploration, the participants identified program appropriation disconnects (Research Development Test & Evaluation, Procurement, Operation and Support). SAF/AQX in coordination with FMB/FMC/FMP/A8X developed a repeatable process that informed affordability decisions for AF programs. Also, the 9 May 2017 update of AFI 63-101/20-101 included additional Affordability Analysis guidance.

Indirect Results/Benefits:

The outcome will improve timeliness and planning for program affordability and mature process to inject in AF Corporate Structure.

Current Status:

Based on a vector check with Ms. Costello, SAF/AQX held a 2-star level meeting 19 April with SAF/FMC, AF/A8X, AF/A8P, and SAF/FMB to collaborate on affordability efforts. As the affordability process matured, FMC, A8X, and AQX agreed to look at programs nearing their Milestone Decision review, and determine constraints at the O-6 level, and if parties are unable to agree elevate to senior leadership for their awareness and to discuss possible trade space. Monitoring the implemented process for effectiveness. Building the FY16 and FY17 history of EAAs to how and if the affordability process is driving program funding and planning decisions.

Prepared Affordability Guidance for A8X, FMC, AQ Capability & Functional Directorates, and PEOs (pending SAF/AQ approval).

Audit Tracking Process (Multiple discussions held since 1 Nov 16 – May 17)

BBP Initiative – Eliminate Unproductive Processes and Bureaucracy and SAF/AQ Priority - Tailor acquisition process to provide capability to the warfighter when needed.

Participating Organizations:

SAF/AQX, SAF/AQXP, and SAF/MG

Problem Statement:

Annual audits continue to identify negative trends in high-dollar AQ portfolio; however, SAF/AQX is not adequately tracking historical, current, and planned audit results.

The objective is to improve the responsiveness and timeliness of corrective actions taken in response to audit findings and recommendations, leverage corrective actions from audit findings to identify and implement process improvements enterprise-wide, and to improve accountability to reduce the need for follow-on audits.

Direct Results/Benefits:

Audits of acquisition programs result in recommendations that, when implemented, improve the overall financial health and performance of Acquisition programs enterprise-wide and ensure good stewardship of Air Force resources. Also, the outcome should result in a more disciplined process that supports SAF/AQX role as clearinghouse for acquisition audits.

As of FY17, SAF/AQ tracked 166 ongoing and completed audits issued by DoDIG, GAO, and AFSA. A total of 52 open recommendations were closed, 34 recommendations remained open, and 6 recommendations were past due.

Indirect Results/Benefits:

The outcome of this initiative should allow applicable SAF/AQ management officials to track and correct deficiencies identified in audit reports. Therefore, corrective actions should result in quantifiable improvement to Air Force acquisition programs and processes.

SAF/AQX FY17 Goals Offsite (1 Event – Feb 17)

**BBP Initiative – Eliminate Unproductive Processes and Bureaucracy and SAF/AQ Priority
- Tailor acquisition process to provide capability to the warfighter when needed.**

Participating Organizations:

SAF/AQX

Purpose Statement:

Validate divisional goal alignments to Senior Executive Service (SES) contribution plans and review/discuss divisional efforts enabling improvements to AQX Emphasis Items.

Applied CPI Tools:

Brainstorming, Real Time Documentation.

Direct Results/Benefits:

Identified 41 specific actions within the following 10 AQX Emphasis Items

1. Build Out the App Store (6 actions)
2. Urgent Needs (2 actions)
3. NDAA (6 actions)
4. Personal Professional Development (8 actions)
5. CFIUS (1 action)
6. Clinger Cohen Act/Business System Acquisition Policy (2 actions)
7. RAND Assessment and Analysis (1 action)
8. Strategic Planning (3 actions)
9. Strategic Communications (4 actions)
10. Business Acumen (8 actions)

AIR Early Acquisition (1 Event – Mar 17)

BBP Initiative – Eliminate Unproductive Processes and Bureaucracy and SAF/AQ Priority - Tailor acquisition process to provide capability to the warfighter when needed.

Participating Organizations:

SAF/AQX, AIRTF, AFMC, DIA, SAF/A5R, J2, HQDA DCS G-2, AT&L, DT&E, NAVAIR, OPNAV

Problem Statement:

Early acquisition decisions are poorly informed by intelligence considerations. As a result: programs do not know and do not manage cost, schedule or performance risk associated with unsupported or costly dependencies; programs are quickly marginalized by adversary threats; vital enabling intelligence capabilities are not addressed within requirements and funding tradespace; most AoAs lack intelligence supportability analysis; few development planning efforts routinely consider the impact of intelligence; and intelligence functional expertise is not routinely present in acquisition decision venues.

CPI Methodology:

Implemented various CPI techniques and tools which resulted in multiple improvement ideas with 6 ideas being further developed into 7 Blocks.

Applied CPI Tools:

Critical to Quality Tree, Is/Is Not Analysis, Carousel Brainstorming, Multivoting, PICK Chart, 7 Block, Real Time Documentation.

Direct Results/Benefits:

Identified 86 improvement ideas with 6 being further developed. These ideas covered standardization, CIPs monitoring, early threat projections, improved communications, meeting criteria, and more training across AIR. The implementation of the improvements should accelerate the execution of acquisition programs due to more timely access and availability of intelligence and improved workforce competency from an AIR perspective.

Interoperability RIE (4-6 April)

BBP Initiative – Eliminate Unproductive Processes and Bureaucracy and SAF/AQ Priority - Tailor acquisition process to provide capability to the warfighter when needed.

Participating Organizations:

SAF/CIO A6SA, AFLCMC/HIA, AF/A2Q, AFRC, AFSMO, SAF/AQI, SAF/CIO A6, SAF/CIO A6X, ACC/A5JI, AFWMC, HAF A2 CIO, HAF A2 A2Q, AF/A4PA, SAF/AQXP

Problem Statement:

The ISP provides a risk assessment of a program prior to a Milestone review; however, this activity can be late to need for decisions about the program's design.

CPI Methodology:

Implemented various CPI techniques and tools which resulted in the development of 8 COAs addressing the problem statement needs.

Applied CPI Tools:

Critical to Quality Tree, Is/Is Not Analysis, Carousel Brainstorming, N/3 Multi-voting Technique, PICK Chart, 7-Block, Real Time Documentation

Direct Results/Benefits:

The benefit of this event will be a more robust set of architecture products and artifacts that provides relevant data which can be used to achieve and maintain interoperability.

Through SAF/AQX facilitated exploration, the participants identified 104 brainstorming ideas. Defined eight COAs that consisted of: decoupling ISP from Clinger Cohen Act and Enterprise Architecture, defining when an ISP is required, Standardize and identify Interoperability Requirements early, and gathering and maintaining relevant data for future assessments.

The expected benefits from these improvements include reduced program cycle time through the proper tailoring and reuse of relevant documentation as well as the clarification of the need for an ISP.

Indirect Results/Benefits:

Potential future event focused on Clinger Cohen Act Compliance.

Planned closure of four action items (Leverage Interface Control Documents, Decouple Information Support Plan and Clinger-Cohen Act, Is an Information Support Plan required, and Identify interoperability requirements early) provides foundation for a follow-on event in 1QFY18. Event will also address the next set of action items.

SAF/AQX FY18 Goals Offsite (In Process – Sep 17)

**BBP Initiative – Eliminate Unproductive Processes and Bureaucracy and SAF/AQ Priority
- Tailor acquisition process to provide capability to the warfighter when needed.**

Participating Organizations:

SAF/AQX

Purpose Statement:

Validate divisional goal alignments to SES contribution plans and review/discuss divisional efforts enabling improvements within AQX Priorities.

Current Status:

With an execution timing in October 2017, SAF/AQXP led an initial discussion to prepare for the offsite. Based on SWOTs developed by the AQX 4-letters, the CPI team identified the following improvement recommendations by AQX Priority.

1. INTEGRATE strategy, policy and execution across the acquisition enterprise to optimize priority programs
 - a. Demonstrate benefits of data driven decisions from both an enterprise and program basis
 - b. Develop a SECAF/CSAF dashboard to demonstrate the current and future health of acquisition
2. ENGAGE internal and external stakeholders to enhance cooperation and transparency
 - a. Identify and implement collaborative improvements with other AQ directorates and PEOs
 - b. Develop and publish AQX success stories for leadership and stakeholders
3. LEAD development of strategic direction/initiatives enabling Acquisition Agility
 - a. Identify and implement tangible improvements in TBD processes (e.g., Rapid Procurement, Planning/POM)
 - b. Reduce real/perceived administrative burden on the field
 - c. Enable field productivity through tool and training improvements
4. DEVELOP military and civilian acquisition professionals
 - a. Identify and execute cross-division projects that provide customer benefits
 - b. Develop and implement an AQX specific “award”
 - c. Identify and implement delegation opportunities

C. ABBREVIATIONS AND ACRONYMS

AF	Air Force
AFB	Air Force Base
AFGM	Air Force Guidance Memorandum
AFI	Air Force Instruction
AFIT	Air Force Institute of Technology
AFLCMC	Air Force Life Cycle Management Center
AFMAN	Air Force Manual
AFWIC	Air Force Warfighting Integration Capability
AIR	Acquisition / Intelligence / Requirements
AoA	Analysis of Alternatives
APM	Acquisition Process Model
APMWG	Acquisition Process Model Working Group
BBP	Better Buying Power
BES	Business Enterprise Systems
CIPs	Critical Intelligence Parameters
COAs	Courses of Action
CPI	Continuous Process Improvement
CPO	Chief Process Officer
DAU	Defense Acquisition University
DoD	Department of Defense
DoDI	Department of Defense Instruction
FAM	Fundamentals of Acquisition Management
FY	Fiscal Year
ISP	Information Support Plan
OSD	Office of the Secretary of Defense
PEO	Program Executive Office
RIE	Rapid Improvement Event
SES	Senior Executive Service
USD (AT&L)	Under Secretary of Defense for Acquisition, Technology, and Logistics
VE	Value Engineering
VE-SMO	Value Engineering Senior Management Official
VMAG	Value Engineering Management Advisory Group

D. SUPPORT DOCUMENTATION

Institutionalize the APM Memo



Institutionalize the
APM

2016 VE Report



2016 VE Report