Motivation / Problem

To manage risk in the USAF Acquisition enterprise by using portfolio management theory to objectively identify the elements of value.

Specific Research Questions

- Which aspects of portfolio management theory are applicable in managing USAF programs?
- How can the value of a portfolio of programs be systematically determined?

Methodology

- Audit procedural mechanics of AF acquisition process
- Establish relational baseline with classic value theory
- Incorporate Portfolio Management Theory ontology
- Utilize Air Force acquisition program databases
- Construct and validate value equation

The Research

The USAF Acquisition enterprise supports hundreds of air, space, and cyberspace programs which compete for critical resources. The decision to support or terminate a program represents a significant investment and requires a suitable framework upon which these difficult choices can be based.

A New Approach

- We tend to evaluate risk program by program
- A better approach: Consider the health of groups of strategically aligned programs... a portfolio approach
- The goal is to manage risk

Impact on Practice

- The results of this research will be the first step in developing a risk assessment tool for the USAF acquisition portfolio.
- The tool will provide the means to objectively and consistently evaluate the performance of a group of programs.
- Enhanced value delivery to the enterprise stakeholders: the decision makers, war fighters, and the tax payers.