

OPERATIONALIZING RISK- INFORMED DECISION MAKING IN PLANNING

Update on Planning Activities to Operationalize Risk Informed Decision Making

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AGENDA

- Enterprise Risk Management
- PCOP Operationalizing Risk Informed Decision Making
- Elimination of CWRB
- Refocusing Milestone Discussions
- PDT Support
- Risk Train the Trainer Workshop



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DCW 21 JUNE 2017 MANDATE

WAYS & MEANS

- **Comprehensive organizational review**
 - Reduce redundancy
 - Delegate decisions
- **Operationalize risk-informed decision making at all levels of the organization**
 - Recognize risk & uncertainty
 - Develop mitigation strategies
 - Accept appropriate levels of risk
 - Disciplined process of documenting risk-informed decisions

ENDSTATE

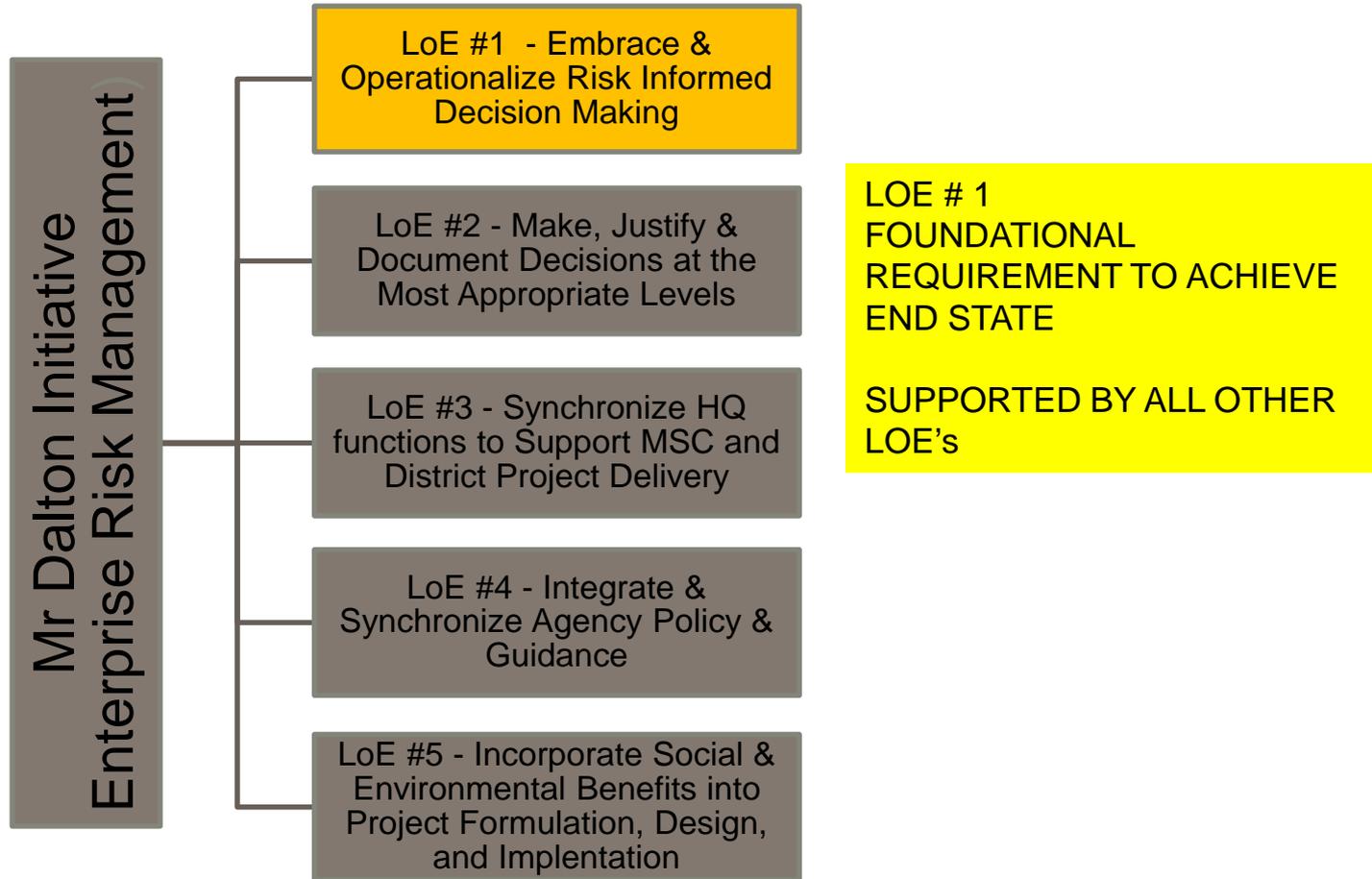
Improved project delivery efficiency and effectiveness within USACE CW.



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DCW, MR. DALTON ENTERPRISE RISK INITIATIVE



OPERATIONALIZE RIDM IN PLANNING -PHASED IMPLEMENTATION

UNDERSTAND

OPERATIONALIZE

EMBRACE &
SUSTAIN

Risk Train the
Trainer
Workshop

Risk Informed
Planning 'R' in
SMART

SMART
Guide &
tools

Milestone
Meeting

Update
Training

Delegation

Risk Communication

Performance
Measures

UCP & CW Strat
Plan

ENDSTATE
Improved project
delivery:
Improved decision
making and
communication:
Efficient & Effective



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ONGOING INITIATIVES

- 1) PAB is working on Bold Ideas
- 2) Specific Training for District Planning Chiefs, Prospect Course Owners, PA Course Owners (this spring)
- 3) ERM roll-out: EC (x3), Senior Leader Training, Risk Road Shows....
- 4) Update all Planning Prospect & PA Courses (by the summer)
- 5) Communication Tools to tell the ERM STRATCOM
- 6) Update PCOP tools – SMART Planning Guide, etc (now & post training)
- 7) Train down – all PDT members, all PCOP, middle level leaders (post training)
- 8) Look for ways to Operationalize RIDM... ***What are you doing now? Share lessons!***



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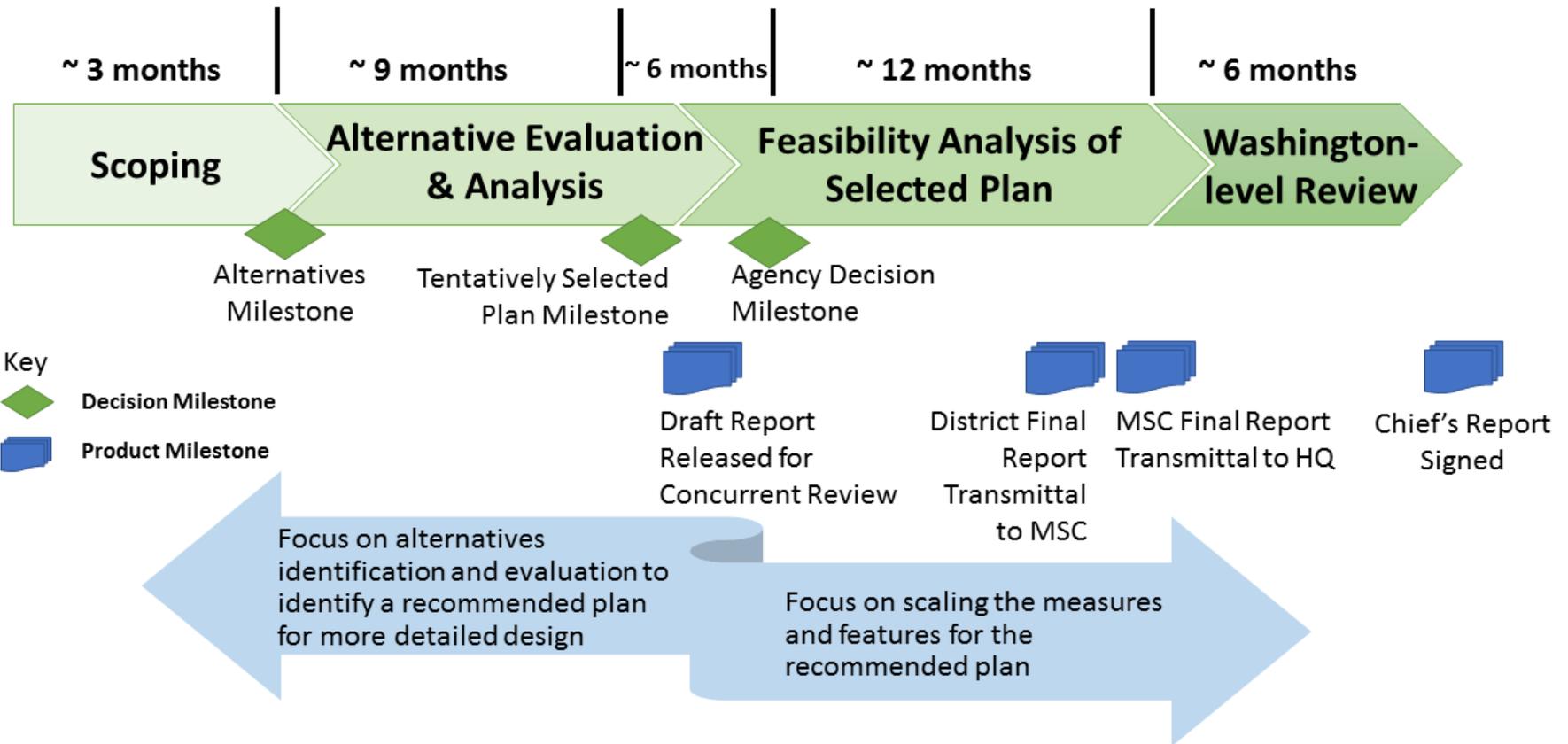
.....**EFFECTIVE TODAY!**



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FEASIBILITY STUDY DECISION MILESTONE MEETINGS (NO CWRB)



AGENCY DECISION MILESTONE

- **Decision:** Corporate understanding of the risk context of the study and recommended plan. Endorsement of the recommended plan and proposed way forward to complete feasibility-level design and the feasibility study report package.
 - Follows concurrent public, technical, policy review
- **Decision-maker.** Director of Civil Works, with advice from Senior Executive panel.
- **Readiness for Meeting.** The District Planning Chief, in consultation with the MSC Planning and Policy Chief, has confirmed the PDT has developed a strategy to address outstanding issues raised during the concurrent review; the team has a proposed path forward (scope and schedule) to study/report completion.
- **Attendees.** HQ Senior Leader Panel, District and Division Commander and appropriate support, ATR/IEPR leads, Non-Fed Sponsor, OASA(CW)



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RE-FOCUSING MILESTONE MEETINGS

Four things we are going to do differently – starting now.

1. Decision Makers: Come prepared to decide
2. PDT: Tell the risk story of the plan and the study
3. Risk Champions: Engage and keep focus on risks that affect the decision and the project outcomes
4. All: Milestone discussions need to go beyond review and compliance to include discussion of risk and uncertainty



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RISK CONTEXT OF THE AGENCY DECISION MILESTONE DECISION

Discussions and decisions at the ADM focus on the TSP/Recommended Plan and the risks that could affect the decision and outcomes.

- Risks to the affected human and environmental community: existing risks and risk reductions realized by the recommended plan. *Are there any public, agency, technical, or policy concerns that may change the recommended plan?*
- Study Risks: what can affect the accuracy, quality, timing, and budget of the study? *Is the level of mitigation planning, engineering, cost engineering, etc. sufficient? Too much? Not enough?*
- Implementation risk: what can affect the efficacy, quality, timing, and budget of the built project? *Is “budgetability” of PED or Construction a concern of decision makers? Will that impact the corporate decision about the level of effort to complete the feasibility report and Chief’s Report?*
- Outcome risks: residual risks and how to manage them; new, transferred or transformed risks attributable to the recommended plan.



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ACTIONS UNDERWAY

- 1) Senior Leader orientation to risk, risk-informed decision making, and decisions at milestones
- Jan EGM
- 2) Risk Champion training and orientation
- February Training Workshop
- 3) Re-focus read-aheads, presentation, and discussion on risk of study and project
- Now
- 4) Planning Mentors and Risk Champions, support PDTs ahead of milestone meetings in telling their “risk story”
– Now & After Training



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.....CONTINUAL FOCUS ON COMMUNICATION



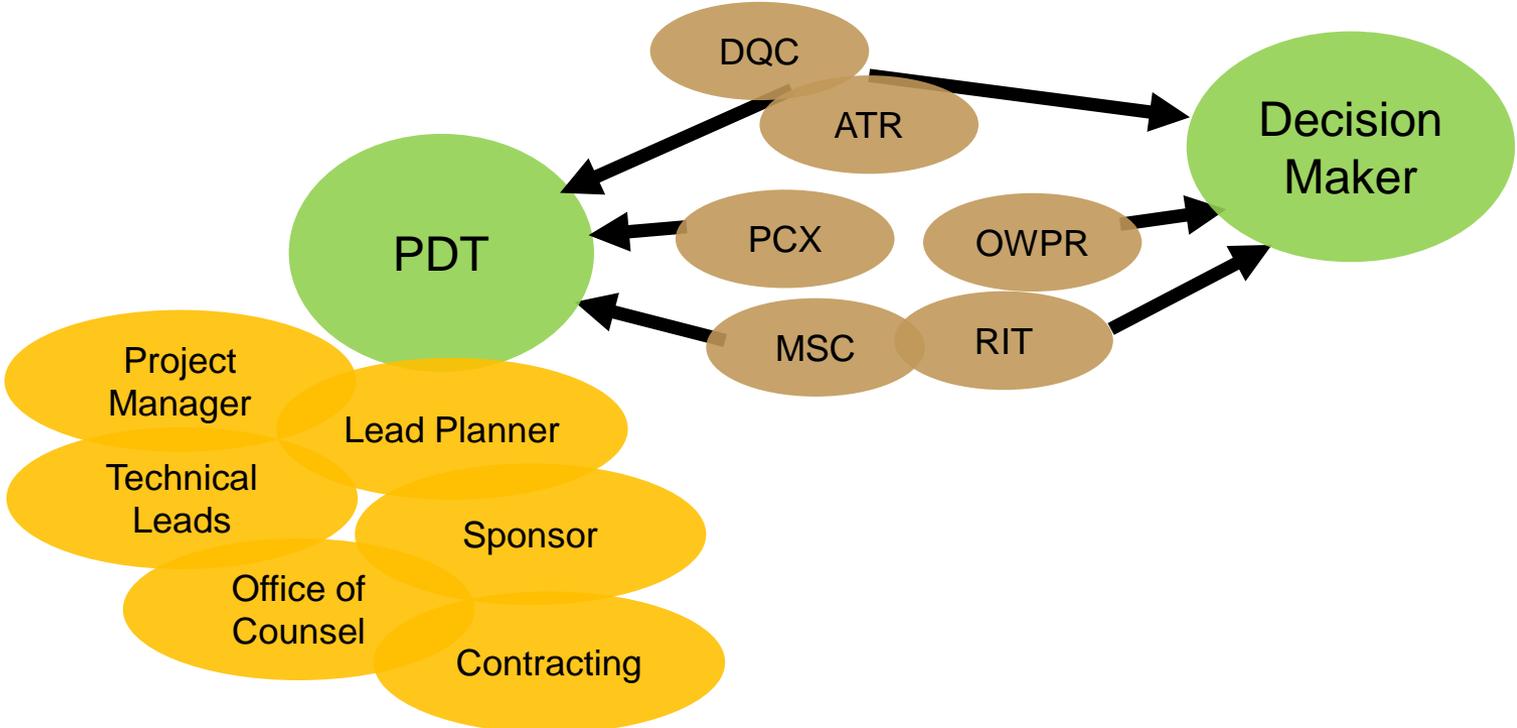
KEY PLAYERS – ROLES & RESPONSIBILITIES

RISK MANAGEMENT

RISK ASSESSMENT

RISK MITIGATION

RISK COMMUNICATION



RISK CHAMPIONS & PLANNING MENTORS – EVOLVING ROLES, SAME PEOPLE!

PLANNING MENTOR

Short-term boost to help coach, mentor & train Lead Planners & PDTs on Risk Informed Decision Making
Emphasizing the 'R' in SMART
Utilizing Planning Manual II.

RISK CHAMPION

Advocates for Risk Informed Decision Making by driving Culture Change in the PCOP and the enterprise.

Eventually, all Planning Leaders embrace being Risk Champions & Planning Mentors



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RISK CHAMPIONS & PLANNING MENTORS CHARGES

PLANNING MENTORS

- 1) Coach and mentor lead planners on all SMART principles and procedures.
- 2) Coach and mentor PDTs through early planning charettes and rapid risk analysis to more quickly go through the 6-step planning process, applying the methodologies in the Planning Manual Part II: Risk Informed Planning.
- 3) Coach lead planners & PDTs on Risk Management (Assessment, Communication, and Mitigation)
- 4) Build capacity and risk management competence by assisting PDTs to emphasize the 'R' in SMART Planning, empowering them to make risk-informed decisions.
- 5) Mentor PDTs on how to tell the Risk Story
- 6) Share lessons learned from previous planning decision studies to ensure the Community of Practice continually improves.
- 7) Will focus on new start studies and high profile projects.

RISK CHAMPIONS

- 1) Advocate for risk-informed decisions making to achieve a cultural change in the organization among all enterprise business processes, including Planning Decisions.
- 2) Assist Decision Makers at all levels of the organization to ask the right questions to ensure we are focusing on the risk, right level of detail, and communicating acceptable risk levels early to the PDTs.
- 3) Communicate that SMART Planning will emphasize the 'R' and ensure all PDT members should use its methodology in making decisions.

Workshop is start of training process.More To Follow

Tools for PDTs

We must focus on being a learning organization.



KEYS TO SUCCESS

Planning Leaders are **empowered NOW** to start evaluating and making changes.

Effective (two-way) Communication is critical to successfully embrace and operationalize Risk Informed Decision Making in the Planning Community of Practice.

Planning is a phase of project delivery. Accomplishment of RIDM in planning phase requires all disciplines of the PDT to embrace, understand, and perform risk informed planning. Planning must lead the effort, so that risk management carries on to next phases.

The **Train the Trainer Workshop is only a start** – the Risk Champions and Planning Mentors must be empowered to train and power down.

Senior Leader (decision maker) training starts now. The decision maker must play an active role in defining requirements of the PDT. Engage decision maker early. (**.....next milestone meeting – EGM end of January!**)

PCOP will proceed in parallel, always **aware and adaptive to, the Enterprise Risk Management efforts.**



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BIGGEST KEY TO SUCCESS

.....IS YOU!



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BECAUSE.....

**BETTER
Is A Never Ending Quest**



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