WASHINGTON COUNTERDRUG PROGRAM
WESTERN REGIONAL COUNTERDRUG TRAINING CENTER (WRCTC)

FISCAL YEAR 18 STRATEGY
RISK ASSESSMENT AND ANALYSIS

15 NOVEMBER 2017

This document provides an overview and analysis of the WRCTC's Risk Assessment for Fiscal Year 2018 strategy. The assessment was limited in scope, and analyzed risk associated with the WRCTC's 2018 mission and initiatives. This document communicates the process undertaken, the analysis completed, and resulting recommendations to WRCTC and Counterdrug leadership. It is paramount to a white paper, and does not represent required action on the part of the WRCTC.

FISCAL YEAR 18 RISK ASSESSMENT AND ANALYSIS

EXECUTIVE SUMMARY

BACKGROUND

The Washington National Guard's Counterdrug Western Region Counterdrug Training Center (WRCTC) is one of five national training centers training law enforcement personnel in military unique skills applicable to U.S. and partner nation counterdrug and homeland security efforts. The program seeks to implement a bold portfolio of initiatives in FY18, and sought to identify and mitigate associated risks. This document presents the process and analysis of associated risks, and makes recommendations.

PROCESS

To organize the process and input judgments from WRCTC leadership, A software system called Riskion®, by Expert Choice was employed in this process.[1] This process allowed users to balance complexity, numerous data points, inherent cognitive limitations, multiple perspectives, and associated risks and assumptions and arrive at an unbiased outcome. The process was chosen due to its simplicity, tendency to produce accurate outcomes, and confidence in results.

FINDINGS

The assessment identified the top risk events which threaten WRCTC FY18 Initiatives:

1. Key Authorities Change
2. NGB Level Policy Issue Resulting in Imitative Suspension
3. DASD Level Policy Issue Resulting in Imitative Suspension
4. DASD Asks the WRCTC to do Something it Cannot
5. In2 COCOM Issue Resulting in Initiative Suspension

The assessment yielded over 15 potential risk events, a risk map, and a series of controls which the WRCTC may mitigate to reduce risk. The assessment yielded the following recommendations:

1. Focus on the top 5 risk events identified
2. Leaders must know the warning signs
3. Maintain a varied portfolio of services
4. Invest in human capital
5. Minimize unproductive risk

NEXT STEPS

The WRCTC should review the outcome of the assessment, and consider additional iterations if desired. It should review and implement the discussed controls (section 10.3) and recommendations, as listed above. The WRCTC should continually review risk to its program, and actively seek to minimize, and mitigate against said risk.

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[1] Expert Choice. http://expertchoice.com/

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1. BACKGROUND

The National Guard Counterdrug Program is a Department of Defense (DoD) entity operating under the National Guard Bureau (NGB) in all fifty states and several U.S. territories. The program "...conducts a full spectrum campaign that bridges the gap between and among DoD and Non-DoD institutions in the fight against illicit drugs and transnational threats to the homeland. [The program] supports military, law enforcement, and community based counterdrug operations at all levels of government to anticipate, deter, and defeat threats in order to enhance national security and protect...society."[2]

Under the National Guard Counterdrug Program, The Washington National Guard Counterdrug Program (WA CDP) operates four distinct sub-programs as the state's contribution to the National Guard Bureau's counterdrug mission. One sub-program, (the focus of this risk assessment) the Western Regional Counterdrug Training Center (WRCTC) provides a valuable portfolio of services in support of the greater Counterdrug mission.

WRCTC leadership have developed a series of policies and initiatives for Fiscal Year 18 (FY18) which will guide the Training Center in accomplishing its mission, serving its clientele, and executing its funds. Due to the enduring elements of operational and political risk, this risk assessment was conducted and results analyzed to further inform course of action development for WRCTC FY18 activities and execution.

Specifically, this assessment analyzes the risk involved in executing the WRCTC's five FY18 initiatives (as a package), which is further described in subsequent sections.

2. PROJECT SCOPE

This assessment analyzes the risks associated with the WRCTC's planned FY18 activities. It does not seek to help leaders select the best alternatives or build a portfolio, but rather capture and analyze the risk associated with an existing plan, and identify mitigating controls and strategies to reduce or eliminate two major types of risk.

The WRCTC faces a number of risks in its day-to-day operations at the local level, and year-to-year at the Congressional and Executive levels. Diligent leaders must identify and assess these risks, and mitigate them whenever able. In the case of the WRCTC (and for the purposes of this analysis), risks can be assigned to one of two major categories: operational risk, and political risk. These are explored in further detail in the "Project Terminology" section.

3. PROJECT METHODOLOGY

This assessment was completed using software designed specifically for enterprise risk management. Through an iterative process rooted in both mathematic and scientific logic, the process helps users complete highly complex risk analyses with clarity and completeness. The following overview is found on the Riskion website:

> "**Risk assessment** requires a systematic process for identifying and analyzing events that can affect the achievement of objectives. Riskion provides a theoretically sound and practical process

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[2] http://www.nationalguard.mil/Leadership/Joint-Staff/J-3/Counterdrug/

for doing this by addressing the following two questions about risk events: what is the likelihood of the event occurring, and what is the impact to the organization's strategic objectives if the event occurs?...**Riskion** is the only tool in existence today that implements a process possessing all of the key risk requirements of an assessment methodology as specified by standards and requirements organizations such as the Open Group including: probabilistic, accurate, logical, concise, meaningful, feasible, actionable, and able to provide management with a process to optimally apply treatments to the risks facing their portfolio of business opportunities."[3]

The process allows users to include as much, or as little detail as needed during the assessment. It consists of the following steps:

- "Identifying possible events that would result in strategic losses.
- Measuring and communicating risks. Specifically, Measuring/estimating likelihoods (probabilities) of causes/hazards/threats, building heirarchies, and providing tools to measure conditional probabilities.
- Synthesizing the likelihood of events as the sum products of the likelihoods of the event's causes and the vulnerabilities of the event to the causes.
- Measuring/estimating the impact or consequences of each event to each strategic objective to which a loss would occur.
- Measuring the importance of the strategic objectives to which loss would occur.
- Synthesizing the impact of each event as the sum product of the event's impacts on objectives and the importance of the objectives.
- Computing risks for each event as the product of the ratio scale measures of the event's overall likelihood and overall impact.
- Communicating risks in a variety of views, including
- Identifying and communicating ways to reduce risks, including
- Determining optimum allocations of resources to reduce risks, considering"[3]

4. PROJECT TERMINOLOGY

While this assessment makes use of common organizational terms, the observation of a few key definitions becomes important. Please observe the following:

Most saliently, "*risk*" in general is defined as any event which results in a loss to an organization's objectives. (Fiscal, reputation, etc.) Objectives are further discussed in the "Objectives" section. The terms "risk", "risk event" are used synonymously. "When we ask, '*what* are the risks?' we are asking *what* can go wrong that will result in a loss, or perhaps multiple losses."[4]

The terms "*hazard*", "*source*", and "*threat*" are used to describe the basis, or origin of a risk or risk event. This assessment does not differentiate between the nuances associated with these near synonyms, and uses terms which best suit the topic or risk under discussion.

An "*operational risk*" is any event representing a loss to objectives which may precipitate through day-to-day operations involving WRCTC personnel, on, or off-duty. Operational risk is a result of activities and operations, and is minimized and mitigated against through a number of

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[3] Riskion Online Help. Website. Accessed 10/26/2017.
https://gwcomparion.expertchoice.com/DocMedia/Help_SL_Riskion/Riskion.html#FAQs.html
[4] Riskion Online Help. Website. Accessed 10/20/2017.
https://gwcomparion.expertchoice.com/DocMedia/Help_SL_Riskion/Riskion.html#FAQs.html

actions; namely the selection of lower risk courses of action, and the application of controls. Operational risks have two origins; the "risks we face", and the "risks we take".[5]

These two concepts are best summarized as: the inherent *risks we face* as a matter of day-to-day operations in a status-quo environment, versus the *risks we take* as a result of decisions we make and *proactively* execute. As an example, operational risks may occur when WRCTC personnel are proactively sent to the field, and misrepresent the organization, fail to deliver a training package, or violate policy. Risk may increase the chances of injury or sickness, which could result in injured personnel. Both may result in operational risks in varying degrees. Operational risk generally perpetuates itself through repercussions which are often recognized as "political risk."

"*Political Risk*" is defined as any external stakeholder-related event which results in a loss to WRCTC objectives. Where it can be said that operational risk occurs from the "risks we face" and/or 'the risks we take", political risk events are generally a repercussion of either operational risk events, or are derived from miscellaneous sources. An example of each follows:

- *Operationally derived political risk events*: If the organization encounters an operational risk event (such as instructor behavior which results in a mishap in the field), news of this event may reach policymakers or superiors, which may trigger conversations or negative perceptions of the WRCTC. These conversations or perceptions (and their outcomes) represent the political risk to the WRCTC, as the outcomes could threaten the WRCTC's objectives (discussed in subsequent sections).

- *Miscellaneously derived political risk events*: Miscellaneous political risk events could be triggered by any number of activities. For instance, a special review by a Congressional Delegation may generate questions about Counterdrug missions which relates to the WRCTC, and could draw unfavorable attention to the organization. A new strategy may be introduced which mandates the WRCTC complete tasks it is not postured to accomplish; causing negative perceptions, positions, or actions among external stakeholders which hinders the WRCTC politically.

5. WRCTC FISCAL YEAR 18 INITIATIVES

Five distinct initiatives comprise the WRCTC Fiscal Year 18 (FY18) plan. Collectively, these initiatives, and the activities which comprise them, accomplish the WRCTC's goals, satisfy superior echelon's objectives, and contribute to national Counternarcotics efforts. Each of these initiatives and its corresponding activities relies on a series of authorities, policies, and arrangements. Collectively, these rules allow WRCTC's personnel to train, travel, communicate and interact with, (and in some cases pay) the requisite customers and agencies. The five initiatives are listed below:

1. Domestic Operations
2. U.S. Combatant Command Support
3. Defense Security Center Support
4. Defense Cyber Investigations Training Academy (DCITA) Support
5. U.S. Naval Postgraduate School Support

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[5] Professor Foreman, Risk Management, Lecture: George Washington University, Washington D.C. September, 2017.

If the five initiatives above are all executed as planned, the aggregate of FY18 activities executed will equal "success" for the WRCTC. If any less than 100% of events and activities are executed, this degradation will represent a reduction in the degree of success of the WRCTC in FY18. As such, this assessment will aim to identify and mitigate risk associated with each of the five initiatives, and aid WRCTC leaders and managers in conducting effective Enterprise Risk Management - increasing the chances that all five initiatives and activities are conducted during FY18.

The five initiatives are discussed in further detail below:

1. Domestic Operations[6]
   - This initiative comprises the majority of WRCTC operations and includes relationship development and both standardized and customized training delivery at the tribal, local, state, and federal levels.
   - These operations occur within the United States and are completed by WRCTC personnel operating on a Title 32 status.
   - Operations are planned by WRCTC instructors, and approved by WRCTC leadership prior to execution.
   - All five WRCTC courses are provided to Domestic clients, and selected/tailored based on mission requirements.
   - Operational Risk is low to moderate depending on circumstances.

2. U.S. Combatant Command Support
   - Support to U.S. Combatant Commanders and their subordinates constitutes only a fraction of the WRCTC's total output, but is an important aspect of the program's full portfolio.
   - These operations can occur either within the United States, or abroad, based on mission and consumer. As such, they are carried out by WRCTC personnel in either Title 32, or Title 10 status.
   - Operations are planned primarily by WRCTC leadership.
   - Tailored variations of the five WRCTC courses are offered, based on client needs.
   - Operational Risk is low to moderate depending on circumstances.
   - Executing these missions requires specific authorities and allocations for travel outside of the U.S.

3. Defense Security Center Support
   - Support to U.S. DoD Security Centers entails partnerships between the WRCTC and two DoD Security Centers, including: The Asia Pacific Center for Security Studies (APCSS), and the George C Marshall Center (GCMC).
   - The WRCTC contribution includes manpower and instructional support. This takes the form of seminar leadership, and the presentation of tailored electives for Security Center fellows.
   - Depending on location, WRCTC personnel serve in either a Title 32, or Title 10 status. Some duty may be completed outside of the United States.
   - Executing these missions requires specific authorities and allocations for travel outside of the U.S.

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[6] *"Domestic Operations", as referenced in this assessment, is different from the National Guard Bureau's "Domestic Operations/'Dom-Ops'" mission set and authorities. The two only share the same name.*

- Operational Risk is low to moderate depending on circumstances.

4. Defense Cyber Investigations Training Academy (DCITA) Support
   - This initiative represents a partnership between the U.S. Defense Cyber Investigations Training Academy and the WRCTC.
   - It leverages existing DCITA curriculum and Mobile Training Team capability to offer a "plug and play", turnkey solution to increase WRCTC training output.
   - By forming a partnership, and transferring funds to NPS through a Military Interdepartmental Purchase Request (MIPR), the WRCTC can offer DCITA courses to WRCTC clients in mobile format. This arrangement allows for a broader portfolio of WRCTC curriculum for students, and a higher throughput of students as captured by activity reports.
   - This curriculum will be instructed solely by DCITA personnel, and merely facilitated by WRCTC personnel.
   - Operational Risk is low, due to minimal iterations, and minimal contact between WRCTC instructors and others.
   - This arrangement relies on the legality of, and successful transfer of money to another DoD entity; and may be hindered if technical or policy issues arise.

5. U.S. Naval Postgraduate School Support
   - This initiative represents a partnership between the U.S. Naval Postgraduate School (NPS) and the WRCTC.
   - It leverages existing NPS curriculum and Mobile Training Team capability to offer a "plug and play", turnkey solution to increase WRCTC training output.
   - By forming a partnership, and transferring funds to NPS through a MIPR, the WRCTC can offer NPS courses to WRCTC clients in mobile format. This arrangement allows for a broader portfolio of WRCTC curriculum for students, and a higher throughput of students as captured by activity reports.
   - This curriculum will be instructed solely by NPS personnel, and merely facilitated by WRCTC personnel.
   - Operational Risk is low, due to minimal iterations, and minimal contact between WRCTC instructors and others.
   - This arrangement relies on the legality of, and successful transfer of money to another DoD entity; and may be hindered if technical or policy issues arise.

6. STRUCTURING THE MODEL

6.1 OBJECTIVES

Objectives represent tangible or intangible goals or priorities which the organization has identified. "Objectives may be broad (e.g., considering organization-wide strategic, operational, compliance, and reporting requirements) or more narrow (e.g., relating to a product, process, or function such as supply chain, new product sales, or regulatory compliance)."[7] In the case of the WRCTC, six objectives have been identified as important during FY18. These are listed briefly below, and in no order:

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[7] Riskion Online Help. Website. Accessed 10/22/2017.
https://gwcomparion.expertchoice.com/DocMedia/Help_SL_Riskion/Riskion.html#FAQs.html

- Execute Mission (Through execution of five initiatives)
- Satisfy DASD Stakeholders
- Satisfy NGB CD Stakeholders
- Satisfy Congressional Stakeholders
- Maintain Positive Brand/Image
- Execute 100% of Funds

6.2 RISK EVENTS

Risk events represent events which could occur, and which reasonably introduce the chance for a loss to objectives within the WRCTC. The risk events below were generated by consensus, and represent events which *could* occur. These risk events form an important aspect of the Riskion calculations and measures which will be discussed in following sections. The following are potential risk events which the WRCTC could face:

- WRCTC not funded
- Counterdrug (nt'l) not funded *(This event was removed due to its unlikelihood)*
- Government not funded *(This event was removed due to its unlikelihood)*
- Public (External DoD) Political Issue Resulting in Initiative Suspension
- Congressional Issue Resulting in Initiative Suspension
- WANG Level Policy Issue Resulting in Initiative Suspension
- NGB Level Policy Issue Resulting in Initiative Suspension
- DASD Level Policy Issue Resulting in Initiative Suspension
- In1 "Domestic" Issue Resulting in Initiative Suspension
- In2 "COCOM" Issue Resulting in Initiative Suspension
- In3 "Sec Cen Spt" Issue Resulting in Initiative Suspension
- In4 DCITA Issue Resulting in Initiative Suspension
- In5 NPS Issue Resulting in Initiative Suspension
- Negative Political Attention re: FY18 Activities from DASD
- Negative Political Attention re: FY18 Activities from NGB
- Negative Political Attention re: FY18 Activities from WANG
- Negative Political Attention re: FY18 Activities from Other TCs
- Negative Political Attention re: FY18 Activities from Public
- Negative Political Attention re: FY18 Activities from Congress
- DASD/NGB Dictates WRCTC Do Something in FY18 WRCTC Cannot Support
- Key Authorities Change
- Mishap at Other TC Effects WRCTC Initiatives

6.3 RISK SOURCES

Sources of risk are similar to risk events, but are less concrete, and are unlikely to manifest themselves as singular events. While they are related to the events listed above, they are broader in nature, and generally lead to risk events. For instance, fiscal factors may be sources of risk, especially around budget execution and fiscal policy. These however, are not singular events. They may be connected to a risk event (passage of policy mandating a fixed percentage of budget execution by a certain date) which *is* a concrete event, and would be classified as

such. The following are risk sources which the WRCTC faces in FY18, as organized by fiscal, political, and operational factors:

- Fiscal Factors
    - Political Deadlock re: funding
    - Lack of Adequate Funding
    - Significant Changes in Gov Funds Distribution
    - Intra-DoD Contracting Issues or Restrictions
    - "T32/T10" Use of Funds Issues
- Political Factors
    - Change in Political Priorities within CD
    - Decrease in Support for CD Activities
    - Change in Authorities with Abstract Effects
    - Increase/Decrease in CODEL Support
    - Increase/Decrease in Congressional Support
    - New Guidance Introduced
    - Congress / Other TCs Increase Pressure on WRCTC
- Operational Factors
    - Minor Domestic Mishap Involving WRCTC Personnel
    - Major Domestic Mishap Involving WRCTC Personnel
    - Policy Changes Restrict CONUS Travel
    - Policy Changes Restrict OCONUS Travel
    - Minor OCONUS Mishap Involving WRCTC Personnel
    - Major OCONUS Mishap Involving WRCTC Personnel

7. KEY PARTICIPANTS

Key participants were selected based on their involvement in the process of administering and overseeing the Counterdrug organization, their role in managing the Training Center, or for their influence in the legal and policy processes. It is important to note that the participant body reflected below resides at multiple echelons of the Department of Defense, from the state level, up to the Office of the Secretary of Defense. Below are the final participants:

- ASD SO/LIC (Assistant Secretary of Defense for Special Operations and Low Intensity Conflict)
- DASD CN/GT (Deputy to the Assistant Secretary of Defense for Counternarcotics and Global Threats)
- DASD CN/GT - NGB Liaison (Deputy to the Assistant Secretary of Defense for Counternarcotics and Global Threats - National Guard Bureau Liaison)
- NGB CD Chief (National Guard Bureau Counterdrug Chief)
- NGB JAG (National Guard Bureau Judge Advocate General)
- NGB TC Manager (National Guard Bureau Training Center Manager)
- WANG Adjutant General (Washington National Guard Adjutant General)
- WANG JAG (Washington National Guard Judge Advocate General)
- WANG CDP Coordinator (Washington National Guard Counterdrug Program Coordinator)
- Congressional Delegations
- Congressional Leaders
- CD TC Leaders (Counterdrug Training Center Leaders)

After generating a list of key participants, administrators configured setting in Riskion to determine which factors participants would enter judgments for. This ensured that only subject matter experts were making judgments on involved factors.

8. MEASUREMENT MODELS

The first step in structuring the measurement model was entering the data discussed in previous sections, including objectives, risk sources and events. These criteria and factors were entered in Riskion. Our risk assessment would revolve around these variables. The image below illustrates the initial entrance of data, in particular, risk events:

Unique ID	Events
[09]	WRCTC not funded
[18]	Public (External DoD) Political Issue Resulting in Initiative Suspension
[19]	Congressional Issue Resulting in Initiative Suspension
[12]	WANG Level Policy Issue Resulting in Initiative Suspension
[11]	NGB Level Policy Issue Resulting in Initiative Suspension
[10]	DASD Level Policy Issue Resulting in Initiative Suspension
[13]	In1 "Domestic" Issue Resulting in Initiative Suspension
[14]	In2 "COCOM" Issue Resulting in Initiative Suspension
[15]	In3 "Sec Cen Spt" Issue Resulting in Initiative Suspension
[16]	In4 DCITA Issue Resulting in Initiative Suspension
[17]	In5 NPS Issue Resulting in Initiative Suspension
[20]	Negative Political Attention re: FY18 Activities from DASD
[21]	Negative Political Attention re: FY18 Activities from NGB
[22]	Negative Political Attention re: FY18 Activities from WANG
[23]	Negative Political Attention re: FY18 Activities from Other TCs
[24]	Negative Political Attention re: FY18 Activities from Public
[25]	Negative Political Attention re: FY18 Activities from Congress
[26]	DASD/NGB Dictates WRCTC Do Something in FY18 WRCTC Cannot Support
[27]	Key Authorities Change
[28]	Mishap at Other TC Effects WRCTC Initiatives

Figure 1: Inputting Risk Events

Some sources of risk are connected to some events, while others are not. Delineating this relationship helps to increase the accuracy and usefulness of the study. Below, events (left axis) and sources (horizontal, top) are shown in a "cross-walk" matrix:

Figure 2: Event and Source Matrix

Once objectives, risk events, and sources of risk had been entered, it was time to assign participant roles. Adjusting participant roles allowed administrators to ensure that the correct participants were entering judgments for the right questions. The process involved opening participant profiles, and adjusting (in the matrix reflected below) who should evaluate what:

Figure 3: Matrix of Participant Applicability to a Given Event

Once all data was entered and participant roles assigned, it was time to begin the measurement phase. Measurement is analogous to data collection through participant inputs into Riskion. Participants received email notifications inviting them to input judgments, and Riskion collected this data and began generating outcomes.

8.1 LIKELIHOOD OF EVENTS

Participants clicked through a series of relationships (like the one represented below) and entered their judgment of the likelihood of a particular event occurring.

Figure 4: Participant Enters Likelihood Judgments

In addition, participants were asked to evaluate the likelihood of an event occurring based on another event, allowing Riskion to add more accurate measures to the data it collected.

Once complete, participants were shown a chart similar to the one below. They were asked if the chart reflected thier overall perspective, and if they desired to make changes. The chart illustrates a participant's view of the likelihood (at right) of specific events (listed at left) as compared to other events and likelihoods involved. *Please note that this chart is a* report chart, *and reflects synthesized global likelihoods. It is provided merely as an example.*

Likelihood of Events

Events	Global Likelihood
WRCTC not funded	0.52 %
Public (External DoD) Political Issue Resulting in Initiative Suspension	0.08 %
Congressional Issue Resulting in Initiative Suspension	0.44 %
WANG Level Policy Issue Resulting in Initiative Suspension	1.82 %
NGB Level Policy Issue Resulting in Initiative Suspension	11.88 %
DASD Level Policy Issue Resulting in Initiative Suspension	10.67 %
In1 "Domestic" Issue Resulting in Initiative Suspension	0.97 %
In2 "COCOM" Issue Resulting in Initiative Suspension	6.89 %
In3 "Sec Cen Spt" Issue Resulting in Initiative Suspension	5.50 %
In4 DCITA Issue Resulting in Initiative Suspension	6.92 %
In5 NPS Issue Resulting in Initiative Suspension	8.26 %
Negative Political Attention re: FY18 Activities from DASD	0.12 %
Negative Political Attention re: FY18 Activities from NGB	3.50 %
Negative Political Attention re: FY18 Activities from WANG	3.54 %
Negative Political Attention re: FY18 Activities from Other TCs	0.03 %
Negative Political Attention re: FY18 Activities from Public	0.88 %
Negative Political Attention re: FY18 Activities from Congress	1.23 %
DASD/NGB Dictates WRCTC Do Something in FY18 WRCTC Cannot Support	4.15 %
Key Authorities Change	32.32 %
Mishap at Other TC Effects WRCTC Initiatives	0.29 %

Figure 5: Participant Judgments on Event Likelihoods

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8.2 LIKELIHOOD OF SOURCES

Next, a similar process occurred for the likelihood of sources of risk. Participants were again asked to input their judgments on the likelihood of source factors. The judgment entry screens are very similar to those in Figure 4, and are not shown. Below is the cumulative likelihood of sources:

Fiscal Factors	56.34
Political Factors	29.37
Operational Factors	13.74

Figure 6: Cumulative Likelihood of Sources

Likelihood of Sources

Sources	Local Likelihood	Global Likelihood
Sources	100.00 %	100.00 %
Fiscal Factors	56.34 %	56.34 %
Political Deadlock re: funding	2.70 %	1.52 %
Lack of Adequate Funding	22.53 %	12.69 %
Significant Changes in Gov Funds Distribution	11.26 %	6.35 %
Intra-DoD Contracting Issues or Restrictions	36.48 %	20.55 %
"T32/T10" Use of Funds Issues	27.02 %	15.22 %
Political Factors	29.37 %	29.37 %
Change in Political Priorities within CD	16.63 %	4.89 %
Decrease in Support for CD Activities	0.91 %	0.27 %
Change in Authorities with Abstract Effects	26.21 %	7.70 %
Increase/Decrease in CODEL Support	16.63 %	4.89 %
Increase/Decrease in Congressional Support	1.81 %	0.53 %
New Guidance Introduced	35.99 %	10.57 %
Congress / Other TCs Increase Pressure on WRCTC	1.81 %	0.53 %
Operational Factors	13.74 %	13.74 %
Minor Domestic Mishap Involving WRCTC Personnel	19.55 %	2.69 %
Major Domestic Mishap Involving WRCTC Personnel	7.88 %	1.08 %
Policy Changes Restrict CONUS Travel	9.03 %	1.24 %
Policy Changes Restrict OCONUS Travel	43.83 %	6.02 %
Minor OCONUS Mishap Involving WRCTC Personnel	12.14 %	1.67 %
Major OCONUS Mishap Involving WRCTC Personnel	7.57 %	1.04 %

Figure 7: Likelihood of Sources

The chart above displays the local, and global (total) likelihoods of source leading to risk. This is a direct reflection of a participant's judgments, and is open to revision should a participant desire. The entry of judgments regarding event impact comes next.

8.3 IMPACT OF EVENTS ON OBJECTIVES

Participants entered judgments about a particular event's impact on a particular objective. The interface for the entrance of judgments is pictured below:
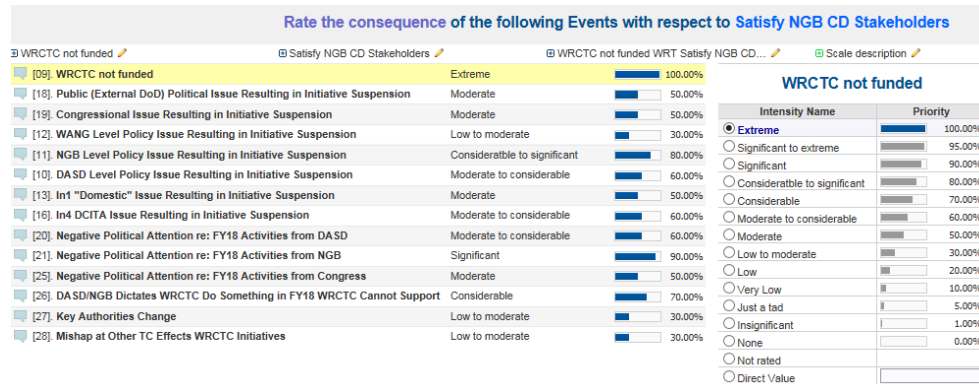
Figure 8: Participant Ratings for Consequence of Events Against a Single Objective

The charts below illustrate the assessed event impact against individual objectives. Each chart represents a single objective (1-6); the blue scale at right represents severity of impact.

Figure 10: Impact of Events Against Objective 2

Figure 11: Impact of Events Against Objective 1

Figure 12: Impact of Events Against Objective 3

Figure 9: Impact of Events Against Objective 4

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[09]	WRCTC not funded	100.00
[18]	Public (External DoD) Political Issue Resulting in Initiative Suspension	30.00
[19]	Congressional Issue Resulting in Initiative Suspension	70.00
[12]	WANG Level Policy Issue Resulting in Initiative Suspension	50.00
[11]	NGB Level Policy Issue Resulting in Initiative Suspension	50.00
[10]	DASD Level Policy Issue Resulting in Initiative Suspension	70.00
[13]	In1 "Domestic" Issue Resulting in Initiative Suspension	50.00
[14]	In2 "COCOM" Issue Resulting in Initiative Suspension	30.00
[15]	In3 "Sec Cen Spt" Issue Resulting in Initiative Suspension	0.00
[16]	In4 DCITA Issue Resulting in Initiative Suspension	0.00
[17]	In5 NPS Issue Resulting in Initiative Suspension	0.00
[20]	Negative Political Attention re: FY18 Activities from DASD	95.00
[21]	Negative Political Attention re: FY18 Activities from NGB	90.00
[22]	Negative Political Attention re: FY18 Activities from WANG	60.00
[23]	Negative Political Attention re: FY18 Activities from Other TCs	50.00
[24]	Negative Political Attention re: FY18 Activities from Public	10.00
[25]	Negative Political Attention re: FY18 Activities from Congress	90.00
[26]	DASD/NGB Dictates WRCTC Do Something in FY18 WRCTC Cannot Support	70.00
[27]	Key Authorities Change	0.00
[28]	Mishap at Other TC Effects WRCTC Initiatives	0.00

Figure 13: Impact of Events Against Objective 6

[09]	WRCTC not funded	100.00
[18]	Public (External DoD) Political Issue Resulting in Initiative Suspension	5.00
[19]	Congressional Issue Resulting in Initiative Suspension	10.00
[12]	WANG Level Policy Issue Resulting in Initiative Suspension	10.00
[11]	NGB Level Policy Issue Resulting in Initiative Suspension	20.00
[10]	DASD Level Policy Issue Resulting in Initiative Suspension	10.00
[13]	In1 "Domestic" Issue Resulting in Initiative Suspension	60.00
[14]	In2 "COCOM" Issue Resulting in Initiative Suspension	30.00
[15]	In3 "Sec Cen Spt" Issue Resulting in Initiative Suspension	0.00
[16]	In4 DCITA Issue Resulting in Initiative Suspension	10.00
[17]	In5 NPS Issue Resulting in Initiative Suspension	10.00
[20]	Negative Political Attention re: FY18 Activities from DASD	5.00
[21]	Negative Political Attention re: FY18 Activities from NGB	5.00
[22]	Negative Political Attention re: FY18 Activities from WANG	1.00
[23]	Negative Political Attention re: FY18 Activities from Other TCs	1.00
[24]	Negative Political Attention re: FY18 Activities from Public	1.00
[25]	Negative Political Attention re: FY18 Activities from Congress	10.00
[26]	DASD/NGB Dictates WRCTC Do Something in FY18 WRCTC Cannot Support	0.00
[27]	Key Authorities Change	50.00
[28]	Mishap at Other TC Effects WRCTC Initiatives	0.00

Figure 14: Impact of Events Against Objective 5

It is important to note that the six charts above reflect event impacts on *individual* objectives.

8.4 IMPACT OF EVENTS (OVERALL)

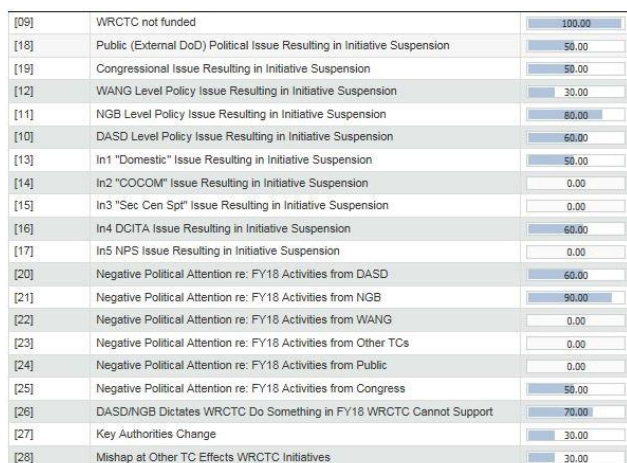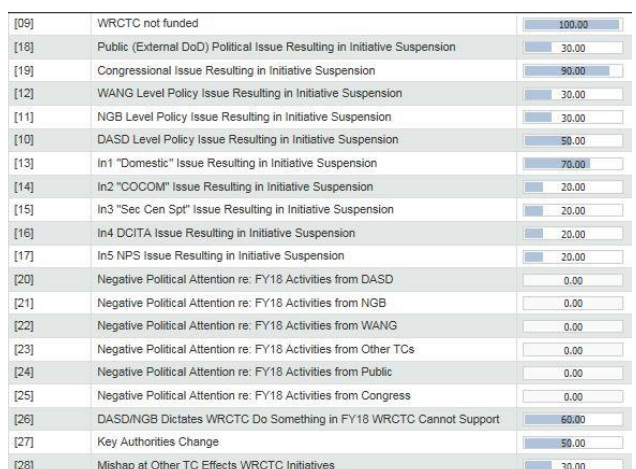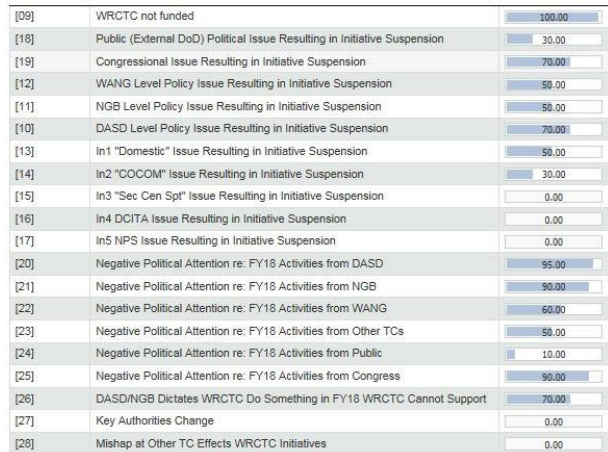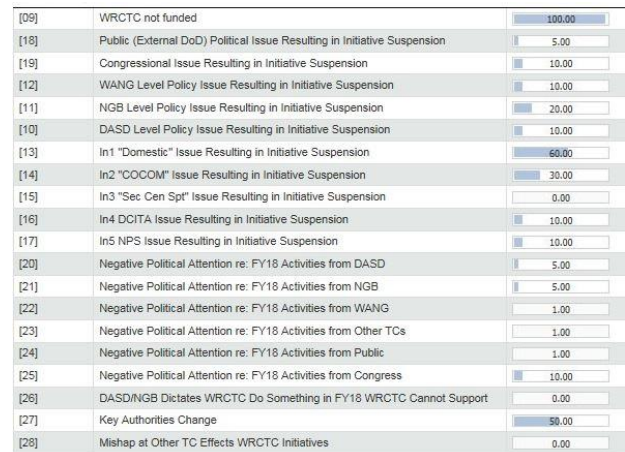By combining the data from the individual and cumulative event impact judgments, Riskion generates an overall measure of any source's impact on cumulative objectives. Next, judgments are collected on participants' prioritization of the six objectives. This allows the system to "weight" effects on high priority objectives, and minimize threat impacts against lower priority objectives. Combined, these steps help to determine overall risk to the WRCTC FY18 Initiatives. The screen below offers participants an opportunity to prioritize objectives, and identify a rank numerical rank order. While the user doesn't immediately see it, Riskion also calculates orders of magnitude to ensure mathematical rigor and accuracy are retained.

Figure 15: Objective Priority Judgments

Once all participants have entered judgments on objective priorities, Riskion calculates all inputs, and determines which objectives are most important. As reflected in the screen below, the objective "Satisfy DASD Stakeholders" was most important to the group by a few percentage points. Maintaining a positive image, and executing 100% of the budget were ranked as the least important objectives. By completing this step and providing these inputs, Riskion can assign greater "weights" to events which are likely to threaten the highest priority objectives. I.E.: if the objective "Satisfy DASD Stakeholders" is threatened due to a high likelihood of an event linked to it occurring and causing impact, Riskion will reflect an elevated risk to that objective. Below are the final, cumulative objective priorities:

Objective Priorities
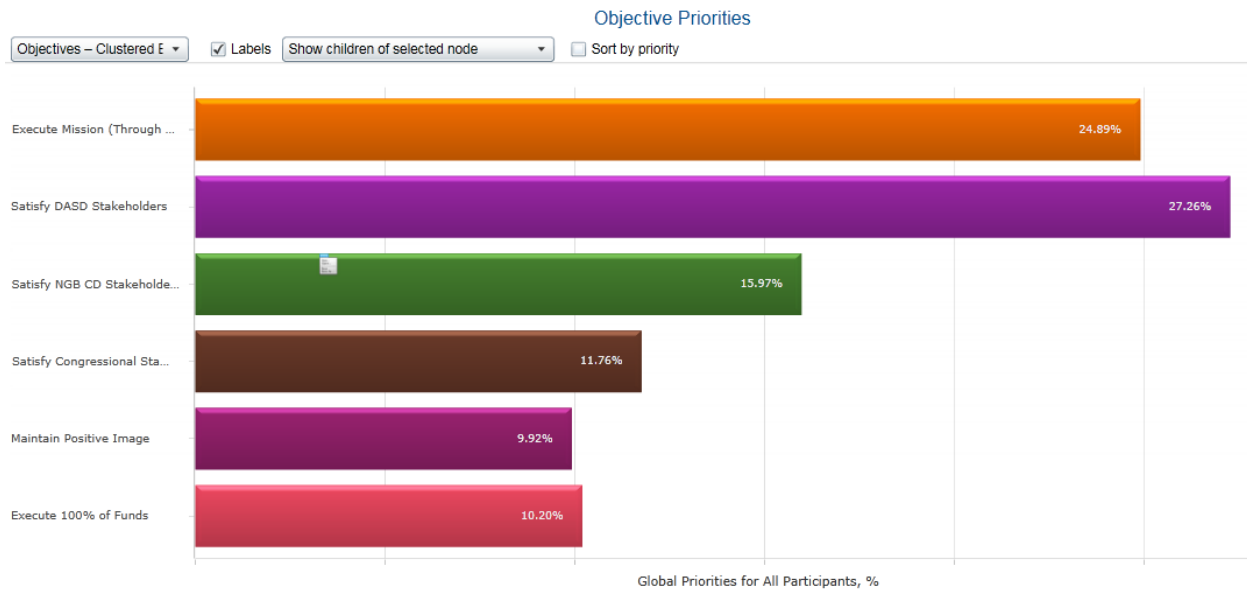
Figure 16: Participant Objective Priorities

8.5 Evaluation

Upon collection of initial participant inputs, data was reviewed to ensure no inconsistencies, errors, or abnormalities. Once complete responses were confirmed, the measurement stage was completed, and the Synthesis stage could begin.

9. SYNTHESIS

During the synthesis stage, the data collected (participant judgments) during measurement is analyzed by Riskion. The process is invisible to users, but is well structured and rooted in a sound scientific and mathematical model. Three specific categories will be discussed in this section: the synthesized likelihood of events, the synthesized likelihood of sources, and the impact of events.

9.1 LIKELIHOOD OF EVENTS

Below is the final likelihood of events, after all judgments about likelihood from all users. In addition, Riskion has combined this data with users' judgments regarding objective prioritization and the likelihood of sources. This vast combination of data points allows for a high degree of accuracy. Final likelihood of events, as determined by participants:
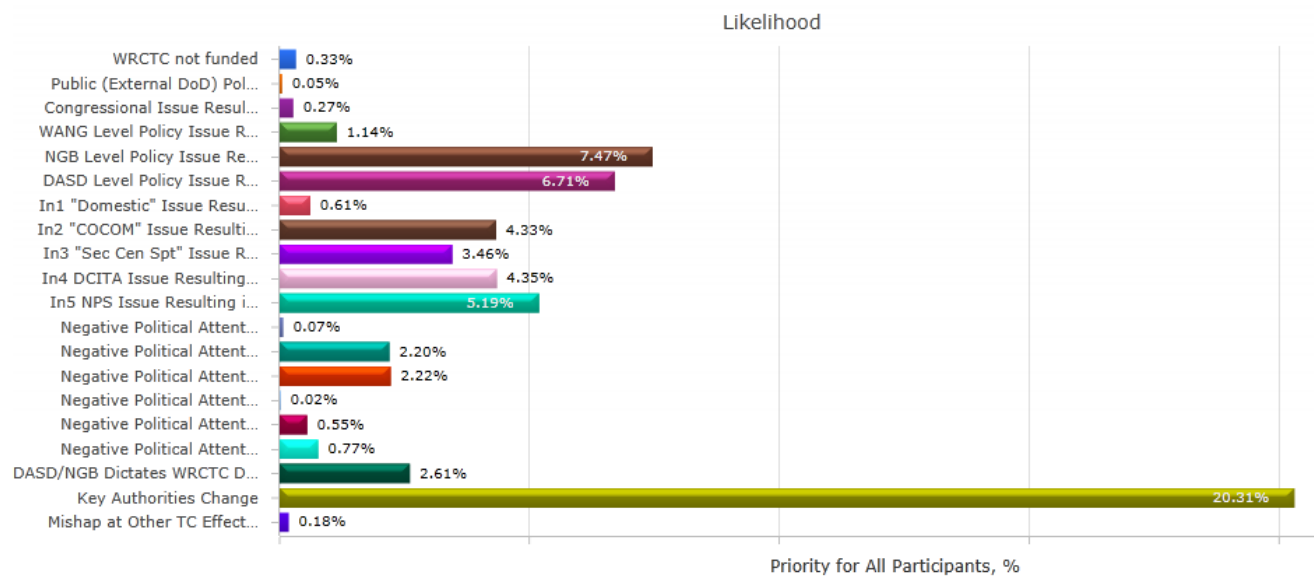
Figure 17: Likelihood of Risk Events

9.2 LIKELIHOOD OF SOURCES

Similarly, a final likelihood of sources is also conducted. Again, user judgments around source likelihoods are combined this data with users' judgments regarding objective prioritization and event likelihoods. Understanding source likelihoods (by individual source, and by type) is helpful to leaders from a broad perspective. Riskion is a strong tool for this application however, because it also gives leaders a detailed understanding of the "micro" sources of risk, not just the broad types. The following chart measures final source likelihoods by type. Users overwhelmingly felt that fiscal factors represented the greatest sources of risk, followed by political, then operational factors.
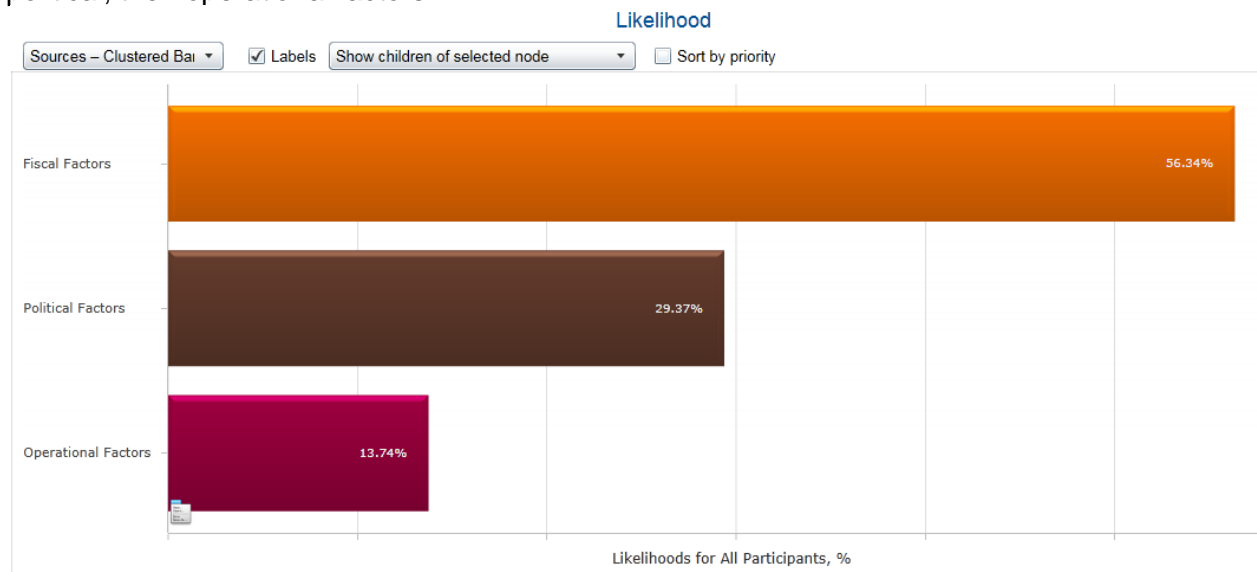
Figure 18: Source Likelihoods

9.3 IMPACT OF EVENTS

The graphic reflects each of the risk events (at left) and their corresponding impact. Note that the most impactful event (WRCTC not funded) carries the highest rating of impact, at approximately 14%. That 14% reflects Riskion's calculations regarding weight, priority, and impact, as ranked by participants. This does not mean that participants rated a lack of funding as only 14% impactful. On the contrary, all participants judged a lack of funding as a 100% impactful event, but Riskion's calculations around overall impact communicate percentages of overall impact, thus 14%.
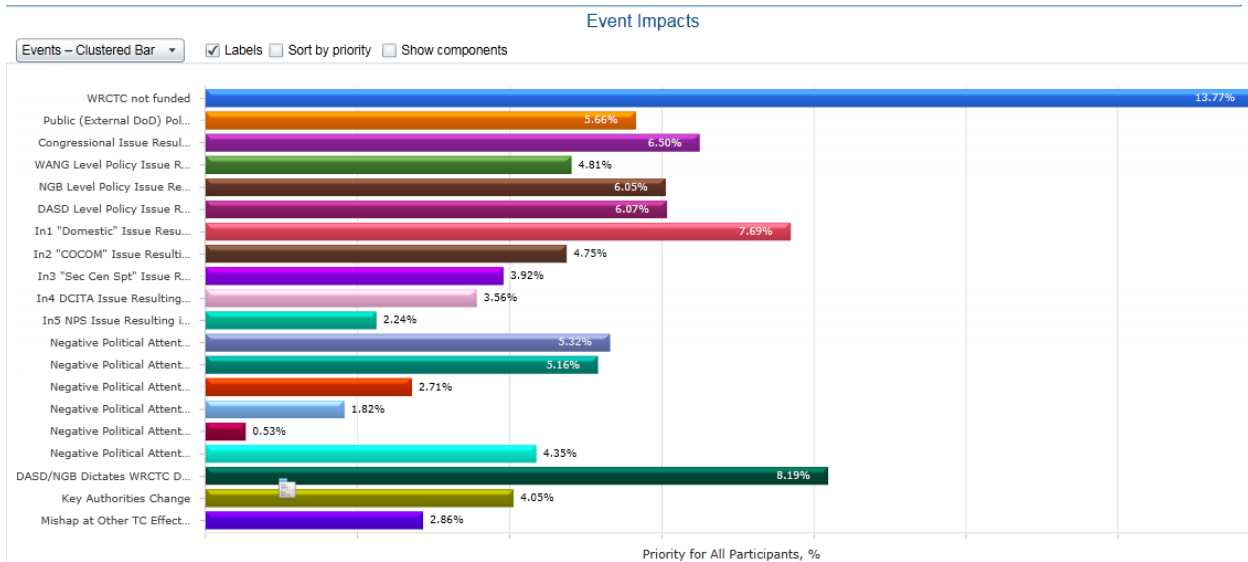
Figure 19: Overall Event Impacts

In addition, a sensitivity analysis was conducted to understand changes in outputs based on altered inputs. The image below represents the multiple variables (in the form of events) which users provided judgment on. The objectives are represented by the columns in the left graph. By moving event likelihoods and impacts, the team had an opportunity to forecast, which increased understanding around contingencies and outcomes. Below is an example of sensitivity testing on the aggregated data:
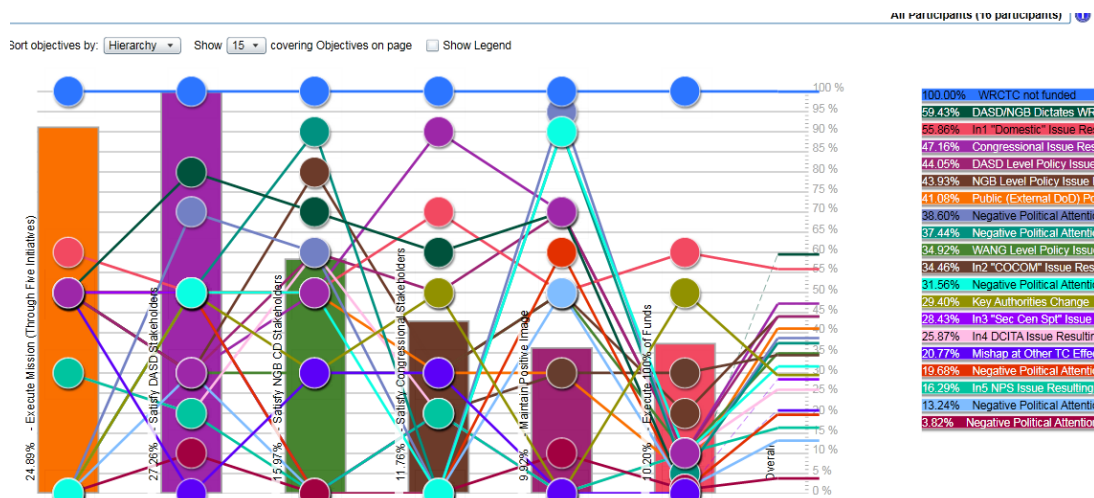
Figure 20: Sensitivity Testing

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10. RISK

In the "Risk" phase of the project, the team was finally able to visualize the degree of risk associated with the FY18 plan, as shaped by the inputs provided prior. Riskion generates an initial assessment, displaying familiar data, and (at far right) the risk associated with each event:

Overall Likelihoods, Impacts, and Risks for «*Project: Counternarcotics Training Policy Risk Assessment - JV»

| No. ▲	Event		Likelihood Computed	All Participants Impact Computed	Risk Computed
[09]	WRCTC not funded	☰	0.413138%	100.000000%	0.413138%
[10]	DASD Level Policy Issue Resulting in Initiative Suspension	☰	9.924849%	44.050083%	4.371904%
[11]	NGB Level Policy Issue Resulting in Initiative Suspension	☰	11.730687%	43.928745%	5.153143%
[12]	WANG Level Policy Issue Resulting in Initiative Suspension	☰	1.151429%	34.923586%	0.402120%
[13]	In1 "Domestic" Issue Resulting in Initiative Suspension	☰	0.937147%	55.860388%	0.523494%
[14]	In2 "COCOM" Issue Resulting in Initiative Suspension	☰	5.535636%	34.464341%	1.907821%
[15]	In3 "Sec Cen Spt" Issue Resulting in Initiative Suspension	☰	4.448379%	28.429312%	1.264644%
[16]	In4 DCITA Issue Resulting in Initiative Suspension	☰	5.555839%	25.874195%	1.437529%
[17]	In5 NPS Issue Resulting in Initiative Suspension	☰	7.008348%	16.291624%	1.141774%
[18]	Public (External DoD) Political Issue Resulting in Initiative Suspension	☰	0.070727%	41.076219%	0.029052%
[19]	Congressional Issue Resulting in Initiative Suspension	☰	0.362230%	47.155428%	0.170811%
[20]	Negative Political Attention re: FY18 Activities from DASD	☰	0.118684%	38.599297%	0.045811%
[21]	Negative Political Attention re: FY18 Activities from NGB	☰	2.312187%	37.442315%	0.865736%
[22]	Negative Political Attention re: FY18 Activities from WANG	☰	2.237820%	19.684605%	0.440506%
[23]	Negative Political Attention re: FY18 Activities from Other TCs	☰	0.033228%	13.240343%	0.004399%
[24]	Negative Political Attention re: FY18 Activities from Public	☰	0.550000%	3.820097%	0.021011%
[25]	Negative Political Attention re: FY18 Activities from Congress	☰	1.281200%	31.563777%	0.404395%
[26]	DASD/NGB Dictates WRCTC Do Something in FY18 WRCTC Cannot Support	☰	3.715564%	59.433776%	2.208300%
[27]	Key Authorities Change	☰	27.454972%	29.398426%	8.071330%
[28]	Mishap at Other TC Effects WRCTC Initiatives	☰	0.304233%	20.765531%	0.063176%
	Total Risk (Computed)				**28.940094%**

Figure 21: Overall Likelihoods, Impact, and Risks

Riskion allows users to view similar results for each objective, however for the sake of brevity we will communicate those results elsewhere.

Riskion contains a number of tools which help leaders visualize risk. The "bow-tie" diagram below is generated for each risk event, (pictured center) and shows the sources which may lead to it, and the objectives which it threatens. The diagram below represents the risk event "WRCTC is not funded":
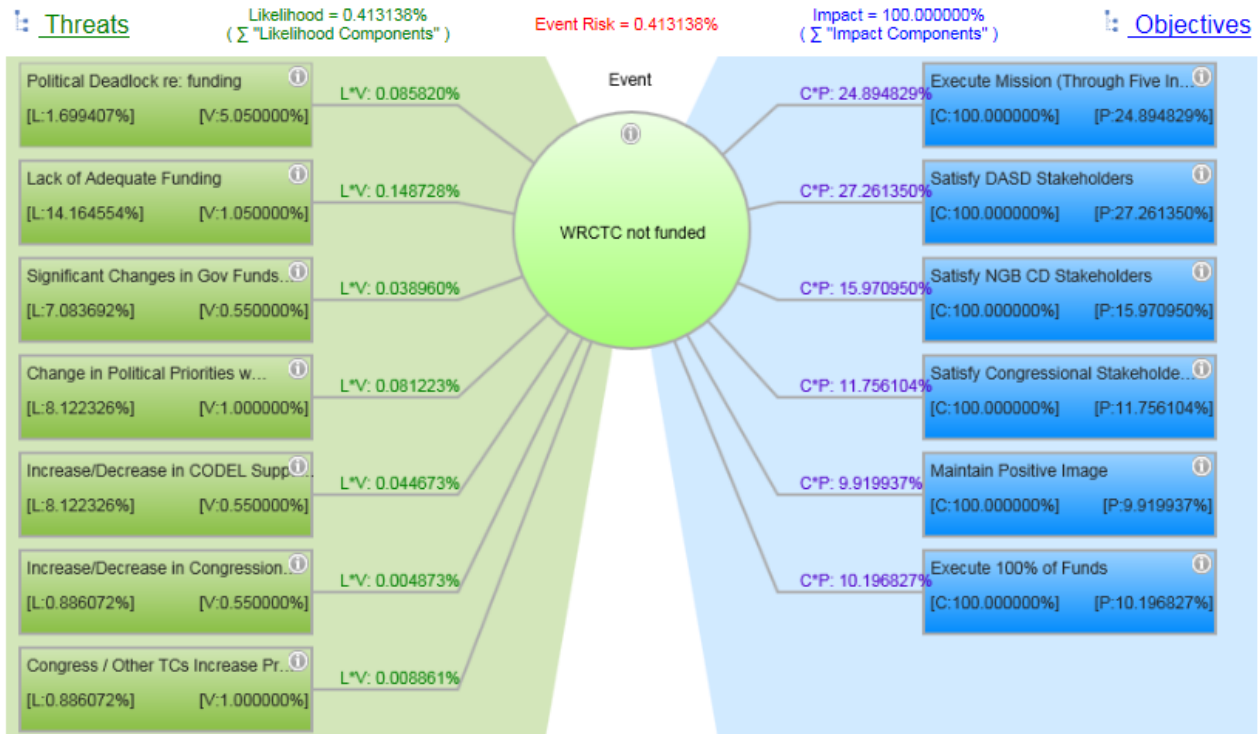
Figure 22: Bow-Tie Diagram Illustrating a Lack of Funding

Some diagram have far fewer sources, events, and threatened objectives associated, due to the event's lesser impact. The diagram below represents objectives threatened if a local level policy change is made which threatens an FY18 initiative item:
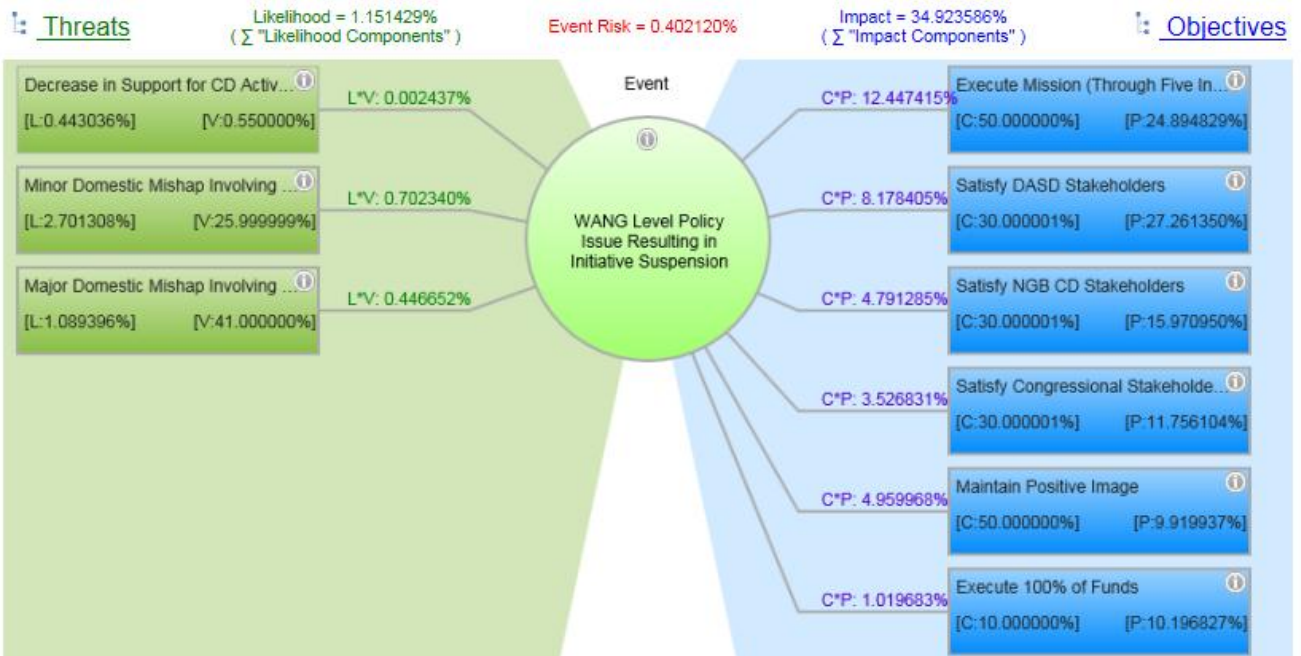

Figure 23: Bow-Tie Reflecting Fewer Threat Sources

The diagram below illustrates a risk event (a mishap at another of the five Training Centers) and its impact on objectives. Note that the event is unlikely to occur, and is unlikely to threaten more than three WRCTC objectives.
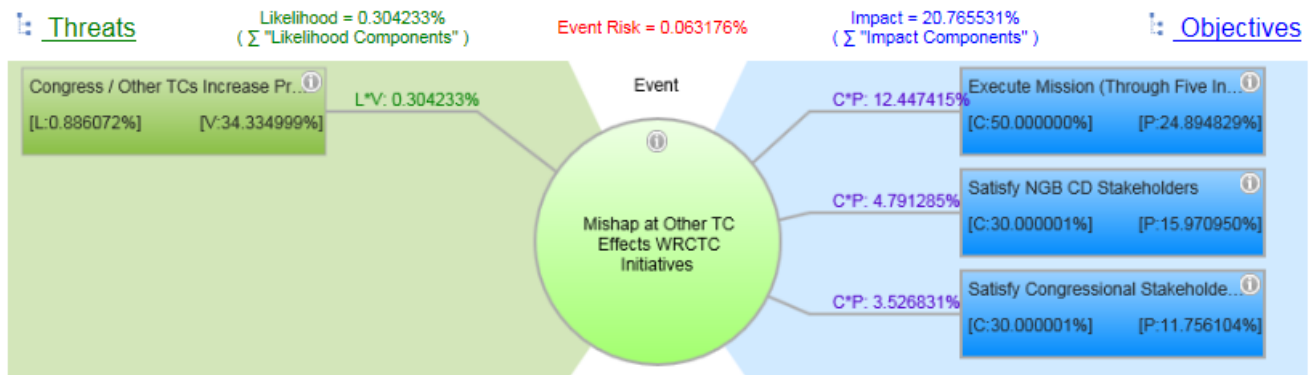
Figure 24: Bow-Tie Diagram Illustrating Minimal Risk

The following bow-tie diagram illustrates a risk event with no specific risk sources, and minimal impacts to objectives. The various bow-tie diagrams help leaders understand which events may have the most threats and repercussions connected to them. This allows leaders to apply controls and mitigate against those risk events.

Figure 25: Bow-Tie Diagram Depicting Risk Event, but No Specific Sources

10.1 RISK MAPPING

Risk Mapping allows for leaders to visually understand where risk resides within their missions and organizations. Risk Maps communicate this information, and allow leaders to continue learning about the highest sources of risk, while focusing their usually limited resources on the most at-risk assets or programs.

The following image is a Risk Map illustrating the degree of risk (likelihood, and impact) associated with the risk events discussed earlier. The higher up, and further right the event, the more risk it entails:
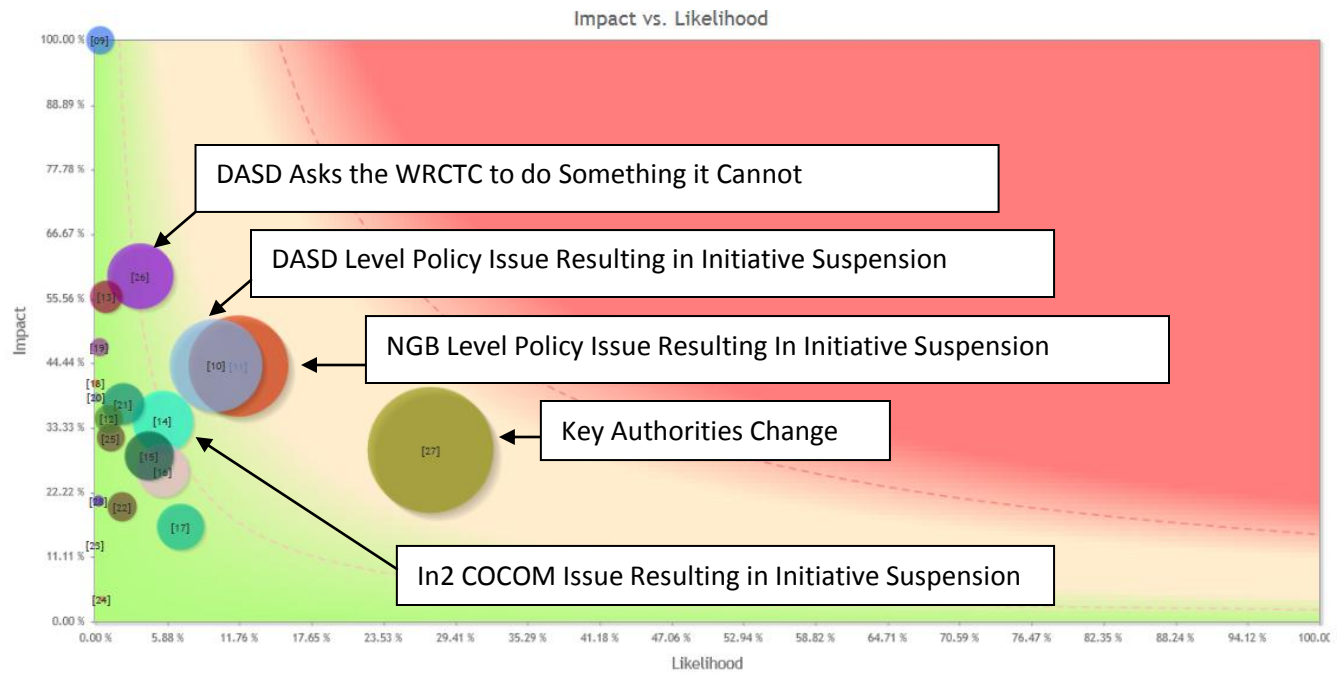
Figure 26: Risk Map with Top 5 Risks Identified

Simply given the simple graphic representation above, leaders can make quick decisions about where to focus effort. Managers may also chose to identify the top have of events with high impact, and study those. Alternatively, they may choose to review events with higher likelihoods. The tool is highly flexible, and will allow the WRCTC to focus on the top five.

10.2 IDENTIFY AND SELECT CONTROLS

"Risk controls" are steps taken to prevent an event from occurring, of minimize the impact if it does. Controls generally involve doing, or not doing something to address the two types of risk: the risks we face, and the risks we take.[8] Generally, they involve implementing measures which reduce the chances of unfavorable outcomes.

In the instance of the WRCTC, there are very few (if any) controls with associated costs. Instead, the WRCTC has the following assets: time, and political capital. The below chart captures the suggested risk controls which the WRCTC may employ:

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[8] Professor Foreman, Risk Management, Lecture: George Washington University, Washington D.C. September, 2017.

Congressional Delegation	≡
Liaison with other TCs	≡
Liaison with DASD Resource Mngmt	≡
Maintain Varied Portfolio of Services	≡
KLE with NGB	≡
KLE with DASD	≡
Operational Risk Controls Implemented	≡
KLE with WANG Leadership	≡
Liaison with WANG PAO	≡
Liaison with WANG JAG	≡

Figure 27: Suggested WRCTC Controls

Note that "KLE" stands for Key Leader Engagement and "WANG" stands for Washington National Guard. By implementing a combination of these controls, WRCTC leaders can mitigate against the risks associated with FY18 priorities.

Generally, controls have associated costs; install a $223,500 security system which will deter and help catch people who may break in, or hire four additional analysts to ensure data is properly reviewed, at a cost of $533,000 a year.

In the case of the WRCTC, the controls above generally do not carry associated costs, or their costs are miniscule. Thus, in making decisions about which controls to implement, the WRCTC must determine how to best employ its limited time and political energies toward its greatest sources of risk. The breakdown illustrated below represents a potential allocation of time and energy across potential control strategies. A value of 100% is used as a "cost", suggesting that the associated percentage of effort should be committed to each control:

Control register for "*Project: Counternarcotics Training Policy Risk Assessment - JV"

Selected controls: 10
Cost Of Selected Controls: $100 (unfunded: $0)
Total Cost Of All Controls: $100

Index ▲	☐	Control Name		Control for	Selected	Cost	≡	Applications		Categories	S.A. Reduction, %	Must	Must Not
01	☐	Congressional Delegation	≡	Threat ∨	Yes	50		7	✛			false	false
02	☐	Liaison with other TCs	≡	Threat ∨	Yes	3		3	✛			false	false
03	☐	Liaison with DASD Resource Mngmt	≡	Threat ∨	Yes	6		2	✛			false	false
04	☐	Maintain Varied Portfolio of Services	≡	Threat ∨	Yes	18		10	✛			false	false
05	☐	KLE with NGB	≡	Vulnerability ∨	Yes	5		2	✛			false	false
06	☐	KLE with DASD	≡	Vulnerability ∨	Yes	8		2	✛			false	false
07	☐	Operational Risk Controls Implemented	≡	Vulnerability ∨	Yes	2		2	✛			false	false
08	☐	KLE with WANG Leadership	≡	Consequence ∨	Yes	3		1	✛			false	false
09	☐	Liaison with WANG PAO	≡	Consequence ∨	Yes	2		1	✛			false	false
10	☐	Liaison with WANG JAG	≡	Consequence ∨	Yes	3		1	✛			false	false

Figure 28: Control Register with Proposed Control Commitments

10.3 REVIEW RISKS AND ANALYZE CONTROLS

In a typical organization, identifying the most cost-effective controls is an easy process. It involves measuring Return on Investment, or "bang-for-buck." In the instance of the WRCTC however, fiscal application of resources cannot drive controls. However, below is a representation of Riskion's suggested monetary commitments against selected controls, based on their projected utility in mitigating risk events (as judged by users):

Index	Events/Budget	$0	$4	$8	$12	$16	$20	$24	$28	$32	$36	$40	$44	$48	$52	$68	$72	$76	$80	$84	$88	$92
	Risk with Selected Controls	28.94	26.92	25.83	23.8	23.78	19.74	17.34	16.74	16.45	16.43	16.42	16.42	16.42	16.42	15.67	15.13	12.72	12.17	12.14	12.13	12.13
	Funded Cost	$0	$3	$8	$11	$16	$20	$24	$27	$32	$36	$40	$44	$48	$50	$68	$71	$76	$79	$84	$87	$92
1.	Congressional Delegation															FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED
2.	Liaison with other TCs		FUNDED		FUNDED	FUNDED			FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED		FUNDED		FUNDED	FUNDED	FUNDED	FUNDED
3.	Liaison with DASD Resource Mngmt			FUNDED	FUNDED	FUNDED		FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED			FUNDED	FUNDED	FUNDED	FUNDED	FUNDED
4.	Maintain Varied Portfolio of Services						FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED
5.	KLE with NGB					FUNDED				FUNDED	FUNDED	FUNDED	FUNDED	FUNDED						FUNDED	FUNDED	FUNDED
6.	KLE with DASD											FUNDED	FUNDED	FUNDED								
7.	Operational Risk Controls Implemented			FUNDED	FUNDED	FUNDED	FUNDED			FUNDED	FUNDED	FUNDED	FUNDED	FUNDED	FUNDED			FUNDED	FUNDED	FUNDED	FUNDED	FUNDED
8.	KLE with WANG Leadership								FUNDED		FUNDED		FUNDED	FUNDED							FUNDED	FUNDED
9.	Liaison with WANG PAO									FUNDED		FUNDED		FUNDED								FUNDED
10.	Liaison with WANG JAG										FUNDED		FUNDED	FUNDED								FUNDED

Figure 29: Efficient Frontier for Application of Resources Towards Controls

Due to the complexity of the situation, a different approach must be taken. This approach involves assessing risk (through use of the Risk Map, and top 5 risks), and addressing each through the lenses of the controls available. Because the suitable controls are highly abstract and personality driven, selecting them is not a scientific process, nor one that is easily outlined.

11. RECOMMENDATIONS

The following recommendations are provided to the WRCTC in its efforts to reduce risk associated with its FY18 initiatives:

1. **Focus on the top 5 risk events identified**. By doing so, WRCTC leaders can adjust the execution of initiatives as needed and apply additional controls. These top risk events are:
    a. Key Authorities Change
    b. NGB Level Policy Issue Resulting in Imitative Suspension
    c. DASD Level Policy Issue Resulting in Imitative Suspension
    d. DASD Asks the WRCTC to do Something it Cannot
    e. In2 COCOM Issue Resulting in Initiative Suspension
2. As an extension of the above, **leaders should know the warning signs** associated with a pending risk event which may signal that event's arrival. This forewarning could give leaders enough time to prevent negative repercussions from materializing.
3. **Maintain a varied portfolio of services**. The WRCTC should never focus solely on one or two initiatives, but rather, maintain at least four to seven at any given time. This distribution does not necessarily reduce the risk against specific initiatives, but more importantly eliminates the catastrophic results associated with a single mainstay initiative's elimination. It is important to note that only one initiative (that of COCOM support) is directly threatened (by name) in the top 5. Support to NPS, DCITA, and Domestic Operations are not mentioned, and only come under threat due to budgetary issues. This speaks to the importance of a varied portfolio of services.

4. **Invest in human capital**. The WRCTC's risk controls all require intelligent, politically savvy personnel able to engage key leaders, build partnerships and alliances, and understand a difficult operating environment. The WRCTC (and the greater Washington Counterdrug Program) must continue to cultivate leaders who can understand, and engage in this arena.

5. **Minimize unproductive risk**. The WRCTC excels at minimizing operational risk. This allows leaders to take chances, and operate boldly, which implies added political risk. Calculated Political risk is acceptable, as it is required to move the organization forward. Minimize unproductive operational risks so leaders may focus on progress.

Lastly, the WRCTC should never cease measuring and assessing risk. While that assessment does not require drawn out studies, political and operating factors must always be considered when making any decision.