

Annex III - Risk Management overview

In this section are presented a synthetic view of the Programme risk situation at the end of 2012, including a summary of the activities performed in 2012, and the outlines of the activities to be performed in 2013.

1.1 Overview of the Programme risk situation as at end 2012

In 2012, the participation of SJU management in the identification and assessment of the main Programme risks has been strengthened, with an objective to reinforce the shared understanding of the main risks at the Programme and SJU levels, and their criticality. Besides this, the follow-up of the WP and Projects risks ('bottom-up'), issues and opportunities has overall been in continuation with the previous years.

For Programme and SJU main risks, 2 workshops have been organised in Q2:

- One workshop on R&D Programme risks, with SJU Programme Managers and key members of the SJU ATM team, aiming at:
 - Reviewing the initial list of risks (as reported to the Administrative Board in December 2011),
 - Reviewing the coherence with bottom-up assessment,
 - Identifying and assessing additional risks related to the R&D activities,

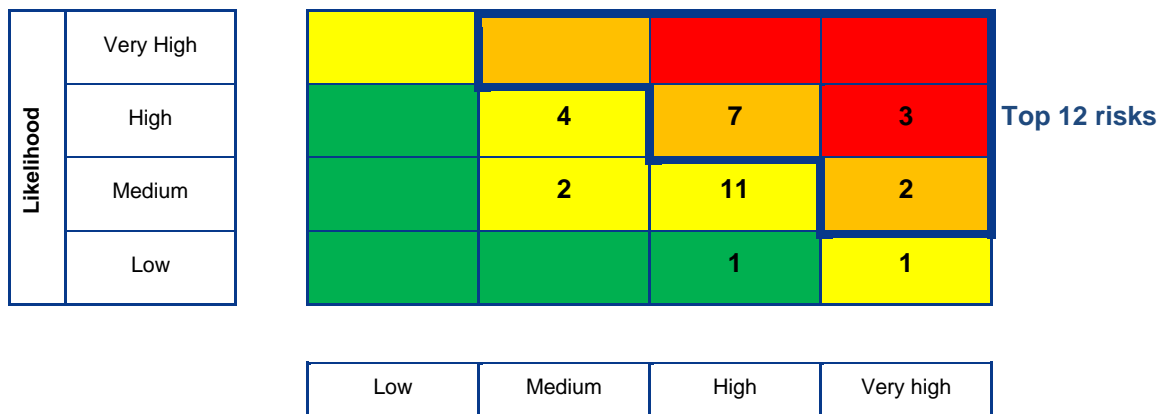
This workshop resulted in a draft list of 15 R&D risks, proposed to the approval of the SJU Executive Team,

- A second workshop with the SJU Executive Team aiming at validating the list of Programme risks and their criticality, covering the R&D risks but also risks related to the wide scope of the SESAR Programme (including Deployment), and risks pertaining to corporate processes

This workshop resulted in a list of **31 Programme and SJU risks, of which 12 are considered "top risks"** due to their current criticality level (high or very high).

The information on these risks has been reviewed by the SJU management and has received agreement of all the Executive Team members. It represents the vision of the current risks and of necessary mitigation actions which is shared by the SJU Executive Team.

The distribution of risks per level of criticality (current criticality as at end October 2012) is outlined in the following picture:



Severity

Closed: 1

Table 1: Distribution of risks per level of criticality - end 2012

The top 12 risks are:

ID	Risk	Net Criticality (October 2012)
CORPORATE RISKS		
ADM01	Information is not managed properly, affecting the SJU's reputation and potentially resulting in lost opportunities for the industry with regard to the transition towards Deployment	H
ADM02	Lack of available required competences and/or resources due to key staff turnover and/or inability to attract skilled resources	H
WIDE SESAR SCOPE RISKS		
WSS01	The Cost Effectiveness objective is not reached	VH
WSS03	Investment to support deployment beyond Deployment Baseline is not secured	H
R&D PROGRAMME RISKS		
RD01	Future major events (start of deployment, possible extension of the SJU and possible extension of SESAR) might bring focus on topics other than the R&D activities, preventing the R&D work programme to be achieved	VH
RD02	Coordination and transversal activities are not effective, leading the R&D Programme to not deliver solutions that are really ready for the preparation of deployment	VH
RD03	The ineffective bridging between R&D and industrialisation / Deployment leads to inefficiencies, in particular for third-parties (non-Members)	H
RD04	The ineffective planning (top-down and between projects) causes delays	H
RD05	R&D activities do not meet target maturity dates	H
RD06	The System Engineering approach does not enable the Programme to ensure the overall coherence and quality of the output of the R&D Programme	H
RD07	Inefficient or unrealistic resource management	H
RD08	R&D activities do not deliver solutions allowing to reach expected ATM performance	H

In this table, the categories of risks must be understood as follows:

- 'Wide SESAR scope' risks, although not affecting directly the R&D activities, may affect the SESAR Programme negatively through the deployment of R&D results; these risks are monitored by the SJU due to its role to execute the ATM Master Plan, but the ownership of the actions does not lay systematically with the SJU;
- 'R&D' risks may impact the achievement of the objectives of the R&D activities directly;
- 'Corporate' risks may affect the functioning of the SJU internal processes and assets.

Each Programme and SJU risk has been described in detail.

To mitigate these top 12 risks, **10 essential actions** have been defined in Q3 in follow-on to the risk identification and assessment workshops. These actions provide a reasonable assurance that, should they be implemented, the risks will be under control in the near future. These are:

Title	Link to top risks	Status	SJU owner	Due date
Support the definition and the implementation of appropriate Deployment Governance arrangement by the Commission to ensure an effective execution of the ATM Master Plan and the necessary link with the implementation plans of all relevant stakeholders.	WSS03 RD01	In progress	Patrick Ky	31/12/2013
Define and implement the Release strategy, the top-down V&V roadmap and the Integrated Roadmap which put the Priority Business Needs into practice (including performance expectations)	RD02 RD04 RD05 RD06 WSS04 RD08	In progress	Florian Guillermet	31/03/2013
Ensure that financial and operational incentive mechanisms are defined and implemented to facilitate the deployment of SESAR	WSS03	In progress	Patrick Ky	31/12/2013
<p>A) Review the level and capacity of human resources and competencies against requirements to run the processes within the Directorate Operations and Programme</p> <p>Analyse the risk of turnover per profile, define clear and operating back-up plans and monitor the coverage of processes by actual resources</p> <p>B) Define R&D calendar for upcoming year and the related priority activities</p>	ADM02 RD01	In progress	Carlo Borghini	31/12/2012
<p>Prepare for the deployment of first SESAR R&D results (beyond Deployment Baseline):</p> <p>1/ Describe Cost Effectiveness performance improvements expected to be enabled by first SESAR R&D solutions (Step 1)</p> <p>2/ Build preliminary Business Case(s) focusing primarily for Step 1 solutions</p> <p>3/ Develop and maintain deployment views for the first SESAR solutions with particular attention to Cost Effectiveness</p> <p>This action is in progress through the (Pilot) Common Project approach</p>	WSS01 WSS03 RD03 RD02	In progress	Florian Guillermet	31/12/2013

<p>Develop the SJU workplace to include facilities and support where the core-business SESAR Programme and Operations activities can be performed efficiently and effectively for all roles and staff types (SJU, PSO, SNE, Member Secondees, Contractors etc.).</p> <p>Encourage the appropriate focus on exemplary service and performance from all staff (best facilities and support are key to deliver best overall SJU performance) in all parts of the organisation.</p>	ADM02	In progress	Carlo Borghini	30/06/2013
<p>Update and promulgate the PMP (V3) reinforcing the programme management approach and clarifying System Engineering processes including:</p> <ul style="list-style-type: none"> - Requirements analysis and bridging to system activities - Architecture strategy - Release Strategy, encompassing integrated roadmap and V&V roadmap - the quality of the validation target setting and assessment process <p>The PMP V3 will clarify responsibilities of each actor, in particular in the System Engineering processes</p>	ADM02 RD02 RD06	In progress	Florian Guillermet	31/12/2012
<p>Strengthen identification of the Inter-Projects dependencies and synchronisation status of the projects, in particular dependency between OPS and SYS thread projects</p>	RD04	In progress	Florian Guillermet	31/12/2012
<p>Define a clear information and IPR management policy that establishes rules and plan for the disclosure of the SJU foreground and of key programme deliverables (e.g. projects final report): what to disclosed, with whom...</p>	ADM01	New	Carlo Borghini	30/01/2013
<p>Update communication plan to address reputational risks for the SJU</p>	ADM01	New	Patrick Ky	30/06/2013

The follow-up of these essential actions will be a key topic of the risk management work plan for 2013.

1.2 Outlines of risk management activities in 2013

In 2013, the activity of the risk management team will be in continuity with the 2012 achievements, namely:

- The follow-up of Programme risks as baselined in 2012 and outlined above,

- The monitoring of WP and Project levels risks, issues and opportunities (“bottom-up”), including the “RIOs assigned to the SJU”,
- The support to the management of risks and issues for Release,
- The supervision of the RIO process.

Furthermore, the essential actions mentioned above will be detailed and translated into concrete action plans, and subject to regular monitoring in particular through the DOP Management Team.

The follow-up of Programme risks will be organised in

- Regular (quarterly) operational reporting on the R&D Programme, including a synthesis of the bottom-up risk situation, with a review by the DOP Management Team,
- Half-yearly reporting on the full scope of risks (SESAR wide scope, R&D Programme and Corporate) to the Executive Team and the SJU Administrative Board.

For the monitoring of WP and Project levels risks, issues and opportunities (“RIOs”), usual activities will be performed: review of project RIOs in view of the preparation of the project control gates, preparation of project RIO registers at the end of the initiation. Furthermore, RIOs “assigned to the SJU” for management by SJU PMs will be followed up.

For the support to the management of issues for Release, issues identified during the SE review sessions will be integrated in the issues register, with an allocation to R&D projects, and specific reports will be sent to the SJU PMs for their follow-up. This activity is in continuity with current tasks.

The supervision of the RIO management process will consist of:

- The integration of top-down and bottom-up (reassessment of the list of families for risks and issues), in order to align the risk and issue families currently available to the projects with the outcome of the 2012 risk identification done at the Programme level by the SJU,
- An increased effort to assess the quality and relevance of WP risks and issues, by providing SJU PMs with synthetic information of the risks reported in their WPs and OFAs, asking the question “Are we doing the right things?” i.e. are the correct risk areas identified per WP and Project?
- The follow-up of RIO management process through a monthly activity report and regular corrective actions to respond to unexpected deviations,
- The clustering of opportunities into families.