



**U.S. AIR FORCE**



▶ **Sharpening the Air Force's  
Competitive Edge**  
A Business Operations Plan

**Fiscal Years 2019-2021**

*January 2019*



# Message from the Secretary of the Air Force



The National Defense Strategy recognizes that we have returned to an era of great power competition. To meet the requirements of the National Defense Strategy, the Air Force must build a more lethal and ready force, strengthen alliances and partnerships, and deliver greater, more affordable performance. This Business Operations Plan is one example of how we'll get there.

We have an obligation to use dollars wisely. As we restore and build tomorrow's Air Force faster and smarter, we are responsible for providing American taxpayers the best defense value for their hard-earned money. We are committed to keeping the Congress informed on what we're doing and to sharing our progress with the public.

Improving our business operations helps support the readiness of the warfighter. Readiness is first and foremost about people. We have prioritized resources to restore our end strength, while focusing on aircrew and maintenance personnel shortages. We are also implementing innovative sustainment measures, maximizing industry output of preferred munitions, and driving acquisition reform to get ideas from the lab bench to the warfighter faster.

We must get this right. The efficiency and effectiveness of our business operations put capabilities into the hands of our warfighters faster, helping us to meet the requirements of the National Defense Strategy.

Heather Wilson  
Secretary of the Air Force



# Message from the Under Secretary of the Air Force

The U.S. Air Force is facing an increasingly complex security environment characterized by the reemergence of long-term strategic competition, challenges to U.S. military dominance, and new concepts of warfare. To keep pace, we must evolve our business management practices to support the warfighter at the speed of relevance.

As a Department, we must commit ourselves to seeking greater effectiveness through more agile processes – the by-product of which will be greater efficiency. By improving how we manage our business operations we will produce greater accountability and generate higher states of operational readiness and lethality. This demands a transformation in our culture to be more innovative, agile, and collaborative. Everyone must do their part, from senior Air Force leaders to our most junior Airmen.

As the Air Force's Chief Management Officer, my primary emphasis is to improve business operations and the use of enterprise services to match leading edge global practices and productivity levels. This plan operationalizes that goal, providing a cross-cutting framework to synchronize business operations across organizational and functional boundaries. It is designed to be a management tool and presents a roadmap for reform and improvement with innovation at its core.

In October 2018, Secretary Wilson designated me as the Air Force's Chief Information Officer. Coupled with my role as the Air Force's Chief Management Officer and direct supervisor of our new Chief Data Officer, we are integrating these functions to spearhead a "Digital Air Force" initiative. This initiative will ensure our Airmen have uninterrupted access to the data they need, where and when they need it. This plan represents a path to achieving its goals.

We will manage this Business Operations Plan with the same agility we seek in Departmental business operations. I will oversee the update of this plan on a semi-annual basis to address emerging environmental and strategic factors. On a quarterly basis, leaders responsible for Air Force business operations objectives will report progress to ensure we are charting a path to success.

I am honored to lead this effort and know that by working together, we will succeed in making our Air Force more lethal, more ready, and well-equipped to meet the challenges articulated in the National Defense Strategy.

Matthew P. Donovan  
Under Secretary of the Air Force



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# ► Overview

## Introduction

Although the global security environment has fluctuated periodically since the United States Air Force (USAF)'s inception in 1947, the core mission of the Air Force has steadfastly remained the same: to fly, fight, and win our nation's wars. As the youngest U.S. Service, the Air Force has always been a pioneer; but now, more than at any time in its history, the USAF must become even more innovative. As outlined in the *2018 National Defense Strategy*, the U.S. is facing an increasingly complex global security environment marked by the reemergence of long-term strategic competition, rapid technological change, and new concepts of warfare. To keep pace, the USAF's business management approach must continuously improve and evolve to provide agile, responsive, and cost-effective support to the warfighter.

As the global strategic environment is rapidly changing, so too must the Air Force's approach to business operations. The Department of the Air Force must move with a sense of urgency to reform how it delivers mission-enabling business operations such as fleet sustainment, cybersecurity, information management, recruitment and retention, and financial management. Each of the Department's support processes exerts a critical downrange effect on the warfighter. Delivering business operations and enterprise services on par with leading-edge global practices and productivity levels will enable the Air Force to continuously invest in modernization so we can deliver unmatched readiness and lethality in air, space, and cyberspace.



“ The [2018] National Defense Strategy directs a more lethal, resilient, and agile Joint Force that can compete, deter, and win in the complex, global security environment... The Air Force is essential to the Joint Warfighter... providing combat credible forces needed to deter war and protect the security of our nation.”

– General James Mattis, former Secretary of Defense, 2018

## Purpose

The Under Secretary of the Air Force, in his role as the Air Force Chief Management Officer (CMO), directed the creation of this Air Force Business Operations Plan. The purpose of the development, publication, and management of this plan is to define and communicate Air Force business operations objectives and activities which directly support the *2018 National Defense Strategy, FY 2018 – FY 2022 National Defense Business Operations Plan*, and Air Force strategic focus areas. This plan represents the Department of the Air Force’s plan to revitalize its operations by mapping business operations to the National Defense Strategy and its three lines of effort. Intended for use by all members of the Air Force enterprise, this document is designed to be a management tool and presents a roadmap for reform and improvement.

This Business Operations Plan articulates how the Department of the Air Force is reforming its business operations in support of the lines of effort set forward by the National Defense Strategy. As depicted in Figure 1 below, each Air Force business operations objective is nested within a corresponding National Defense Strategy strategic objective and line of effort as they are defined in the *FY 2018 – FY 2022 National Defense Business Operations Plan*. Air Force business operations objectives also align with current Air Force strategic focus areas.



Figure 1: Air Force Business Operations Plan Alignment to Department of Defense Priorities and Air Force Strategic Focus Areas

# Strategic Drivers

To ensure that the Department of the Air Force is providing business operations suited to today's strategic environment, the Air Force business operations objectives and supporting activities contained in this plan were developed to align with Department of Defense-level and Air Force strategic focus areas.

## 2018 NATIONAL DEFENSE STRATEGY

Complete alignment with the *2018 National Defense Strategy* is the foundation for this Air Force Business Operations Plan. In response to complex and competitive global environment, the National Defense Strategy defines three lines of effort that each demand corresponding improvements in business operations.

### LINE OF EFFORT 1 – REBUILD MILITARY READINESS AS WE BUILD A MORE LETHAL FORCE

The reemergence of long-term strategic competition, coupled with an extended period over which the Defense Department's resources were reduced and focused on counterterrorism activities in Afghanistan and Iraq, has led to the imminent need for the Services to increase lethality and readiness. The USAF must seek innovative approaches to business operations to deliver lethality and readiness to the warfighter more cost-effectively and at the speed of relevance. Success in the current security environment rests on the ability of warfighters and the Department of the Air Force to integrate new capabilities, adapt warfighting approaches, and reform business practices to enable mission success.

### LINE OF EFFORT 2 – STRENGTHEN OUR ALLIANCES AND ATTRACT NEW PARTNERS

Security cooperation is more vital than ever to the nation's prosperity and collective defense. Mutually beneficial alliances and partnerships provide a durable, asymmetric strategic advantage that no competitor or rival can match. While developing and maintaining alliances and partnerships have always been bedrock principles of U.S. national security strategy, their significance became paramount when Secretary Wilson and Chief of Staff General Goldfein signed a memorandum in August 2018 directing the Air Force to "make alliances

“ Our Nation expects us to defend the Homeland with an effective nuclear deterrent, to own the high ground with air and space superiority, and to project power globally with our allies and partners.”

– General David Goldfein,  
Air Force Chief of Staff, 2018



and partnerships central to the way we do business.” In 2019, Air Force Headquarters is putting in place new organizational structures to enable this goal and will continue to optimize corresponding business processes.

### LINE OF EFFORT 3 – REFORM THE DEPARTMENT'S BUSINESS PRACTICES FOR GREATER PERFORMANCE AND AFFORDABILITY

The Department of Defense must reform business operations across the enterprise to generate lasting, institutionalized resources which support lethality. Outdated business practices and systems are a drain on scarce resources and impede the USAF's ability to anticipate and adapt. The Air Force must promote and execute new ways of thinking and organizing, injecting innovation at all levels to improve business management postures and deliver unmatched lethality and readiness. More specifically, the National Defense Strategy calls on all Services to deliver performance at the speed of relevance; organize for innovation; drive budget discipline and affordability to achieve solvency; streamline rapid, iterative approaches from development to fielding; and harness and protect the National Security Innovation Base.

# FY2018 – FY2022 NATIONAL DEFENSE BUSINESS OPERATIONS PLAN

The FY 2018 – FY 2022 National Defense Business Operations Plan, published by the Department of Defense’s CMO, is a supplement to the 2018 National Defense Strategy and is structured to directly contribute to National Defense Strategy priorities. The plan focuses on the Defense Department’s strategy to improve performance, reform business operations, provide a

strong foundation to improve readiness, and work with partners in support of the Department and Administration priorities. This Air Force Business Operations Plan was designed to directly align to the three lines of effort in the National Defense Strategy and nine objectives in the FY 2018 – FY 2022 National Defense Business Operations Plan summarized in Table 1 below.

National Defense Strategy Lines of Effort	National Defense Business Operations Plan Strategic Objectives
Rebuild Military Readiness as We Build a More Lethal Joint Force	1.1 Restore Military Readiness to Build a More Lethal Force
	1.2 Lay the Foundation for Future Readiness through Recapitalization, Innovation, and Modernization
	1.3 Enhance IT and Cybersecurity Capabilities
	1.4 Ensure the Best Intelligence, Counterintelligence, and Security Support for DoD Operations
	1.5 Implement Initiatives to Recruit and Retain the Best Total Force to Bolster Capabilities and Readiness
Strengthen Our Alliances and Attract New Partners	2.1 Reform the Security Cooperation Enterprise
Reform the Department’s Business Practices for Greater Performance and Affordability	3.1 Improve and Strengthen Business Operations through a Move to DoD-Enterprise or Shared Services; Reduce Administrative and Regulatory Burden
	3.2 Optimize Organizational Structures
	3.3 Undergo an Audit, and Improve the Quality of Budgetary and Financial Information that is Most Valuable in Managing the DoD

Table 1: National Defense Strategy Lines of Effort and National Defense Business Operations Plan Strategic Objectives





“ The United States now faces a more competitive and dangerous international security environment than we have seen in generations. The Air Force must build a more lethal and ready force.”

– Heather Wilson,  
Secretary of the Air Force, 2018

## AIR FORCE STRATEGIC FOCUS AREAS

In the Fiscal Year (FY) 2018 National Defense Authorization Act, Congress directed the Air Force to study the forces and capabilities it requires to implement the National Defense Strategy. After conducting thousands of simulations and wargames, this analysis showed that we are too small for what our nation asks. To meet the demands of the National Defense Strategy and compete, deter, and win in great power competition, the Air Force must grow from its current force of 312 operational squadrons. In an era of great power competition, the Air Force has identified the following strategic focus areas:

- ▶ **The Air Force We Need has 386 operational squadrons.** Our current 312 operational squadrons, the basic units of combat power we present to warfighting commanders, must grow to 386 operational squadrons by 2030 to supply the force size and capabilities we need to implement the National Defense Strategy.
- ▶ **America is building a more lethal and ready Air Force.** The Air Force is confronting challenges from adversaries with forward-thinking operational concepts, new technologies, and optimized force structures – all while recovering readiness following decades of sustained conflict.
- ▶ **We are fielding tomorrow’s Air Force faster and smarter.** The USAF is instituting a culture of innovation and rapid acquisition as we reform for greater performance and affordability.



## ▶ National Defense Strategy Line of Effort 1: Rebuild Military Readiness as We Build a More Lethal Joint Force

The reemergence of long-term strategic competition in a volatile global security environment has led to the imminent need for the military to increase lethality. This comes at a time when more than 15 years of wartime demands in the Middle East coupled with significant resource cuts have taxed the Air Force's capacity to maintain a ready force. Meeting *2018 National Defense Strategy* objectives under these conditions demands that the Air Force adapt innovative and efficient ways of doing business to address the scope and pace of our competitors' and adversaries' ambitions and capabilities.

In FYs 2019-2021, the Air Force will implement transformation efforts in the areas of modernization, mission support, and readiness to ensure it is delivering agile and effective support to the warfighter. Around modernization, the USAF will improve the way it sustains its fleet and ensure it has appropriate acquisition practices in place to perform cost-effective modernization. From a mission support perspective, the Air Force will enhance its intelligence, surveillance, and reconnaissance capabilities and continue to improve offensive and defensive cyber capabilities. Lastly, the Air Force recognizes that people are central to military readiness so the Department will take decisive action to increase operational readiness and recruit, develop, and retain a high-quality workforce that is essential for warfighting success.

“ The surest way to prevent war is to be prepared to win one. Doing so requires a competitive approach to force development and a consistent, multiyear investment to restore warfighting readiness and field a lethal force... The Nation must field sufficient, capable forces to defeat enemies and achieve sustainable outcomes that protect the American people and our vital interests.”

– *2018 National Defense Strategy*

# National Defense BOP Strategic Objective 1.1: Restore Military Readiness to Build a More Lethal Force



## Why This Matters

Years of continuous deployed operations with a decade of budget instability deteriorated Air Force readiness and its ability to deter and defeat National Defense Strategy threats. In an effort to address Air Force readiness gaps, the Secretary of the Air Force directed a 45-day readiness review in the spring of 2018 to establish a systematic readiness recovery plan, which focused on improvements in personnel readiness, realistic training, and cost-effective fleet sustainment.



## How We'll Get There

In FYs 2019-2021, the Air Force will implement the recommendations from the readiness recovery plan to ensure it is fielding enough capable forces to defeat enemies and achieve sustainable outcomes that protect the American people and our vital interests. As an outcome of the review, the Air Force established a series of readiness objectives which prioritize recovery efforts on squadrons that are most relevant to the high-end fight identified in the 2018 National Defense Strategy. The USAF will prioritize operational unit readiness first, targeting an 80% readiness rating for 204 operational squadrons most relevant to a peer competitor fight by the end of FY 2020. The Air Force is already on track to reaching this readiness level by the end of FY 2020 – six years faster than originally projected. After FY 2020, the Air Force will target achieving an 80% readiness rating for combat-coded squadrons by the end of FY 2022, and an 80% readiness rating for all reporting squadrons by the end of FY 2024. Overall, the Air Force remains ready to “fight tonight” as more than 90% of our highest priority squadrons are ready to deploy their lead elements at a moment’s notice.

## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.1.1: IMPROVE READINESS PLANNING AND PROGRAMMING

OPR: AF/A3

A principal finding from the 2018 readiness review identified the lack of mechanisms to track, evaluate, and assess readiness funding in the Air Force. To address this finding, the Air Force will establish new administrative and organizational processes to facilitate data-informed resource decisions focused on accelerating readiness recovery. The Deputy Chief of Staff, Operations (AF/A3), in coordination with all Headquarters directorates, will assume a lead role in ensuring appropriate processes are in place to achieve Air Force readiness recovery goals.

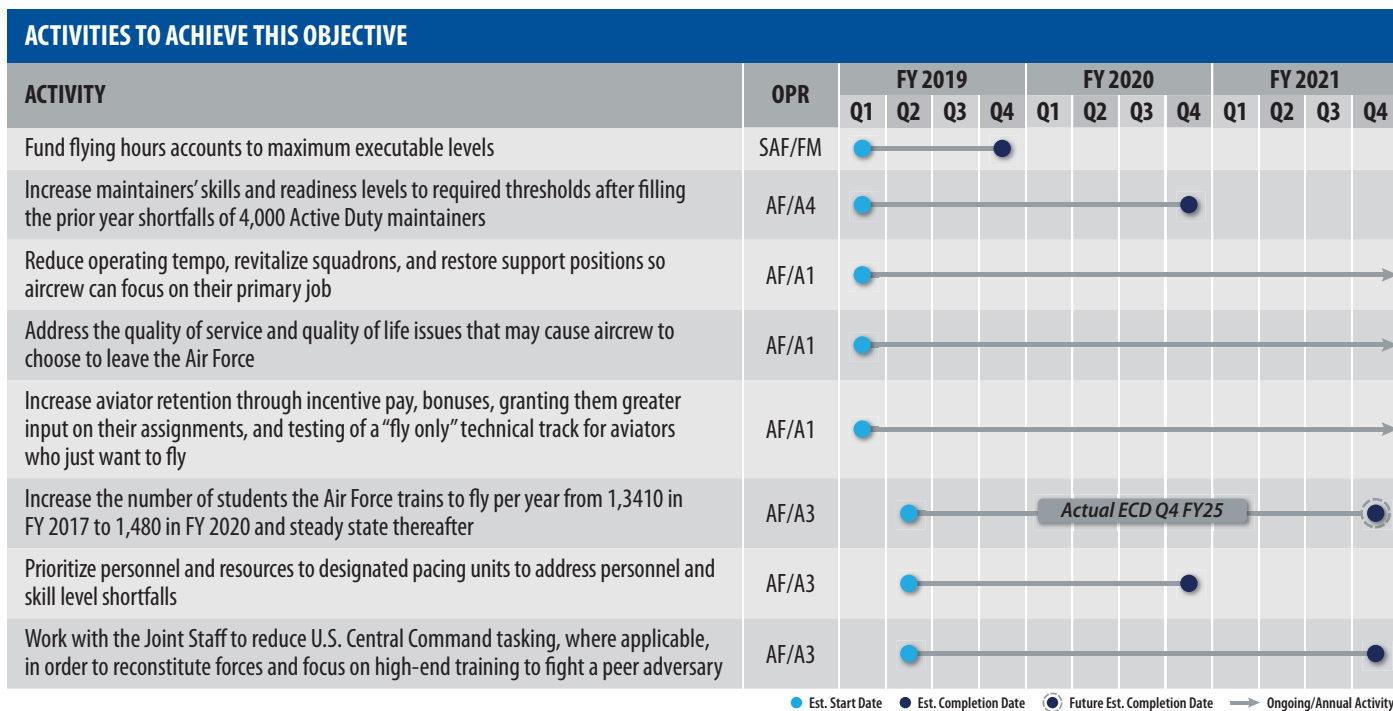
ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Initiate a readiness financial systems sprint to define a methodology to identify readiness funding and establish an auditable mechanism to track resourcing and spending execution spending against readiness reporting outcomes	AF/A3 & SAF/FM		●	—	●								
Establish a readiness panel or advisory equivalent to manage planning and programmatic processes and improve senior leader resource decision-making pertaining to readiness initiatives	AF/A3 & AF/A8		●	—	—	—	—	—	—	—	—	—	●
Establish an AF/A3 Readiness Planning and Programming office to consolidate and advocate for readiness resourcing initiatives throughout the Air Force corporate process	AF/A3			●	—	●							

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.1.2: ENHANCE UNIT AND PERSONNEL READINESS

OPR: AF/A3

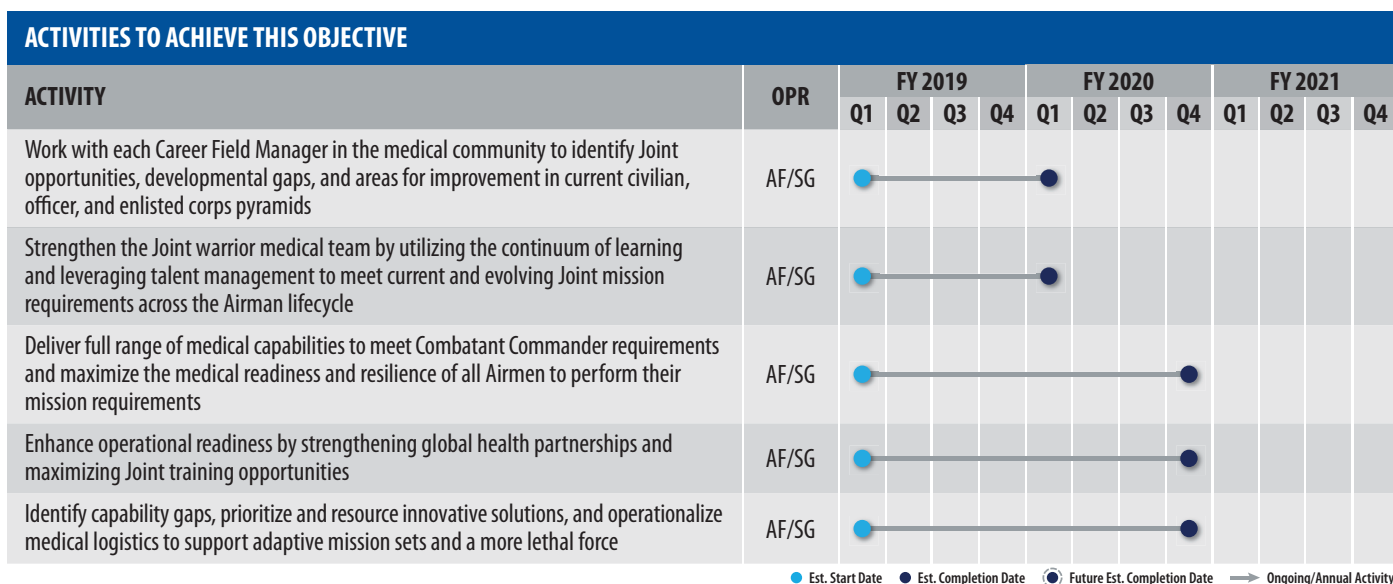
Readiness recovery is first and foremost about ready Airmen. In FYs 2019-2021, the Air Force will undertake several initiatives to address shortages in pilots, aircrew, and in maintainer skill levels. The primary focus of these efforts will include squadron revitalization, pilot and aircrew retention, and growing the cadre of experienced maintainers.



## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.1.3: ACHIEVE FULL SPECTRUM MEDICAL READINESS

OPR: AF/SG

As the Air Force endeavors to meet current and emerging operational readiness demands, it needs a strong Joint warrior medical team that can deliver the full range of medical capabilities and support adaptive mission sets in a more lethal force. The Air Force medical community measures full spectrum readiness through five levers: critical skills availability, training resource availability, volume, diversity, and acuity of care in military treatment facilities, the Comprehensive Medical Readiness Program, and operating tempo.





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.1.4: DEVELOP AND CONDUCT RELEVANT AND REALISTIC TRAINING

OPR: AF/A3

Providing relevant and realistic training is a critical aspect of readiness which ensures the Air Force maintains a qualitative advantage over increasingly capable adversaries. Full spectrum training for combat against a high-end adversary requires specific investment and emphasis on an integrated training and exercise capability (both live and synthetic). In FYs 2019-2021, the Air Force will continue its Operational Training Infrastructure initiative to create a realistic, integrated training environment that allows our forces to train in operationally and tactically relevant employment schemes to achieve and sustain full spectrum readiness.

### Innovation in Pilot Training

Facing a pressing need for pilots, Air Force leaders are seeking innovative ways to streamline the training pipeline and graduate more aviators each year. In April 2018, the Air Force launched the first Pilot Training Next class that provided a new, cutting-edge way to teach Airmen, using advanced biometrics, artificial intelligence, and virtual reality systems. The Air Education and Training Command program integrates various technologies to produce pilots in an accelerated, cost-efficient, and learning-focused training environment without sacrificing depth of learning. The first virtual reality training experiment resulted in thirteen students pinning on silver pilot wings four months after beginning the class – 66% faster than traditional pilot training, which takes an entire year.

#### ACTIVITIES TO ACHIEVE THIS OBJECTIVE

ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Build the Nevada Test and Training Range and the Joint Pacific Alaska Range Complex into Level 4 ranges (Level 4 is representative of a peer or near-peer adversary)	AF/A3	●	→	→	→	→	→	→	→	→	→	→	→
Invest in select primary training ranges to provide Level 3 training for 80% of the pacing units (Level 3 is representative of adversaries that are not near-peer but present a threat environment that is assessed as "Legacy +" in terms of integrated air defense system, electronic attack, fighters, and command and control)	AF/A3	●	→	→	→	→	→	→	→	→	→	→	→
Develop and field a Level 4 synthetic training environment for all operational units	AF/A3	●	→	→	→	→	→	→	→	→	→	→	→
Build a Level 4+ Virtual Test and Training Center at Nellis Air Force Base for high-end training and tactics development	AF/A3	●	→	→	→	→	→	→	→	→	→	→	●
Provide tailored adversary air based on user requirements	AF/A3	●	→	→	→	→	→	→	→	→	→	→	→
Develop Level 3+ airspace to allow units to exercise tactics in a realistic and minimally-constrained manner	AF/A3	●	→	→	→	→	→	→	→	→	→	→	→
Develop and field a Level 4 blended training capability which allows a merger of the live and synthetic training environments to provide a level of training unachievable using solely live assets	AF/A3	●	→	→	→	→	→	→	→	→	→	→	→

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

# AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.1.5: PROVIDE COST-EFFECTIVE FLEET SUSTAINMENT

OPRs: AF/A4 & SAF/AQ

Weapon system sustainment and availability is a critical aspect of readiness recovery because it assures equipment is ready when needed and done so affordably. Fleet sustainment will be a focus of the Air Force’s readiness efforts to meet a Secretary of Defense directive to achieve an 80% mission capability rate for the F-16, F-22, and F-35 fleets by the end of FY 2019. The Air Force will focus on adapting innovative ways to sustain a ready fleet, particularly as it overcomes challenges stemming from aging equipment, sustained high operating tempo, and a shortage of experienced maintainers.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Address the 45 recommendations from the 2018 Air Force sustainment readiness review on areas including supply chain improvements, service life extensions, and sensor use to enable 80% readiness levels for the 204 prioritized pacing units by FY 2020	AF/A4	●	→	→	→	→	→	→	→	→	→	→	●
Rapidly exploit conditions-based maintenance for all aircraft using analytical tools and aircraft monitoring sensors to predict part failures and reduce unscheduled maintenance to increase aircraft availability, decrease mission impacts, and reduce maintenance costs	AF/A4	●	→	→	→	→	→	→	→	→	→	→	●
Improve the efficiency of depot operations to improve fleet availability and readiness	SAF/AQ	●	→	→	→	→	→	→	→	→	→	→	●
Pilot a Rapid Sustainment Office to reduce logistics and sustainment costs by applying advanced manufacturing techniques such as robotics and automation, non-destructive inspection, and advanced composite repair technologies	SAF/AQ	●	→	→	→	→	→	→	→	→	→	→	●
Enable rapid sustainment by using available technology while reducing costs and increasing our mission-capable rates	SAF/AQ	●	→	→	→	→	→	→	→	→	→	→	●

● Est. Start Date   ● Est. Completion Date   ● Future Est. Completion Date   → Ongoing/Annual Activity



# National Defense BOP Strategic Objective 1.2: Lay the Foundation for Future Readiness through Recapitalization, Innovation, and Modernization



## **Why This Matters**

*As potential adversaries demonstrate increasing speed and agility, the Air Force must ensure that it is transforming with equal urgency in order to maintain our technological superiority and national security. An in-depth analysis found that the Air Force needs 386 operational squadrons by 2030 to implement the 2018 National Defense Strategy – termed the “Air Force We Need.” These operational squadrons consist of the Air Force’s combat and combat support capabilities: fighters, bombers, intercontinental ballistic missiles, space, cyber, intelligence, surveillance, and reconnaissance, command, control, and communications, refueling tankers, and cargo airlifters – all the tools the Air Force deploys as part of the Joint warfighting team. Building the Air Force We Need will require focused recapitalization, innovation, and modernization. Taken together, these efforts will ensure the Air Force has the essential capabilities in place for both today’s and tomorrow’s battlespace.*



## **How We’ll Get There**

*In FYs 2019-2021, the Air Force will infuse innovation into acquisition to enable timely and cost-effective modernization, restore readiness to power projection platforms through recapitalization and investment, and mature the Air Force Warfighting Integration Capability to orchestrate future force design. These objectives will drive the Air Force towards achieving the unmatched lethality needed to address current and future threats.*

## **Powering Innovation through AFWERX**

In 2017, the Secretary of the Air Force established AFWERX to solve the toughest challenges that the Air Force faces through innovation and collaboration amongst our nation’s top subject matter experts. AFWERX taps into the power of creativity and empowers intentional innovation that unleashes emergent approaches for the warfighter through a community of intrapreneurs, industry, academia, and non-traditional contributors. With innovation hubs in Arlington, VA, Austin, TX, and Las Vegas, NV, AFWERX has the ability to bring together our nation’s best and brightest to collaborate, innovate, fabricate, and present accelerated results to the USAF to better serve our primary customer, the warfighter.





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.2.1: CONDUCT BUSINESS AT THE SPEED OF RELEVANCE TO ENSURE COST-EFFECTIVE MODERNIZATION

OPR: SAF/AQ

The reemergence of long-term strategic competition and the rapid pace of technological change demand that the Air Force make its acquisition processes faster and smarter. The Air Force recognizes it cannot win a race with potential adversaries to discover and field game-changing technology with an acquisition system designed during the Cold War. In 2018, the Air Force set an aggressive goal of stripping 100 years from its traditional acquisition timelines. To make this possible, the Air Force will continue to reform its acquisition processes by infusing innovation into the enterprise, placing a greater emphasis on prototyping and experimentation, incentivizing tailored requirements and acquisition strategies, and committing to conducting business at the speed of relevance.

### Accelerating Capability Delivery to the Warfighter

The Air Force successfully leveraged agile software development for air refueling at the Combined Air Operations Center at Al Udeid Air Base, Qatar, saving the Air Force millions of dollars in fuel per month and reducing the requirement by two tankers and 10 aircrews. The Air Force sought to continue applying agile software development principles in support of the warfighter, establishing the Kessel Run Experimentation Laboratory and standing up a Program Executive Office Digital to transform the USAF. So far, major programs such as the F-22, Unified Platform, and Protected Tactical Enterprise System are reaping the benefits of shifting to agile development, accelerating delivery to the warfighter.

#### ACTIVITIES TO ACHIEVE THIS OBJECTIVE

ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Apply tailored acquisition strategies and employ the broader acquisition authorities granted to the Services in the FY 2016 and FY 2017 National Defense Authorization Acts	SAF/AQ	●	→										
Refine and adjust existing acquisition processes to reduce cost and schedule	SAF/AQ	●	→										
Drive innovation through prototyping and experimentation to field improvements to the warfighter faster while keeping programs within cost, schedule, and performance parameters	SAF/AQ	●	→										
Conduct a wholesale shift to agile software development, putting acquisition specialists and operators together to make rapid incremental software improvements	SAF/AQ	●	→										
Develop the acquisition workforce and delegate authority to the lowest appropriate level	SAF/AQ	●	→										
Leverage competition and digital engineering capabilities to achieve schedule reductions	SAF/AQ	●	→										

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.2.2: IMPLEMENT THE AIR FORCE INFRASTRUCTURE INVESTMENT STRATEGY TO RESTORE READINESS TO POWER PROJECTION PLATFORMS

OPR: AF/A4

The Air Force requires power projection platforms capable of generating combat effects to support full spectrum, multi-domain conflicts with near-peer competitors, while also protecting against, responding to, and recovering from attacks or disruptions that degrade operations. This requires a sustainable, diversified, and agile basing network that is resilient in contested environments. The Air Force Infrastructure Investment Strategy provides unity of effort for future programming and funding of facilities sustainment, restoration, modernization, and recapitalization requirements in a way that restores readiness to these platforms, cost-effectively modernizes our infrastructure, and drives innovation into our installation management practices.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Ensure airbase resiliency by assessing mission thread vulnerabilities and employing initiatives to include hardening of infrastructure, adaptive basing, resilient energy sources, dispersal, industrial control systems protection, and allied partnerships	AF/A4	●	→	→	→	→	→	→	→	→	→	→	→
Prioritize the repair of mission-critical infrastructure by identifying, assessing, and mitigating the risk of critical infrastructure failure and achieve a facility mission-capable rate of 90% or higher for critical infrastructure	AF/A4	●	→	→	→	→	→	→	→	→	→	→	●
Assess the Air Force's long-range strategic basing posture to identify requirements, gaps, and potential actions necessary to maximize the effectiveness of existing infrastructure and align present and future infrastructure requirements and investments with the National Defense Strategy	AF/A4	●	→	→	→	→	→	→	→	→	→	→	●
Develop Installation Master Plans to align infrastructure requirements and investments with the National Defense Strategy, optimize the use/re-use of existing facilities, offset new construction growth, divest failing and underutilized facilities, and reduce the total facility square footage by 5% in 20 years	AF/A4	●	→	→	→	→	→	→	→	→	→	→	●

● Est. Start Date   ● Est. Completion Date   ● Future Est. Completion Date   → Ongoing/Annual Activity





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.2.3: DEVELOP AND MATURE THE AIR FORCE WARFIGHTING INTEGRATION CAPABILITY ORGANIZATION

OPR: AF/A5

In October 2017, Secretary Wilson and Chief of Staff General Goldfein directed the establishment of an Air Force Warfighting Integration Capability (AFWIC) to serve as the future force design team. The AFWIC will deliver the integration, understanding, and consistency required to guide and direct future Air Force transformation. This new group consists of cross-functional teams charged to think creatively and develop revolutionary solutions to our challenges. Their work will guide our future investments and will focus on balancing current operations and readiness while leveraging new technologies to extend our dominance. In FYs 2019-2021, the Air Force will continue to develop and mature the AFWIC to ensure it is meeting its intended mission to redesign a force to dominate 21st Century warfare.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Lead the effort to develop future force structure within the Air Force Corporate Structure, to include developing future force structure design options for consideration by the Secretary and Chief of Staff of the Air Force	AF/A5	●	→	→	→	→	→	→	→	→	→	→	→
Develop new warfighting concepts and facilitate the rapid integration of emerging technologies into the concepts	AF/A5	●	→	→	→	→	→	→	→	→	→	→	→
Prioritize Air Force capability development efforts	AF/A5	●	→	→	→	→	→	→	→	→	→	→	→
Align unity of effort across the Air Force	AF/A5	●	→	→	→	→	→	→	→	→	→	→	→

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity



## National Defense BOP Strategic Objective 1.3: Enhance Information Technology and Cybersecurity Capabilities



### **Why This Matters**

*The expansion of threats in cyberspace from adversary nations, non-state terrorists, hackers, and criminal organizations poses new threats to military personnel, infrastructure, and equipment, demanding that the Air Force examine its information technology (IT) capabilities. Air Force IT must reflect the same qualities and attributes expected from our warfighters – innovation, collaboration, agility, adaptability, effectiveness, efficiency, and capability in offensive and defensive operations.*



### **How We'll Get There**

*In FYs 2019-2021 the Air Force will enhance its IT and cybersecurity capabilities by investing in cyber defense, resilience, and the continued integration of cyber capabilities to optimize IT support.*





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.3.1: ENHANCE CYBERSECURITY

OPR: AF/A2/6

Maintaining the Department of Defense’s decisive edge in cyberspace will be a priority for the Air Force in FYs 2019-2021. To do so, the Air Force will focus on increasing its ability to deter, detect, defeat, and recover from cyber-attacks. This will involve strengthening various programs and capabilities including critical investments in cyber operations, cyber mission forces, Joint capabilities, and weapon system cyber resiliency. The Air Force will also collaborate with interagency and industry partners to apply proven solutions and best practices in cybersecurity, allowing Airmen to focus on the defense of Air Force core functions and weapon systems.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Develop and mature supply chain risk management processes for cyber	AF/A2/6	●	→	→	●								
Leverage the Cyber Resiliency Office for Weapon Systems to enable military operations, build cyber resiliency into weapon systems being developed and fielded, and mitigate vulnerabilities of fielded systems	SAF/AQ	●	→	→	→	→	→	→	→	→	→	→	●
Build cybersecurity and cyber resiliency test capabilities to identify and reduce cyber risk across weapon systems, critical infrastructure, and the nuclear enterprise	SAF/AQ	●	→	→	→	→	→	→	→	→	→	→	●
Conduct continuous endpoint monitoring with advanced remediation and detection, application of assured credentials, and end-to-end cyber visibility	AF/A2/6	●	→	→	→	→	→	→	→	→	→	→	●
Develop, field, and fund remote data collection/remote data processing capabilities for defense of the Air Force Network (AFNET)	AF/A2/6	●	→	→	→	→	→	→	→	→	→	→	●
Develop, field, and fund a cyber analytics big data platform (BDP) that leverages existing BDPs in use by the Defense Information Service Agency, U.S. Cyber Command, and others	AF/A2/6	●	→	→	→	→	→	→	→	→	→	→	●
Mature processes to characterize enterprise risk across information systems	AF/A2/6				●	→	→	→	→	→	→	→	●
Continue to pursue mission assurance for weapon systems in a cyber-contested environment to enable military operations and reduce cybersecurity vulnerabilities to infrastructure, weapon systems, and business systems	AF/A2/6												●
Develop, field, and fund Mission Defense Teams across the Service to defend local installations and critical mission tasks from cyber-attacks	AF/A2/6												●

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.3.2: OPTIMIZE AIR FORCE IT SUPPORT AND SERVICES

OPR: SAF/DCIO

Today's security challenges cannot be solved with yesterday's thinking or technology. In FYs 2019-2021, the Air Force will pursue opportunities to streamline our IT enterprise to reduce costs, improve efficiency, and bring our IT investments in line with commercial best practices. Specific activities will include leveraging commercial services and products to meet mission requirements, standardizing products and increasing IT effectiveness through governance, and leveraging Air Force, Department of Defense, and federal buying power for best prices.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Require Authorizing Official endorsement of risk management framework implementation prior to a program manager expending funds for system design, procurement, fielding, or upgrades	SAF/DCIO	●	→	→	●								
Leverage enterprise licensing agreements to reduce duplicative licensing, optimize the Department's procurement capabilities, and reduce costs	SAF/DCIO	●	→	→	→	●							
Implement and mature Air Force enterprise IT governance to unify the Air Force's IT strategy, requirements management, and operating model	SAF/DCIO	●	→	→	→	●							
Implement IT as a Service, the Common Computing Environment, and Cloud Hosted Enterprise Services	SAF/DCIO	●	→	→	→	→	→	→	→	→	→	→	●

● Est. Start Date   
 ● Est. Completion Date   
 ● Future Est. Completion Date   
 → Ongoing/Annual Activity



# National Defense BOP Strategic Objective 1.4: Ensure the Best Intelligence, Counterintelligence, and Security Support for DoD Operations



## Why This Matters

The Air Force is a vital contributor of mission intelligence to the warfighter. Our Airmen support a global intelligence, surveillance, and reconnaissance (ISR) network, and last year completed nearly 57,000 missions, collected over 437,000 hours of full motion video, and produced over one million intelligence products for our warfighters and policymakers.



## How We'll Get There

In FYs 2019-2021, the Air Force will ensure the best intelligence support for warfighter operations by enhancing its ISR capabilities. Doing so will enable the Air Force to deliver timely and relevant intelligence support to the warfighter to provide a decisive and dominant advantage in today's highly contested security environment.

## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.4.1: ENHANCE AIR FORCE INTELLIGENCE, SURVEILLANCE, AND RECONNAISSANCE CAPABILITIES

OPR: AF/A2/6

The Air Force will reorient its ISR approach to create a ready Next Generation ISR Enterprise, possessing a decisive advantage for the warfighter while remaining competent across the entire spectrum of conflict. To meet the challenges of a highly contested environment, the future ISR portfolio will consist of multi-domain, multi-intelligence, government/commercial-partnered collaborative sensing grid that utilizes advanced technology; it will be resilient, persistent, and penetrating to support kinetic and non-kinetic capabilities. More specifically, the Air Force will update its current mix of ISR assets, modernize the ISR remotely piloted aircraft fleet and supporting infrastructure, integrate ISR with cyber capabilities, and lead the Department of Defense's implementation of the Mission Partner Environment.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Implement the Mission Partner Environment as the Department of Defense Executive Agent to effectively and efficiently meet evolving requirements from regional commanders and international partners	SAF/AA	●	—	—	●								
Continue to modernize the medium-altitude ISR remotely piloted aircraft fleet and rebalance the ISR portfolio to meet the challenges we will face in future contested environments	AF/A2/6	●	—	—	—	—	—	—	—	—	—	—	●
Execute our remotely piloted aircraft "Get Well Plan" with increased training, leadership opportunities, and basing options	AF/A2/6	●	—	—	—	—	—	—	—	—	—	—	●
Maintain primary focus on enhancing Air Force ISR capabilities for operations in contested environments by updating the current mix of ISR assets, while also giving significant and sustained attention to modernizing Air Force ISR systems and capabilities	AF/A2/6	●	—	—	—	—	—	—	—	—	—	—	→
Effect a deeper integration of current and future ISR with cyber capabilities	AF/A2/6	●	—	—	—	—	—	—	—	—	—	—	●

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

# National Defense BOP Strategic Objective 1.5: Implement Initiatives to Recruit and Retain the Best Total Force to Bolster Capabilities and Readiness



## Why This Matters

*In FY 2018, the Air Force increased its Total Force end strength by 7,066 personnel and has a goal of reaching 338,800 Airmen by the end of FY 2023. In addition to added end strength, the Air Force continues to review manpower requirements and determine the best mix of Active Duty, Reserve, and Guard officer and enlisted personnel, as well as the civilian and contractor workforce. The Air Force will invest in the purposeful development of Airmen to strengthen our Joint warfighting excellence – integrating education, training, and experience for our leaders and teams.*



## How We'll Get There

*Two critical lines of effort for FYs 2019-2021 to achieve the Air Force's increased end strength goal will be to increase retention and enhance and sustain recruiting efforts. Retaining qualified personnel through a variety of programs will be essential to achieving the Air Force We Need future force goals. The Air Force must also enhance its recruiting efforts for military and civilian personnel to ensure the Air Force is positioned to meet future challenges.*

### Air Force Business Operations Objective 1.5.1: Increase Retention

OPR: AF/A1

The Air Force is pursuing multiple efforts to retain our best personnel and meet the Air Force We Need requirements. The USAF is implementing Department of Defense-wide retention initiatives and developing innovative Air Force-specific programs which will bolster military capabilities and readiness.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Offer targeted retention bonuses to retain the right mix of critical aviation skills needed to improve readiness and increase the lethality of the force	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→
Increase Family Support Programs to enhance morale and quality of life for Airmen and their families	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→
Continue to implement an expanded parental leave program to support Airmen and their families	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→
Implement the Career Intermission Program to allow Airmen the flexibility to manage short-term conflicts between service responsibilities and life priorities	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→
Implement the PALACE CHASE and PALACE FRONT programs to allow officers and enlisted personnel to continue serving in a Reserve component rather than leave the Air Force	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→
Implement the Department of Defense's Blended Retirement System for incoming Airmen and those who opt in	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity



## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 1.5.2: ENHANCE AND SUSTAIN RECRUITING EFFORTS

OPR: AF/A1

The Air Force is committed to ensuring the processes behind personnel management and recruiting are effective, efficient, and enabled to support the Total Force we need both in capability and end strength. The USAF is focused on effective military and civilian recruiting to produce a highly skilled workforce shaped for today and prepared for tomorrow’s needs.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Leverage Department of Defense human resources reform initiatives to improve civilian hiring timelines and the ability to recruit critical skills	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→
Improve military recruitment to meet the depth and diversity of personnel required and obtain militarily essential skills	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→
Rationalize the Air Force workforce to ensure the right balance of military, civilian, and contractor personnel is available and recruit or hire to meet mission needs	AF/A1	●	→	→	→	→	→	→	→	→	→	→	→

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity



## ► National Defense Strategy Line of Effort 2: Strengthen Our Alliances and Attract New Partners

The 2018 *National Defense Strategy* delivers a clear message – security cooperation is more vital than ever to our nation’s prosperity and collective defense. American relationships with sovereign nations, foreign groups, and global industry are fundamental to helping the U.S. better position itself to deter aggression and protect the security of our nation. Across the U.S. government and among our partner nations, there is a growing recognition that security cooperation can increase access between countries, build interoperability, provide opportunities to share resources, strengthen the industrial base, and enhance our ability to address shared security challenges. The USAF is committed to working alongside allies and international partners to increase global defense capabilities and capacity.

In FYs 2019-2021, the Air Force will put in place the organization, policies, and practices that make alliances and partnerships central to the way we do business. Moving forward, the Deputy Chief of Staff, Strategy, Integration, and Requirements (AF/A5) will be responsible for the development and sustainment of security cooperation strategy by incorporating security cooperation equities into the broader Air Force Strategy. The Deputy Under Secretary, International Affairs (SAF/IA) will assume a lead role in optimizing the Air Force’s execution of security cooperation, focusing efforts on streamlining foreign military sales timelines and processes, improving security cooperation policy, and developing international Airmen who are ready to work with strategic allies and partners.

“As strong as we may be as Airmen and as Joint warfighters, we are strongest when we fight together with our allies and partners. The National Defense Strategy says it best. Mutually beneficial alliances and partnerships are crucial to our strategy providing a durable, asymmetric advantage that no competitor or rival can match.”

– General David Goldfein, Air Force Chief of Staff, 2018

# National Defense BOP Strategic Objective 2.1: Reform the Security Cooperation Enterprise



## Why This Matters

The Air Force is committed to supporting the Department of Defense’s objective to reform the security cooperation enterprise. Security cooperation is more vital than ever to the nation’s prosperity and collective defense, so the Air Force will ensure it is executing foreign military sales as efficiently and effectively as possible. Improving foreign military sales, the export process central to security cooperation, will help the USAF advance U.S. national security and foreign policy interests by enabling timely, modern, interoperable, and ready partner capabilities in air, space, and cyberspace.



## How We’ll Get There

In FYs 2019-2021, the USAF will undertake a series of actions aimed at optimizing the way it executes the business of security cooperation. The Air Force is taking a deep look at how security cooperation is conducted across the USAF; one action already underway is transitioning the responsibility for developing security cooperation strategy from the Deputy Under Secretary, International Affairs (SAF/IA) to the Deputy Chief of Staff, Strategy, Integration and Requirements (AF/A5). SAF/IA will focus on improving the execution of foreign military sales to optimize the delivery of interoperable capabilities to foreign partners.

### AIR FORCE BUSINESS OPERATIONS OBJECTIVE 2.1.1: OPTIMIZE THE AIR FORCE’S EXECUTION OF FOREIGN MILITARY SALES

OPR: SAF/IA

The Air Force will collaborate with the Defense Security Cooperation Agency to execute a series of activities to optimize the execution of foreign military sales. The Air Force’s International Affairs team will also seek efficiencies in other assigned tasks, including the development, negotiation, and conclusion of International Armaments Cooperation project agreements and the expansion and formalization of the USAF’s participation in the Defense Exportability Features Program. Lastly, the Air Force will improve the development and placement of international Airmen – the foundation for the Air Force’s military-to-military partnerships – who support foreign military sales programs.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Deliberately develop and place international Airmen in appropriate billets in accordance with warfighter requirements and National Defense Strategy-driven priorities	SAF/IA	●	—	—	—	●							
Streamline the International Armaments Cooperation Project Agreement process to efficiently engage partners in cooperative research, development, test, and evaluation of defense technologies, systems, or equipment in areas for combined capability innovation	SAF/IA		●	—	—	●							
Lead the USAF engagement to reduce the time from Letter of Request to Letter of Offer and Acceptance in foreign military sales cases	SAF/IA		●	—	●								
Expand and formalize the use of the Defense Exportability Features Program to enable foreign military sales	SAF/IA		●	—	●								
Establish a USAF policy for the use of Defense Security Cooperation Agency-approved checklists when developing system requirements	SAF/IA			●	—	●							

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

# ► National Defense Strategy Line of Effort 3: Reform the Department's Business Practices for Greater Performance and Affordability

In 2017, after a period of sustained budget cuts, the USAF was the smallest it had ever been. Although it had fewer resources than ever and reduced manpower, the Air Force still had to meet the mission demands placed on it from Combatant Commanders to deliver Global Vigilance, Global Reach, and Global Power. The *2018 National Defense Strategy* recognizes the current conditions the Air Force and its sister Services face and called upon the Department of Defense to reform business operations across the enterprise to generate lasting, institutionalized resources to support the warfighting mission. The Air Force is fully committed to heeding this call and recognizes that innovative business reform will deliver greater organizational agility and free up resources to reinvest in greater readiness and lethality.

In FYs 2019-2021, the Air Force will place a renewed emphasis on performance and accountability across its management approach and promote a culture of innovation, agility, and accountability. Transitioning to enterprise or shared services and reducing administrative burden are the two areas the Air Force will employ to strengthen business operations. In addition, the Air Force will continue to optimize organizational structures to reduce unnecessary layers of bureaucracy and enable more efficient and effective decision-making. Furthermore, the Air Force continues to work with the Department of Defense to meet audit readiness requirements and prove to both Congress and the American people that the Air Force is a good steward of public funds.

“ We must transition to a culture of performance where results and accountability matter. We will put in place a management system where leadership can harness opportunities and ensure effective stewardship of taxpayer resources.”

– *2018 National Defense Strategy*





## National Defense BOP Strategic Objective 3.1: Improve and Strengthen Business Operations Through a Move to DoD-Enterprise or Shared Services; Reduce Administrative and Regulatory Burden



### ***Why This Matters***

*The Air Force's business functions are inextricably linked to warfighting capability and readiness, so their optimization will better enable the USAF to restore readiness and deliver unmatched lethality. The Air Force must implement significant reforms in its business operations to achieve its vision of operational excellence and realize year-over-year productivity improvement.*



### ***How We'll Get There***

*In FYs 2019-2021, the Air Force will drive transformation efforts in the areas of enterprise and shared services, line of business reform, and category management. The Air Force will also harness the power of data to support the warfighter through its Chief Data Office. Lastly, the Air Force will reduce unnecessary regulatory burden via a publications reduction initiative, delivering greater organizational agility and empowering Airmen to seek more efficient and innovative ways of doing business.*

## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 3.1.1: IMPROVE AND STRENGTHEN BUSINESS OPERATIONS

OPR: SAF/MG

The Secretary of Defense directed Military Departments to conduct a thorough business review to identify reform initiatives to effectively and efficiently restore military readiness and lethality. The Air Force is committed to identifying and reforming outdated business practices that no longer contribute to meeting the demands of the operating forces. These practices impede our ability to anticipate and adapt to changes in a highly competitive strategic environment. In FYs 2019-2021, the Air Force will advance strategic cost and contract management through category management, reform the IT business mission area, and support Department of Defense-wide line of business reform efforts.

### Bringing Game Changing Innovation to the Air Force through Spark Tank

Secretary of the Air Force Heather Wilson announced the Air Force's first ever Spark Tank competition in September 2017 with a goal to "unleash the innovative capacity of our Airmen." Through the Spark Tank program, Airmen compete and pitch their ideas much like an entrepreneur would make a pitch to a venture capital firm. The Air Force has recognized that venture-backed start-ups are innovating at 10 times the speed of other organizations, and by employing this model we hope to encourage intrapreneurship, retain innovators, and speed adoption of emerging technologies, especially those developed by Airmen to bring game changing impact to our Force.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Develop a business mission enterprise roadmap and strategy by identifying the current state of business mission systems, defining, implementing, and communicating target future state principles (e.g., interoperability, enterprise shared services, data integration), refining governance structures to align the business mission area community to the future state, and implementing IT governance to allow for prioritization of funding	SAF/MG	●	—	—	—	—	●	—	—	—	—	—	—
Fully implement category management across the Air Force by modifying governance and authoritative data systems to track savings and cost avoidance, ramping up support for category intelligence reports, data analytics, and market research, and continuing to influence federal-wide implementation of category management	SAF/MG	●	—	—	—	—	—	—	—	—	—	—	→
Leverage the Department of Defense's enterprise cost management effort – designed to standardize the Department's cost framework, improve cost transparency, and identify cost drivers across eight lines of business (Real Property, Medical, IT, Supply Chain, Financial Management, Acquisition, Human Resources, and Maintenance) – to identify best use cases for the Air Force	SAF/MG	●	—	—	—	—	—	—	—	—	—	—	●
Continue to refine and improve Air Force methods to collect, analyze, and report performance measures and productivity metrics to enable decision-makers to track the progress being made on Air Force Business Operations Plan objectives	SAF/MG	●	—	—	—	—	—	—	—	—	—	—	●
Enable an Air Force culture of continuous improvement and innovation to achieve operational excellence and year-over-year productivity improvement	SAF/MG	●	—	—	—	—	—	—	—	—	—	—	●

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 3.1.2: LEVERAGE ENTERPRISE OR SHARED SERVICES FOR BUSINESS OPERATIONS

**OPR: SAF/MG**

The Air Force will continue to transform its business operations by adopting enterprise or shared services and solutions. Shared services have the power to improve transparency, enable the implementation of commercial best practices, and reduce administrative overhead costs. The Air Force has already successfully leveraged shared services in innovative ways, such as consolidating installation level contracting within Air Force Installation Contracting Agency, and it will continue to do so in FYs 2019-2021 to achieve operational excellence in business management.

### Transforming Procurement Using Category Management

Following a federal initiative launched in 2014, the Air Force began a category management initiative aimed at identifying efficiencies in large goods and services contracts. Category management is being fielded across the federal government and provides a new acquisition standard by analyzing and managing costs in 10 categories. So far, the Air Force has captured over \$1.4B in cumulative cost avoidance.

#### ACTIVITIES TO ACHIEVE THIS OBJECTIVE

ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Implement Product Lifecycle Management as a single source of accurate product data available across the Air Force enterprise to optimize system/end item acquisition by FY 2019	SAF/AQ & AF/A4	●	→	→	●								
Mature the Enterprise Supply Chain Analysis Planning Execution solution so it implements supply chain planning capabilities by anticipating demand, inventory and supply planning, exception management, and analytics by FY 2020	AF/A4	●	→	→	→	→	→	→	●				
Implement a munitions capability, such as the Theater Integrated Combat Munitions System (TICMS), that meets information system security, architecture, data management, and Chief Financial Officer standards by FY 2020	AF/A4	●	→	→	→	→	→	→	●				
Support Air Education and Training Command force development initiatives, including leveraging the Office of Personnel Management's USALearning system, for all distance learning and establishing a common Air Force learning ecosystem	AF/A1	●	→	→	→	→	→	→	→	→	→	→	●
Develop and implement an integrated military personnel and pay system supporting Active Duty, Guard, and Reserve Airmen by FY 2021	AF/A1	●	→	→	→	→	→	→	→	→	→	→	●
Implement an end-to-end system to support the Planning, Programming, Budgeting and Execution processes, beginning with Programming in the FY 2021 Program Objective Memorandum	SAF/FM	●	→	→	→	→	→	→	→	→	→	→	●
Develop and implement an Air Force capability that plans, schedules, and executes standardized organic depot maintenance, repair, and overhaul processes across complexes by FY 2021	SAF/AQ & AF/A4	●	→	→	→	→	→	→	→	→	→	→	●
Fully implement a new contract management system across the Air Force, beginning with contract writing, by FY 2024	SAF/AQ	●	→	→	→	→	→	→	→	→	→	→	●

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

Actual ECD Q1 FY24

## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 3.1.3: HARNESS THE POWER OF DATA FOR TIMELY DECISION-MAKING AND MISSION SUCCESS

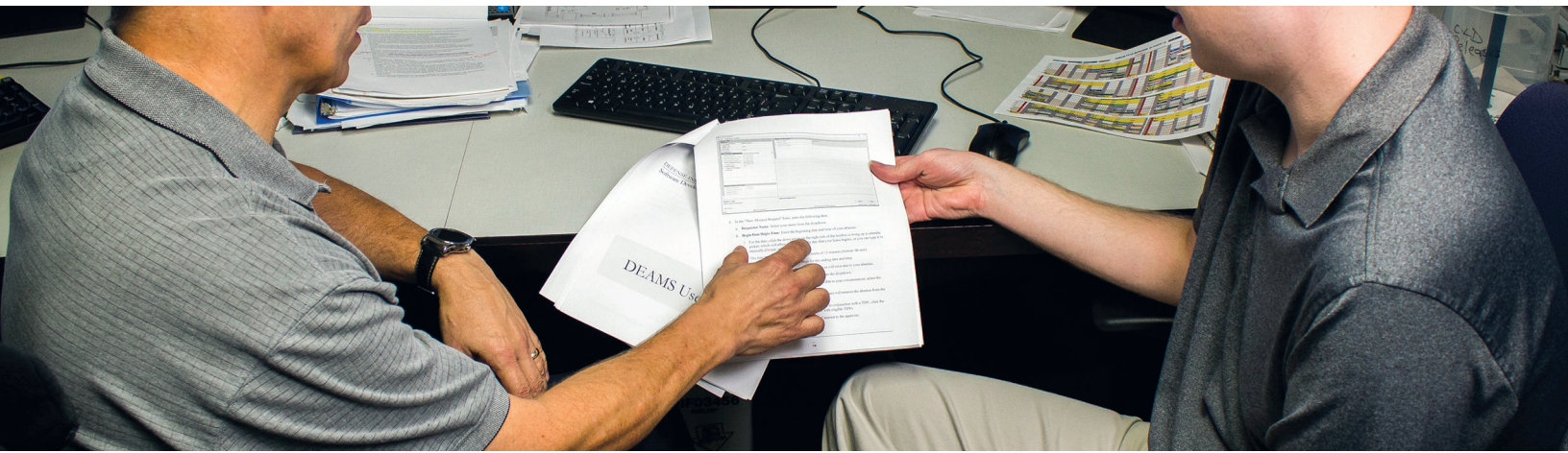
OPR: SAF/CO

The Air Force’s Chief Data Office (CDO) fills a critical role to ensure the visibility, accessibility, understanding, linking, and trustworthiness of data across the Air Force. The Air Force CDO Data Platform provides cyber-secure, cloud-based data services and tools to connect, find, share, and learn from Air Force data. Furthermore, the Air Force CDO Enterprise Information Model encourages digital transformation to improve readiness, increase mission effectiveness, reduce the total cost of operations, improve cybersecurity, and make rapid, accurate, data-driven decisions. The Air Force will benefit from CDO’s services as it works toward fulfilling its objectives to support access to data from mobile devices, ensure data is secure and vulnerabilities are identified and addressed, expose data for interoperability across functional areas, and continually improve and evolve the Air Force’s data strategy, architecture, and business operations.

ACTIVITIES TO ACHIEVE THIS OBJECTIVE													
ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Supply a platform to foster analytics partnerships and enable functional communities to use state-of-the-art analytical tools they need to solve the Air Force’s toughest challenges	SAF/CO	●	—	—	—	—	—	—	—	—	—	—	●
Migrate the CDO’s pilot environment to the Common Computing Environment and furnish cloud-hosted data services and analytical tools for the business mission area to empower decision-making	SAF/CO	●	—	—	—	—	—	—	—	—	—	—	→
Make current and trusted data and their authoritative data sources (such as the auto-populated Enterprise Information Model and data dictionaries) available for analytics across the business enterprise	SAF/CO	●	—	—	—	—	—	—	—	—	—	—	→
Upgrade all the Air Force data environments to the Secure Internet Protocol Router Network level to for proper security access and accommodate for readiness and data aggregation	SAF/CO	●	—	—	—	—	—	—	—	—	—	—	→

● Est. Start Date   ● Est. Completion Date   ● Future Est. Completion Date   → Ongoing/Annual Activity





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 3.1.4: REDUCE REGULATORY BURDEN BY STREAMLINING AIR FORCE DIRECTIVE PUBLICATIONS

OPR: SAF/MG

In August 2017, the Secretary of the Air Force directed a systematic review, reduction, and clarification of Air Force directive publications. Out of date, inconsistent, and highly prescriptive publications bred cynicism in the field and resulted in distraction and inefficiency. In FYs 2019-2021, the Air Force will continue to reform its publication program, reducing administrative and regulatory burdens on Airmen.

Reducing and clarifying publications will drive a culture of innovation and a focus on mission success for the Air Force. Less prescriptive instructions will centralize direction but decentralize execution, empowering Airmen to innovate and make decisions at the speed of relevance. This cultural shift in day-to-day operations and decision-making will enable the Air Force to be more agile, lethal, and adaptive in today's highly complex security environment.

### Empowering Airmen Through Publications Reductions

In 2017, the Air Force initiated a publications reduction initiative to reduce administrative burden on Airmen and increase agility. To assist with the effort, data analytics experts deployed an augmented intelligence tool which uncovered more than 200 value-added edits per publication review. As of November 2018, 2,726 Air Force Instructions have been rescinded and 337 Instructions were updated, resulting in the elimination of 5,100 compliance items. The Air Force anticipates completing its publications reduction initiative by the end of FY 2019.

#### ACTIVITIES TO ACHIEVE THIS OBJECTIVE

ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Complete the review, update, and/or rescindment of all Air Force-level publications in accordance with the Secretary of the Air Force's guidance	SAF/MG	●	→	→	●								
Define and document requirements to institutionalize and transition the publications process to the Administrative Assistant to the Secretary of the Air Force (SAF/AA) no later than October 2019 by updating the Air Force's publications policy, finalizing and obtaining approval of foundational requirements to institutionalize the Secretary's guidance, and identifying program shortfalls	SAF/AA & SAF/MG	●	→	→	→	●							
Re-imagine the publications process and implement technology to better manage and maintain Air Force publications into the future by developing and releasing a request for proposals for agile implementation of a publications solution	SAF/MG & SAF/AA	●	→	→	→	●							

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

# National Defense BOP Strategic Objective 3.2: Optimize Organizational Structures



## **Why This Matters**

*To build a more lethal and ready force and transform its approach to business operations, the Air Force must assess its organizational structures to ensure they are best postured to deliver support to the warfighter. Agile and responsive organizational structures empower Airmen with the information, equipment, and resources to fly, fight, and win.*



## **How We'll Get There**

*In FYs 2019-2021, the Air Force will execute organizational realignment efforts to posture staff capability to meet the lines of effort defined in the 2018 National Defense Strategy and support the Major Commands and field units. To ensure the realignments achieve their intended effects and remain responsive to strategic needs, the Air Force will continually assess its organizational structures and make adjustments as necessary.*





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 3.2.1: ENHANCE AIR FORCE ORGANIZATIONAL STRUCTURES

OPRs: SAF/AA, AF/A2/6, SAF/IA, AF/A5, SAF/FM, SAF/MG, & AF/SG

Air Force Headquarters will undergo a series of organizational realignments to meet the needs of the Major Commands and the warfighter in line with the 2018 National Defense Strategy. These shifts are designed to reflect the emphasis on increasing lethality, operational readiness, and the force design to support building the Air Force of the future. The Air Force is committed to continually assessing its organizational structures, so the Deputy Under Secretary, Management (SAF/MG) will assist each office in assessing progress and identifying any gaps or seams to address after the realignments have been in place for a year. Optimizing organizational structures may include efforts to remove counterproductive layers of oversight and administration and reduce overhead costs.

### Spearheading a “Digital Air Force”

In October 2018, Secretary Wilson designated Matthew Donovan, the Under Secretary of the Air Force, as the Air Force’s Chief Information Officer. Coupled with his role as the Air Force’s Chief Management Officer and direct supervisor of the Air Force’s new Chief Data Officer, the USAF is actively integrating these functions to spearhead a “Digital Air Force” initiative encompassing comprehensive changes to how the force gathers, uses, and shares data. Data will power next-generation combat, so the Air Force must control and manipulate massive volumes of information to out-think and out-maneuver its opponents. The “Digital Air Force” initiative will ensure all Airmen have uninterrupted access to the data they need, where and when they need it.

#### ACTIVITIES TO ACHIEVE THIS OBJECTIVE

ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Support the effective planning and transition of healthcare management responsibilities from the Air Force to the Defense Health Agency while ensuring a ready Air Force medical force and a medically ready Air Force	AF/SG	●											●
Achieve Major Headquarters Activity spend limitations directed in the FY 2016 and FY 2019 National Defense Authorization Acts and identify additional opportunities to reduce Departmental overhead as directed in the 2018 National Defense Strategy	SAF/FM & SAF/MG	●											→
Transition cyber effects and warfighting integration mission areas into the Chief of Staff, Intelligence, Surveillance, Reconnaissance (AF/A2) resulting in a single Deputy Chief of Staff for Intelligence, Surveillance, Reconnaissance, and Cyber Effects Operations (AF/A2/6) to reflect a major shift in the Air Force to warfighting effects capability in the cyber domain	AF/A2/6	●	●										
Delegate responsibility for managing Special Access Program IT from the Administrative Assistant to the Secretary of the Air Force (SAF/AA) to the Air Force Chief Information Officer	SAF/AA	●		●									
Realign the Air Force Foreign Policy Advisor, Foreign Liaison Office, and responsibility for developing security cooperation strategy from the Deputy Under Secretary of the Air Force, International Affairs (SAF/IA) to the Deputy Chief of Staff, Strategy, Integration and Requirements (AF/A5) to sharpen our focus on allies and partners in accordance with National Defense Strategy Line of Effort Two – “Strengthen Alliances and Attract New Partnerships”	SAF/IA & AF/A5		●	●									

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

# National Defense BOP Strategic Objective 3.3: Undergo an Audit and Improve the Quality of Budgetary and Financial Information that is Most Valuable in Managing the DoD



## **Why This Matters**

*Financial operations – encompassing processes, systems, and resources – place the capacity for lethality directly in the hands of our Airmen. The Air Force is committing to improving its financial management and auditability to ensure the warfighter has the resources they need to carry out their mission and improve stewardship of the resources entrusted to the USAF by taxpayers.*



## **How We'll Get There**

*In FYs 2019-2021, the Air Force will continue its efforts to be audit ready, remediate findings from its first ever external audit, and achieve post-audit sustainment. The USAF will also continue to make improvements to IT capabilities that support financial management. These efforts demonstrate that the Air Force remains on a committed path to end-to-end financial auditability and accountability of its resources.*





## AIR FORCE BUSINESS OPERATIONS OBJECTIVE 3.3.1: PRIORITIZE ACHIEVING FINANCIAL IMPROVEMENT AND AUDIT READINESS REQUIREMENTS

OPR: SAF/FM

In FY 2018, the Air Force underwent its first ever external audit. The audit contained a series of findings and corrective actions which provide valuable insight into lessons learned for use in future audits and cost savings for business operations. In FYs 2019-2021, the Air Force will continue to improve its financial operations by remediating findings from audits, establishing and implementing compliant business processes and controls to enable improvements in financial reporting, integrating internal audits, and improving accounting systems and financial data visibility.

### ACTIVITIES TO ACHIEVE THIS OBJECTIVE

ACTIVITY	OPR	FY 2019				FY 2020				FY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Improve real property accountability by establishing a reliable baseline for real property	SAF/FM	●	→	→	●								
Rationalize the number of legacy IT systems and interfaces and identify and implement enterprise-wide solutions to support IT controls	SAF/MG	●	→	→	→	→	→	→	→	→	→	→	●
Reconcile the Air Force's Fund Balance Treasury to improve the Department of Defense's ability to prepare auditable financial statements	SAF/FM	●	→	→	→	→	→	→	→	→	→	→	●
Improve transparency and simplify future audits by providing authoritative data on budget and finance to the Department of Defense for future audit simplification	SAF/FM & SAF/AG	●	→	→	→	→	→	→	→	→	→	→	●
Resolve intragovernmental eliminations that impact the presentation of the Air Force's financial statements	SAF/FM	●	→	→	→	→	→	→	→	→	→	→	●
Leverage Air Force Audit Agency audits for Financial Improvement and Audit Readiness and budget processes within the Office of the Assistant Secretary of the Air Force, Financial Management and Comptroller (SAF/FM) to enhance transparency to the Department of Defense	SAF/FM	●	→	→	→	→	→	→	→	→	→	→	●
Finalize the upgrade of the Defense Enterprise Accounting and Management System (DEAMS) to Oracle R12, roll out an acquisition capability, and complete the migration of all appropriated general ledger functionality across the Air Force	SAF/FM	●	→	→	→	→	→	→	→	→	→	→	●
Resolve Notice of Findings and Recommendations and Corrective Action Plans for findings from audits in order to achieve and maintain unqualified audit opinions	SAF/FM	●	→	→	→	→	→	→	→	→	→	→	→

● Est. Start Date ● Est. Completion Date ● Future Est. Completion Date → Ongoing/Annual Activity

# ► Implementation

## Governance

This Business Operations Plan will be implemented using a two-tiered governance structure. The Air Force Productivity Council, chaired by the Under Secretary of the Air Force in his role as the CMO, is the Air Force corporate body responsible for assuring business and management operations across lines of business are as streamlined and effective as practical. The Enterprise Productivity Improvement Council (EPIC), chaired by the Deputy CMO and reporting to the CMO, will serve as the primary governance forum responsible for overseeing the management and update of this plan. The EPIC will review results, assess and manage risks that may impede progress towards the achievement of desired outcomes, and elevate decisions to the Air Force Productivity Council as needed.

The management of this Air Force Business Operations Plan must exhibit the same agility we are seeking in Departmental business operations. To that end, the Air Force CMO will update this document on a semi-annual basis to consider new environmental and strategic factors and maintain a continuously improving, agile, and adaptable framework. Specific elements of this plan may be updated more frequently on a quarterly basis.

## Performance and Accountability

The Department of the Air Force is committed to continuously monitoring performance and ensuring accountability for the objectives and activities in this plan. Objective owners will be responsible for continuously evaluating progress towards achieving intended outcomes. On a quarterly basis, owners will report progress on activity completion to the EPIC and make adjustments as needed to account for emerging issues. In addition, owners will provide significant business operations improvements and accomplishments for inclusion in updates to the Appendix.

At the Air Force Productivity Council, senior leaders from across Headquarters will report results against performance and productivity measurements, identify cross-cutting opportunities and barriers, and drive collective commitment towards line of business reform and improvement efforts. The Productivity Council will be a decision-making forum to help elevate issues for action. Using productivity measures for sustained improvement will be a new paradigm for the Air Force and enable senior leaders to drive decisions across and at every echelon within the lines of business. Specific metrics, authoritative data, and supporting dashboards and analytics used at the Productivity Council will evolve over time based on the needs of leadership.



Figure 2: Air Force Business Operations Plan Governance Structure

# ► Appendix: Air Force Business Operations Improvements and Accomplishments

The Air Force is committed to continuously improving its business operations to sustain the warfighter and achieve the strategic priorities identified in the *2018 National Defense Strategy*. As a result of a sustained focus on optimizing management practices and business operations, in the past two years, the USAF has achieved the successes listed below (aggregated by National Defense Strategy line of effort). The Air Force will continue to capture successes achieved by implementing this Business Operations Plan and related efforts and will update the content in this section on a recurring basis.





# National Defense Strategy Line of Effort 1: Rebuild Military Readiness as We Build a More Lethal Joint Force

## UNIT AND PERSONNEL READINESS

- ▶ The Air Force is more ready today than we were two years ago; over 90% of lead elements in our priority squadrons are ready to fight tonight. The Air Force's FY 2017, FY 2018, and FY 2019 budgets halted the Air Force's readiness decline and targeted investments in FY 2018 prioritized squadrons, resulting in an increase in readiness.
- ▶ In FY 2018, the Air Force increased its Total Force end strength by 7,066 personnel and eliminated the 4,000 Airman Maintenance personnel gap. The Air Force also produced 1,211 Total Force pilots – 146 more pilots than originally planned. In the same year, the USAF conducted a rated requirements validation, resulting in the reclassification of 61 positions to non-rated and conversion of 45 positions, resulting in a 4% reduction in rated staff officer requirements.
- ▶ To alleviate communications concerns and modernize equipment for Air Force Security Forces, the Air Force invested \$51M to modernize Defender communication systems on the Korean Peninsula, funded \$23M in antiterrorism and force protection projects in FY 2018 to harden our installations, and re-prioritized \$175M of FY 2018 funds to accelerate reconstitution of our security defense forces worldwide.



## FLEET SUSTAINMENT

- ▶ The Air Force has begun implementing conditions-based maintenance (CBM) to maintain its fleet, a concept which leverages sensor technology installed on parts and data analytics to decrease unscheduled maintenance events, empowering the maintainer to determine when and where maintenance should be performed. Initial CBM tests in some fleets have shown a reduction of approximately 30% of unscheduled maintenance. In the E-3 fleet, analysis projects the use of CBM will garner a 28% savings in maintenance man-hours, equating to a reduction of 159,000 maintenance man-hours annually. USAF analysis also projects a 32% savings for the C-5 fleet, reducing annual maintenance man-hours by 330,000 and increasing aircraft availability for the fleet.
- ▶ The employment of advanced manufacturing within the Air Force is creating efficiencies in cost, schedule, and performance across the sustainment lifecycle, giving a competitive edge in the field. The Air Force is using its Rapid Sustainment Office to accelerate technology delivery to our sustainment community and modernize operations. The USAF has put over 70 additively manufactured parts into service in various aircraft and will continue to test more applications.



- ▶ In December 2018, the Air Force delivered the first working prototype of mobile applications for maintenance to A-10s at Davis-Monthan Air Force Base, enhancing flight line maintenance productivity by recovering time spent on documentation and reallocating that time to core maintenance activities. After six months of testing, the Air Force will assess the results and scale up the use of mobile applications for other aircraft accordingly.
- ▶ The Air Force has taken efforts to increase efficiency and production levels in its depots. The USAF now accomplishes KC-135 major repair and overhaul in 155 days at a cost of \$9.9M per aircraft, which is 40% faster and more than 50% less expensive than contract proposals the Air Force received from industry in 2018 to do the same work. The Air Force also significantly increased depot production, now completing 750 aircraft per year.
- ▶ Digital engineering may revolutionize the way the Air Force buys weapon systems, and the B-52 Commercial Engine Replacement Program is leading a pathfinder on digital twins. The Air Force conducted a “digital twin fly-off” early in the program which maximized fuel efficiency, reduced costs, extended the engine’s range, and accelerated fielding by three and a half years.

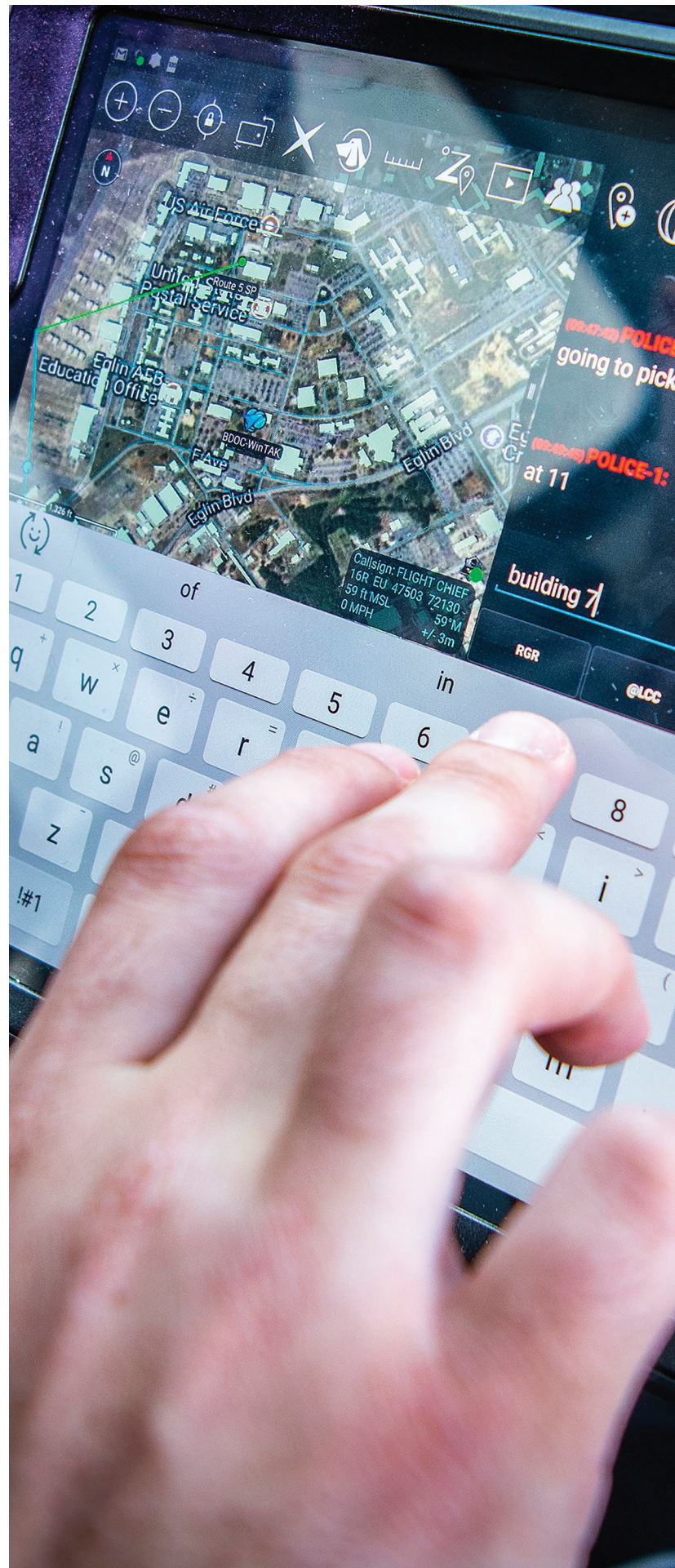


## ACQUISITION REFORM

- ▶ The Air Force's application of the FY 2016 National Defense Authorization Act Section 804 Rapid Prototyping/Rapid Fielding authorities has accelerated capability delivery to the warfighter. As of January 2019, the Air Force has realized 71 years of potential savings across 20 approved middle tier acquisition programs, and the number of approved programs and potential years saved continues to increase. The Air Force removed three and a half years of schedule using competitive prototyping for engine selection in the B-52 Commercial Engine Replacement Program (B-52 CERP), and the USAF is leveraging Navy systems engineering in prototyping and collaborating with other government agencies to build, fly, and buy our nation's first operational boost-glide weapon five years earlier than anticipated.
- ▶ The Air Force is committed to competition and improves program outcomes through stable requirements, a mature technology base, and transparency with industry. For three programs alone – the Global Positioning Satellite IIIIF, UH-1N helicopter replacement, and T-X jet trainer – the Air Force saved over \$13B from the independent cost estimates used during planning.

## IT AND CYBERSECURITY

- ▶ The Air Force is driving needed efficiencies, improved reliability, and strengthened security in IT and business systems reform. In July 2018, the Program Executive Officer developed the Common Computing Environment 2.0 for managing enterprise services to increase agility, cybersecurity, and to realize efficiencies through cloud technologies. By July 2019, 16 applications will be migrated to the new environment, reducing compute/store costs by 60% (\$2M per year) on average. The program identified over 100 additional applications for migration, which will yield significant additional effectiveness and savings.
- ▶ To address aging Air Force logistics IT systems, which are some of the largest and most complex in the Air Force, the Deputy Chief of Staff, Logistics, Engineering, and Force Protection (AF/A4) developed a Logistics Information Technology Modernization Strategy. As of November 2018, 39 systems have been consolidated and shut down, and nine AF/A4 logistics applications have been re-hosted into a cloud environment.



- ▶ The Air Force is supporting the operation, security, and defense of the cyberspace domain through its participation in the Cyberspace Mission Force (CMF), which is defending the nation against strategic cyber-attacks. The Air Force provides 39 of 133 CMF teams and over 1,700 personnel from the Active and Reserve Components. In May 2019, all 39 CMF teams provided by the USAF became operational.

## RECRUITMENT AND RETENTION

- ▶ Retention rates for the Air Force remained consistent from FY 2017 after increases were made to all three bonus and pay programs for aviators, arresting a multi-year downward trend. Aviation Bonus take rates, which correlate with retention, were at 45% (short of the 65% target). In FY 2018, 330 pilots took the initial Aviation Bonus comprising 45% of eligible pilots. Fighter and bomber pilots, which historically displayed some of the lowest take rates and were eligible for the new \$35,000/year bonus, increased their take rates by 9% (to 44%) and 7% (to 53%), respectively.
- ▶ To recruit, retain, and develop a high-quality science, technology, engineering, and mathematics (STEM) workforce, the Air Force has several ongoing initiatives. Over 2,000 STEM outreach events are being conducted annually, reaching over 400,000 K-12 students and teachers at about 40 Air Force installations. A pilot Cyber/Electronic Warfare Air Force Reserve Officer Training Corps effort allowed 120 cadets at 14 different universities to work on real-world research for tri-Services in 2018. In addition, over the past nine years, the Air Force has sponsored 640 scholars in the Science, Mathematics, and Research for Transformation Program with 337 individuals completing a service commitment.
- ▶ After an Air Force climate survey identified squadron vitality as a key performance issue, in 2018 the Chief of Staff of the Air Force announced an initiative to revitalize squadrons and stood up a task force to lead the effort. The team conducted an Air Force-wide review of squadron vitality, gathering inputs from across the Air Force through online crowd sourcing and face-to-face discussions with nearly 4,000 individuals from 25 different bases. The Air Force is successfully implementing a series of actions that address the key findings across most squadrons to significantly improve their immediate and future readiness, effectiveness, and morale.



# National Defense Strategy Line of Effort 2: Strengthen Our Alliances and Attract New Partners

## FOREIGN MILITARY SALES

- ▶ The USAF averages \$10-14B in foreign military sales per year, extending to over 110 partner nations. As of October 2018, the Air Force had nearly 3,000 active foreign military sales cases with an undelivered value of nearly \$75B and a total portfolio of over \$20B. In FY 2018, the top 10 USAF foreign military sales cases represented countries from four of the six geographic combatant commands, with seven of the 10 top sales cases coming from countries in U.S. Indo-Pacific Command area of responsibility.
- ▶ The Deputy Under Secretary, International Affairs (SAF/IA) has refocused on the execution of the foreign military sales process and is revamping an enterprise governance charter to align the USAF's efforts to equip and train international partners. The Air Force successfully decreased the time from a foreign letter of request to a letter of offer and acceptance by 10% in 2018 and is working to continue reducing that timeline through the use of governance processes.
- ▶ The Deputy Under Secretary, International Affairs (SAF/IA), Assistant Secretary of the Air Force for Acquisitions, Technology, and Logistics (SAF/AQ), and Air Force Security Cooperation Assistance Center are pursuing an initiative to "commoditize" select defense exports to speed foreign capability procurement. Following the October 2018 Air Force Fall Acquisition Review Day, a cross-functional team began exploring the viability of commoditizing a high-demand, strategically important intelligence, surveillance, and reconnaissance system. The goal of this effort is to reduce the requirements development timeline by at least 25% and shrink the overall timeline from the customer's initial request to delivery of the requested platform by at least 25%, or 9-12 months.





## SECURITY COOPERATION

- ▶ The Euro-NATO Joint Jet Pilot Training (ENJJPT) program delivers leading-edge flight training at Sheppard Air Force Base to NATO pilots for assignment in fighter or fighter-type aircraft. The program includes undergraduate pilot training, pilot instructor training, and introduction to fighter fundamentals. ENJJPT has graduated 7,189 students from undergraduate pilot training into the NATO alliance, furthering NATO standardization through mutual cooperation.
- ▶ The FY 2015 National Defense Authorization Act authorized the Air Force to operate the Inter-European Air Forces Academy, a new Air Force education and training facility. The Academy was officially activated in March 2016. Since its activation, the Academy has educated and trained more than 550 students from 35 different countries throughout Europe and North America. As the Academy grows, it is continuing to develop courses that address capability gaps and shortfalls to make the alliance stronger and able to face any future challenge.
- ▶ The 12th Air Force (AFSOUTH) conducts military to military (M2M) engagements in support of U.S. Southern Command intermediate military objectives. AFSOUTH executed over 160 M2M engagements in FY 2017 and over 180 engagements in FY 2018. The M2M events covered a large variety of Air Force core competencies that include manpower development, intelligence, air-to-ground integration, and casualty evacuation. They demonstrate U.S. commitment to transnational priorities, increase air capabilities and interoperability, build trust through transparency, and increase the capacity of our partner nations.

# National Defense Strategy Line of Effort 3: Reform the Department's Business Practices for Greater Performance and Affordability

## BUSINESS OPERATIONS REFORM

- ▶ Following a federal initiative launched in 2014, the Air Force began a category management initiative aimed at identifying efficiencies in large goods and services contracts. Category management is being fielded across the federal government and provides a new acquisition standard by analyzing and managing costs in 10 categories. So far, the Air Force has captured over \$1.5B in cumulative cost avoidance.
- ▶ The Air Force is building an Air Force Learning Services Ecosystem to provide learning services for the entire Air Force on demand using mobile devices and cloud services. Air Education and Training Command's Learner Interaction Services reached initial operating capability in May 2018 with four courses in the new environment. Nineteen legacy Air Force Learning systems are targeted for decommissioning through FY 2020, which will save over \$32M.
- ▶ The Deputy Under Secretary, Management (SAF/MG) is streamlining the way Airmen can submit innovative ideas as part of the Airmen Powered by Innovation (API) program by transitioning the legacy program site to the modern Ideation platform (IdeaScale). Previously, Airmen were confused by multiple programs and locations for Air Force innovation submissions, but they will now have a single location to submit ideas and receive updates on the API program. The API program's goal is to empower Airmen to share innovative ideas that affect cost savings, quality, productivity, cycle time, process improvement, and morale from the ground up to Air Force senior decision-makers.

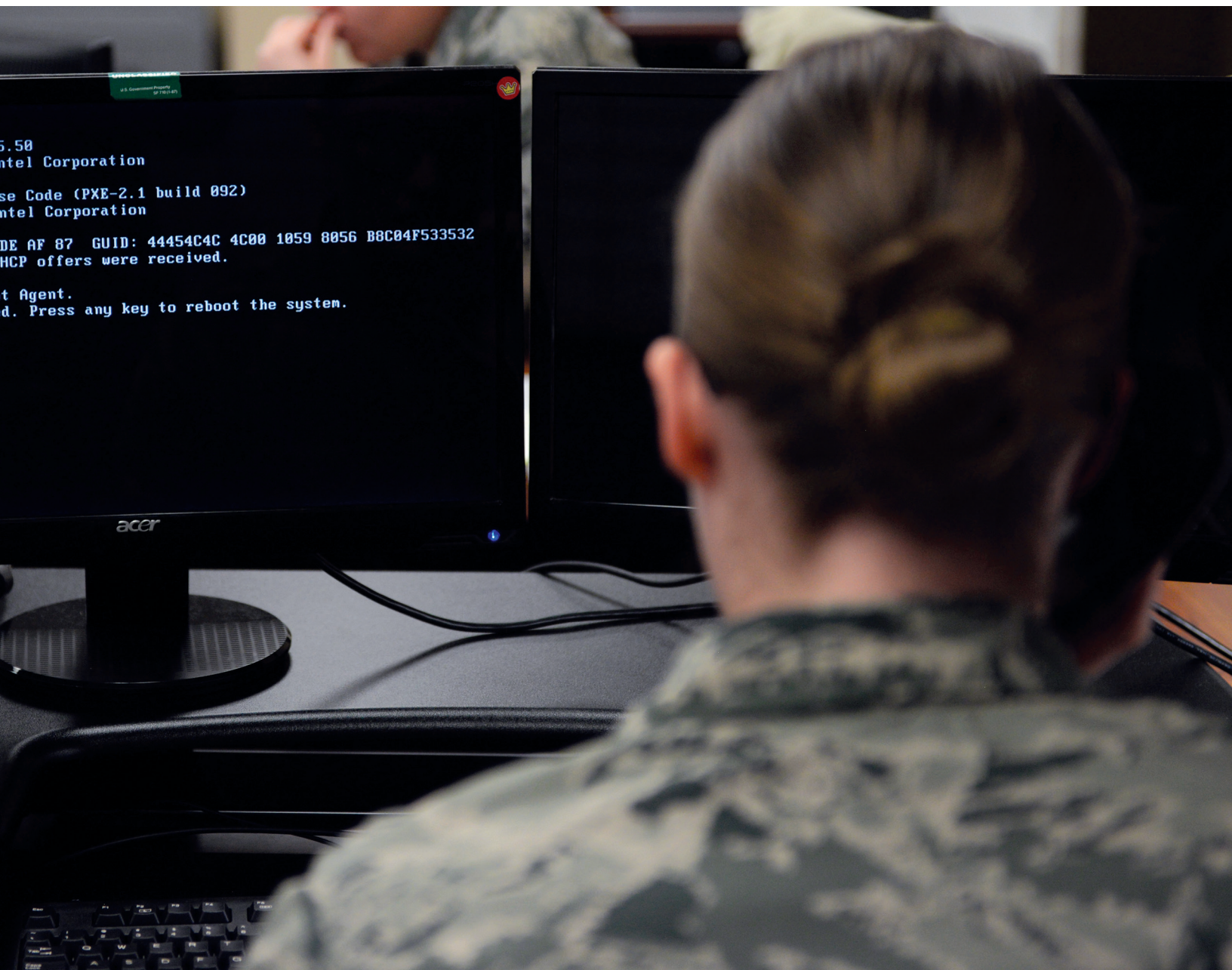




- ▶ As of January 2019, Air Force Headquarters successfully divided the Deputy Chief of Staff, Strategic Plans, Programs, and Requirements (AF/A5/8) into the Deputy Chief of Staff, Strategy, Integration and Requirements (AF/A5) and Deputy Chief of Staff, Plans and Programs (AF/A8). This transition enabled a strategic emphasis on force design and building the Air Force for the future – termed the “Air Force We Need.”

## AIR FORCE CHIEF DATA OFFICE

- ▶ To lead the Air Force through a digital transformation, in summer 2017 the Air Force established the Chief Data Office (SAF/CO). SAF/CO establishes the vision and guiding principles through which the Air Force can collect, share, and act upon trusted data in and across all mission areas and domains. The establishment of SAF/CO has elevated the power of data as a strategic asset to enable historical analysis, predictive analytics, and unprecedented mission execution. The Air Force is driving a holistic approach in digital transformation through the pervasive growth of big data technologies, artificial intelligence, and cloud service. Cultural changes, strategy, policy, governance, metrics, architecture, security and work force development are equally compulsory to drive digital transformation.
- ▶ The Air Force’s Chief Data Office (SAF/CO) established a common approach for making data secure, visible, accessible, understandable, linked, and trustworthy (SVAULT). The organization developed an Air Force Data Services Reference Architecture which provides clear guidance for the design, development, implementation, and use of Air Force Major Command and Functional Data Platforms. SAF/CO also piloted an Air Force Data Services Platform compliant with the Department’s reference architecture, with 100% cloud-native services, trusted open source software, and commercial-off-the-shelf software.



## IT OPERATIONS

- ▶ The Deputy Under Secretary, Management (SAF/MG) initiated a plan to reduce redundancy and duplication in the IT business mission area (BMA). A current state analysis of the BMA identified over 1,058 dependencies between BMA systems, which add unnecessary layers of complexity and risk. SAF/MG is also working to optimize the BMA architecture and identified the need for a cultural shift from thinking from data as “locally-owned” to “Air Force-owned,” driving towards a single data hub where multiple systems “pull” information to eliminate redundancies and improve data security.
- ▶ The Air Force is leveraging open architecture to enable agile fielding of new and updated software. The Air Force Distributed Common Ground System (DCGS) is transitioning from a proprietary infrastructure to an open architecture platform, breaking system vendor lock and allowing the government to own the system’s technical specifications, architecture, and interfaces. In 2018, the Air Force DCGS supported 24/7 operations in seven Combatant Commands, consisting of 26,100 intelligence, surveillance, and reconnaissance missions, 886,000 tasked targets, 417,000 hours of full-motion video, and 1.6 million products in support of planning and combat operations.

- ▶ To consolidate core service operations, the Air Force is leveraging commercial cloud native capabilities through the Common Computing Environment, a centrally-managed, standardized platform and shared application support service. The use of cloud-hosted enterprise services is planned to deliver a 100 Gigabyte email inbox, one Terabyte personal cloud OneDrive, SharePoint, and Skype for Business across the Air Force enterprise.

## AUDIT

- ▶ The Air Force is continuing to integrate disparate financial systems and standard business practices and software configurations to help the Air Force achieve a clean audit. The Defense Enterprise Accounting and Management System (DEAMS) is transitioning from a traditional acquisition approach to the use of agile development methodologies in order to improve the quality and speed of capability delivery to the user. In December 2018, the Air Force awarded a contract to an agile system integrator and is actively educating stakeholders on how to embrace an agile development mindset.





**U.S. AIR FORCE**