

ABSTRACT

Probability Management: Unambiguous Uncertainty

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A new trend in risk modeling involves networking analytical systems together through data bases of simulated scenarios. The SIPmath open standard from the non-profit ProbabilityManagement.org is a cross platform approach to managing such scenarios.

• It is actionable, in that uncertainties may be used in interactive calculations by decision makers themselves, taking the meeting room beyond Power Point.

• It is additive, in that the results of legacy analytical systems may be aggregated across the enterprise to create consolidated risk statements.

• It is auditable, in that uncertainties are represented as unambiguous data including provenance with respect to accuracy and security.

Interactive simulation examples demonstrated in Excel, without macros or add-ins will range from portfolios of energy and pharmaceutical projects to simple universal calculators for functions of random variables.