

## Facilitating Risk Management

by Penny Pullan CPF PhD PMP, illustrated by Vanessa Randle

It's a sign of the growing stature of our profession and the skills that facilitators offer the world, that facilitation is expanding in the business world and valued more and more for the changes it can bring.

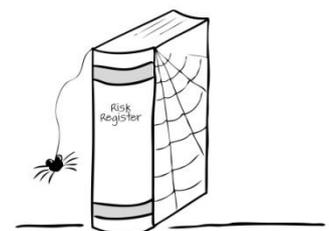
In this article, I will summarise the key findings of my new book about the use of facilitation to make risk management in organisations far more effective. Ruth Murray-Webster is the co-author and the book 'A Short Guide to Facilitating Risk Management' is published by Gower in July 2011.

Many organisations have spent small fortunes to set up risk management processes. However these often fail to deliver. Too often, the logical processes and supporting software systems fail because people just aren't interested. Ruth and I have found that the key to making risk management work is the intervention of skilled facilitators, who are able to engage people to identify, own and manage risk. I'm sure that will come as no surprise to facilitators reading this article!

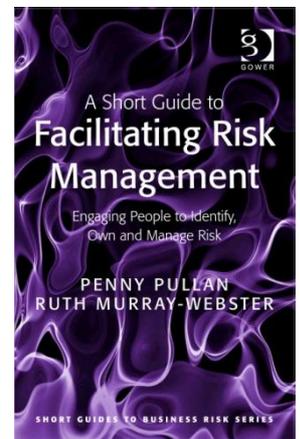


Writing for a general business audience as well as for professional facilitators, Ruth and I set out to cover the essential elements of risk management that people should understand. We define risk as 'uncertainty that matters' and, as such, should include both negative threats and positive opportunities. We look at how risks matter. We investigate the ways people work out how risky a given situation might be. Tapping into Ruth's work on Risk Attitude with David Hillson, we look at how different people can assess identical risks in very different ways. Risk facilitators also need to understand the different options available to respond to each risk, from accepting the risk as it is, to sharing it with others or treating it in some way.

Most of what we have to say is common sense, as risk management comes naturally to human beings as part of life. Unfortunately though, good risk management is far too often not common practice. Take, for example, the risk register. Many organisations and projects complete a risk register and feel that they have 'done their risk management', instead of using this as a first step in an ongoing process. The picture opposite shows a risk register which has been on the shelf for so long that a spider has taken up residence. This brings a guilty smile to many managers we've worked with who exclaim that this is what happens in their organisations. We ask, 'What is the point of creating the risk register if it is then ignored, rather than used proactively to manage the effects of uncertainty on the outcomes we value?'



How can organisations be proactive with risk? The answer here is to get people not only to identify risks, but also to own their risks and be active in managing them. How can we do this? This is where the risk facilitator adds value. We don't imagine that facilitation is always their full time role, but they can use facilitation skills to engage people to manage risk. Their job title is probably something quite different; we've seen anything from risk manager to project manager or even operations



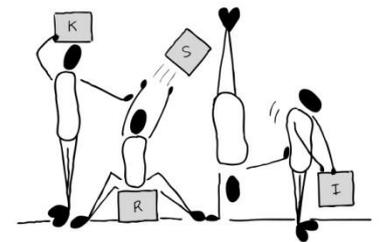
manager. It doesn't matter. It's the skills that are important. Once these people have a good understanding of risk and how humans respond to risk in different ways, then we can add in facilitation skills to complete the picture.



Vivien's story illustrates this nicely. The large pharmaceutical company where she worked used to have a risk department full of specialists and a complex software tool to support them. However, the specialists were ineffective in many ways. Vivien said 'The very nature of the tool killed energy and creativity.' People just left risk to these specialists and didn't use the tool in a proactive way. Once Vivien, a skilled facilitator, came on the scene, she was able to clarify the purpose and objectives of the risk management work. Simple templates and a network of risk facilitators have replaced the burdensome tool and risk specialists. Now risk management is alive and well in her organisation, with managers around the world playing their part in providing a clear picture to their leaders.

Ruth and I were surprised to find that people often tried to handle the whole risk management processes within one or two workshops. We lay out the combination of workshops, smaller meetings and one to one sessions which we feel works best in various situations.

In our book, we cover the basics of facilitating workshops, so that those who need to facilitate risk workshops are clear on what they should be doing in preparation, during the workshop and afterwards to ensure actions are taken. Our research showed that many people are concerned about conflict and other things going wrong during risk workshops. Due to the nature of risk and the variations in risk attitude between different people, there is likely to be conflict during risk workshops. The risk facilitator should be prepared to deal with this in a positive way. The virtual environment is affecting risk workshops too, so dealing with conference calls and online meetings for risk is another necessary skill.



The final piece we cover is to run through more than sixty pitfalls raised by risk professionals when we facilitated groups all over the UK in 2010. These range from issues with the risk management process, issues with facilitation skills and issues around the culture of the organisation concerned. Here are a few examples which you may well recognise yourself:



- People don't understand what risk is, or have unclear or even conflicting definitions of risk.
- No one takes ownership of risk.
- People leave workshops with plans, then behave as if the risk has already been managed.
- I don't know how it happens, but whenever I work with groups I always seem to end up with the actions. What can I do?
  - We have people who are meant to manage risk, but they are incompetent as facilitators.
- People don't understand the point of the workshop.
- Reactive heroes, not proactive risk managers, are valued in my organisation.

Our final conclusion is that risk management is very important if organisations are to make good decisions in risky and important situations. As a risk facilitator, you can add real value by making the process easy for your colleagues, so they can be creative, productive and have fun.



We'd be delighted to hear from other facilitators involved in risk management (at [penny@makingprojectswork.co.uk](mailto:penny@makingprojectswork.co.uk)). If you are interested in our book 'A Short Guide to Facilitating Risk Management', it's available for pre-order from Amazon now. Alternatively visit our site for more resources and a voucher for 35% off the book's cover price at [www.facilitatingrisk.com](http://www.facilitatingrisk.com).

*With many thanks to Vanessa Randle for the splendid pictures which have brought the book and this article to life. The pictures remain ©Vanessa Randle 2010. Article ©Penny Pullan 2011*