



Leading from the front

The way the military manages risks by employing regular and realistic pressure testing, can be replicated in other sectors.

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Imagine you have been tasked with supporting the risk management of a digital transformation programme for your organisation.

Now imagine that programme runs for seven years, fails to deliver the end product, costs over £10 billion and is ultimately cancelled in an undignified media storm.

This isn't a doomsday scenario, it happened in 2013 to *Connecting for Health*, the programme aimed at creating a centralised digital platform for the whole of the NHS.

Analysts have given various reasons for the failure to implement the new NHS digital system:

- It was driven top down not bottom up.
- There was no buy-in from the NHS staff.
- It was too rushed.
- There were too many contractors. ➤

Doubtless all of these contributed in some way, but for it to collapse completely, there must have been a fundamental breakdown in the way that risks and risk management was perceived at all levels.

Managing a risk portfolio is a broad and demanding position, with much to achieve, including:

- Coordinating and updating the strategic risk register and risk assurance schedule.
- Assessing risks and debating them with directors and risk owners.
- Getting the organisation to recognise the relevance of risk management.

While these tasks are all highly important, an additional purpose of the risk manager is giving decision-makers a sense of confidence that risks are being managed appropriately and someone is ensuring nothing gets missed.

The double-edged sword is the greater the level of assurance the risk manager provides, the more decision-makers believe there's nothing to worry about. Consequently, managing risk can feel pretty thankless at times, with few in an organisation recognising its importance in avoiding preventable mistakes.

Making risk relevant

I spent a long time in the military, where risk was part of everything we did on a daily basis. So how does the military view risk?

What lessons can we draw from what the military does to make risk relevant and important to public service organisations?

1. Bring it to life in a pressure test. Nothing helps to dissolve the artificiality of a discussion on a risk register better than getting people emotionally engaged with possible outcomes. The more you can immerse them in a realistic simulation, creating the same thoughts, concerns and pressures they might face for real, the more they will grasp why it is important.

Many risk managers conduct service loss tests or business continuity exercises and recognise the benefits they bring to improve organisational resilience. The military does much the same thing, but in even greater depth. They use a project timeline or a model to describe the operation, move by move over time.

Another group of players will challenge the plan based on a range of factors including the weather, the opponent, supply chains and other factors.

This replicates the likely reality that the plan will come up against and is crucial in identifying how much risk is being taken in each and every aspect of it. It is emotionally immersive and dynamic, making it feel incredibly real. The work I do now with public and private sector clients focuses heavily on this aspect. We run tests to help people live and breathe the risks.

2. Make it inclusive. It's a somewhat simplistic point, but if you want more people to understand risk and its importance, you have to involve more people in analysing it.

The military includes as many stakeholders as possible in a pressure test (both internal and external), including a vertical slice of

the hierarchy. This delivers two great strengths; the first is a more thorough test that examines all angles of the issue, rather than being at executive level only. The second advantage is that it 'socialises' the plan and its risks among a wider population, allowing them to become advocates with their peers and percolate the details out across the organisation.

3. Make it normal. The more you inculcate risk analysis and pressure tests into daily governance the better. For example; if you only conduct a business continuity test once a year at most, people will struggle to understand why you want to run one for a project or programme and will feel it is an unnecessary waste of time.

The military mandates a pressure test for every operation or project undertaken; it is simply part of the daily rhythm and is expected. If you run pressure tests or risk workshops for most key decisions, issues or plans, it becomes an integral part of what you do as an organisation, and people see the benefit.

Pressure test success

In contrast to the calamitous roll out of *Connecting for Health*, in February 2019 the Department of Health and Social Care successfully switched the NHS' logistics supply chain across to a new operating model. This happened smoothly and two months ahead of schedule, even after a legal challenge from the previous supplier.

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What was the difference between these two national level issues for the NHS? The supply chain project underwent

a series of rigorous pressure tests (run by Quirk Solutions) which examined likely issues such as:

- A legal challenge or injunction.
- Change to the political context.
- Challenges in winning over influential internal staff members.
- Trusts 'accepting' the new model but then ignoring it.
- The new model being so successful the teams managing it couldn't cope with the volume.

A wide range of stakeholders were represented in the test (either real or role-played), including government departments, clinicians, nursing staff, potential new suppliers and existing suppliers, procurement staff, legal teams, media, health trusts and trustees. This enabled the project team to understand what would cause the plan to wobble, when and how.

To that end, when a legal challenge was presented by the incumbent provider, it had already been predicted, analysed in advance, and a contingency plan generated. This enabled the issue to be dealt with efficiently and effectively.

These pressure tests can be applied to any situation, for example: change and transformation, growth,

managing uncertainty, new service launches, closures and investments. You just need to change the players and roles they are playing to

give it the required focus. In fact, the Regulator for Social Housing expects regular pressure testing from registered providers of social housing.

For many people, the military isn't an obvious place to look for lessons on managing risk, as the issues the forces deal with seem at a different level to those we face in civilian life. However, the pressure testing concept that the military prides itself on can be the critical factor between delivering a successful outcome and a damaging failure, no matter what the industry or sector. ●

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