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SOLUTIONS
Outcomes not templates, risk advice that helps you say yes

Moving from "Risk Documentation" to the "Management of Uncertainty"

It's great to see increasing recognition of the placebo effect of compiling "risk lists". The discussion reminded me of an impromptu white-board exercise I led with a group who asked me why I used the term "risk documentation" to refer to some old school approaches to the management of risk.

Now, maturity models are one thing risk management isn't short of and this brief table doesn't claim to be one. Its more of a conceptual evolution. But, it does highlight for me some of the characteristics of moving from "risk documentation" to "risk management" to the actual meaningful "management of uncertainty".

Risk Documentation (Level 0)	Risk Management (Level 1)	Management of Uncertainty (Level 2)
• Undertaken to solely achieve compliance requirements.	• Risk management is done to stop bad things from happening (and be compliant).	• Risks are uncertainties which are managed so better decisions can be made and that organisations and people can be successful.
• Risk management is a collection of concepts and guidelines, with no enterprise-wide consistency. Often it's code for WHS or security.	• There is a degree of organisational consistency, but risk management is still firmly a dogmatic process, standing alone as a discipline.	• Risk management is a structured approach to thinking about uncertainty and an integral element of every managerial discipline.
• Risks are individual point concerns.	• Risks and risk profiles are islands divorced from one another, with little integration and managed in isolation.	• Risks and risk profiles are interrelated and interconnected. The whole is more than the sum of the parts.
• Risks often aren't actually risks, they are mostly problems, issues, anxieties and challenges.	• Risks are lists of bad things that could happen.	• Risks are uncertainties that need to be managed so the organisation can be successful. They are intrinsically linked to objectives.
• Risk lists are whatever length and format the author desires. My template is better than your template.	• Risk lists are long and valued by weight. A big spreadsheet must be a good spreadsheet.	• Risks are prioritised and cascaded to be actively manageable and managed at each level. Less is often more.
• No one champions risk management.	• Risk management is championed by auditors and compliance and governance folk.	• The management of risk is championed by leaders, strategists, planners and managers.
• The most senior executive are disinterested.	• The most senior executive place sporadic interest in the process to set an example and demonstrate compliance.	• The most senior executive genuinely drive the thinking and actively set expectations for authentic engagement with risk and uncertainty.
• Controls and treatments are fictional, hypothetical or aspirational.	• Controls and treatments are usually unimplemented, but at least they are good intentions.	• Controls and treatments are real, owned, implemented and assured.
• Risk minimisation by default.	• Risk appetite is articulated, but has little real effect, as low risk remains universally desirable.	• Every risk has its right level of severity or materiality, and they are managed to that level – up or down.
• Risk severity is solely based on likelihood, consequence and a matrix of coloured squares.	• Risk severity is almost solely based on likelihood, consequence and a matrix of coloured squares.	• The acceptability of a risk is based on a diverse range of criteria, and always considered in the context of objectives.
• Risk management is optional.	• Risk management is a chore and a diversion from my day-job.	• Engaging well with risk is not-negotiable and rewarded.
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Sal Sidoti has 30 years' experience working with public and private sector organisations across Australia and further afield. He works with his clients to design and implement fit-for-purpose risk frameworks that support decision making in practice. Approaches that go beyond cut-and-paste compliance and death by spreadsheet. Sal is the Director and Principal Consultant of Crafted Solutions Pty Ltd. He is home based near Canberra, Australia.

https://au.linkedin.com/in/sjsidoti

enquiries@craftedsolutions.com.au