

Chapter 3

Risk Management Implementation

It is imperative to develop twenty-first century leaders who trust their subordinates' abilities and judgment. Such leaders must be willing to underwrite their subordinates' honest errors and coach them on to excellence, without tolerating incompetence or laxity. We must recognize that Army leaders are not perfect, and that activity at the ragged edge of audacity sometimes leaves debris in its wake.

GEN William W. Hartzog
Commanding General
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This chapter presents the moral and ethical implications of risk management. It outlines essential responsibilities and considerations necessary to effectively integrate and assess risk management within the Army. Leaders should tailor these essentials to develop specific how-to procedures suited to their circumstances, available resources, and mission.

MORAL AND ETHICAL IMPLICATIONS FOR LEADERS

To be successful, risk management must be underwritten by the chain of command. Leaders should not expect that all missions will be accomplished with zero defects—free from errors, flaws, or less-than-perfect performance. Demanding such rigid standards leads to oversupervision and paralysis; it produces timid leaders, afraid to make tough decisions in crisis and unwilling to take risks necessary for success in military operations. A zero defects mindset creates conditions that will lead inevitably, in the larger sense, to failure in battle and higher casualties. Leaders are morally bound to support a subordinate's decision to accept risks that are within his commander's intent and guidance, as he understands it.

Leaders accept that things may go wrong, even with the certain knowledge that a subordinate has done all within his power to prevent an incident. In such an event, the leader steps forward and

accepts the responsibility along with his subordinate. Furthermore, risk management does not justify taking actions to facilitate an unethical or immoral action. FM 22-100 addresses the moral and ethical aspects of protecting the force within the overall framework of how to apply leadership at all levels to meet mission requirements.

Everyday as we respond to the nation's needs, we expose our soldiers to hazards in uncertain and complex environments. We do this with the full knowledge that there are inherent risks associated with any military operation. The nature of our profession will not allow for either complacency or a cavalier acceptance of risk.

General Dennis J. Reimer
Chief of Staff, Army

RESPONSIBILITIES

One critical task for all operations is minimizing risk. Every military plan must make this a priority. It is an inherent part of every mission and a basic responsibility of commanders. Whether for training or operational deployments, commanders issue clear risk guidance. Minimizing risk—eliminating unnecessary risk—is the responsibility of everyone in the chain of command. This responsibility runs from the highest commander, through his subordinate leaders, to the soldier.

The commander and his staff must look at tactical risks and accident risks. They use the same risk management process to manage both types. Commanders—with the assistance of their leaders and staffs—manage accident risks. Commanders determine how and where they are willing to take tactical risks.

Leaders and soldiers at all levels are responsible and accountable for managing risks by ensuring that hazards and associated risks are—

- Identified during planning, preparation, and execution of operations.
- Controlled during preparation and execution of operations.

Soldiers are responsible for executing risk controls to standards. They must continuously assess variable hazards such as fatigue, equipment serviceability, and the environment. They must take care of one

another and make risk decisions consistent with the higher commander's guidance.

Sometimes commanders are not properly advised in situations where the assumption of risk may affect or imperil their units, the intent of their higher commander, or the operations of an adjacent unit. This is most often attributed to—

- The *risk denial syndrome* in which leaders do not want to know of the risk.
- A staff member who believes that the risk decision is part of his job and does not want to bother his commander or section leader.
- A subordinate who does not fully understand the higher commander's guidance.
- Complacency—outright failure to recognize a hazard or the level of risk involved, or overconfidence in one's abilities or the unit's capabilities to avoid or recover from a hazardous incident.
- Use of a standardized risk assessment tool, such as a risk assessment card, that is not tailored to the unit's mission or adapted to the factors of METT-T and which may put missions in the routine low-risk category.

COMMANDERS

The commander directs the organization and sets priorities and the command climate (values, attitudes, and beliefs). Successful preservation of combat power requires embedding risk management into unit behavior. This requires commitment and creative leadership—innovative planning, careful management. It also requires the chain of command's demonstrated support of the risk management process. Only then will the Army begin to capture the full power of risk management. Commanders establish a command climate favorable for risk management integration by—

- Demonstrating consistent and sustained risk management behavior through leading by example—habitually doing risk management—and actively participating throughout the risk management process.
- Providing clear guidance, when appropriate, on where or what risk to accept.

- Obtaining and providing to subordinates the necessary assets to control risk.
- Knowing their own limitations, their leaders' and soldiers' limitations, and their unit's capabilities.
- Preventing a zero-defects mindset from creeping into their command's culture.
- Allowing subordinates to make mistakes and learn from them.
- Demonstrating full confidence in subordinates' mastery of their trade and their ability to execute a chosen COA.
- Keeping subordinates informed; consulting with subordinate leaders before making a decision, if feasible.
- Listening to subordinates.

Commanders are responsible and accountable for their own actions and those of units under their charge. Commanders must weigh the repercussions of casualties, damage to the environment, and loss of equipment. They must also consider the level of public reaction to loss against national, strategic, operational, or tactical objectives. Commanders are also responsible for keeping soldiers from falling into complacency. During sustained operations in particular, complacency can creep in as a result of accepting the status quo. For example, a unit can be deployed for several months and nothing may happen. The unit then gets very satisfied with itself and its performance. It gets conditioned to its initial circumstances—being well-armed, well-equipped, well-disciplined, and well-trained. It thinks it has risks under control and does not need to change. Such complacency, and the associated loss of situational awareness, can result in leaders and soldiers taking a gamble instead of a prudent risk. A risk is the accepted result of an informed decision; a gamble is an uninformed bet or guess on a hopeful outcome. Leaders and soldiers must clearly understand the difference.

Command is often exercised in conditions of uncertainty and ambiguity, where violence, danger, fear, and friction abound, and under the ever present time constraints driven by OPTEMPO. Risk decisions are frequently required by and dependent on the immediate situation. Judgment is required; a formula, rule, or checklist, by itself, is not appropriate under such circumstances.

Avoiding the zero-risk mindset requires the exercise of positive leadership. The commander's approach to managing risk should be

through empowering leaders by pushing risk decisions as far down the chain of command as feasible within the next higher commander's guidance. Commanders must insist that subordinates exercise their freedom of action to act decisively and aggressively to complete assigned missions and promote success of the larger force. Subordinates must consider hazards outside their assigned responsibilities that impact the mission. The result is to encourage coordination and communication—laterally and up and down the chain of command. This requires and encourages initiative, which demands well-trained, determined, disciplined soldiers.

Risk management is a two-way street. It is important that those involved in mission preparation and execution be fully aware of the amount of command involvement and actions necessary to control or remove hazards. The higher commander's guidance specifies the degree of damage or risk to subordinate units that he is willing to accept during the current operation. Subordinates ensure they understand and implement their commander's intent and guidance. If, during the planning process, the accident and/or tactical residual risk exceeds that which the higher commander is willing to accept, the subordinate informs his commander. He requests the resources necessary to mitigate the risk. If, during mission execution, the subordinate determines the risk is too great, he directs the development of additional or alternate controls or modifies or changes the COA. He should notify his next higher commander of his decision. Requiring subordinates to report to the higher commander when a risk decision point is reached during mission execution can result in paralysis.

The objective of managing risk is not to remove all risk, but to eliminate unnecessary risk. Commanders conduct tough, realistic training, knowing that they may put lives and property at risk in the course of military operations. Nothing is worth the cost of a life as the result of taking unnecessary risk. If an action will result in an unacceptable risk, measures should be taken to mitigate it. If the risk cannot be mitigated to an acceptable level, the action should not be executed. Circumstances may occur during mission execution when a decision to stop and defer execution of the operation should be made to avoid taking unwarranted risk. Such a situation will generally occur at the tactical level. For example, circumstances may determine if a trade-off between maintaining the momentum of the attack or risking fratricide or serious accidents is justified. For example, during the deployment of TF Eagle to Bosnia-Herzegovina, there was pressure to

complete the Sava River bridge as quickly as possible. The commander assessed the situation and decided to call for a short rest period because his soldiers were tired and getting careless. Consequently, they completed the bridge ahead of schedule under the most difficult conditions imaginable and without injuries.

LEADERS

Many of the tasks identified for commanders apply to all leaders. Leaders' specific responsibilities in managing risk include—

- Establishing clear, feasible risk management policies and goals.
- Conducting detailed planning within time constraints; assessing each mission and task in terms of its risk; continuously reassessing risk as the mission and conditions change and experience is gained.
- Making informed risk decisions and establishing and clearly communicating risk guidance.
- Training the risk management process. Ensuring subordinates understand the who, what, where, when, how, and why of managing risk and how the process applies to their circumstances and assigned responsibilities.
- Examining how subordinates manage risk and how soldiers protect themselves.
- Supervising and evaluating the unit's execution of risk controls during the mission to correct areas needing improvement.
- Advising his chain of command on risks and risk-reduction measures.
- Providing subordinates with feedback on their performance and ways to improve.
- Assessing the effectiveness of their unit's risk management program.
- Capturing and disseminating lessons learned to ensure they are continued from mission to mission so that others may benefit from the experience.

STAFFS

The chief of staff or executive officer is responsible for supervising integration of risk management across the staff. He coordinates development of risk reduction controls with emphasis on deconflicting controls that affect multiple functional areas and adjacent units. The staff officer helps the commander eliminate unnecessary risks by—

- Analyzing his functional area and applying risk management during the military decision-making process.
- Identifying constraints in the higher commander's risk guidance.
- Including hazards and their risks in the mission analysis briefing.
- Including a risk assessment for the commander's estimate.
- Considering the risk assessment in the operations estimate.
- Including risks and recommending ways to reduce their impact in the staff estimate.
- Implementing risk controls by coordinating and integrating them into the appropriate paragraphs and graphics of the OPORD and into products such as SOPs and OPLANs.
- Establishing procedures and standards that are clear and practical.
- Determining the effectiveness of hazard/risk controls and continuously assessing their suitability, feasibility, and acceptability.
- Supervising, evaluating, and assessing the integration of risk management during an operation.
- Continuously identifying hazards, assessing initial and residual risks for each hazard, recommending control measures to reduce the risk to the force.
- Identifying and assessing hazards associated with complacency, especially during extended operations, and recommending appropriate actions to the commander.

At the operational level, staffs focus on hazards and their risks across the spectrum of protecting the force

INDIVIDUALS

The level of expertise and maturity of the individual influence his proficiency in managing risk. Managing risk is subjective because its basis is individual judgment. Young soldiers are routinely charged with executing hazard controls and risk reduction measures. By nature, some of them are impulsive risk takers. Their limited experience, coupled with an infallible attitude, can significantly increase the level of risk they are willing to accept. Their sense of indestructibility, motivation (*esprit de corps*), and willingness to achieve the mission at any cost also play a part.

Some soldiers and individuals ignore existing standards and improvise their own. Due to inexperience or complacency, they become susceptible to—

- Overestimating their ability to respond to or recover from a hazardous incident—they become overconfident.
- Underestimating the level of risk posed by a hazard.

It is imperative that individuals understand and execute controls implemented by leaders and staffs.

Individuals must maintain situational awareness and self-discipline when they perform their duties. They must—

- Understand and apply risk management.
- Execute controls directed by their leaders, that is, *perform to standards*.
- Carry risk management over into training and activities—both on and off duty.
- Look out for others—anyone has authority to halt something that is inherently unsafe.

INTEGRATION INTO TRAINING AND OPERATIONS

ARFOR commanders/leaders must continuously employ risk management approaches to effectively preclude unacceptable risks to personnel and property, including protecting forces preparing for or en route to combat.

FM 100-7, *Decisive Force: The Army in Theater Operations*,
May 1995

Integrating risk management into training and operations—

- Preserves the lives and well-being of everyone.
- Conserves equipment, facilities, environmental resources, and combat power.

Risk management must not be treated as an afterthought. It must be planned for up front. Leaders and managers of materiel acquisition, base operations, and industrial operations must budget risk control costs up front at the level of expected payback over the duration of the activity, or the life cycle of materiel/weapons system.

When integrating risk management into sustained operations, leaders must consider increases in turbulence, personnel turnover, critical skill atrophy, and mission development. Leaders must continuously assess—

- The complexity of mission development and associated changing interrelationships with other agencies.
- The inclusion of civilian contractors, for example, LOGCAP, as part of the force.
- The presence of the media, NGOs, and PVOs.

These diverse elements need to be integrated into the risk management process.

Two key considerations relevant to managing risk in complex operational environments include—

- Understanding the culture of the indigenous population or society and its way of doing business. Leaders should respect their way of life and not interfere with local customs. Such interference could risk damage to relationships and increase the potential for introducing instability into the local society. Leaders must not, however, intentionally allow these considerations to endanger their force or its mission.
- The dynamics of managing risk and the way the leader and his subordinates manage risk. Leaders manage risk by—
 - Having the right combination of well-trained, disciplined, well-armed, and well-equipped forces.
 - Issuing clear guidance to minimize risk.
 - Determining and implementing risk controls for carrying out the mission.

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- Maintaining situational awareness, especially of vulnerabilities.
 - Avoiding unnecessary accident risk.

Risk management works best when incorporated into existing command training and operational planning cycles. They then act as risk management tools and provide for—

- Development of policy, goals, objectives, and priorities in the commander's quarterly training guidance.
- The commander's training assessment, by identifying hazards and risk controls.
- Systematic observation and assessment of the unit's risk management performance and feedback into the training management cycle and SOPs.

Leaders and soldiers must have the skills, knowledge, and attitude to effectively manage risks inherent in all operations. Effective training helps soldiers become proficient. It qualifies them technically and tactically, and as leaders, to accomplish the mission without unnecessary risk.

Doctrine developers must integrate risk management into planning for all Army processes, especially the training management cycle defined in FMs 25-100 and 25-101. Unit leaders and their staffs must continually assess and evaluate the integration of risk management into short-, near-, and long-term training plans. They must continually review METLs to ensure that training is supported by realistic risk management objectives. In the past, unprepared or improperly trained units paid a high price for veteran status. The Army must learn from past experiences if it is to avoid repeating such losses.

ASSESSMENT OF THE RISK MANAGEMENT PROCESS

To assess the risk management process is to determine a unit's current level of proficiency in implementing the process. The term *assessment*, as discussed here, differs from *evaluation* as used in Step 5 of the process. Evaluation is used to measure demonstrated ability to accomplish specified objectives within a discrete operation or exercise. Assessment, as used here, also differs from

the aspect of assessing hazards for probability and severity, as addressed in Step 2 of the process.

How well risk is managed affects readiness. Leaders need to know the current status and effectiveness of their organization's risk management program. They self-assess their unit's effectiveness in managing risk in order to gain insight into areas for improvement and get feedback on subordinates' understanding and application of risk guidance. The assessment objectives are to determine how—

- Effectively risk management is embedded into planning and preparing for operations.
- Well risk management is understood by subordinate leaders and soldiers.
- Effectively risk management is used to execute operations.

Leaders assess the effectiveness of their units by reviewing how well hazards are identified and risk controls are—

- Specified in oral and written OPORDs, OPLANs, and SOPs.
- Communicated to lowest level of chain of command.
- Included in short-, near-, and long-term training plans.
- Implemented into training and activities on and off duty.
- Embedded into protect-the-force programs such as safety and health and antiterrorism.
- Part of after-action reviews and fed into lessons learned.

Risk management cannot be seen as a competitive program whereby a unit or leader is judged or compared in a competitive sense. Focus is strictly on both reduction of risk and risk behavior.

Take calculated risks. That is quite different from being rash.

General George S. Patton, Jr.