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# Risk and Resilience

## Chapter 5

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Tony Bovaird  
Barry Quirk

# **Reducing public risk and improving public resilience: an agenda for risk enablement strategies**

Tony Bovaird\* and Barry Quirk\*\*

\*University of Birmingham, Institute of Local Government Studies and Third Sector Research Centre

\*\* Barry Quirk, Chief Executive of LB of Lewisham and Director of Publicola

## **Executive summary**

In this paper we suggest that the conceptualisation of risk depends on the character of uncertainty in which public service organisations operate and the content of the knowledge domain in which they make decisions. Very different approaches to risk management are appropriate to different parts of public organisations, depending on their specific cultures and the issues being handled.

Risk management needs to focus more on those risks to the actual outcomes experienced by service users, communities and citizens generally; and less on the institutional risks to the organisations themselves and the people within them. A key element of future strategies must be to embed resilience within service users, communities, service providers and service systems. We propose an approach to managing risk and resilience which is based on an integrated risk enablement strategy.

## **Introduction: risks for government – and from government**

Risk is the price we expect to pay when, in an uncertain world, things go badly. More precisely, risk is how we measure today the adverse impact or losses we think may happen in the future (Knight, 1921). While risk is something that can be priced or measured, uncertainty is much harder to gauge. Although economists have traditionally defined risk as those elements of uncertainty to which probability estimates can be attached, the risk assessment and management industry is typically content to use the word 'risk' to cover all those factors which contribute to uncertainty, whether or not they can be captured by probability estimates.

Although risk can be found everywhere, in public service it takes on a slightly different character. One of the core purposes of government is to minimise risks to the public. People expect their governments to act when there is a risk of serious market failure or failure within society. This is true even when it is not at all clear what has caused the problems or whether any conceivable

interventions might reduce the risk of future occurrence. Those with executive responsibility for public interest decisions know that commentators are alert to their failure to choose the right option; as well as their failure to reject the wrong option. In this way the risk of future failure looms as a spectre over public action. Consequently, in a world of 'big data' and hypercritical commentators, it is little wonder that politicians and public managers can often seem frozen in the glare of the possible risks of failure.

Moreover, the risks that worry the public and the media are themselves often caused partly by public agencies. During the growth of the welfare state, the danger of creating dependency on public services in some groups of the public may have actually made many citizens less resilient to adverse shocks. Even more worryingly, in the current climate of reducing public resources those risks that require perhaps the most attention are the risks to the public and to service users from the scale and nature of the cuts to services which are indispensable to the support of vulnerable groups. During this period of fiscal retrenchment, just as there is a risk to government, so, from a citizen's perspective, there is also a risk from government (Quirk, 2011: 160).

The risks to the public are not the same as the risks that public organisations face in delivering public services. And public resilience is not that same as the resilience needed by public organisations to be adaptive and survive in the current era of austerity. During a period of declining public resources, public organisations tend to look inward – to get their budgets under control and to sustain their service levels as far as possible. But this is not enough: there is now a critical need to look outward, helping the public cope with the changing character and intensity of economic and environmental risks and helping communities develop resilience to social and economic changes. We argue that the current state of the risk industry militates against this, and we make suggestions for how to put risk assessment and management on a different footing, where it will make a more positive contribution to achieving cost-effective public services and more desirable outcomes.

We further suggest that the dysfunctional role that risk assessment and management often play in the public sector derives from not recognising the type of uncertainty facing a public service organisation or the knowledge domain in which it is operating. Recognising these factors entails taking very different approaches to risk management in different parts of public organisations, aligned to the issues concerned and attuned to the relevant operating cultures. We suggest, too, that risk management needs to focus more on those risks to the actual outcomes experienced by service users, communities and citizens generally, and less on the institutional risks experienced by staff and their organisations. We examine the strategies available to minimise the damage of risks to different stakeholders. A key element of these strategies is embedding resilience within service users, communities, service providers and service systems. We propose an approach to managing risk and resilience which is based on an integrated risk enablement strategy.

## **Risk and the current era of potential major public service failure**

In the widely differing communities that make up the UK, citizens potentially face multiple sources of hazards and harms as well as more generalised risks. From floods, power failures, public health risks, localised crime waves through to potential incidents of terrorism, an array of specific harms can be envisioned that can serve to create community anxiety if not alarm. Some of these risks are clear and present while others are barely emergent.

At first blush, it would seem that those with responsibility for governing and managing public services have already become highly attuned to managing such adverse risks. Emergency preparedness planning, disaster recovery and business continuity work have all become part and parcel of public sector governance.

However, in a period of declining budgets the prospect of public service failure is higher than ever before. The radical cuts in public spending currently being implemented are, in some areas, leading to service withdrawal, service rationing and reductions in service standards. This is occurring alongside significant welfare reform changes. In consequence, many service users are experiencing a degradation of the service levels, standards and facilities which they may have previously regarded as critically important. As part of the Government's 'localism' strategy, local authorities are being encouraged to increase the level of their partnership and community engagement activities but it is already clear that there are real risks that partner bodies (from the community, voluntary, social and private sectors) may be unable to deliver the required services at an acceptable standard, particularly given the rapid pace of the transition that is underway.

The White Paper on Open Public Services commits HM Treasury and the Cabinet Office to working closely with departments in order to develop 'continuity regimes', as an integral part of their modernisation programmes. However, it offers few details of what this might mean in practice. The principles which it proposes are:

'Struggling organisations should be given support to turn around poor performance, within agreed timescales, before failure occurs.

'Accountability for providing quality services and good financial management should remain firmly with the provider.

'Where service failure is the result of poor management, there should be severe consequences for management and others involved in the governance of the provider.

'Continuity regimes should articulate a short, carefully selected list of existing data for identifying failure.

'External bodies, independent of government (such as regulators) should have powers to ensure proper financial management and to intervene to ensure continuity of service;

'Systems should be flexible to accommodate the changes our open public services reforms will bring, and so government departments should set out the long-term vision for ensuring continuity of service, as well as any transitional arrangements.'

Remarkably, these principles focus more on protecting potentially failing providers from too early intervention by commissioners and on financial signals rather than outcome signals of failure.

Speculation about the risks of failure of specific large-scale government programmes surfaces occasionally in the media – e.g. the outcry when the Department of Health refused to publish its risk assessment of the Health and Social Care Bill before it was enacted in 2012. However, the contribution of risk assessment and management to the current debate has been rather meagre.

Even the inspection and audit regimes, which grew rapidly as part of the 'better' and 'risk-based' regulation agendas of the early 2000s have so far made little contribution to this public debate.

### **Why has the risk industry not contributed more?**

For several decades, the profession and tools of risk management have been preparing for a situation in which crises would dominate public decision making and an understanding of risk would be central to effective public management. However, now that the tools of risk management are most needed, it appears they have only a limited amount to offer. Why is this? Smith et al (2011: 3) suggest that we have become captured by 'process' and the allure of 'risk tools, frameworks, registers, matrices, spreadsheets, guidance and software ... elegant risk registers, local risk champions and "traffic-light" dashboards'.

We suggest that these risk management approaches have largely developed in response to demands for accountability for budgetary control and/or service failure and have been based on an audit approach that internalises risk and institutionalises its management. They therefore partly reflect the blame-avoidance and self-preservation strategies of public institutions (Hood, 2011) more than they represent a thorough framework for reducing public risk and improving public resilience. Indeed, such approaches can be counter-productive. Based upon rather simple matrices, risk assessments are usually compiled by multiplying the 'severity of impact' of a topic of concern by the 'likelihood of impact' of the risk itself. Such metrics have little theoretical underpinning and may hugely misrepresent the risk landscape facing a public agency and its customers. Coloured charts of red-amber-green then further simplify these assessments into warning systems which may give decision makers the illusion of control over the risks they face, when they in fact do not understand the nature or scale of the risks or the very low level of control they are likely to be able to exert.

Of course, the public do indeed need to be reassured that public money is spent efficiently. And that service design and delivery is effective and reasonably free of faults and failures. Moreover, the public require public agencies to be continually alert to opportunities to improve and to be highly adaptive to change. In short, public organisations need to manage their internal risks well and to be resilient and adaptive in dealing with such internal risks.

Our argument here is that this internalised and institutional approach is understandable but it is not adequate to deal with the current risk landscape faced by public agencies. Rather than opening up options, these internal approaches often close them down, undermining pragmatism and common sense. The ubiquity of risk management in public service organisations can seem to stifle innovation by fostering a culture of paralysis focussed fearfully on, 'what worst events might happen' and encouraging low risk appetites and risk-averse behaviour. This undermines proper responses to the opportunities facing public agencies and the citizens they serve.

### **Understanding risk in different knowledge domains**

Risk assessment and management can play only a relatively weak role in tackling the uncertainties outlined above. To see why, consider the five domains of knowledge in the Cynefin framework, classifying the kind of information available about an organisation's environment (see Figure 1).

**Simple domain:** here the relationship between cause and effect is widely believed to be obvious and there is solid evidence for predicting outcomes – in this domain, we are dealing with ‘knowns’ and we can expect to apply best practice. Here the tools of risk assessment and management are appropriate and relatively easy to apply.

**Complicated domain:** here there is a general understanding of the issue but in relation to each specific problem the relevant cause and effect relationship, although ‘knowable’ in principle, needs tailored analysis and/or application of expert knowledge in order predict likely outcomes. In this domain, we can expect to apply good practice. Here the tools of risk assessment and management are appropriate but they are quite difficult to apply because the set of ‘knowns’ which can be modelled is understood to be relatively limited.

**Complex domain:** here the relationship between cause and effect can only be perceived in retrospect and decisions are generally based on qualitative data (only occasionally backed up by quantitative data) which helps experts to suggest tentative ways forward. The best we can do is to sense emergent practice. This analysis can inform decision makers at quite a broad level of decision but with no prediction of the details. Often the qualitative analysis will predominate, with heavy weight placed on expert insight, because quantitative evidence is unreliable, incomplete or difficult to interpret. Risk assessment and management is necessarily very different in this domain. Since we are dealing with variables which are only predictable to a very limited extent, we cannot be sure of what events are likely to happen in the system, when they might happen or what might be the results of action we take to prevent them. This class of issues has often been labelled in the past ‘wicked problems’ (Head and Alford, 2013). The role of risk management in this domain is to warn against the temptation to look for facts, rather than allowing patterns to emerge. Risk management also has to signal how the interdependence of the organisation can create the conditions for ‘emergent’ threats that are traceable to no specific element within the system (Buchanan, 2004) – a particularly hard task. This suggests that over-confident policy prescriptions should be avoided, that experimentation is likely to be fundamentally important, and that a range of policy approaches is likely to be superior to ‘putting all your eggs in one basket’.

**Chaotic domain:** here there is no discernible relationship between cause and effect at systems level, so nothing can be predicted in relation to outcomes – the best we can do is to explore novel practice. The role of the risk manager here is simply to monitor and point out the level of turbulence, so that the organisation does not fall for off-the-peg solutions which were appropriate to more ordered knowledge domains.

**Disorder:** here we accept that we do not know what type of causality exists, i.e. we are not sure in which of the other domains we are currently operating. Snowden and Boone (2007) suggest that, in this domain, decision makers will naturally revert to their own comfort zone, which might mean assuming they are operating in any one of the other four domains. In this domain, all risk assessment can do is to scan the evidence and identify any patterns which might be sufficient to signal which knowledge domain we are in. Anyone offering to do a risk assessment in these circumstances is revealing that they are disqualified to comment.

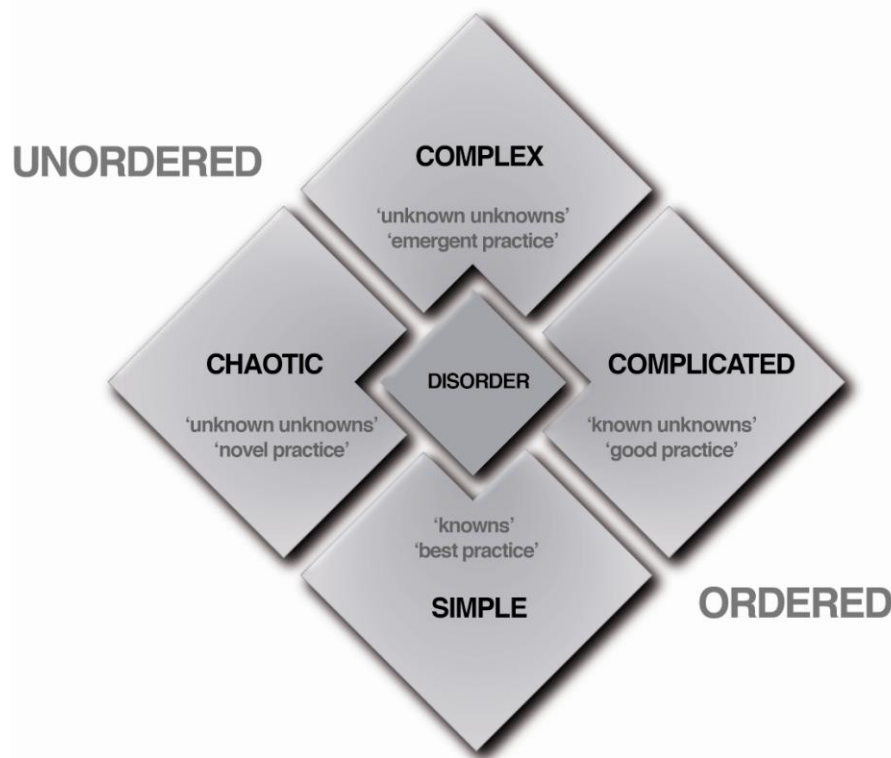


Figure 1. The Cynefin framework: domains of knowledge in decision making. (Source: Adapted from Snowden and Boone (2007))

### Tailoring risk assessment and management to specific knowledge domains

So, how can we tell in which knowledge domain we are currently operating? In most cases, public policy is likely to be operating in conditions which are familiar, even if they seem difficult. This suggests that they are in the 'ordered' region of Figure 1. Chaotic conditions (never mind pure disorder) are relatively rare, though it is at such times that leadership is especially important, since the 'normal' organisational responses are no longer adequate. However, the kind of leadership necessary in such situations is usually very different from the style of leadership required in more ordered situations – indeed, leaders in one context may be poor in other contexts, which suggests that organisations need to have a variety of leadership responses available to them.

Most debate centres around the relative extent of the 'complicated' and 'complex' knowledge domains. While many authors blithely assume that complex adaptive systems are very common in public policy situations, these claims have so far not been subjected to systematic empirical study.

In practice, different parts of organisations are likely to be working in all of the knowledge domains in Figure 1. Moreover, particular organisational cultures are likely to develop around particular knowledge domains. This suggests that very different approaches to risk management are appropriate in different parts of the organisation, aligned to their professional and operational cultures as well as the knowledge domain in which they typically work. For example, that part of the organisation which works mainly in a 'steady state' environment is likely to develop a 'role culture',

based on role clarities and with hierarchical command-and-control systems. It therefore operates mainly in the Simple knowledge domain. By contrast, the policymaking part of the organisation is likely to have a task culture and to work within the complicated or even complex knowledge domains. Units of the organisation with a particularly strong innovation remit are different again – they typically face complex or even chaotic knowledge domains. Innovation normally involves a task culture and, as with policymaking, risk assessment involves emphasising that the organisation must not fall into the trap of believing that it can bring about specific outcomes – rather it should assess whether there is any realistic prospect of the proposed innovations changing the overall envelope of outcomes which the organisation can achieve. Indeed, where the organisation seems to be operating in the chaotic domain, innovators must give up all pretence at employing ‘cause and effect’ logic. Finally, where the organisation is facing breakdown, either because of external or internal crisis, it is facing either complete disorder or the chaotic knowledge domain. In response to these crises, the power culture is most likely to dominate and we are found typically to be dealing with person-dependent phenomena, which have to be understood as one-off events. Again the role of the risk manager includes monitoring and signalling the level of turbulence, so as to curb resistance to solutions imposed top-down – e.g. by ‘experts’ within the organisation who are reluctant to accept that their rationales are based on knowledge domains no longer relevant.

In summary, risk assessment and management have a potentially important role in influencing decisions in the public interest – but they have not been properly used to date. Specifically, they need to recognise that they should play different roles in different knowledge domains and that different parts of any public service organisation may be working in different knowledge domains. Many applications of risk assessment and management have strayed from the domains in which their approach could be relevant, into domains where their assumptions are irrelevant and their subsequent conclusions are, literally, nonsensical.

## **Strategies for managing risk**

A further problem which has undermined the approach to risk in the public sector has been the crudity of its incorporation into strategic decision making. We can distinguish a range of distinct strategies towards risk in public services:

**Activity portfolio management:** choosing a portfolio of activities with lower risk attached

**Risk reduction in the environment:** either reducing the likelihood of key risks or influencing their character so that particularly worrying features of those risks are made less damaging

**Building resilience to risk into the service system:** including the activities of providers and the behaviours of service users, their support networks and their communities

**Risk enablement:** encouraging decision makers in the service system to choose activities with appropriate levels of risk, rather than assuming that risk minimisation is always right.

These strategies are not, of course, mutually exclusive. The first two are essentially preventative, the third is about mitigation of risks and the fourth is about learning to live appropriately with the levels of risk which the organisation faces. As such, all could be pursued simultaneously. In practice, the



public sector has been highly selective in the risk strategies on which it has focused – the first two strategies listed above are often thought to have been given by far the greatest weight.

### **Political response to risks of service failure – prioritising outcomes of citizens or of public agencies?**

The most important political question arising from this consideration of risk strategies is *whose* risk is being assessed and managed? We need to distinguish between risks to individuals and communities and the risks to public agencies and their individual stakeholders (politicians, top managers, senior managers, frontline staff, etc). The current balance between these risks is questionable. Mitchell and Glendinning (2007: 71) talk of ‘continuous risk assessment but actually very little time to sit down and work directly with clients in thinking and planning ways to address the risks users have identified in their own lives’.

Public sector risk management needs to focus more on risks to public service outcomes experienced by service users and their communities (and, by extrapolation, to citizens generally) and less attention on the essentially ‘reputational’ risks to the public organisations themselves (and those with the responsibility of leading them). The practice often appears to be the other way round. This reveals immaturity by leaders at both the personal emotional level and at the political level. While people are eager to embrace accountability for their actions when things go well, they are equally as keen to avoid blame for when things go wrong. The difference between a mature approach to accountability and an immature blame culture is the key to understanding how our approaches to public risk can be improved.

To bring about such a radical change, it is essential to rebalance the strategies chosen by public agencies and to ensure that working practices reinforce, rather than undermine, these strategies. This is only likely to be achieved if the power imbalance in public agencies is directly addressed, so that users and communities become directly involved in the strategic decisions around risk.

This requires an explicit strategy of co-production of outcomes, which allows the risks to users and communities to be fore-grounded, so that their views enter directly into the decision-making calculus of the public agency. As Barry Quirk (2011: 158) says, in relation to public risks, ‘Government’s first role is to help people reckon and reduce risks for themselves’. Moreover, co-production allows users and communities to participate in decisions about the trade-off between the risks they perceive and the potential payoffs which they might experience, something highlighted as particularly important to many service users in a Department of Health report: ‘... there was a very clear message from people that they wanted to be able to choose what they thought was right for them. Many reported they were offered ‘safety’ often at the expense of other qualities of life, such as dignity, autonomy, independence, family life and self-determination – and many older people and people with learning disabilities said this was a very high price to pay’ (DH, 2009, p 16).

In this co-production approach to risk assessment and management, the mediation of third sector organisations may be important, as they already are harnessing much of the collective energy of civil society in self-organising activities. They can help all parties to understand the real risk involved and

to agree sharing the blame if things go wrong (e.g. through damage/loss waivers or joint agreement to service charters specifying the different risks shouldered by service users and providers).

Finally, there is a wider political agenda. A key driver of the political response to risk is not the risk industry but rather the social construction of risk by different groups in the public, as portrayed in (and shaped) by the media. It is difficult for decision makers when citizens react to some decisions on emotional or ideological grounds and refuse to accept propositions which appear to be supported by strong evidence bases. What can be done in such circumstances? At a micro-policy level, a strategy of user and community co-production of outcomes, as outlined above, may help to acquaint citizens more fully with the risk landscape. At macro-policy level, there is a need to recognise that, in addition to well-thought-out rational interventions to deal with risk, there is also a need to engage with the public at an emotional level – e.g. through identifying the ‘rational’ arguments with attractive role models and highlighting the emotionally unattractive characteristics in the arguments of opponents. Of course, bringing emotional dimensions into risk management will be anathema to many adherents of the ‘pure rationality’ school of decision making.

### **The design approach: experimentation as antidote to service failure**

If there is political will to move to an outcome-oriented risk management, the substantial changes required will be so far relatively unexplored and therefore only partially understood. Given the great uncertainty, we can be confident only that many changes will turn out unsuccessful. In a period of such radical change, experimentation is essential. The words of Samuel Beckett (1984) could act as a clarion call for curious, evidence-rich experimentation:

‘Ever tried. Ever failed.  
No matter. Try Again.  
Fail again. Fail better.’

Experimentation is about finding new ways of responding to changes in the environment, accepting failures as the price of success. The key design principle of experimental approaches to policy learning is: ‘fail early, fail fast, fail cheap ... and learn how to put it right quickly’. In addition, experimentation means that there will be multiple approaches to policy and to service delivery, only some of which will prove cost-effective.

Experimentation is hard in the public sector. The very thought of failure is often anathema even if it is intellectually understood as part of the path to learning. Each time failure occurs it is liable to be highlighted – by opponents and the media – as a scandal or evidence of incompetence. Hindsight shows us the mistakes, errors, omissions and commissions of the past – these can then be ascribed to failures of foresight. For example, serious case reviews of deaths of children and adults attempt to draw general conclusions from individual cases of the most serious and tragic circumstances. They tend to list a number of ‘missed opportunities to intervene’ that (with the benefit of hindsight) could have prevented the incident entirely or at least led to a less serious outcome. This search for operational errors is entirely right. But the method used employs a backward looking narrative as though it were a pre-determined plot from a novel or a film. The real lessons ought instead to involve the separation of human error from process or systemic failure and the search for ways in

which each of these in turn can be reduced (not eliminated). Moreover, such reviews need also to be transparent about what the cost of proposed 'solutions' will be, both in terms of resources used up and the potential outcomes no longer available under the new, more constricting service system.

The multiple approaches to policy and service delivery which are essential in experimentation can easily be parodied – again by opponents or the media – as admission of ignorance or dithering. In the section on risk enablement we explore how experimentation, which is fundamental in the complex and chaotic knowledge domains (and may even be valuable in the Complicated domain), can be protected and encouraged in an environment of risk-averse public policy making.

### **Embedding resilience within the service system**

The recent social sciences literature has stressed the idea of resilience as 'adaptive ability' (Simmie and Martin, 2010: 28). This goes beyond the traditional definitions: 'engineering resilience', where the level of resilience is measured by the speed of return to the pre-existing equilibrium; and 'ecological resilience', where the level of resilience is measured by the size of shock or disturbance that can be absorbed before the system changes structure or function, shaped by a different set of processes. Here we adopt the definition of resilience from Edson (2012), as adaptation that supports successful achievement of goals and objectives, as well as learning for future planning and preparation.

The current systems-based literatures around urban resilience, environmental resilience, economic resilience, etc. tend to ignore that these systems comprise socially constructed organisations and social networks of people – so the characteristics of the system rely on the characteristics of the agents which make up that system. Consequently, a truly resilient system of public services also requires the resilience of the agents within the system, specifically citizens (both as service users and collectively as communities) and organisations (specifically service providers).

Service commissioners can build resilience into the overall service system both by ensuring that all the previous mechanisms for resilience have been put in place (in respect of service users, communities and service providers) and also by designing and implementing system-wide mechanisms, such as:

**System entry barrier:** restricting potential bidders to those who can prove financial stability, a successful track record and/or a high level of staff qualifications ('vigilant gatekeeping').

**Structural solutions:** several suppliers, retainer arrangement with alternative supplier, residual in-house capability, emergency budget ('system redundancy').

**Complexity solutions:** acceptance of some promising 'black box' approaches, where this has a plausible narrative, with quasi-grants and rigorous evaluation ('meta-planning').

**Process solutions:** compulsory insurance bonds, several different supply methodologies, e.g. 'pathways to outcomes' ('built-in flexibility').

We believe that public agencies too often have given most emphasis to these service-wide mechanisms for resilience and have tended to underemphasise resilience of service users and communities. Since the 'resilience chain' depends on each link in the chain of user-community-

organisation-system being sound and strongly connected to the next link, this is logically indefensible and has led to inappropriate resilience approaches in public sector risk strategies.

Of course, relying on resilience to cope with risks of service failure brings its own risks. Resilience can never be assumed to be fully reliable. When novel threats appear, they may be distinctively different and render some resilience mechanisms useless. Indeed, the potential for embedding resilience in the service system will differ markedly, depending on the knowledge domain in which we are operating. It will be easiest in the simple domain and increasingly difficult as we move from complicated through complex to chaotic domains.

## **Towards a strategy of risk enablement**

We are not suggesting that the public sector should launch into accepting radically higher levels of risk – what we are proposing is more likely to result in a different portfolio of risks. Indeed, our approach is partly about owning up to the fact that service users are already facing quite high levels of risk to their desired outcomes and that the interventions of the public sector have only ever achieved limited risk reduction. The key is that the appropriate risk reduction strategies should be agreed by users and communities, not just by agency leaders.

This ‘risk enablement strategy’ builds on innovative practices in adult safeguarding in social care. It involves taking a balanced and proportionate approach to risk, finding ways to enable individuals, communities and organisations to achieve what is important to them, while considering what keeps individuals and the community safe from harm in a way that makes sense for them (Neill et al, 2008: 7). It requires public agencies to foster a culture of positive risk taking, where these risks are associated with attractive opportunities for raising the level of outcomes for citizens.

Building on the research evidence, particularly as summarised by Carr (2010), we propose that the risk enablement policy of public agencies (commissioners and providers) should include:

**Outcome-driven support:** public agencies should explicitly encourage staff to explore what’s important to the people they support, and to take managed and proportionate risks to achieve outcomes (Carr, 2010: 38)

**Co-production:** public agencies should encourage a partnership between the person being supported, their unpaid circle of supporters and staff paid by the support provider (Carr, 2010: 37-38), as a key part of the culture change around risk

**Transparency:** public agencies should be open about how big the risks are to service users and citizens from the way they work currently, how these risks might change under different service provision models and what the potential costs and benefits might be in future from adopting a different level of risk

**Resilience:** public agencies should seek to ensure that users, communities and service providers have the resilience to deal with unexpected changes and failures in their services, and that the service system systematically develops and protects this resilience

**Collective responsibility and integrity:** public agencies should seek to create a no-blame culture, which provides a collective response to failure, does not scapegoat individual members of staff

(Carr, 2010: 42, citing Tyson et al, 2010: 73–4) and supports them swiftly and fully when positive risk taking results in injury or harm (Methven, 2009: 27)

**Professional responsibility and integrity:** public agencies should place a greater emphasis upon the judgement of individual officers, rather than reliance upon process alone (Smith et al, 2011: 4), while expecting professional staff to assume greater responsibility and accountability for the potential impacts of risks on individuals, communities and the service system (Smith et al, 2011: 4).

## Conclusions

The traditional approach to risk management is founded in institutional audit that understandably privileges financial control by pricing future uncertainties in a measurable way. It fosters managerial compliance strategies that attempt to reduce or avoid repeated or systemic operational errors as well as measure foreseeable hazards and harms. These approaches are useful up to a point. However, they have also resulted in complex blame avoidance strategies where a public agency attempts to minimise damage to itself and to deflect blame for failure.

This reveals immaturity by leaders at both the personal emotional level and at the political level. Welcoming accountability when things go well entails also accepting responsibility for when things go wrong. The difference between a mature approach to accountability and an immature blame culture is key to improving public sector approaches to public risk.

A radically new approach to risk is now urgently needed. The transformative potential of risk management now needs to be released, enabling a responsible risk culture and proportionality (Carr, 2010: 38). In particular, we need to reverse the over-attention to risks experienced by public agencies and by their staff and to focus more on the risks to favourable outcomes experienced by service users and citizens. It is not the case that risk-averse public servants need to adopt more risk taking behaviour. Piling simple solutions onto stereotypes helps no one.

Risk assessment and management also have to be tailored to the knowledge domains within which they operate. In a world of major uncertainty, not only about the consequences of known risks but also about what the main threats to citizen's outcomes will be in the future and how amenable they will be to any interventions from the public sector, many of the probability-based instruments of current risk assessment and management are simply irrelevant.

For risk assessment and management to be transformed into a risk enablement strategy, they must focus on citizen outcomes rather than organisational outcomes, encourage a culture of taking collective responsibility for improving publicly desired outcomes, provide transparency about risks actually existing and likely to be tackled by proposed interventions, deploy user and community co-production of agreed interventions to deal with risk, and embed a wide-ranging set of measures to increase user, community, organisational and service system resilience

However, this new approach must itself be seen as tentative and unproven. The uncertainty in complex and chaotic knowledge domains requires us to be humble about how much we can know, how much we can change and how cost-effective our public interventions are likely to be.

Consequently, this new approach requires both experimentation and research. Until better evidence is available, we need to own up to how little we really know about the risks we face in relation to the outcomes that matter to citizens, the unknowns which can undermine even the best-thought-out services and the likely effectiveness of mechanisms that can protect us from future harms. Such humility is a prerequisite to learning. Refusing to acknowledge the limitations to our knowledge is perhaps the biggest risk of all faced by government in this era of public service austerity.

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For further information please contact : Professor Tony Bovaird, INLOGOV e: [t.bovaird@bham.ac.uk](mailto:t.bovaird@bham.ac.uk)  
and Dr Barry Quirk, Chief Executive of LB of Lewisham and Director of Publicola e:  
[barryquirk@publicola.co.uk](mailto:barryquirk@publicola.co.uk)

UNIVERSITY OF  
BIRMINGHAM

**Institute of Local Government Studies**  
University of Birmingham  
Edgbaston, Birmingham B15 2TT

**[www.birmingham.ac.uk/inlogov](http://www.birmingham.ac.uk/inlogov)**