A Diagrammatic Model of The Four Phases of Risk

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After many attempts involving many complex models

..... the integration of the thinking about risk between

Health, Safety and Environmental (HS&E) Risk Specialists

and

Programme & Project Management (PPM) Risk Specialists

was very, very simple ........
The 'Circle of Risk'

The 'Impact' Line
(Irreversible Event)

Stabilise for Recovery
(Mitigation
(Plus Recovery Planning & Preparations))

The 'Incident' Line
(Reversible 'Loss of Control')

Terminate Prevent (Issues)
Monitor & Control

Unstable, Bi-Pole Management (i.e. 'At Risk')

Owned, Robust & Governable Management (via Processes)

Detect or Decide
(Moving to M & C)

Return to Stability

... & You Need Both Sides to Manage Risk!
There is usually a natural desire to 'manage' on the Owned, Robust & Governable (i.e. Stable) Side of the 'Circle'

...... which might explain the significant 'RISK THINK' bias of the Health, Safety and Environmental (HS&E) Risk Specialists:-

*Despite the 'Four Phase' nature of 'Prevent-(Detect)-Control-Mitigate-Recover', that is used to explain Risk in the Health, Safety & Environmental Risk Discipline ... & noting that 'Detect' is not a Phase, but a division point between two Phases:*-
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Effective Limit of HS&E 'Risk Thinking'
And while Project & Programme Management (PPM) Risk Specialists consider risk-management actions like 'Eradicate', they have effectively defined this action as an ad-hoc Mitigation activity:-

Rather than seek a process change .......

....... so as to enhance process reliability & governance!
The 'Circle of Risk'

The 'Impact' Line
(Irreversible Event)

Unstable, Bi-Pole Management (i.e. ‘At Risk’)

Limited PPM 'Impact-focused Risk Think

Return to Stability

The 'Incident' Line
(Reversible 'Loss of Control')

Detect or Decide (Moving to M & C)

Owned, Robust & Governable Management (via Processes)

Stabilise for Recovery
(Mitigation (Plus Recovery Planning & Preparations))

Terminate Prevent (Issues)

Monitor & Control
The 'Circle of Risk'

The 'Impact' Line (Irreversible Event)

The 'Incident' Line (Reversible 'Loss of Control')

Unstable, Bi-Pole Management (i.e. ‘At Risk’)

Mitigation (Plus Recovery Planning & Preparations)

Stabilise for Recovery

Terminate Prevent (Issues)

Monitor & Control

Return to Stability

Owned, Robust & Governable Management (via Processes)

Detect or Decide (Moving to M & C)

Limit PPM 'Impact-focused Risk Think'

This omission from the PPM 'Risk Think' ... leaves a real weakness in PPM Risk Management
The 'Circle of Risk'

Unstable, Bi-Pole Management (i.e. ‘At Risk’)

The 'Incident' Line
(Reversible 'Loss of Control')

Mitigation
(Plus Recovery Planning & Preparations)

Stabilise for Recovery
Prevent
Terminate

The 'Impact' Line
(Irreversible Event)

CONSEQUENCE
EVENT
CAUSE

Detect or Decide
(Moving to M& C)

Owned, Robust & Governable Management (via Processes)

And while this limited 'Risk Think'
gives a simple linear model of:
'Cause – Event – Consequence'
... it does ignore the Identification,
of 'Complex Risk Sources' by 'Influence'
- e.g. as achieved in Scenario Planning'

Limited PPM 'Impact-focused Risk Think'
After looking at other examples, it is now believed that

The 'Circle of Risk' is a Universal Risk Model

upon which can be mapped, for any Risk Management Discipline,

the relevant definition of 'Risk',

together with the relevant Risk Management Processes.
But only two of the risk management systems investigated have demonstrated the full 'Four Phase' system. Most have emulated a limited range of Phase coverage, as seen in the HS&E and PPM examples shown earlier, but ..... covering different Phase sets as driven by specific discipline drivers.
But some of us are now working
to expand the risk thinking in our disciplines
to the full 'Four Phase' approach,
by the application of the 'Circle of Risk'.