

# **TAKING RISKS AND MANAGING RISKS**



**David Green**

**School of Social Work and Social Policy  
La Trobe University**

# TAKING RISKS AND MANAGING RISKS

- 1. WHY FOCUS ON RISK
- 2. THE IMPACTS OF RISK ON SERVICES TO VULNERABLE PEOPLE
- 3. A RISK TAKING APPROACH TO RISK MANAGEMENT



# WHY FOCUS ON RISK?

1. RISK AND RISK MANAGEMENT HAS BECOME A CENTRAL PREOCCUPATION OF GOVERNMENTS AND BUSINESS SINCE THE LATE 1980'S.

Corporate collapses such as Enron and HIH have projected risk to centre stage.

We are living in a more risk conscious age

# WHY FOCUS ON RISK?

## 2. THE WORLD NOW SEEMS A RISKIER AND MORE UNCERTAIN PLACE

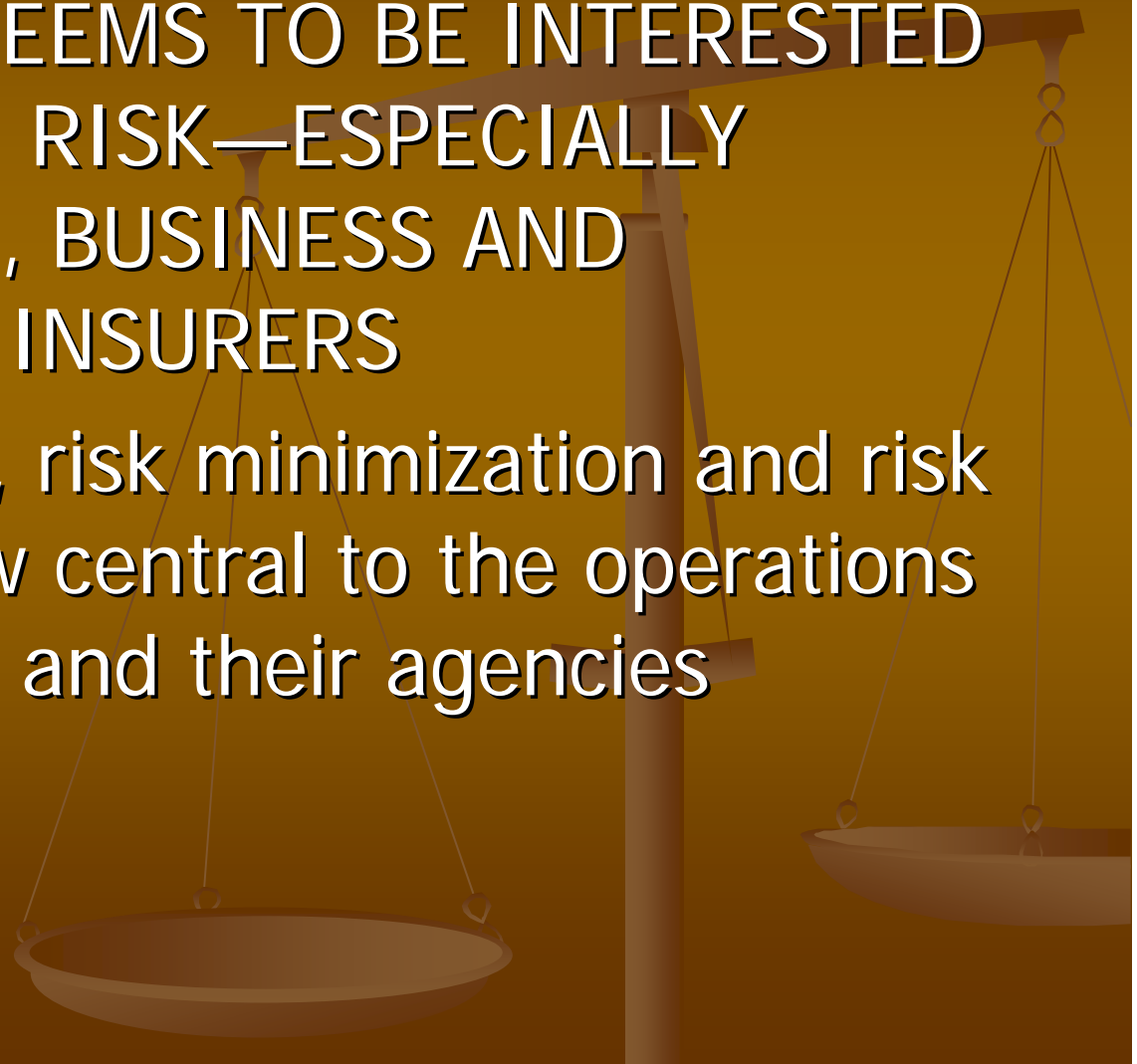
- Risk and the global costs of progress—climate change, pollution, new disease, inequality and terror
- Risks and the social costs of progress and growth---addictions, family violence, exploitation and crime
- Risk and individual responsibility for health, security, work and income in later life
- Risk and the loss of confidence in science and the professions

And so the future is now more uncertain than ever

# WHY FOCUS ON RISK?

3. EVERYONE SEEMS TO BE INTERESTED IN PASSING ON RISK—ESPECIALLY GOVERNMENTS, BUSINESS AND INCREASINGLY INSURERS

- Risk prevention, risk minimization and risk transfer are now central to the operations of governments and their agencies



# WHY FOCUS ON RISK?

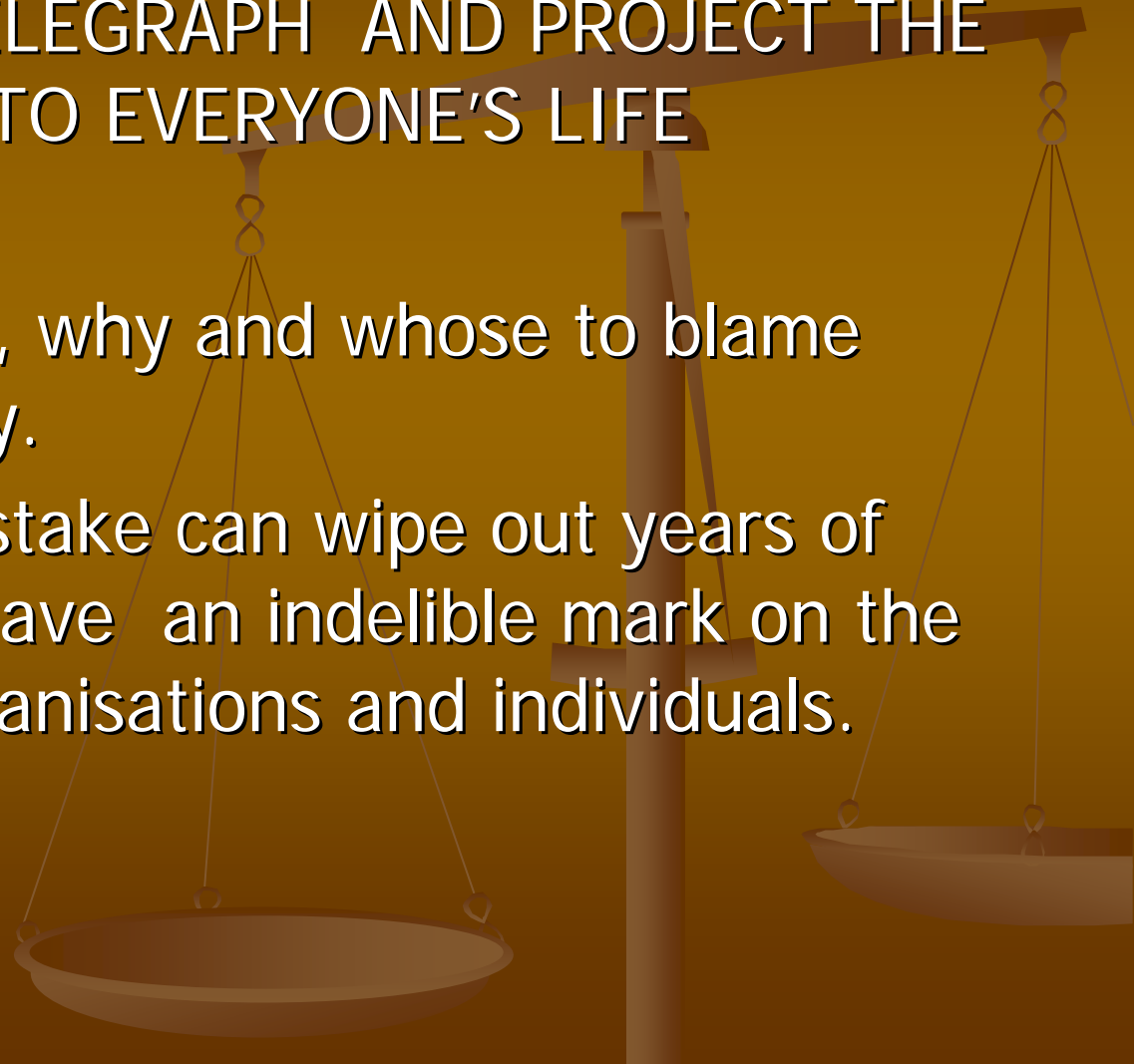
4. THE FOCUS IS ON WHAT GOES WRONG AND THEREFORE LIABILITY AND BLAME ARE ALSO CENTRE STAGE IN THE 'RISK SOCIETY'.

- Most helping professions now work in a framework of accountability which perceives *'every death as chargeable to someone's account, every accident as caused by someone's criminal negligence, every illness a threatened prosecution. Whose fault? is the first question'* (Douglas 1992:15-16)

# WHY FOCUS ON RISK?

## 5. THE MEDIA TELEGRAPH AND PROJECT THE RISK SOCIETY INTO EVERYONE'S LIFE

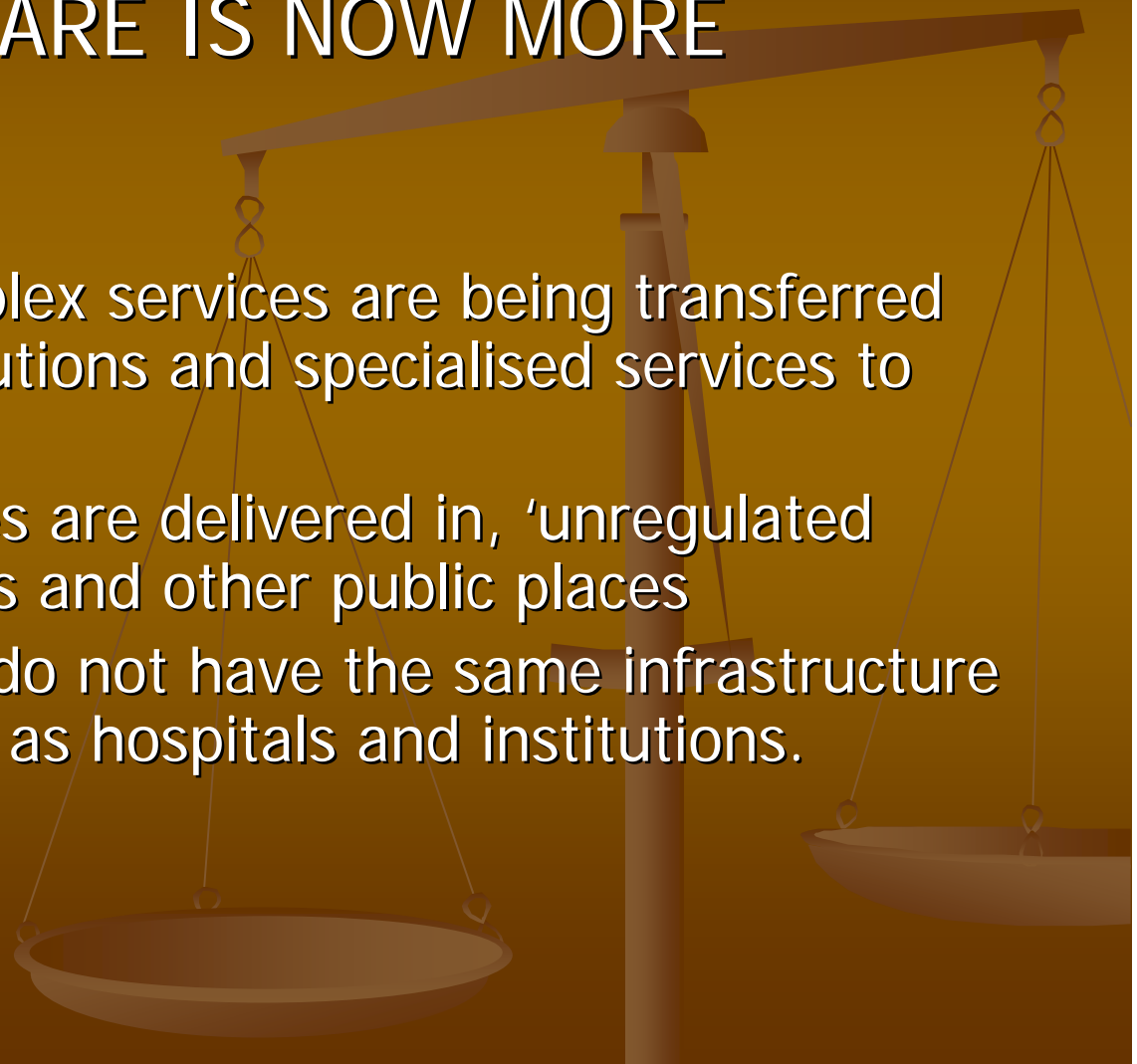
- What went wrong, why and whose to blame make a good story.
- One published mistake can wipe out years of good work, and leave an indelible mark on the reputations of organisations and individuals.



# WHY FOCUS ON RISK?

## 6. COMMUNITY CARE IS NOW MORE RISKY.....

- More and more complex services are being transferred from hospitals, institutions and specialised services to community services
- Most of these services are delivered in, 'unregulated sites'—homes, streets and other public places
- Community services do not have the same infrastructure and support systems as hospitals and institutions.



# THE IMPACTS OF RISK

A faint, stylized illustration of a balance scale is visible in the background. The scale is tilted, with the right pan being lower than the left pan. The entire scene is set against a dark brown gradient background.

- SERVICES
- SERVICE USERS
- WORKERS

# THE IMPACTS OF RISK ON SERVICES TO VULNERABLE PEOPLE

## 1. RISK IS SHAPING SERVICES

*'Risk is increasingly embedded in organisational rationales and procedures for the delivery of services and relationships with users and clients'* (Kemshall et al 1997:214).

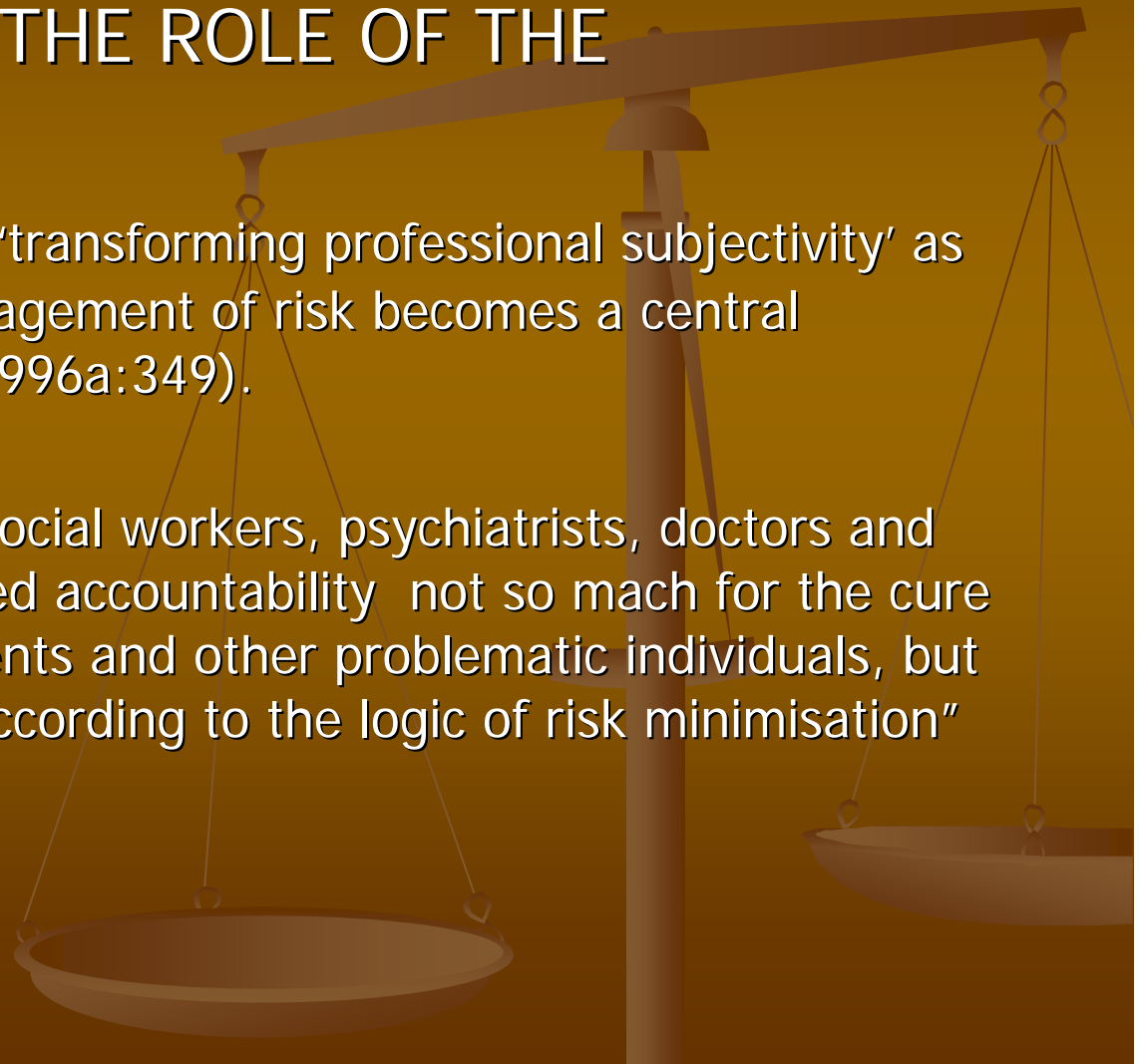
- Risk
  - favours some activities over others
  - determines priorities
  - frames relationships
  - influences judgments about quality and performance

# THE IMPACTS OF RISK ON SERVICES TO VULNERABLE PEOPLE

## 2. RISK CHANGES THE ROLE OF THE PRACTITIONER

Risk says Nikolas Rose is 'transforming professional subjectivity' as the assessment and management of risk becomes a central professional obligation (1996a:349).

"In a range of domains, social workers, psychiatrists, doctors and others have been allocated accountability not so much for the cure or reform of clients, patients and other problematic individuals, but for their administration according to the logic of risk minimisation" (1996:349).

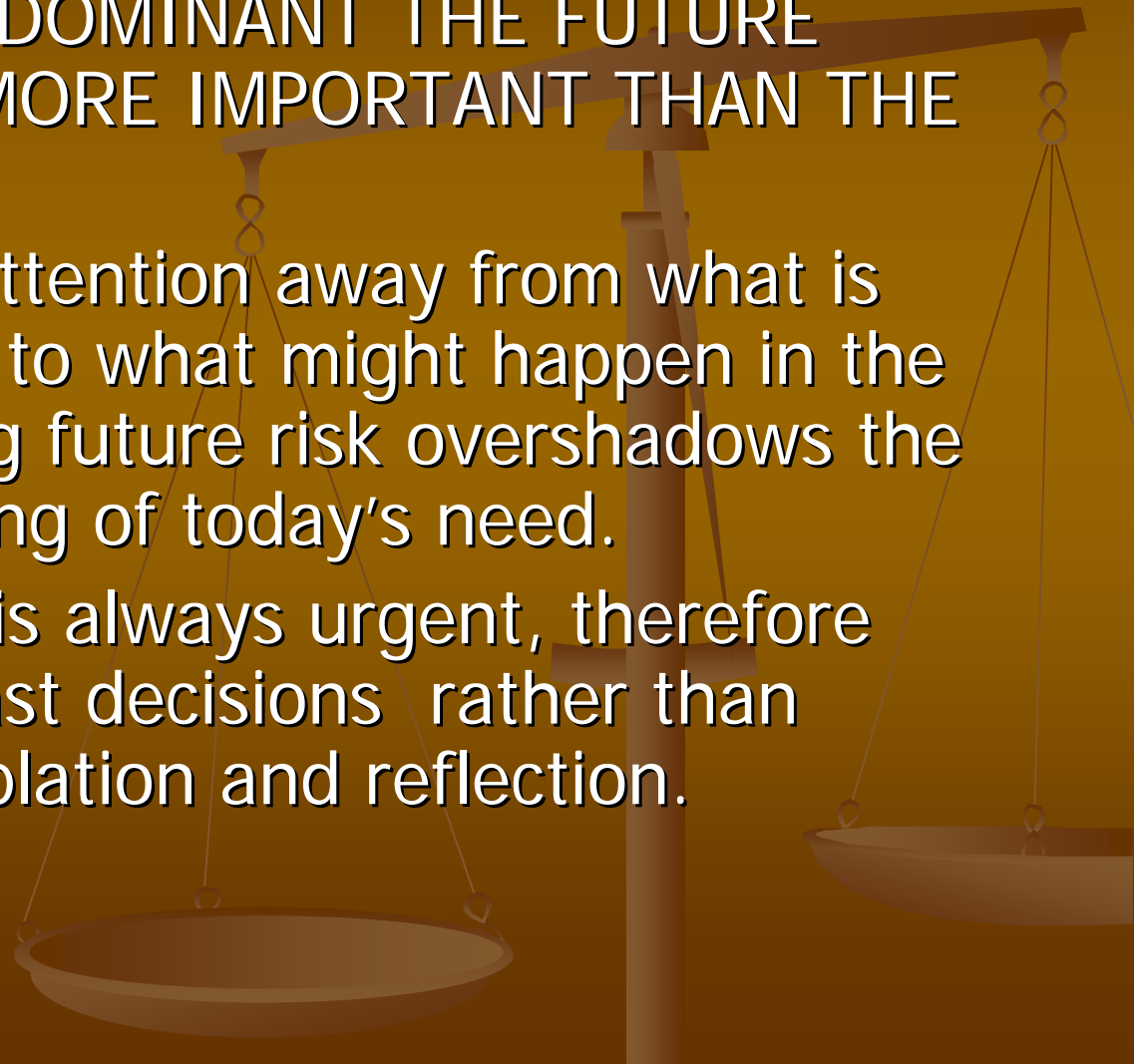


# THE IMPACTS OF RISK ON SERVICES TO VULNERABLE PEOPLE

3. WHEN RISK IS DOMINANT THE FUTURE THEN BECOMES MORE IMPORTANT THAN THE PRESENT.

Risk shifts our attention away from what is happening now to what might happen in the future. Managing future risk overshadows the meeting of today's need.

And future risk is always urgent, therefore requiring fast decisions rather than contemplation and reflection.



# THE IMPACTS OF RISK ON SERVICES TO VULNERABLE PEOPLE

## 4. THE IDENTIFICATION OF RISK CARRIES THE IMPERATIVE TO CONTROL THE RISK AND THEREFORE CONTROL THE CLIENT

- *The 'worship of safety and the avoidance of risk make up the new moral order, an order which, Furedi argues is prescriptive, intrusive and deeply anti-humanistic' (Stalker 2003:221).*
- Controlling risk often means controlling the service user by limiting their activities, freedom and risk taking

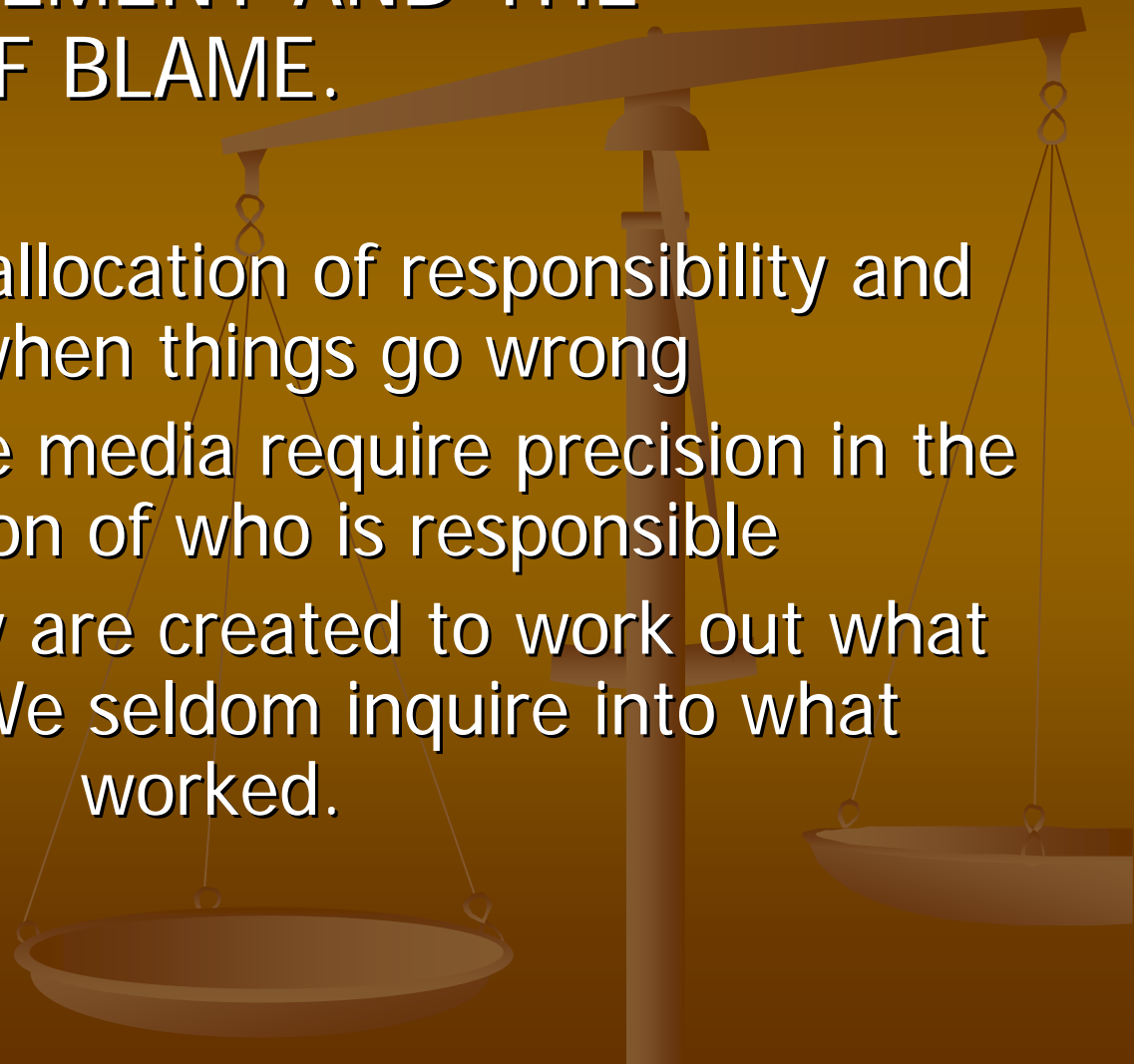
# THE IMPACTS OF RISK ON SERVICES TO VULNERABLE PEOPLE

## 5. RISK MANAGEMENT AND THE ALLOCATION OF BLAME.

Risk requires the allocation of responsibility and blame when things go wrong

Government and the media require precision in the identification of who is responsible

Inquiries constantly are created to work out what went wrong. We seldom inquire into what worked.

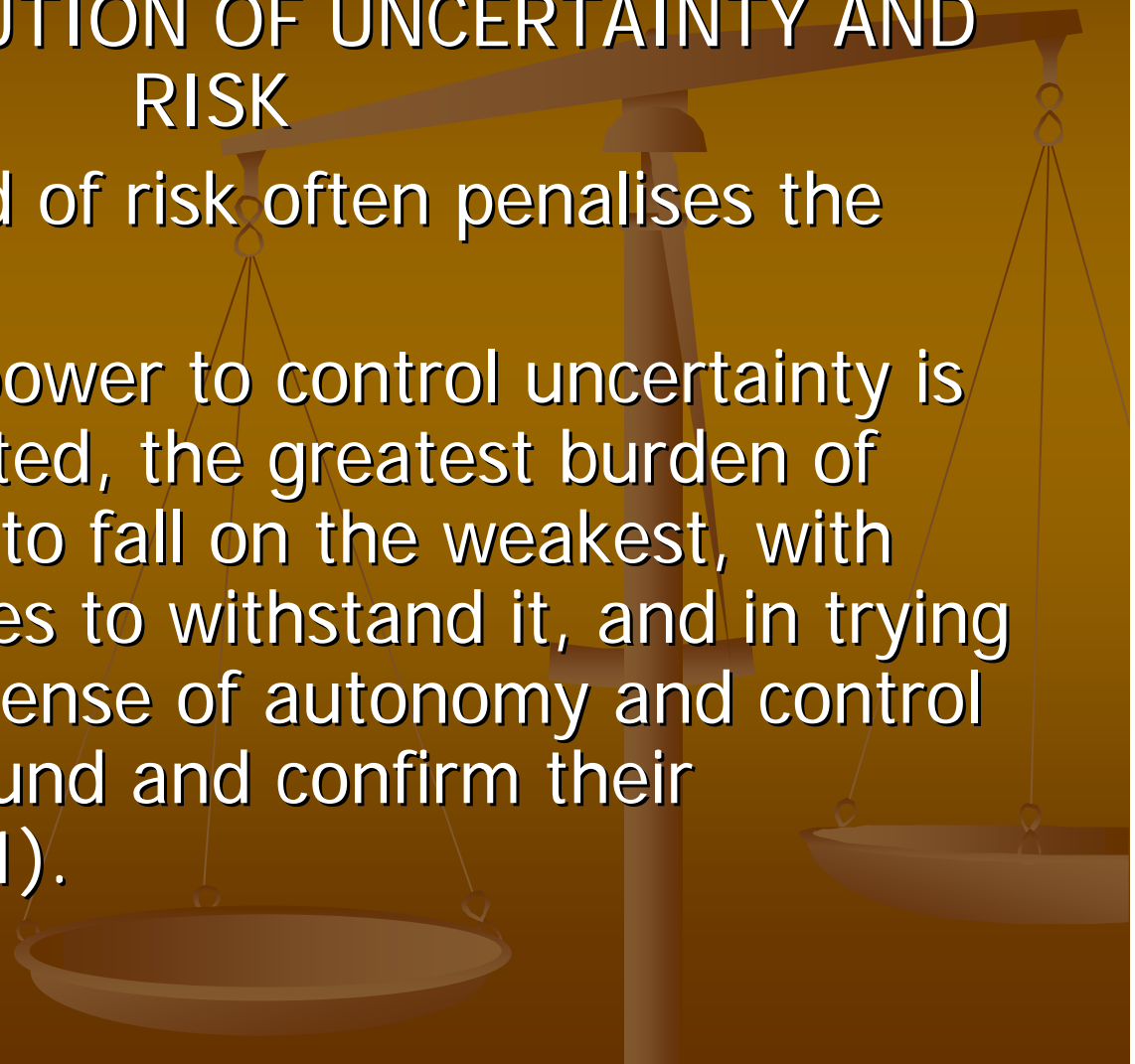


# THE IMPACTS OF RISK ON SERVICES TO VULNERABLE PEOPLE

## 5. THE DISTRIBUTION OF UNCERTAINTY AND RISK

The need to get rid of risk often penalises the most vulnerable

Marris says 'the power to control uncertainty is unequally distributed, the greatest burden of uncertainty tends to fall on the weakest, with the fewer resources to withstand it, and in trying to retrieve some sense of autonomy and control they often compound and confirm their weakness' (1996:1).



# LEADING QUESTIONS



RISKS ARE GENERALLY ONLY  
DEFINED AS HAZARDS AND  
DANGERS

BUT.....

- Risk taking is integral to learning, development and identity
- Risk taking is the way we explore difference, new places, new relationships and come to understand a changing world
- Risk taking is central to a innovative, creative practice and the exercise of judgment
- Risk taking is the pathway to liberation from our fears and dependencies

# LEADING QUESTIONS



- Is the protection of client, staff and community now the dominant imperative for health and community services?
- What are the implications of risk management for risk taking, the rights, and the quality of life of vulnerable people?
- And what does risk management mean for a risk taking practice, the exercise of professional judgement and ethical decision making?
- Are we practising in an era in which every adverse incident is an indication of failure and error?

# **RISK TAKING AND RISK MANAGEMENT**



**DEVELOPING A PROACTIVE  
APPROACH TO RISK**

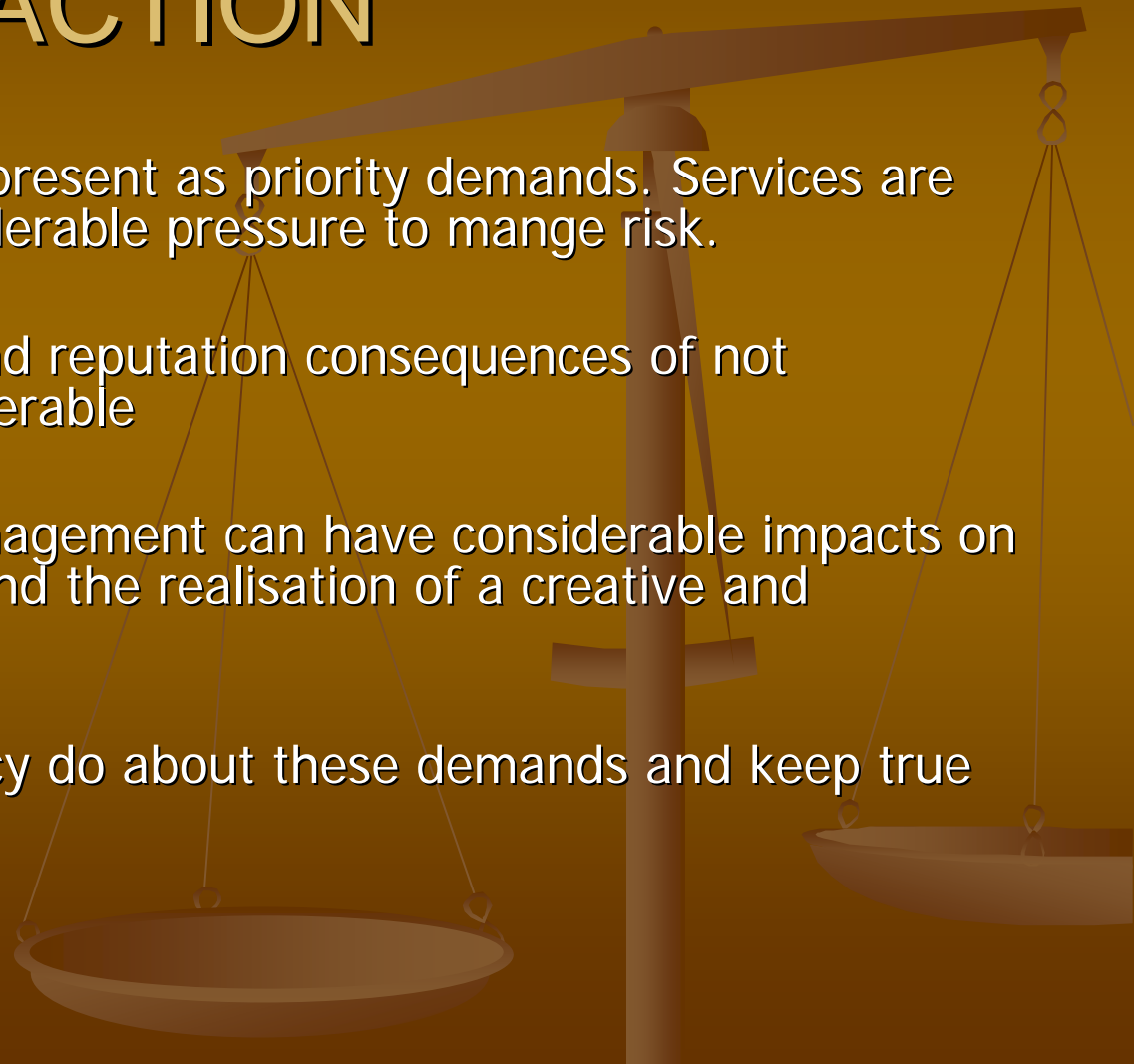
# THE REALITY OF RISK DEMANDS DECISIONS AND ACTION

Strident and 'noisy' risks present as priority demands. Services are under considerable pressure to manage risk.

The financial and legal and reputation consequences of not managing risk are considerable

At the same time risk management can have considerable impacts on user risk taking, rights and the realisation of a creative and innovative practice

What can an ethical agency do about these demands and keep true to their mission?





# ESTABLISHING THE CONTEXT, GOALS AND POLICY

## THE EXTERNAL CONTEXT

1. The legal context—statutory obligations, common law obligations such as negligence and duty of care, regulatory obligations to workers
2. The funding context—the contract or funding agreement which specifies what has to be done within what parameters
3. The societal and cultural context— ways of doing things and what is acceptable in terms of risks and what is not acceptable.

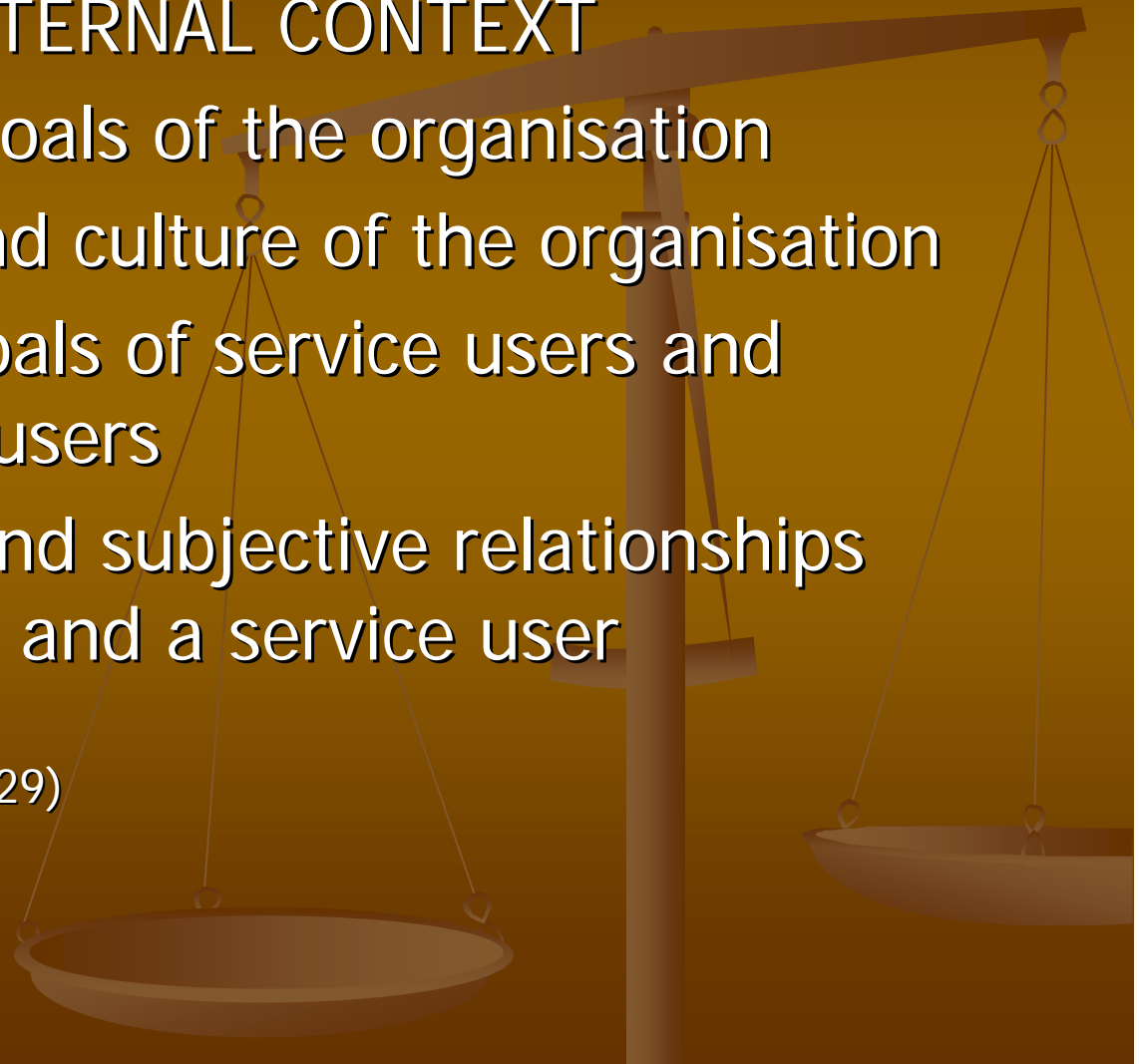
(Standards Australia 2004b:27-29)

# ESTABLISHING THE CONTEXT, GOALS AND POLICY

## THE INTERNAL CONTEXT

1. The mission and goals of the organisation
2. The capabilities and culture of the organisation
3. The needs and goals of service users and particular service users
4. The contractual and subjective relationships between a worker and a service user

(Standards Australia 2004b:27-29)



# ESTABLISHING THE CONTEXT, GOALS AND POLICY

STAFF MOST EXPOSED TO RISK, AND THEIR CLIENTS,  
SHOULD HAVE SOME ROLE IN FORMULATING POLICY,  
AS WELL AS THE INSURERS AND THE RISK MANAGERS.

While employers must meet their duty of care obligations to staff and clients, we all seek to control as much as possible our own risks. Even when our capacity to take informed decisions about risk is qualified, we still need to be part of the action

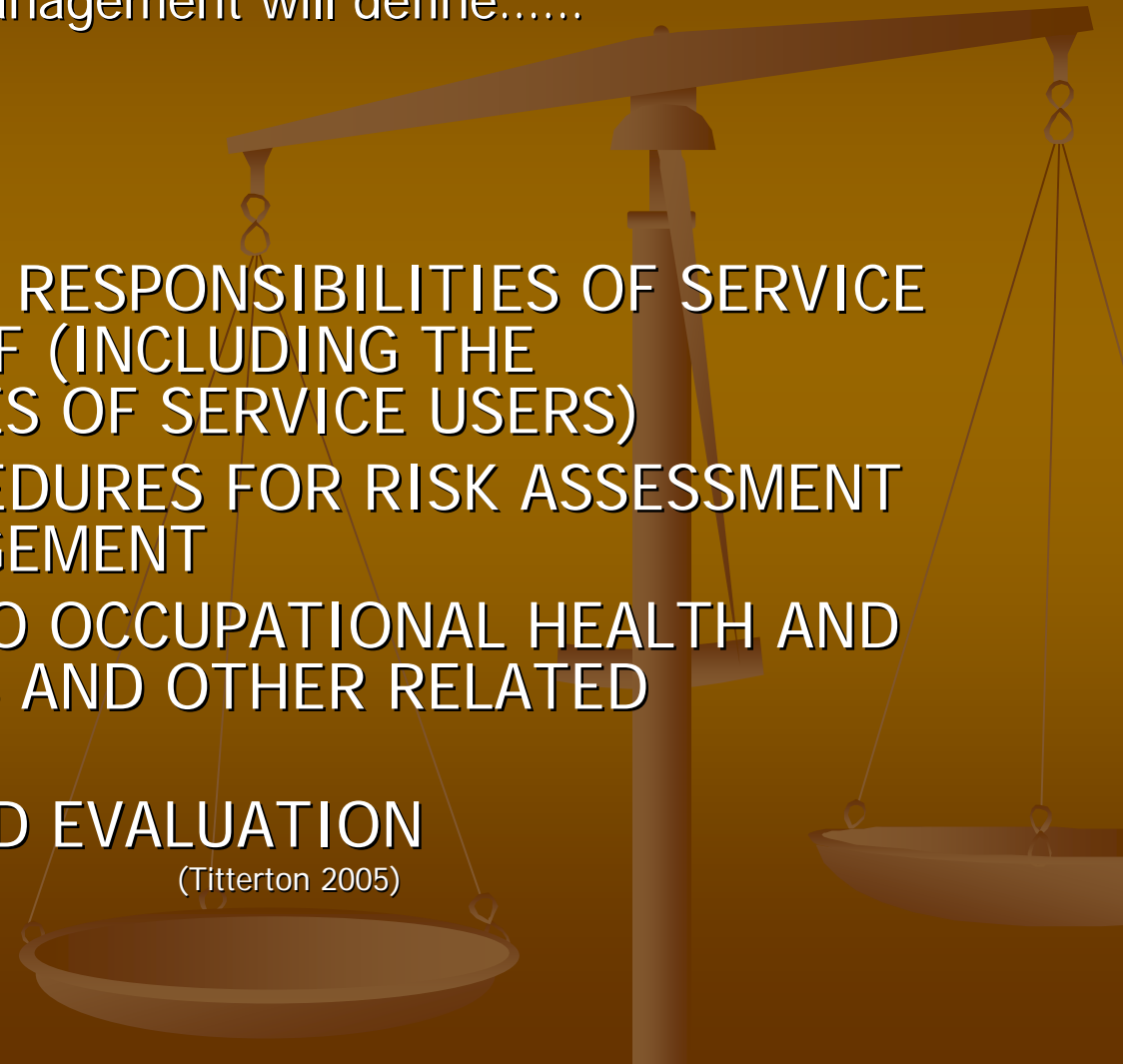
EVERYONE IS A RISK MANAGER –CLIENTS, FRONT LINE  
WORKERS, MANAGERS, CEO'S AND BOARDS

# ESTABLISHING THE POLICY

From this analysis a risk management will define.....

- PRINCIPLES
- GOALS
- THE RIGHTS AND RESPONSIBILITIES OF SERVICE USERS AND STAFF (INCLUDING THE REPRESENTATIVES OF SERVICE USERS)
- RELEVANT PROCEDURES FOR RISK ASSESSMENT AND RISK MANAGEMENT
- RELATIONSHIP TO OCCUPATIONAL HEALTH AND SAFETY POLICIES AND OTHER RELATED PROCEDURES
- MONITORING AND EVALUATION

(Titterton 2005)



# ESTABLISHING THE POLICY

## A SAFETY FIRST POLICY WILL.....

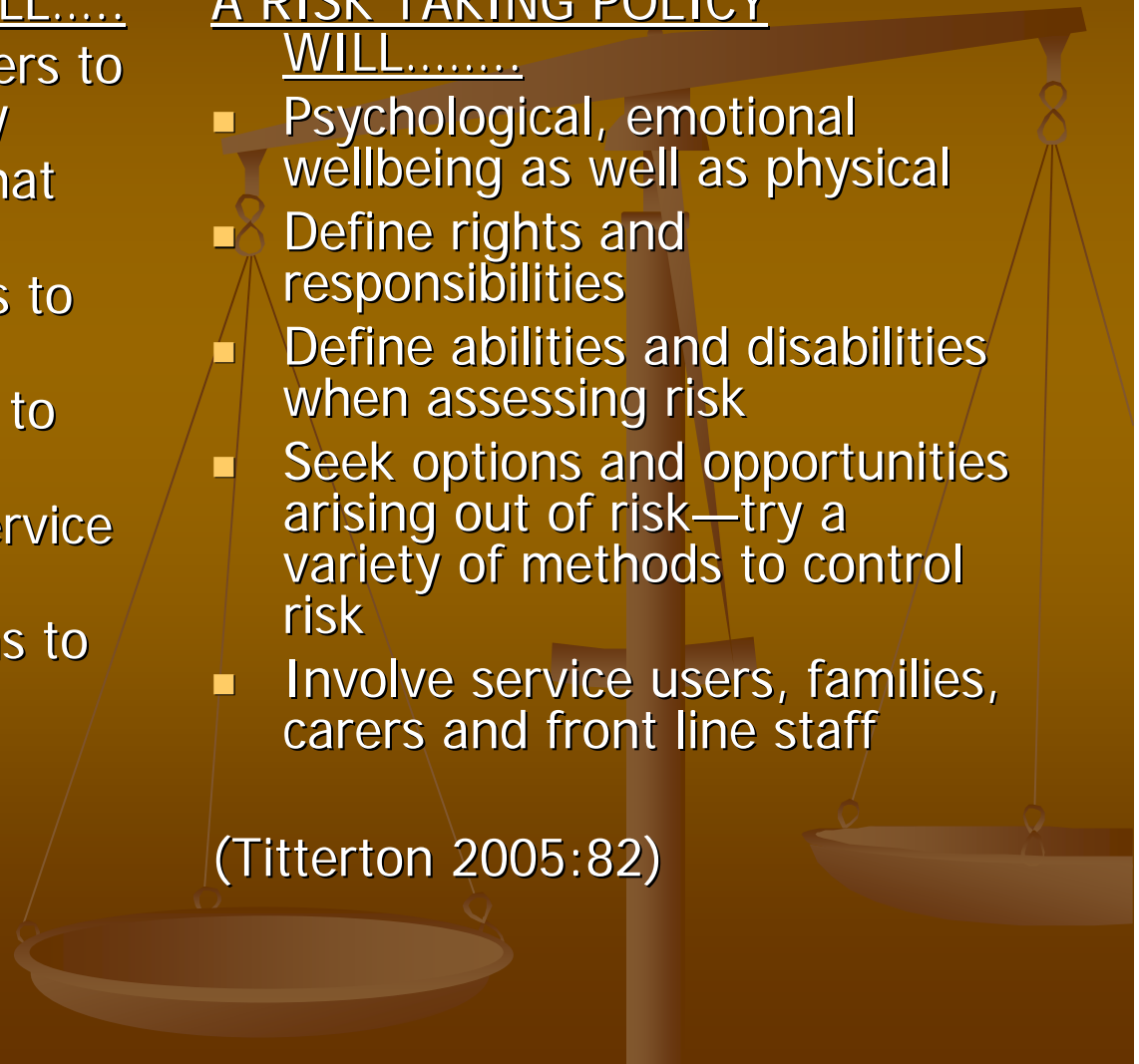
- Only define threats/dangers to users, staff & community
- Focus on disabilities & what the person cannot do
- Select restrictive methods to control risk
- Give high priority to risks to the organisation
- Limit consultation with service users and front line staff
- Limit service users options to take risks

(Titterton 2005:82)

## A RISK TAKING POLICY WILL.....

- Psychological, emotional wellbeing as well as physical
- Define rights and responsibilities
- Define abilities and disabilities when assessing risk
- Seek options and opportunities arising out of risk—try a variety of methods to control risk
- Involve service users, families, carers and front line staff

(Titterton 2005:82)

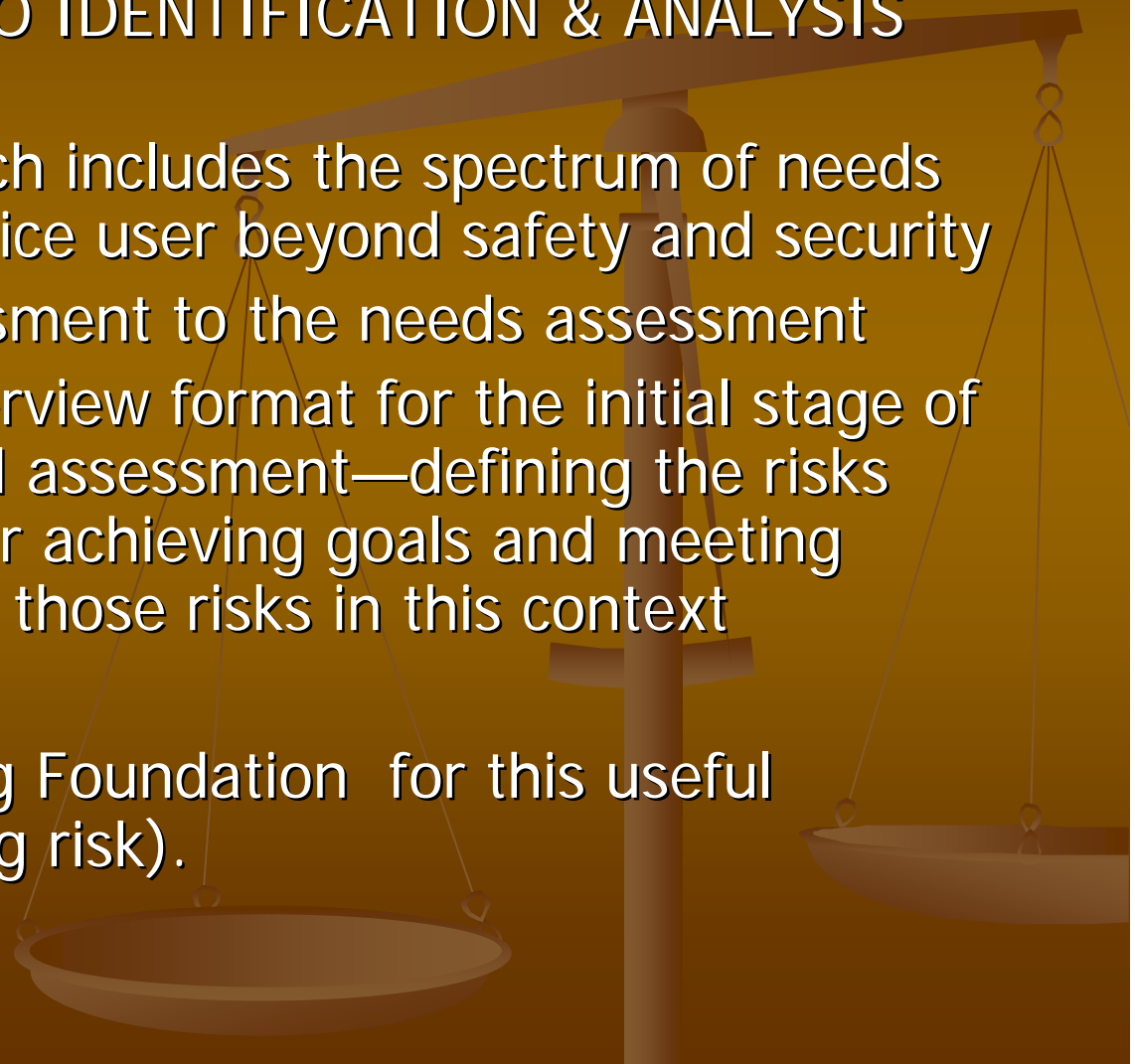


# RISK ASSESSMENT-- IDENTIFICATION AND ANALYSIS

## BROAD APPROACH TO IDENTIFICATION & ANALYSIS OF RISKS

- A risk analysis which includes the spectrum of needs and goals of the service user beyond safety and security
- Link the risk assessment to the needs assessment
- Use a lifestyle interview format for the initial stage of risk identification and assessment—defining the risks that are necessary for achieving goals and meeting needs and managing those risks in this context

( Thanks to E.W.Tipping Foundation for this useful approach to assessing risk).

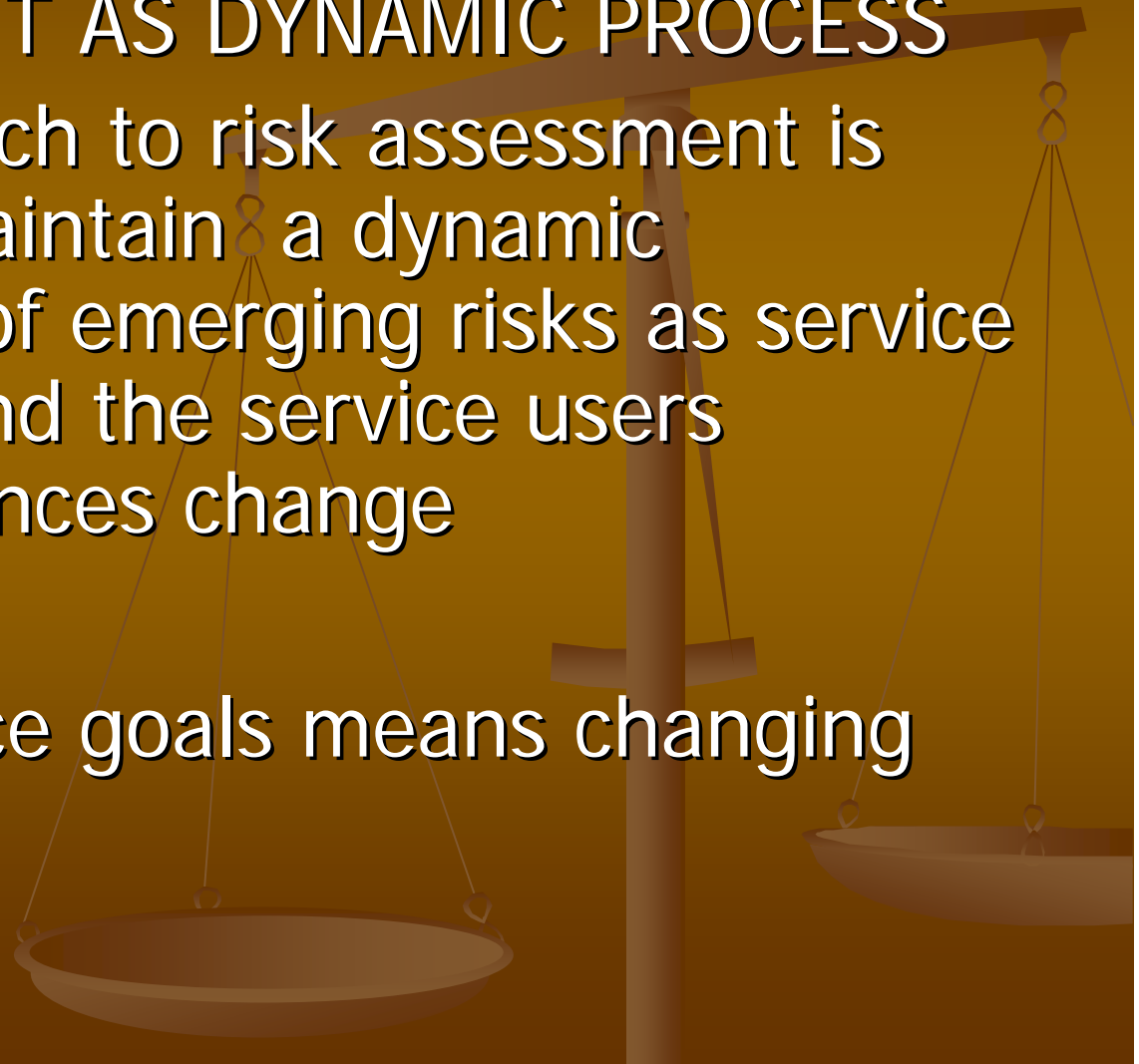


# RISK ASSESSMENT-- IDENTIFICATION AND ANALYSIS

## RISK ASSESSMENT AS DYNAMIC PROCESS

A broad approach to risk assessment is necessary to maintain a dynamic understanding of emerging risks as service goals change and the service users lifestyle preferences change

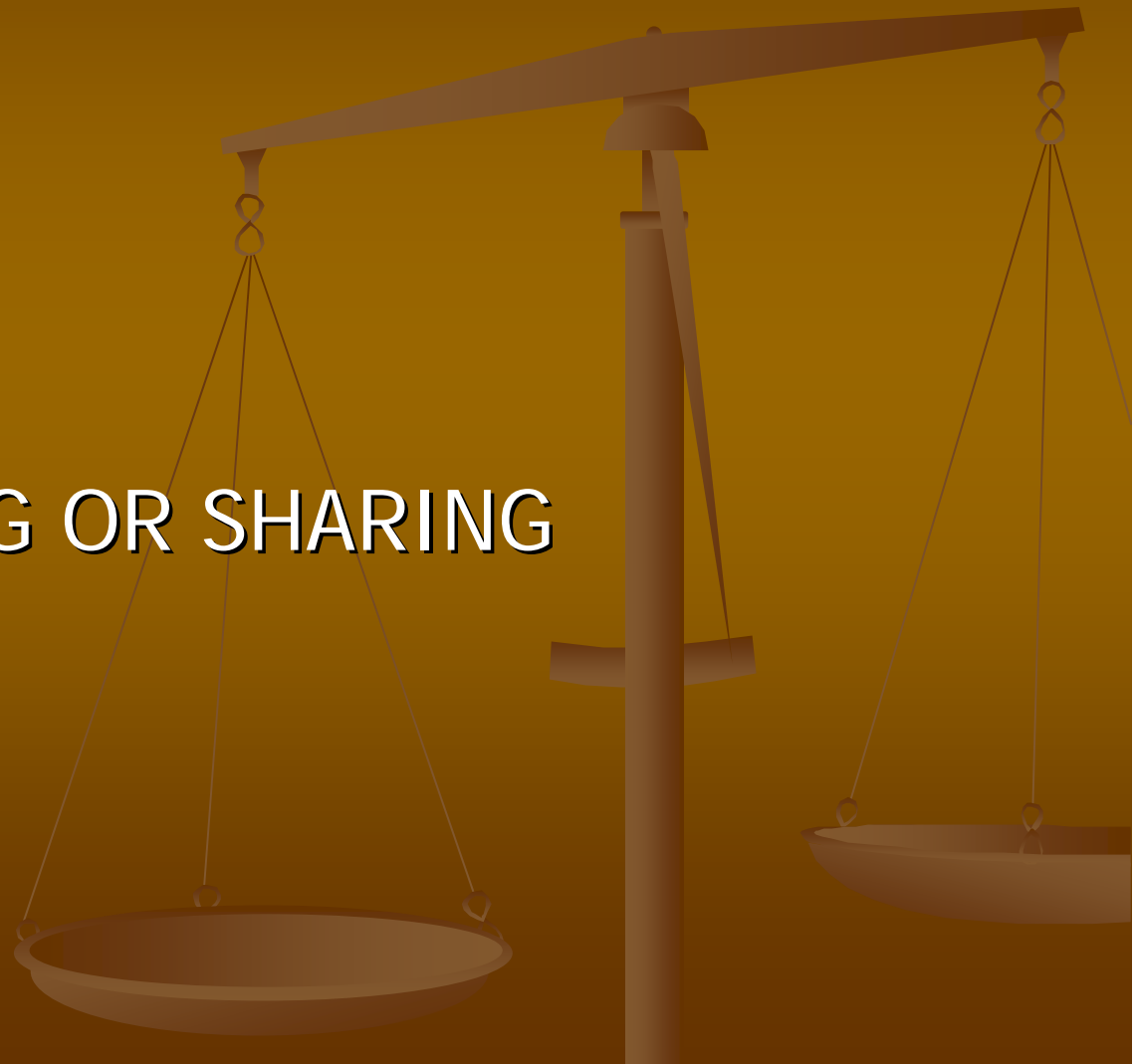
Changing service goals means changing risks



# MANAGING AND TREATING RISK

## THE OPTIONS

1. AVOIDING
2. PREVENTING
3. REDUCING
4. TRANSFERRING OR SHARING
5. SPREADING
6. ACCEPTING



# AVOIDING RISK



*" BY DECIDING NOT TO START OR CONTINUE WITH AN ACTIVITY WHICH GIVES RISE TO THE RISK"*

- (Standards Australia 2004b:70)

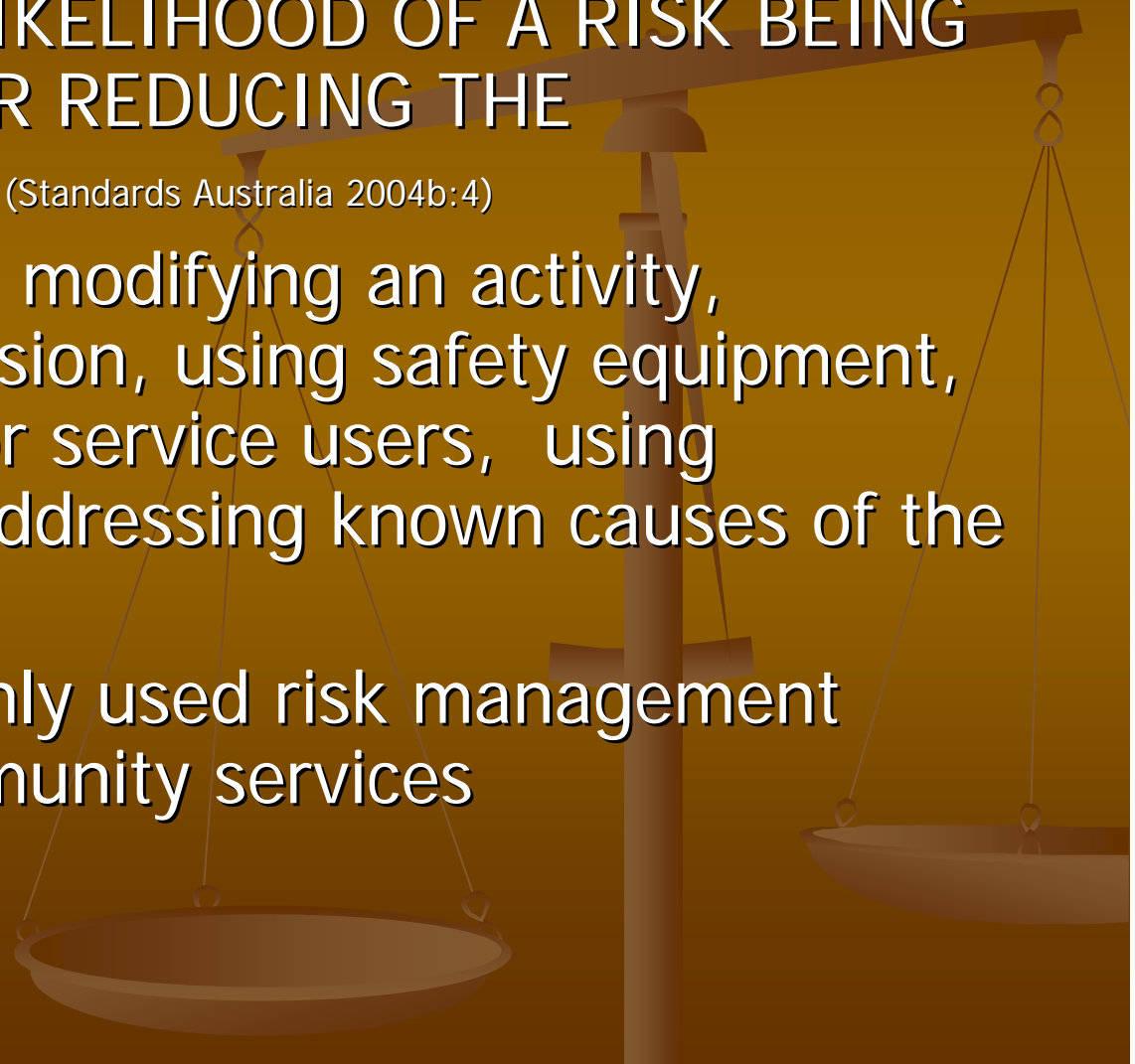
A common sense approach to risk which means avoiding activities and situations which create risk and which are not central to service users goals and needs

Generally a negative and restrictive approach which results in:

- Cancelling or restricting activities
- Using restraints
- Restricting freedoms eg institutionalising or containing
- Removing the source of the risk eg friends or pets

# PREVENTING OR REDUCING RISK

- REDUCING THE LIKELIHOOD OF A RISK BEING REALISED AND/OR REDUCING THE CONSEQUENCES (Standards Australia 2004b:4)
- Generally involves modifying an activity, increasing supervision, using safety equipment, training workers or service users, using medication, and addressing known causes of the risk
- The most commonly used risk management strategies in community services



# TRANSFERRING OR SHARING RISK



- TRANSFERRING RISK—SHIFTING ALL THE RISK TO ANOTHER PARTY

Contracting the risky activity, shifting responsibility to service user or family or another service

SHARING RISK –SHIFTING PART OF THE RISK

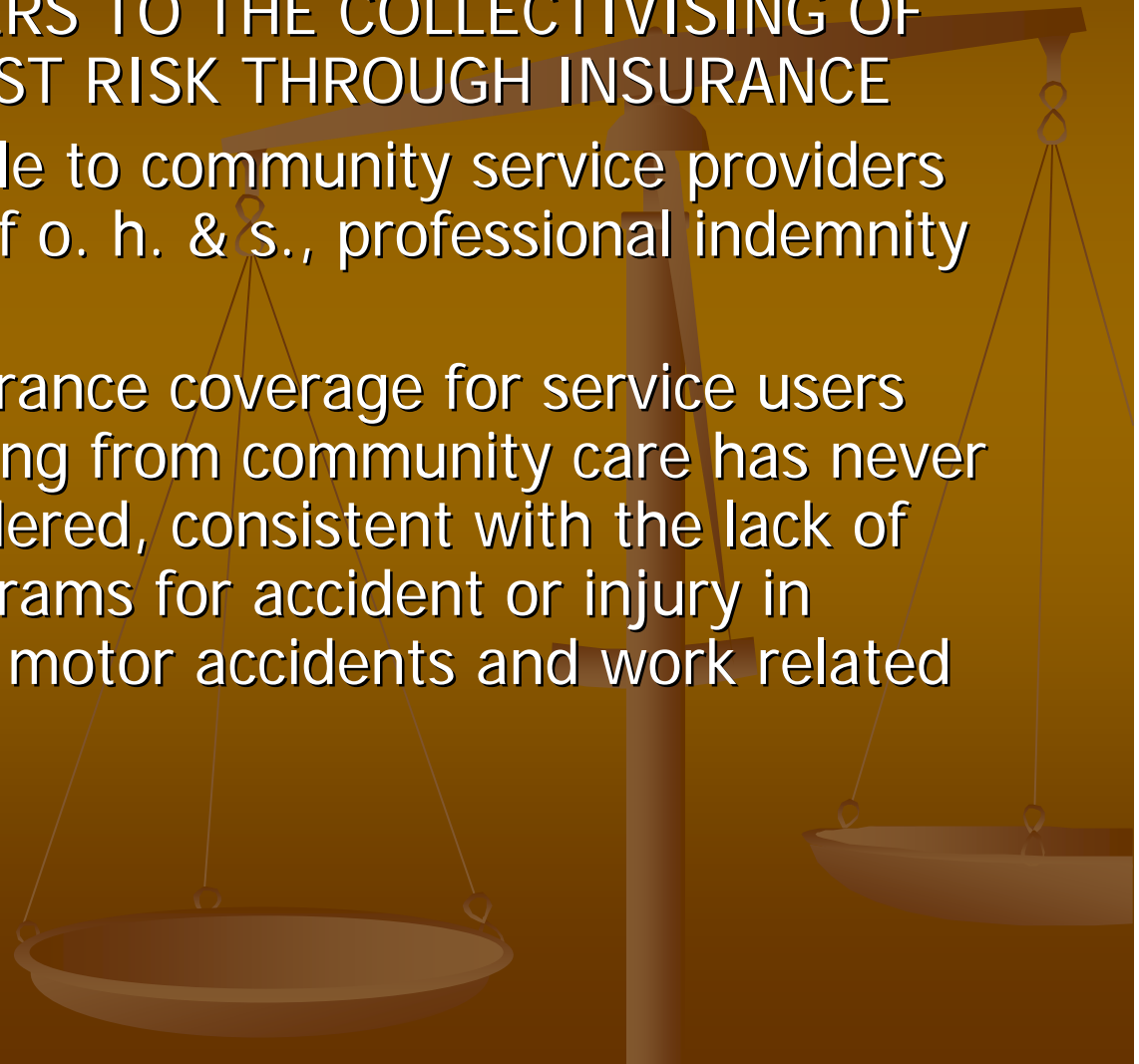
Can also be through contracting, etc but the risk is shared between a number of participants

Sharing risk is of growing importance in the context of increasing use of networks and partnerships in the provision of services

# SPREADING RISK

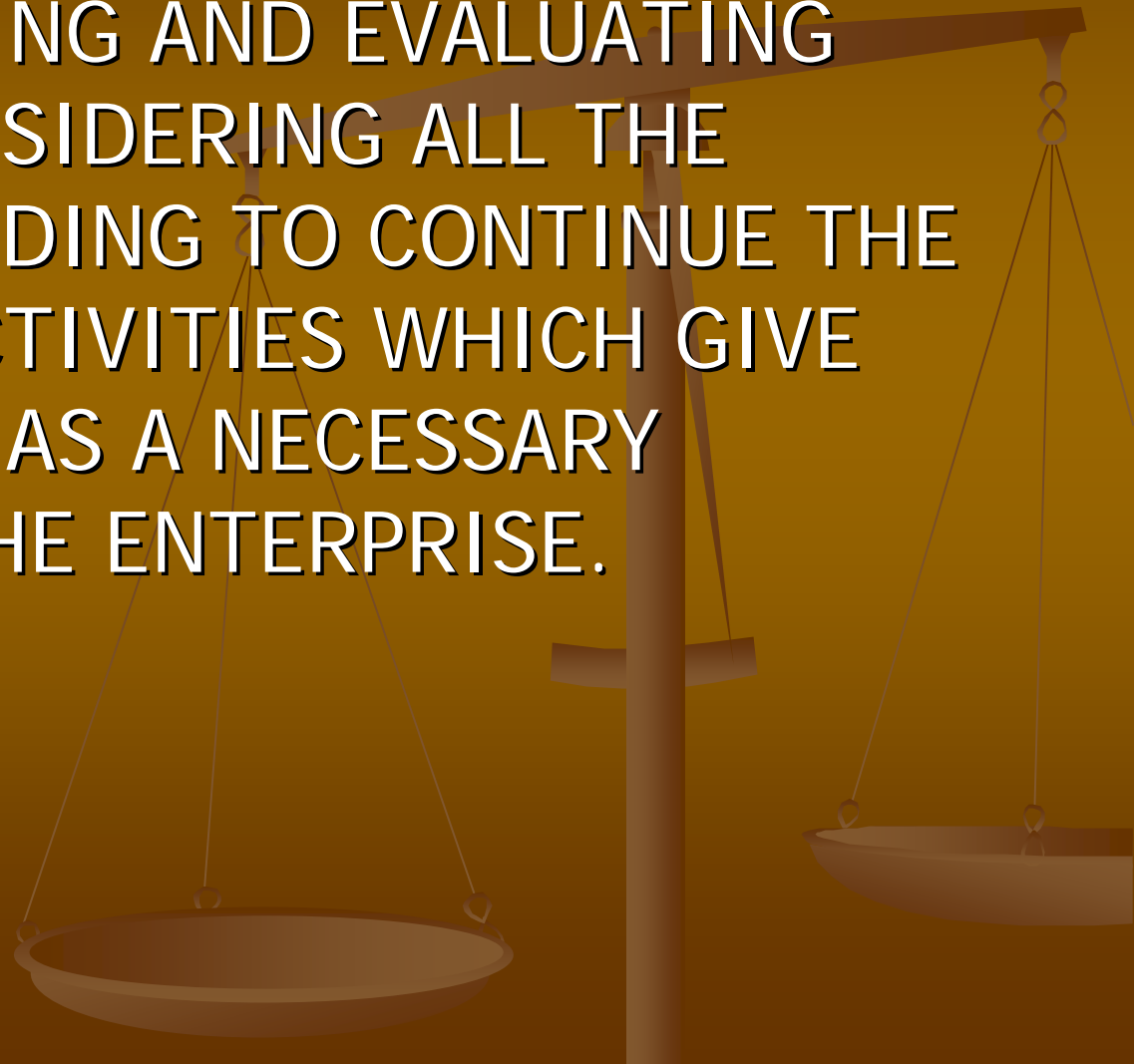
A TERM WHICH REFERS TO THE COLLECTIVISING OF PROTECTION AGAINST RISK THROUGH INSURANCE

- Not generally available to community service providers except in the areas of o. h. & s., professional indemnity and public liability
- The provision of insurance coverage for service users against the risks arising from community care has never been seriously considered, consistent with the lack of public collective programs for accident or injury in situations other than motor accidents and work related accidents



# ACCEPTING RISK

- AFTER ANALYSING AND EVALUATING RISK, AND CONSIDERING ALL THE OPTIONS, DECIDING TO CONTINUE THE SERVICE OR ACTIVITIES WHICH GIVE RISE TO RISKS AS A NECESSARY ELEMENT OF THE ENTERPRISE.



# ACCEPTING RISK

## RISK IS HERE TO STAY

- The reality of providing services for vulnerable and troubled people in the community (as distinct from the regulated environment of institutions) is that it is radically uncertain, genuinely complex and contingent.
- *“the fantasy of prediction and ‘control’, on which modernist constructions of the world, and risk science in particular, are based, is bound to give way, in the conditions under which we currently live, to an increasing realisation of the irrepressible ubiquity of radical uncertainty in the modern world” (Reddy 1996:244).*

# CONCLUSION

- Both controlling risk and risk taking are essential to the achievement of goals.
  - An ethical and effective service has to be one which takes risks and protects its clients, staff and community
  - Effective risk management then is not about stopping things happening and defensive practice but deeper levels of problem solving and managing the risks which get in the way of achieving goals.
- 