

Obsessing Over Risk Issues? That's OK, If You Do It Right.



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“Nothing in life is as important as you think it is when you are thinking about it.”
– Daniel Kahneman

I remember when the Calvin Klein cologne “Obsession” debuted in the mid-1980s. I was (and still am) a cynic who believed that no scent could possibly live up to the hype. Klein apparently spent \$13 million to promote the fragrance. The rest, as they say, is history.

From time to time I meet risk professionals who acknowledge being a tad ‘obsessed’ with something in the risk realm. Such as:

- Lip service—by colleagues—to the goals of a risk management program
- The board’s insistence on receiving detailed risk registers or over-populated heat maps
- Reluctance to talk about the most dangerous risk facing the organization (the risk ‘elephant’ in the room)
- The recurring failure of people who profess to support risk management to demonstrate that support (less than 100% participation in your risk survey?)

The go-to strategies for obsessive thoughts include distraction, meditation, physical activity and journaling. If you’re facing serious push back or frustration about something in your risk program, I have a hunch you may have already been distracted, reflective and tried a walk around the block. Cognitive restructuring—a technique to identify and examine unhelpful thoughts and replace them with helpful, balanced ones—is another tool sometimes included in cognitive behavioral therapy. How could you use a light application of this technique to rethink a recurring risk-related challenge?

To **identify** the challenge impeding progress in your risk function, ask:

- What seems to be the biggest obstacle we’re facing in the risk function?
- What seems to be the source of the obstacle?
- What are some possible causes or contributing factors related to that obstacle?

To **examine** the challenge up close, ask:

- What might be the rationale behind the resistance? For example, lack of time, or perhaps misunderstanding about what we're trying to do? Or fear about the potential negative consequences of what we may uncover?
- What could I be missing here?
- What am I certain about? What am I unsure about?

To **replace** negative, obsessive thoughts about the 'what' and 'why', ask these powerful questions:

- Who would disagree with the conclusions I've just drawn, and why?
- Who would have an optimistic/bright side view of the challenge we're facing?
- What might be a few completely different, plausible explanations for the challenge we're facing?
- What single step or action could I take that would represent a different approach?
- What step or strategy am I willing to ponder and discuss with others?
- What single action should I consider to inject new clarity into the risk-related goals we're trying to achieve?

Here's an example of this three-step approach applied to the 2nd worry in my original list: a board's insistence on receiving detailed risk registers and overpopulated heat maps.

Identify

- Providing what they are asking for is time-consuming; we spend so much time trying to get people to fill in the boxes on the risk register so we aren't embarrassed by the empty spaces.
- The insistence on this type of reporting seems to be coming from two board members.
- Possible causes might be that they are accustomed to seeing these types of reports in their own companies.

Examine

- They may be worried we are not keeping them informed about important issues that could be harmful to our success.
- Some members of the board may recall the time they learned about a crisis long after it started brewing.
- I'm certain they want better risk reporting! I'm unsure what that looks like.

Replace

- Maybe I should stop trying to cobble together something that looks like a heat map and instead create a report that demonstrates how we are thinking deeply about a handful of top risk priorities.
- Maybe I could find a way to show that we understand that their questions stem from a deep commitment to our mission and success.
- I wonder what the colleague I met at last year's Risk Summit would do. I'll find her number and give her a call!

We all get obsessed with things sometimes. If you can approach your obsessions (and the people inspiring them) with curiosity and without judgment, your risk management journey will grow more fruitful.