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RISK DOCTOR BRIEFING

When will we ever learn?

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Spanish satirist Jorge Santayana wrote in 1905 “Those who cannot remember the past are condemned to repeat it.” His sentiments echo those of the 18th-century German philosopher Friedrich Hegel who reminded us that “The only thing we learn from history is that we learn nothing from history”!

These comments about history apply equally to the world of risk management. It is very common to hear a senior manager or project team complaining that “The same risk keeps happening all the time.” The first time I heard someone say that I reacted instinctively and told them that I considered it very unprofessional for them to allow the same risk to keep happening. My view is summed up in this Risk Doctor proverb:

*“If a risk happens once, that’s understandable;
If the same risk happens twice, that’s unlucky;
If the same risk happens three times, that’s unacceptable.”*

Of course it is in the nature of risk to be uncertain, and sometimes risks occur even to the best risk manager. So we can understand it if a risk may occasionally occur, despite implementation of a full range of risk management efforts. And if the same risk should happen a second time in the same circumstances, then that might just be a result of bad luck and not necessarily due to bad management. But if a risk occurs a third time then something is wrong. Perhaps there is a systemic weakness that exposes the organisation or project to the same risk repeatedly. Or maybe the individuals and team have a blind spot where they consistently fail to see a particular risk. Or a routine procedure or process may be flawed and produce the same risk every time it is executed.

This saying applies particularly to negative risks (also called threats), where it is a bad thing if they happen. However the same idea is also true for positive risks or opportunities, where it is understandable if a single specific opportunity is missed, but we should not allow that to be repeated. In this case the phrase “risk happens” in the proverb should be replaced with “opportunity is missed”.

The tendency of people, projects and businesses to repeat their mistakes, either by letting the same threats happen repeatedly or by constantly missing the same opportunities, needs to be tackled. We need to become learning organisations and individuals, being aware of what is happening around us, and seeking to learn

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lessons in order to improve for the future. This is particularly true when it comes to risks, since these are future events which have not happened, and which may never happen. This gives us a chance to address them proactively. The future nature of risks creates management space in which we can act to change the future.

One final point is important when considering the claim that risks often occur repeatedly. We should challenge anyone who says that “The same risk keeps happening all the time.” If we identify an event or set of circumstances that always occurs on every project or which happens every time we encounter the same situation, then we need to question whether this is in fact a risk at all. All risks are uncertain, which means that they may or may not happen. If it is not uncertain then it is not a risk. Events or conditions that always occur should be treated as facts and our standard operating procedures should take them into account.

We should not be surprised by something that “always happens.” We should be ready to deal with it, building a response into our baseline plan, learning from previous similar experiences, and being prepared to tackle repeated threats or capture recurring opportunities.

To provide feedback on this Briefing Note, or for more details on how to develop effective risk management, [contact the Risk Doctor \(info@risk-doctor.com\)](mailto:info@risk-doctor.com), or [visit the Risk Doctor website \(www.risk-doctor.com\)](http://www.risk-doctor.com).



Editor's note: This is another in a series of Risk Doctor Briefings by the globally famous Risk Doctor, David Hillson, now being published in PM World Today. Risk management is one of the most important aspects of managing programs and projects in today's environment of complexity, global pressures and uncertainty. We are happy to bring the Risk Doctor's expertise and perspective to our readers.

To learn more about David Hillson, and his availability to speak at events, meetings and seminars worldwide, visit <http://www.pmforum.org/ambassadors/ambassadors.htm#Hillson>.

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Dr David Hillson, PMP FRSA HonFAPM FIRM FCMI, is internationally recognized as a leading thinker and practitioner in risk management. He is Director of Risk Doctor & Partners (www.risk-doctor.com), and has worked in over 40 countries. He is a popular conference speaker and award-winning author on risk, with six books on the topic. David has made several innovative contributions to improving risk management, and is well known for promoting the inclusion of proactive opportunity management within the risk process, and for his ground-breaking work in risk psychology. David is an Honorary Fellow of the UK Association for Project Management (APM) and past chairman of its Risk Management Specific Interest Group. He is an elected Fellow of the Institute of Risk Management (IRM), the Royal Society for the Encouragement of Arts, Manufactures and Commerce (RSA), and the UK Chartered Management Institute (CMI). David is also an active member of the Project Management Institute (PMI) and was a founder member of its Risk Management Specific Interest Group. He received the PMI Distinguished Contribution Award for his work in developing risk management over many years. Since 1998 he has been a core author for the risk chapter of the PMBOK Guide®, and is a core author for the PMI Practice Standard for Project Risk Management. David can be contacted at david@risk-doctor.com. To see his latest book, *Managing Risks in Projects*, published in July 2009 by Gower, visit <http://www.gowerpublishing.com/isbn/9780566088674>.