



Why Did the Risk Manager Cross the Road?

Written by **Mel Gosling:**

How the Risk Manager found his "Black Swan".

Arnold Hicks was the Risk Manager for the XYZ Banking Corporation, and was based in their European headquarters in the City of London. He had held the job for five years, and was believed to be one of the most capable and diligent risk managers in the banking sector.

Arnold lived in a leafy suburb of London, and was happily married with a wife and two children. Recently though, his contented existence had been shaken by the death first of a neighbour, and then by a work colleague. Both had been killed in separate accidents whilst crossing the road. A driver jumping a red light had knocked down his neighbour on a pedestrian crossing, and a bus had run down his work colleague as he tried to cross a busy road.

These two unrelated, yet similar, events prayed on Arnold's mind, and one day it dawned on him that although he spent the whole of each working day managing risk for the bank, he hadn't really applied the same rigour to his private life. This realisation came as a shock to Arnold, and because he was concerned about what would happen to his wife and children if he met a similar fate to that of his neighbour and colleague, he decided to undertake a risk assessment of crossing the road and vowed to take action to reduce the chances of being involved in an accident and the expected effect of such an accident on his life.

Arnold decided to spend that weekend working on his private risk assessment, and instead of his usual routine of taking the family shopping on a Saturday morning he locked himself away in his small study at home to begin work. At first, it seemed a simple issue – the risk was clearly defined as being knocked down by a vehicle when he was trying to cross the road, but the more he thought about it the more complex it seemed to become.

Using a risk assessment template document, in the form of an Excel spreadsheet, that he had previously developed for the bank, Arnold entered the heading "Business Unit: Home – Activity: Crossing the Road". The first step in using the template was to identify all the things that might go wrong (hazards, or risks), and this is where it all started to get a bit more complicated than he had imagined. Arnold had expected to identify just a small number of things, but the more he thought about it, the more he managed to think up different scenarios. By lunchtime, when he decided that he'd better take a break, he had identified no less than 100 different things that might happen. These ranged from the simple "Car travelling along the road" to the esoteric "Weak ankle gives way and fall over".

After lunch Arnold went back to his study to review the list, but despite working hard on the problem to reduce the number of risks he ended up by increasing it to 120.

Feeling a little depressed, he decided not to immediately embark on step two of the process, to identify any existing controls that were in place to reduce each risk, but to stop work and sleep on the problem for night.

In the morning, instead of his usual Sunday morning activity of taking his two children swimming, he went back into his study to identify the existing controls for the 120 risks that he had identified. Working meticulously through the list he realised, much to his horror, that there were, in fact, very few existing controls in place to reduce the risk of his being injured or killed whilst crossing the road. It was no wonder that his neighbour and colleague had both died. His wife, who wanted to know if he was going to spend all Sunday in his office, or whether he was going to take some notice of his family, dragged him out of these morbid thoughts. Feeling a little guilty, Arnold decided to put the work on one side for a few days.

Alas, poor Arnold could not stop thinking about his problem, and he was forcefully reminded of his unfinished work when he went out for a short walk with his family later on that afternoon and found himself crossing a number of roads. Immediately he got home he went straight back into his study to start work on the third step of the assessment, which was to identify whether or not the residual risks were acceptable. Looking down his list of 120 risks and the poor set up existing controls that were in place, Arnold found himself recording “NO” in the “Residual Risk acceptable YES or NO” column of his template against each risk.

The next evening, as soon as he came home, Arnold went back to his study to start work on the fourth step of the process, to identify additional controls. Breaking off only to have a hurried dinner and to help put the children to bed, Arnold had managed to identify additional controls for just 10 of his risks before his wife insisted that he stopped work and spend some time with her. The same pattern was repeated each evening during the week, and by late on the Friday evening he had finally managed to identify additional controls for all the 120 risks.

Arnold’s wife though, had become quite concerned about his behaviour, and insisted on having a serious conversation with him before he resumed work on his risk assessment on the Saturday morning. Even though his wife knew and understood what Arnold did for a living, she was still a bit shocked about the extent and complexity of the effort that he was putting into this risk assessment. However, reasoning that he would finish it much faster if she stopped interfering, she decided to let him just continue using up his free time until the work was done.

Having been given the freedom to continue his work, Arnold quickly went on to step five of the risk assessment, which was to identify whether or not the residual risks would be acceptable following the implementation of the additional controls that he had identified. Disturbingly, he identified that 50 of the risks would still be unacceptable. What was he going to do, stop crossing roads?

As soon as this idea came into his mind Arnold realised that he had the solution. Abandoning the work that he had already done he opened up a new risk assessment template and identified just one thing that could go wrong “Being killed or injured when crossing the road”. Quickly identifying that there were no existing controls in place, and that the risk was therefore not acceptable, he proudly entered the words “Stop crossing roads” in the additional control column of his template, and

completed the work by entering the word “YES” in the final “Residual Risk acceptable YES or NO” column.

Saving the file on his PC, and backing it up, Arnold leaned back in his chair and thought about how he was going to implement this additional control. Given where he lived and worked, and the location of the nearby shops and other places that he regularly visited, like his children’s school, it was, in fact, going to be quite a simple matter. There was a bus stop about 50 metres from his house, on the same side of the road, and from there he could catch a bus either directly to where he wanted to go, or by changing buses or catching a train, or by getting off the bus where there was a bridge over a road or an underpass under a road, he could always get to his destination without the need to walk across a road. In short, he realised that with a little careful planning, he would never have to walk across a road again.

Proudly rushing out of his study, Arnold shouted for his wife to tell her the good news that he had finished his risk assessment and that the residual risk of him being killed or injured when crossing the road was acceptable. His wife was delighted, up to the point where he told her about the additional control that he was going to implement. Smiling nervously, she decided that she would make an appointment with their doctor to discuss Arnold’s mental state and how she might be able to convince him to seek help.

Undeterred by his wife’s lack of enthusiasm, Arnold set about implementing the control immediately. Calling for his children he told them that they were going to go for a walk in the park, but instead of just walking to their local park, which would have involved crossing at least two roads, Arnold took his children on a bus ride to where they could go over a busy road via a bridge and catch another bus back to the park. The return journey was undertaken in a similar manner, and his children went to bed that night feeling a little nervous and confused over their father’s strange behaviour.

Things went on like this for a few weeks, and Arnold’s wife and children became increasingly worried. The doctor had suggested to Arnold’s wife that he make an appointment for Arnold to see him with the excuse that he needed an annual check-up, and that he would talk to Arnold about his behaviour and see what, if anything could be done. The appointment was fixed for 10am on a Friday morning, and Arnold decided that he’d take the day off work and spend some time with his wife after going to see the doctor.

The doctor’s surgery was quite close to where Arnold lived, but to walk there would entail crossing four roads. However, the bus would take him straight there without the need to cross any roads, so Arnold walked to the bus stop at 9.30am to catch the bus.

It was a beautiful spring morning, and after reaching the bus stop Arnold was standing admiring the cherry blossom on a row of trees further down the road when he suddenly heard a screech of brakes from quite close behind him. Turning quickly, the last thing that Arnold ever saw was a flash of black and silver before he was hit by a car hurtling along the pavement and thrown high up into the air and clear across the road.

The doctor pronounced Arnold dead at the scene of the accident. He had probably been killed by the impact of the car, but was certainly dead shortly after he landed on the pavement on the other side of the road. A large black Mercedes car had been speeding along the road when the driver lost control and mounted the pavement. Breaking quickly, the car had hit a wall and rebounded into the bus stop where Arnold had been standing. He hadn't stood a chance.

Did Arnold realise, between seeing the car and dying, that he had failed to identify that a vehicle might mount the pavement and run him down, even if he wasn't crossing the road? We will never know.

So, why did the Risk Manager cross the road? He crossed the road because he had failed to identify the one thing that actually happened to him, and to put appropriate controls in place.