

# The Time is Ripe for Risk Management in Cross Agency Collaboration

When it comes to consumerism, we all have standards and expectations that influence our decision to purchase products or services. Let's take batteries for example. There are some batteries that are perceived as being of higher quality than others because of their level of performance. This is a result of product perception or direct experience. Nevertheless, whether it is Duracell or Ever Ready- when the battery is placed within a device, the device should become empowered. This is a standard expectation of a battery regardless of the brand.

And so it goes for Government agencies. As the nature of Agency management changes due to volatile external environments, higher performance expectations, increased scrutiny and improved fiscal management; agencies will be inclined to find innovative ways to accomplish management efficiencies and performance outcomes.

One idea for doing so has been the use of cross agency collaboration. According to the report *Implementing Cross- Agency Collaboration: A Guide for Federal Managers*, by Jane Fountain, professor of political science and public policy at the University of Massachusetts Amherst; there have been many discussions surrounding the importance of cross-agency collaboration. Once seen as uncharted territory, Fountain acknowledges that recent changes in law and advances in technology have led to a new environment that makes cross-agency management far more achievable. An example is the GPRM Modernization Act of 2010 which requires the development of government-wide priority goals and greater coordination among agencies. There is definitely motivation in creating effective cross-agency collaborations that can improve outcomes significantly.

As a matter of practice, these collaborations can take many forms; including something as simple as using people skills to establish networks essential to effective multi-agency initiatives; to utilizing organizational processes, such as establishing formal agreements and pooling resources. While the net is far and wide; the opportunity to achieve shared outcomes and successes through collaboration may increase, but so do the risks of collaboration.

When engaging in these newly formed relationships, Agency leaders should understand that it is just as important to have a sense of a collaborative agency's risk management principles and practices as it is their ability to provide people skills and pooled resources. Utilizing ISO31000 as a standard "check-point" and guide can help an agency attain that level of insight.

For example, let's say that Agency A and Agency B both have the responsibility of creating a multi-billion dollar government-wide data system. Agency A has the people capacity and Agency B has the technological capacity. They enter into a Memorandum of Understanding (MOU) or interagency agreement to achieve shared outcomes. The agencies will not only share the benefits of the opportunity, but also share the risks in pursuit of the opportunity. Ensuring that either agency has a sense of how risks are identified and managed internally and externally would be a prudent business practice. A few key questions may include:

- Does your agency have a risk management strategy or framework in place?

- Does your agency have a risk philosophy?
- Has an assessment of risks that may impact the project or initiative been conducted?
- What action plans are in place to mitigate high risks?

ISO 31000 is a risk management “standard”. The term "standard" or "technical standard" includes the following: “Common and repeated use of rules, conditions, guidelines or characteristics for products or related processes and production methods, and related management systems practices.” (OMB Circular A-119)

As an internationally approved standard by the International Organization for Standardization, ISO 31000 is the “battery” for powering an organization towards effective risk management.

Risk management can be applied to an entire organization, at its many areas and levels, at any time, as well as to specific functions, projects and activities. While all organizations manage risk to some degree, this standard establishes a number of principles that need to be satisfied to make risk management effective. (American National Standard, ANSI/ASSE Z690.2-2011 Risk Management Principles and Guidelines)

As cross agency collaboration becomes the norm, the risk management practice of partnering agencies is one area that should not be overlooked.

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