

# **EDITS Symposium**

## **Continued Professional Training**

October 17, 2012

Speaker: Gordon Graham

## **EMERGENCY SERVICE OPERATIONS - 2012:**

### **Some Thoughts on Risk Management**

Thank you so much for inviting me to Pennsylvania to speak to you regarding your chosen profession, Emergency Service operations. I welcome this brief opportunity to give you my take on what you do so that you can better protect yourself, your women and men, your organization, your community, the environment, our respective professions and our Nation.

My comments over the next few hours will be directed at your role inside your current organization with the goal of allowing you to assure that things go right thus preventing all the nasty consequences that occur when things don't go right.

I approach life with a combination of systems design, risk management and legal concepts that will sometime over the next few hours, particularly early in this session today, seem rather incongruent. You may be tempted to say "What does this have to do with me?" or "What does this have to do with operations as a cop, firefighter, paramedic, school official or other first responder here in my City/County?"

Trust me, by noon, it should all be clear to you. If you have been to any of my programs before, you know that I am a huge fan of managing risk, and our topic today is not an exception. I am convinced that "real risk management" is the answer to everything in life.

I recognize that there are many different types of job descriptions in your operations from patrol to record keeping, administration, dispatch, medical operations, fire suppression, detention, school operations, code enforcement, hazmat operations, and arson investigations. With this in mind not every single word I am going to say today will apply specifically to you. But, the principles of Risk Management are global in nature and apply to every job in your organization.

I will use examples throughout our time together to illustrate problems and solutions in each of these job descriptions. By the end of watch later today this should all be perfectly clear to you, and the information provided will allow you to get back to work tomorrow and possibly make some changes in the way you do business. When things go "right" we maximize service, maximize safety, and minimize liability exposure.

I speak to you today in four different capacities. First, I want to consider your current job within your specific organization. Most of what I say will be directed at what you do today here in your organization – and hopefully I will be able to give you some “ideas” that you can take back to your workplace and implement instantly.

Second, many of you will continue to promote within your respective Departments, and perhaps I will say something today that you can use in a future assignment either within or outside of your current department.

Third, I get a lot of inquiries about why bosses and other leaders in Government do some of the things they do, so perhaps this program will answer some of those questions in advance.

And finally, I see you wearing your “sharing” hat. If I say something today that really gets you interested – share that idea with as many people as you can. It is our profession and it is our Nation, so let’s do what we can to protect it.

Bottom Line: There are so many things you can do right now as a firefighter, cop, paramedic, school administrator, EMS operative, supervisor, manager or executive in your operations to assure that things get done right. And when things go right, we stay out of trouble.

Time for a couple of foundational comments. There are a lot of things going on in your profession right now. The job is getting more and more complex internally, and externally we face a higher level of scrutiny than ever before. 24/7 news channels are looking for something to talk about – especially in anything related to the expense of public safety operations.

The Internet allows immediate exchange of information and there are very few “secrets” in our business anymore. Couple this instantaneous information exchange capability with the expanding local Public Records Acts and you have a ton of data sitting out in cyberspace ready for access.

Add in the demand for transparent operations in which the public demands “full” knowledge of what is going on in our operations. Couple this with local, State and Federal budget deficits, a very fragile financial market, MS-13, Mexican Cartels and other organized criminal operations and their link to terrorist organizations, WMD and NBC preparation issues, the pending flu pandemic (what animal will it be this year?), major methamphetamine and other drug abuse issues, dealing with Gen Y employees and many other issue and it becomes apparent that the way we used to do business is no longer good enough. We need to revisit the way we are doing things.

Regarding my presentation today, I spend a lot of my life studying tragedies including those caused by errors, mistakes, lapses or omissions – and looking for the “cause” of the

tragedy. All too often, when people search for “cause”, they default to the event that immediately preceded the tragedy – and somehow that event is given the title of “cause”.

Here is a “primer” on Risk Management. The event that instantly preceded the tragedy can be identified the “proximate” cause. Real risk managers like to go back in time and search for “Root Cause” or “conditions” or “cultures” within the organization – issues that really caused the tragedy.

When you do this “analysis” conscientiously, oftentimes you will find “problems lying in wait” that people knew about or should have known about and no one did anything about it. I gave you a number of these from various disciplines this morning and our profession is not an exception to this rule.

And to conclude this thought when you identify “root cause” you can then put appropriate “control measures” (policies and procedures) in place to help prevent a similar tragedy from occurring again.

Many of you have been to one or more of my programs over the years and you know my pitch regarding the three “basic” rules of risk management. Here are three statements that have guided me through most of my adult life. First is a quote, albeit paraphrased, from the great risk management guru of the 40’s, Dr. Archand Zeller.

“The Human does not change. During the period of recorded history, there is little evidence to indicate that man has changed in any major respect. Because the man does not change, the kinds of errors he commits remain constant. The errors that he will make can be predicted from the errors he has made.”

What does this mean? We have not figured out any new ways to screw things up. We are making the same mistakes over and over again. Refineries have not figured out any new ways to blow up. Mines have not figured out new ways to collapse. Ships have figured out no new ways to sink. There are no new ways for bridges to collapse. Restaurants have not figured out any new ways to poison people.

Airplanes have not figured out any new ways to be involved in accidents. This was demonstrated by Cal Rodgers in 1911 and if you want to read all about it, check out the flight of the Vin Fiz.

Firefighters, cops, paramedics, dispatchers and other first responders have not figured out any new ways to screw things up. To be sure, there are variations on a theme, but in reality it is the same stuff over and over again. I will address this later on today in greater detail.

The second statement important in my life thus far came from my mentor, professor and friend Chaytor Mason. He was a risk management guru in the 70’s. Here is a capsulized version of his response when I accused him of being the smartest person who ever lived.

“The smartest person in the world is the woman or man who finds the fifteenth way to hold two pieces of paper together.”

My instant response when I first heard this was confusion, but then I figured it out. While there are no new ways to screw things up (Zeller) there are always new ways to fine tune and revisit our existing systems to prevent bad things from happening. We must be looking for new and improved ways of doing this most complex job, and you (as the executives) are the ones who can do that.

Status quo (we have always done it that way – we have never done it that way) does not work anymore. Unfortunately, I see a lot of it in so many types of operations. There is always a better way of doing business, the 15<sup>th</sup> way, and we must constantly be looking for it. And, the third thought...

“Things that go wrong in life are predictable and predictable is preventable.”

Thanks for your patience. I have been using this line since 1980 and I appreciate your indulgence. Want proof? Take a look at your newspaper today. I have no clue what the bad news will be when I present to you, but all too often it is...

## **PREDICTABLE AND PREVENTABLE!**

Unfortunately, too many people do not know much about the discipline of risk management. I am not here to embarrass you today – but I might and I apologize in advance. Using the provided space below, please list the five greatest risks you face as an American – not just as a first responder – but also as an American.

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

So what did you write down? Let's compare some of the lists and see what each of you think is “risky” today in America. Sometimes we get worked up on the wrong stuff!

So where do we get started? It all gets down to "RPM". First you must "recognize" the real risks you face. Second, you must "prioritize" them in terms of frequency and potential severity and then you must act – "mobilize" to address those risks.

I have addressed emergency service personnel and other first responders now for better than thirty years and all too often I hear the stuff about our job being "so complex" that you cannot prevent bad things from happening.

To be fair, not all tragedies can be prevented. If some idiot is bent on shooting a cop today in Pennsylvania, or lighting off an arson fire someplace in a forest here, he is going to pull it off. It is very difficult to prevent intentional misconduct.

But too many of your tragedies (injuries to personnel, death of personnel, lawsuits and organizational embarrassments) are caused by mistakes and thus can be addressed proactively. How can this be done in your high-risk and very complex profession?

As I read the lawsuits, injuries and deaths, organizational embarrassments, internal investigations and even the rare criminal filing against your personnel I know that we can learn so much by studying the mistakes we have made in the past. This is called the "risk assessment".

There are two types of "risk assessment", and both require a lot of thought and effort. The "probabilistic risk assessment" is very difficult and it involves looking for emerging risks and addressing them. It is an important component of a comprehensive risk management plan – but it is not my focus today.

My approach is the "actuarial risk assessment" – studying the data (note: study the data and don't rely on the anecdotal stuff) of your agency and other similarly situated agencies (organizations like yours) and studying those past problems.

If we know how cops and firefighters and paramedics and other first responders die in the line of duty – can we put together some control measures up front to address these deaths? Let me talk briefly about "injuries". How do we get hurt? What is the most common injury in your dispatch center?

What is the most common injury suffered by EMS personnel? What is the most common injury suffered by firefighters or cops? Sometimes we get worked up on the "wrong" stuff but if we recognize the risks correctly, we can put together some simple control measures to prevent problems.

Of course, the deaths and injuries to our personnel are of primary concern, but there are other "tragedies" that can arise when things do not go right. Look at the cost of lawsuits and litigation. Every nickel we spend on lawyers is money taken

away from some other program – and we are throwing away a ton of money on lawsuits – particularly the employment law stuff that continues to haunt us.

Look at the issue of embarrassment – and the loss of public trust when things do not go right. In this age of “demand for transparency” there is a ton of information available for anyone who wants to access it. Couple that with the overall distrust that our public today has for anything related to Government and that can negatively impact our professions in terms of budget, jury verdicts and community support.

So your “actuarial risk assessment” needs to be broad in scope – and not just limited to the “deaths and injuries”. It is also important to note that the “event” that causes the death of a firefighter can also end up in litigation, embarrassment or possibly a criminal filing against one of our personnel.

Also, your risk assessment needs to address every job description in your organization – not just the uniformed personnel. Front desk people face lots of risk including workplace violence and ADA issues. Janitors face risk with the chemicals they use and sometimes dealing with electricity. A full risk assessment requires taking a look at each and every job description in your organization.

Everything we do involves a level of risk. Since we do “tens of thousands of things”- there are “tens of thousands” of risks. I have spent quite a bit of time taking all of these risks – and putting them into different “families” to make understanding them a bit easier.

1. External Environment – risks arising from outside the organization that impact your fire service operations. And we know there are a number of these and they are increasing in frequency and severity. I put this as “family one” because it is the most difficult family of risks to address.

Included here are natural disasters and conduct by members the public that impacts our operations. We have to do something about the American attitude on complacency. The current thinking of many citizens is that the disaster will not happen, and if it does it will not impact me, and if it does impact me it will not be severe and if it is severe, I could not have done anything up front to prevent it.

#### **Strategic Hint for your consideration.**

What are the three most common external risks you face in your department?

2. Legal and Regulatory – risks arising from the complexity of or non-compliance with of the legal framework imposed on fire service operations here in. If there is a law, ordinance or statutes that requires action or prohibits action – this rule must be known and followed.

“Civil Liability” is not my focus today, but the easiest way to lose a lawsuit is to have a “law or policy” in place and have that rule not followed by your personnel.

I am always amazed at how many organizations (including big ones with huge budgets and staffing) are not in compliance with State and/or Federal requirements.

One of the greatest violators of the California Public Records Act is the California Department of Justice. Perhaps we suffer from the same attitude that many citizens have regarding complacency.

**Strategic Hint for your consideration.**

Have you talked to your City/County Attorney regarding the “laws” that apply to your department?

3. Strategic – risks arising from the lack of priority setting and business planning leading to a reactive organization that is not prepared or flexible enough to deal with unforeseen events. This goes on a lot, particularly in smaller agencies that do not have sufficient personnel or time to plan for the future. Where will your department be in thirty years? I can give you a hint. Our future is regionalization, outsourcing, consolidation and technology – and those that understand this will prevail in the future. Those that don’t – won’t.

**Strategic Hint for your consideration.**

What other needs does your public have today that no one else is filling?

4. Organizational – risks arising from not clearly defining roles and responsibilities, not demonstrating the values of the your agency or not having monitoring processes in place. Later in our program today I will talk about your role in getting and keeping good PEOPLE, developing and maintaining good POLICY, building a TRAINING program that works, assure that there is appropriate SUPERVISION of personnel, and have a DISCIPLINE system in place to address the people that think that rules were meant to be broken.

**Strategic Hint for your consideration.**

PEOPLE – Recruitment, Backgrounds, Probation, Performance Evaluations, Audits.

POLICY – Design, Update, Implementation.

TRAINING – Initial and Ongoing is essential – verification of level of knowledge.

**SUPERVISION** – Testing, Selection, Training, Mentoring, Auditing.

**DISCIPLINE** – Prompt, Fair, Consistent, Impartial – not dependent on consequences.

5. Operational – risks arising from concerns that processes in place do not ensure appropriate investigation, enforcement or transaction reporting. This is not my focus today but I often speak about “Decision Making”. All of our personnel must be fully and adequately trained to do their “core critical tasks” – and understand the value of thinking things through when time allows.

**Strategic Hint for your consideration.**

What are the “core critical tasks” (HR/LF/NDT) in each job description in your department?

6. Information – risks arising from untimely, inaccurate or unreliable information that supports the discharge of roles and responsibilities. Be aware of the dangers of ignorance, complacency and “cognitive bias”. Also, we must have a free flow of information up and down the chain of command and between units within your operations.

**Strategic Hint for your consideration.**

Do you have a “decision making process” in place for your personnel?

What is the issue?

Jurisdiction considerations.

Discretionary Time – if you have it use it!

Check the Policy.

Past practice considerations.

Ethics considerations.

Consequence analysis.

Make the decision – and check to see if anything has changed.

Documentation

Learning from and sharing experiences.

7. Human Resources – risks arising from work environments that do not receive adequate resource allocations, lack internal mutual trust, acceptable performance levels, or suffer from a lack of transparency or good management.

This is probably the greatest “financial” risk you face today in 2012. It is also the easiest risk to address. If you don’t get anything else out of our time together – please recognize that all employment law is “discretionary time” in nature – so please take the time to think prior to making any employment law

issue. Get your thoughts to the good people at HR or Personnel or competent counsel prior to making the decision.

**Strategic Hint for your consideration.**

Do you have a "policy" in place that requires consultation with HR prior to making an employment law decision?

8. Technology – risk arising from outdated or unreliable information systems where user requirements are not met. There is a tremendous amount of technology out there and a lot of it is junk. Your average kid here in Pennsylvania has a better computer system than you have and this kid knows a lot more about how to use it than your employees do.

**Strategic Hint for your consideration.**

Do you have an up to date policy dealing with all the issues surrounding social media?

9. Financial and Administration – risks arising from improper budgeting, forecasting and expenditure controls, including contracting, asset management, internal audits, improper salaries, misuse of overtime and poor revenue oversight. I am always amazed at who is managing the money and what kind of background they had prior to the "money management" job.

**Strategic Hint for your consideration.**

Who is running your department budget and do they have a background in finance?

10. Political – All fire service operations personnel should stay out of the fray of politics. Your mission should not be impacted by which political party is in control of the Country – and if you think it is tough at the Federal level – take a look at what is going on in local government regarding this issue.

**Strategic Hint for your consideration.**

Do you have a policy regarding "political" involvement and is it up to date and Constitutional?

**Well that wraps it up for our time together. Thanks for coming back after the breaks and for your attention today. I came here today with a lot of different goals.**

**I started this morning with a brief overview of the discipline of Risk Management – and what really causes tragedies. All to often**

**- there are problems lying in wait that go ignored - and ultimately cause us a ton of grief.**

**We then moved into an in depth discussion of the "ten families of risk" - and I provided you with some strategic hints for your consideration when you get back to work.**

**I thank you for coming back promptly after the breaks and for your attention today. Please keep our brave soldiers and sailors in your prayers, remember your role in Homeland Security and always take the time to work safely.**

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