



Brush Up Your Bow Ties

It was a client who said to me some years ago, "The best bit about that training was that thing on 'Bow Ties'." I was a bit taken aback.

"Why was that?" I asked.

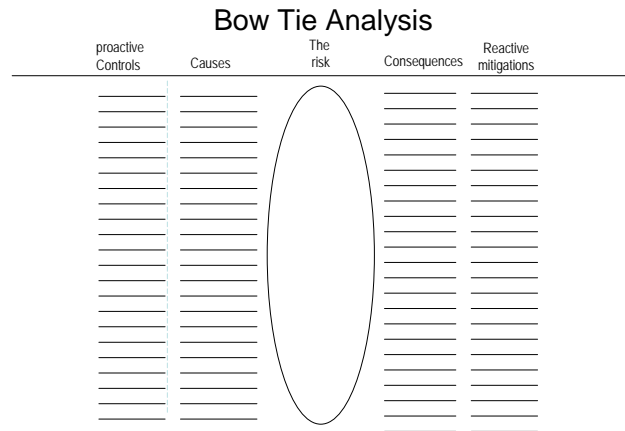
The Bow Tie is one of the consulting tools that Liz Taylor Risk Consulting uses with some of our clients.

"We can use that to do a number of things. You said that you wanted to illustrate how there are lots of controls for one risk, but it does lots more than that. It helps you to get real with how you describe the risk..." The client outlined a number of things that he had taken from the use of the model.

So I looked at it again. The basic Bow Tie looks like this;

We ask the client to put the Risk in the centre.

Now this needs some thinking about. It is quite difficult to describe a risk accurately, but we ask – does it matter? Actually it does matter that we describe a risk accurately. And this is a good tool to help you do so, so that you can progress to the end point which is having a set of SMART¹ action points that control the risks.



So let's imagine that we have a major project and one of the risks on the risk register is described as "going over budget". Write "going over budget" in the middle.²

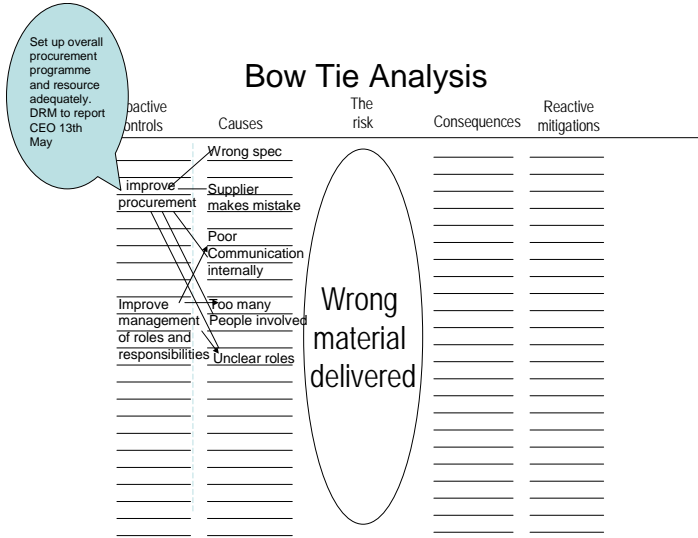
¹ SMART action plans are Specific, Measurable, Achievable, Relevant and Timebound

² You know already that "Going over budget" is a consequence, but bear with us, all will become clear as you read on

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Once we start to analyse the new risk, we can attribute new causes and then get real with the controls that need to be in place, and which of the controls are going to make most difference. Then you make your SMART action plan.



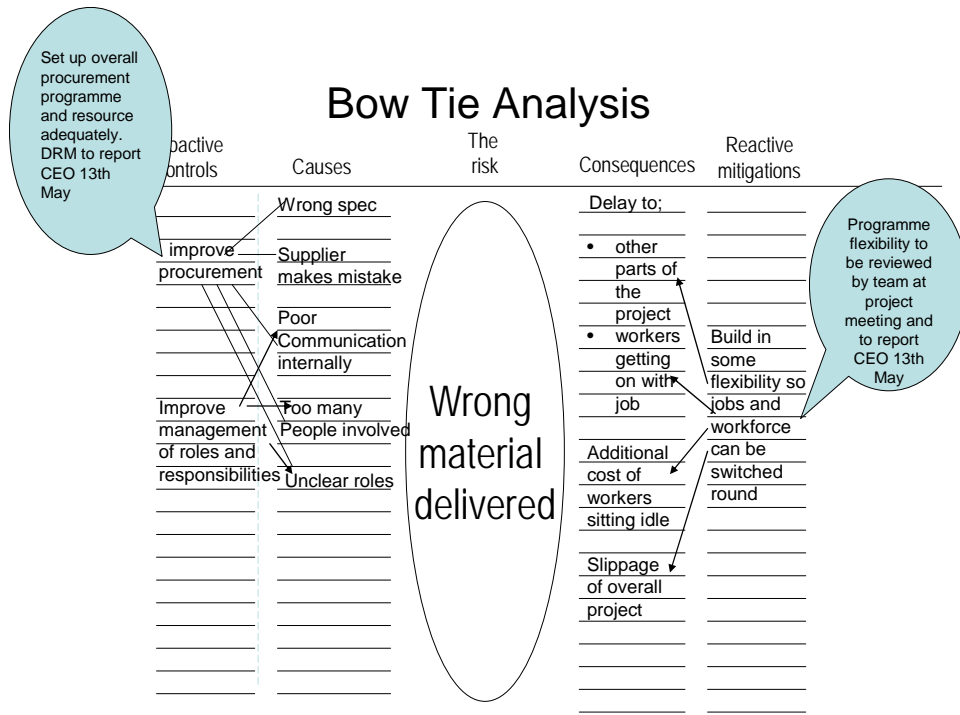
So what about the other side of the Bow Tie?

You obviously don't want that risk to come about, but if it does, what happens and what can you do about it?

This tool gives us the option of looking into the future to see if there is a Plan B that we can implement now in case the worst happens.

We are in a much better position to make sure that the risk doesn't happen (through our proactive controls and SMART action plans), and we have a contingency plan in case things go wrong.

We can then write all this up in the risk register and track the way in which the risk goes as the SMART action plans are put into place.

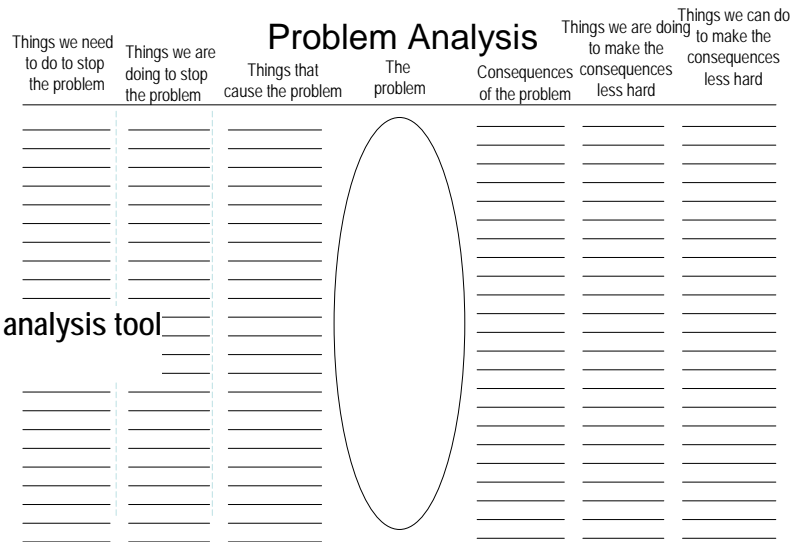


So what were the other things that the client said were benefits of using this tool?

Here's the list;

- flexibility of tool to adapt to change in risk description
- clarity of the things that cause the risk to happen
- ease of identifying the controls that will make a difference
- ease of prioritisation of controls
- clarity of the fact that there might be many control owners even if there is only one risk owner
- clarity of SMART actions and the effect that they will have on a risk
- ease of working out the business case for investing in a SMART action plan
- ease of working out contingency plans in case the worst happens
- intuitive tool that seems easy to use and not as daunting as a risk register

Oh, and he also told me that he'd used it for analysing a difficult situation for his teenaged son.



Using the Bow Tie as a problem analysis tool

"What, you used it at home?" I asked, mildly shocked.

"Yes. He was having girlfriend problems. So instead of the word "risk" we just put "problem" in the middle, and hey presto, a lot of stuff came out about the causes and consequences of why he's got the problem, and we've got a heap of things that need to be done by him and more crucially by us to help improve the situation. It required a certain amount of honesty." He said, grinning.

I tried to hide the look of amazement. It's odd where these Bow Ties go.

The origin of the Bow Tie goes back to the early 1970's when it was developed by the Petrochemical Industry as a hazard analysis tool they called "root cause analysis". In BS 31100 – Risk Management Code of Practice, it is listed as one of the Risk Management tools as a "cause and effect diagram". Liz Taylor developed this as a more simplified tool for use with her clients in 2004 and has been using it extensively since then.

