ORM 101

THE BASICS

In today's Navy, whether you're a seaman or a captain, you're making decisions that affect you and those on your team. Part of your decision-making responsibilities includes using the Navy's ORM process to ensure mission success by weighing the risks with the benefits. An essential part of everyday business and every Sailor's responsibility is to know and use ORM.

Risk management is a common-sense approach to thinking about everything we do. Managing risk is as simple as making and following a plan.

The starting point for learning about ORM is to know the basic steps. There are five:

1. Identify hazards.
2. Assess hazards.
3. Make risk decisions.
4. Implement controls.
5. Supervise.

We use the steps of ORM as a basic plan for determining the benefits of taking the risk involved. After going through those steps, you apply the four principles (see the sidebar).

Let's look at an incident that happened not too long ago, and I'll show you how easy it is to use ORM in any situation. Aboard a destroyer, a lieutenant junior grade was in the midst of a safety walk-around. He opened a fuse panel to make sure the fuses were the right kind, and he found an open discrepancy.

He tried to point out his discovery to a fellow division officer, which would have been fine, except he stuck his finger into the empty fuse holder, at which point the difference between pointing and touching became clear.

Since fuse boxes are live equipment with more voltage than your average J.G. can take, they entail a certain amount of training, equipment, personal protective equipment (PPE) and tagout authorization before monkeying around with them.

Now let's go back in time. Imagine that you are the lieutenant junior grade. Your first step is to identify the hazard: exposed electrical current. That was not too tough.

Now let's assess the hazard. If we have electricity, we know it can be dangerous. So we'll need a subject-matter expert on electricity and some PPE to protect ourselves from shock. So far, nobody has gotten injured.

Let's make some decisions based on the first two steps. Using the performance maintenance standards, the right person can tag out the panel. Even though our panel seems to be off, you can't tell if electricity is present just by looking at it. However, we can tell that people are wearing the right PPE by looking at them.

It is important for someone to supervise the events to

ORM is a systematic way to manage risks so that you increase the likelihood of a successful mission and minimize losses. The ORM process involves identifying and assessing hazards, controlling risks, supervising and revising.

The terms "hazard" and "risk" aren't interchangeable. A hazard is something that can injure or kill someone, damage property, or interfere with a mission. Risk is an expression of possible loss in terms of severity and probability.

Levels of the Process

- In-Depth – Formally applying all five steps with a very thorough hazard identification and risk assessment through such things as research, testing and simulation.
- Deliberate – Formally applying the complete five-step process and documenting hazards, risks, controls, and supervision.
- Time Critical – Applying the process during an actual task or operations, or when you don't have time to plan.

Principles of the Process

- Anticipate and manage risk by planning. Risks are more easily controlled when identified early.
- Make decisions about risk at the right level. Risk-management decisions should be made by the leader directly responsible for the operation. If the risk cannot be controlled at his level, that leader must elevate the decision to their chain of command.
- Accept risk when benefits outweigh the costs. The goal is not to eliminate risk, which is inherent in what we do, but to manage it so that we can accomplish the mission with minimal losses. Leaders must consider benefits and costs associated with a hazard's risks to make informed decisions.
- Accept no unnecessary risks. Accept only those risks that are necessary to accomplish the mission.

make sure everything is going well. It is also the responsibility of the Sailors doing the work to let the supervisor know of more discrepancies.

With the steps in place, we can apply the principles to have some control over the outcome. The goal in this case would be a working and safe electrical panel. The risk would be minimal, because we have taken enough precautions to reduce the chance and severity of electrical shock.

Unless we're unable to find the proper tools, equipment or knowledgeable people, there will be no unnecessary risk. Without the right people and tools to do the job, we would have to use our best judgment to determine whether the risk is worth the outcome. In this case, death by electrocution is not worth the benefit of checking a panel. Immediately inform a supervisor.

A good way to apply the principles is to document the problem and write down how you use ORM to fix it. Making sure there is a subject-matter expert present is part of making decisions at the right level, because they can let you know who needs to know, and when to notify the proper people.

Today, the Navy has some of the smartest and most dedicated Sailors I ever have had the privilege of knowing. However, it is critical for all personnel to have the tools necessary to take advantage of this decision-making process that will ensure a safe and successful mission.

Safety is everyone's business. If it doesn't look right or feel right, it probably isn't. Stop what you're doing and "ask the Chief." Stay safe—the Navy needs every Warrior.

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About Those Principles

Recent ORM assessments suggest that the practice of ORM is not fully realized. This stumbling block is not due to a lack of understanding the steps. Missing in the way we teach, learn, and use ORM are the founding principles, which provide context to the five-step process.

Accept risk when benefit is greater than risk involved. The first principle asks us to make a comparison between operational necessity and level of risk. Does the benefit of conducting the operation outweigh the risk associated with the hazard? This comparison suggests an on-going assessment between benefit and risk throughout the event or activity. In practice, Step 3 ("Make risk decisions") turns into a yes/no, go/no-go, decision based on the loss and not necessarily based on the loss as applied to the operation. In theory, "making risk decisions" implies an understanding that the loss has an outcome that affects operations and readiness.

Accept no unnecessary risk. If the benefit doesn't outweigh the risk, does the operation continue? While the five steps should identify and assess the risk associated with hazards, risk-managers may not clearly understand the extent of their responsibility within the risk-management process. A strong organizational culture is required to empower personnel to stop, or pause an operation based on the identified hazard. The concept of "unnecessary" is a moving scale based on operational conditions. The risk-manager must have a strong understanding of this principle in order to make sound risk decisions.

Anticipate and manage risk by planning. Planning has always been a critical step in the process of understanding the operational environment, operating conditions, and capabilities. However, risk-managers sometimes misunderstand this principle. Milestones for events and operations, and critical risk-decision points, must be an embedded step in the planning process. We must identify levels of risk acceptance, and standardize how we communicate and elevate risk decisions. Applying this principle leads one to continue to identify, assess, and modify throughout the operation.

Make risk decisions at the right level. This principle also centers on step 3, which cannot stand alone in an ORM checklist. Is the operator in a position of authority to apply step 3 without further oversight? Applying this principle requires that the unit (and all those who supervise risk within the unit) understand when risk-decision thresholds have been exceeded. In practice, standardizing risk-decision thresholds becomes cumbersome due to the open-ended nature of risk management. However, command climate and an active risk-management program can go a long way to provide risk-managers with the necessary guidance.

The five-steps of ORM do not complete the risk-management process. The four principles provide the foundation for a strong risk-management program. They provide context and help the risk-manager apply the five steps more effectively. ■

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