



(U.S. Army)

Managing Risk in Today's Army

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OF ALL THE characteristics an organizational-level leader must exhibit, one of the most important is the ability to manage risk effectively. A three-part analysis consisting of, first, what recent U.S. Army doctrine has to say about the topic, second, how elements of risk are embedded within virtually every significant leadership decision in the current operating environment, and finally, what implications in today's Army help shed light on this critical leadership issue.

The Doctrinal Context

Recent Army doctrine addresses the topic of risk in several publications, each from a slightly different perspective. First, Army Doctrine Publication (ADP) 3-0, published October 2011, provides a conceptual foundation for the Army's recent shift to Unified Land Operations. Within its trim 14-page length, it also directly addresses risk in the following passage:

The theater of operations often contains more space and people than U.S. forces can directly control. Army leaders routinely face making risk mitigation decisions about where and how to employ their forces to achieve a position of relative advantage over the enemy without alienating or endangering noncombatants.¹

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The passage implies that every decision invariably carries an opportunity cost. When a leader decides to employ combat power or influence in a particular way, it generally means he or she cannot employ those same resources in another potentially deserving location at the same time. Therefore, a leader must remain cognizant of the operational variables—political, military, economic, social, infrastructure, information, physical environment, and time (PMESII-PT)—and the mission variables—mission, enemy, terrain and weather, troops and support available, time available, civil considerations (METT-TC)—to understand how the various dynamics interconnect and arrive at a decision.

Field Manual (FM) 5-0, *The Operations Process*, March 2010, addresses risk as well. It discusses how to design an operational approach and it expands upon the link between risk and resources. FM 5-0 stresses that “rarely does one organization directly control all the necessary resources,” and a commander must determine “the acceptable level of risk to seize, retain, or exploit the initiative.”² Inherently finite resources will drive critical decisions, which can determine what side gains or maintains the initiative. Where to allocate limited intelligence, surveillance, and reconnaissance collection assets, where and when to focus combat patrols, and where to emplace a combat outpost all exemplify examples of such decisions. In this way, FM 5-0 elaborates upon the connection between the allocation of resources and the assumption of risk.

Risk mitigation is addressed from a slightly different angle in FM 3-07, *Stability Operations*, October 2008. It describes an “interdependent relationship among initiative, opportunity, and risk,” and insists leaders “accept prudent risk to create opportunities when they lack clear direction.”³ FM 3-07’s incorporation of *opportunity* helps expand the horizon of the discussion. If a leader is unable or unwilling to assume some degree of risk at critical junctures, it could eliminate the possibility of generating or capitalizing upon such fleeting opportunities.

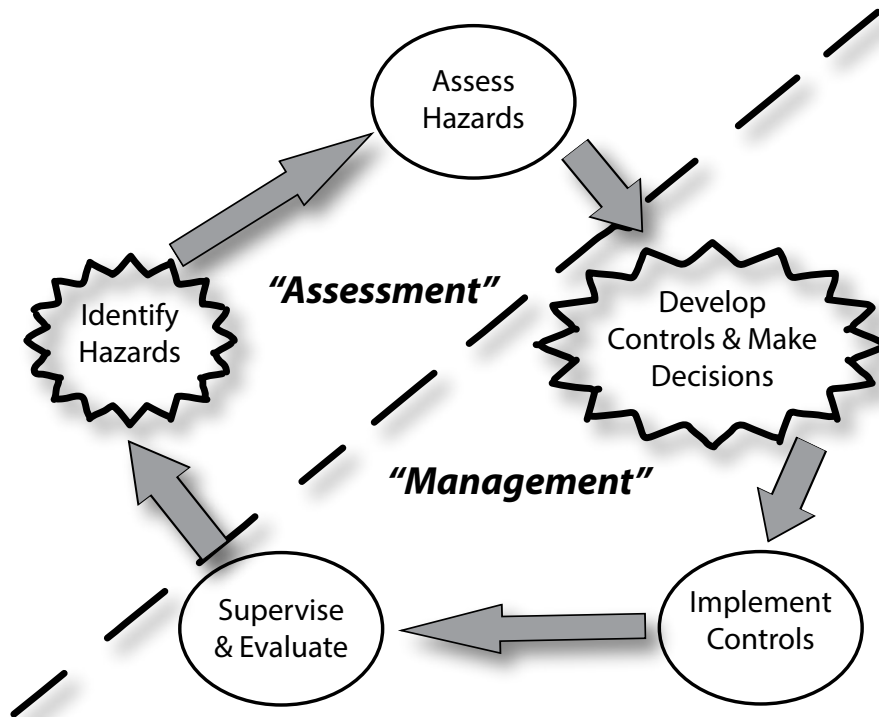
A recent example of the link between risk and opportunity was the 2007 Sunni Awakening in Baghdad, in which groups of former insurgents stepped forward to break away from Al-Qaeda in Iraq. U.S. commanders at various levels knowingly

assumed some obvious risk by allying with these groups to help marginalize or defeat Al-Qaeda in Iraq. Although the Iraqi government continues to grapple with the long-term integration of these former insurgents, U.S. commanders on the ground positively embraced the opportunity. This typified a clear example of the often-challenging balance between risk and opportunity, which FM 3-07 describes.

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Finally, a slightly older publication, FM 5-19 *Composite Risk Management*, August 2006, also addresses the topic of risk. In contrast to the previous publications, the focus of FM 5-19 is upon the mechanics of risk management. It lays out a systematic process, as depicted in the diagram below. The manual also addresses how to apply this process in conjunction with troop leading procedures, the military decision making process, and overall training management. Although FM 5-19 tends to be somewhat formulaic in its approach, it provides a concrete sequence for units to use during the decision making process.

Collectively, these publications demonstrate the manner in which official Army doctrine has addressed the topic of risk in recent years. They help underscore several key points. First, they highlight the finite resource constraints that are an inherent part of combat operations and how risk is directly tied to them. Second, these publications underline the linkages between risk, initiative, and the exploitation of battlefield opportunities. Furthermore, they provide a deliberate process for units to follow as they work through such challenges. This doctrinal



The Army's Composite Risk Management Process from FM 5-19, *Composite Risk Management*⁴

foundation helps set the stage for a consideration of how risk mitigation applies to the contemporary operating environment.

Risk and the Current Operating Environment

One must appreciate that virtually every leadership decision is fraught with risk, since the presence of risk helps comprise the very definition of what a “decision” is. According to the *Oxford English Dictionary*, a decision means “the making up of one’s mind on any point or course of action; a resolution, determination.”⁵ The definition implies a tradeoff between different paths—in other words, a leader must choose one action over another by comparing the respective costs and benefits. If one course of action is entirely risk-free in every way, then a decision is probably not required because the correct path is obvious. However, leaders today rarely find themselves in such simple circumstances. More frequently there are tradeoffs, and rather than a straightforward choice between good and bad or

black and white, leaders today often tend to find themselves operating in murkier shades of gray.⁶

In such instances, each potential path embodies different degrees of risk in various areas, whether in terms of risk to the overall mission, risk to subordinates’ lives, or other areas. It falls upon the leaders’ shoulders to grapple with these competing factors, usually with incomplete information, limited time, and less-than-optimal circumstances.

A hypothetical example helps demonstrate this all-encompassing aspect of risk in practice in the current environment. Suppose a maneuver unit deployed to a combat zone receives credible information regarding a high value target’s (HVT) whereabouts later tonight. This particular HVT is a low-level insurgent financier whose transactions facilitate attacks against coalition forces. The unit had previously planned to focus on route reconnaissance operations during that same time period because the unit has endured numerous improvised explosive device (IED) strikes, and aggressive reconnaissance during those hours helps deny key

terrain to the enemy. The unit's commander and staff have carefully analyzed the situation and determined they do not have sufficient combat power to conduct both operations. Tonight, they must choose—either conduct a raid of the HVT's location or focus on counter-IED patrolling. If they choose the raid, they may potentially capture the HVT but at the same time allow the emplacement of IEDs, due to the lack of reconnaissance. They can try to mitigate that risk using intelligence, surveillance, and reconnaissance and other assets creatively, but ultimately the unit may still assume potentially greater risk from IEDs. Alternatively, a focus on route reconnaissance should help secure the routes, which may help save soldiers' lives in the short term, but could also allow the insurgent financier to slip away for good. Either way, long-term consequences are embedded within this decision.

To further muddy the waters, suppose the unit also received scattered, unconfirmed reports of a planned insurgent attack against a friendly combat

outpost sometime in the next two weeks. With this additional information, perhaps another course of action would be to forego both the raid and the route reconnaissance, and instead use all available combat power to bolster the outpost's defenses. Yet such a decision would heighten the risk in those other two areas—facilitating the financier's possible escape, and allowing the emplacement of additional IEDs.

One can see from this admittedly simplistic example why there is almost never a straightforward risk-free path. The commander and his staff deal with many conflicting strands of data and intelligence, and each potential path entails differing degrees of risk. The risks may include the weighing of short-term versus long-term priorities, progress in kinetic versus non-kinetic areas, and countless other tradeoffs. The weight of the decision ultimately rests upon the commander's shoulders, yet the staff is also heavily involved, as the staff should provide him with a recommended course of action, including a method to mitigate the residual risks.



Sgt. Christopher Meinke, left, and Sgt. Shawn Hatley, both from A Troop, 3rd Squadron, 7th Cavalry Regiment, pull security near the site of a roadside bomb attack on a U.S. convoy in Baghdad's Adhamiyah neighborhood, 21 August 2008. (U.S. Army)

Whatever decision the unit arrives at can have life or death consequences and can directly affect mission accomplishment.

One can further appreciate that at the organizational level, a leader's decisions can generate exceptionally far-reaching effects. Whereas at the direct level of leadership units are generally smaller with effects more readily apparent, at the organizational level, there are usually many more factors at play, and results may be simultaneously more indirect yet more consequential.⁷ The job of an organizational level leader is often more challenging for this reason, because he or she must account for a wider degree of complexity with more protracted effects. This often requires an even more sustained and focused application of judgment, experience, and creativity than is required at the direct level of leadership. All this adds to the importance of the leader's decisions and the management of risk.

In the "hybrid" environment the Army currently confronts, which includes both conventional and insurgent threats on an ever-changing battlefield, this assessment and mitigation of risk can be exceptionally complex. After a suicide blast or IED explosion or some other traumatic event, one may be tempted to look back in hindsight and comment on the unit's leadership and ask why they did not do things differently. In retrospect, one might ask, "Why could they not see the train coming?" However, before traveling down that road, one should consider the myriad threat streams and competing demands existing at the time of the decision. One must attempt to acquire a true sense of what it was like to be in the leadership's place at the time without the benefit of hindsight, in an environment with few unequivocally "right" answers.

Implications and Relevance to Today's Army

All this carries important implications regarding the exercise of leadership in the present-day Army. First, it is worth noting at the outset what will not be a useful technique for leaders to adopt in dealing with this challenge: risk aversion. Risk aversion entails an excessive desire to avoid risk at virtually any cost, which can paralyze a unit into inaction or squander key opportunities. In the current environment, this is sometimes char-

acterized by units spending most of their time on fortified bases, hunkered down behind layers of thick defenses with minimal interaction. Such a posture relinquishes the initiative to the enemy, and may create a perception that U.S. forces are unwilling or unable to complete their mission.⁸ Risk aversion contributes to an excessively cautious approach, which overly centralizes decision making at higher echelons of authority, and tends to stifle individual initiative.⁹ Curiously, the only time FM 5-19, *Composite Risk Management* directly addresses the topic of risk aversion is in a single, brief sentence: "Do not be risk averse."¹⁰ The topic of risk aversion deserves further discussion throughout the ranks.

Army leaders at the organizational level and above should appreciate that even successful efforts to mitigate risk in the most prudent and logical ways can still result in occasional losses or outright disaster. Even when taking all the correct precautionary measures, U.S. forces still confront an intelligent, thinking, adaptive enemy, and "the enemy always gets a vote." Since no unit can guard against every threat at every place and time, there will invariably be instances when the enemy achieves a short-term success via a high-profile attack, assassination, or some other action. Such a negative event may be accompanied by unflattering U.S. media coverage, a rise in organizational stress, and an accompanying desire to hold someone accountable.¹¹ Yet a rush to judgment may be profoundly unfair to the unit closest to the event and counterproductive to the long-term climate of the Army. A leader's goal is to establish conditions so such setbacks occur as rarely as possible, but with the implicit understanding that eliminating setbacks is not always achievable.

This is not a recommendation to absolve commanders of accountability for their actions. Leaders unequivocally shoulder the ultimate responsibility for the decisions they make or fail to make, as well as the actions of their subordinate units. Yet there is an enormous gulf between a leader who consistently makes the best decisions possible in an ambiguous, uncertain environment and a leader who is simply negligent, careless, unfit for command, or fosters a poor command climate. There is also a fine line between justly holding leaders accountable for their actions, and "scapegoating." The Army would be wise to bear such key distinctions in mind in the



Landing ships putting cargo ashore on Omaha Beach at low tide during the first days of the operation, mid-June, 1944. Note barrage balloons overhead and Army half-track convoy forming up on the beach. The LST-262 was one of 10 Coast Guard-manned LSTs that participated in the invasion of Normandy, France. (U. S. Coast Guard)

years ahead to help foster the best climate possible. This is particularly relevant as the Army seeks to internalize lessons learned from recent high-profile events.

This also helps illustrate why an unofficial adoption of a “zero defect” approach—a phrase which gained prevalence in the Army during the 1990s—would be unfortunate. As the Army appears ready to begin a sizeable drawdown of units and personnel, there may be increasing pressure to only promote or retain those individuals with a spotless record, clear of any blemish whatsoever. Some highly qualified officers and NCOs could find their careers cut short due to a singular setback that occurred on their watch. Such an environment—or even the perception of such an environment—could have negative consequences. It could help prod the Army toward a risk adverse culture by instilling a perception that leaders cannot afford any mistake whatsoever. Commanders could increasingly choose to “play it safe” during training and combat operations out

of a desire to avoid jeopardizing their own careers. The widespread adoption of such a mentality could make it harder for Army leaders in the future to make a major decision containing significant risk. It would have been difficult, perhaps impossible, for Eisenhower to green light an invasion of Normandy, for example, had he been paralyzed by risk aversion or a zero defect climate.

Risk mitigation is not an exact science, and there is no such thing as a riskless decision. The process is an art, and even when performed brilliantly, leaders will still occasionally confront setbacks or even outright failure. The multitude of decisions an organizational leader is responsible for every day can literally have life or death impacts, either directly or through secondary repercussions. Yet a leader cannot eliminate every risk on the modern battlefield, because no human could ever achieve such an end state. Rather, a leader must intelligently assume risk in deliberate ways, while seeking to mitigate the residual risks in the smartest ways

possible. Leaders have no choice but to carefully weigh all the various factors in the context of their own best judgment and experience, and commit to what they believe represents the wisest course of action, despite incomplete and often conflicting information.

True breakthroughs on the battlefield will often arrive through “a willingness to accept risk, and do things differently.”¹² Operation Overlord and Operation Market Garden represented examples of such risk taking during World War II, with strikingly different results. In the future, the Army’s success

may not result from absolute perfection, but rather from experimentation, learning from failure, and the implementation of logical measures to manage risk. Such techniques should be encouraged rather than inadvertently constrained, as the Army strives to find the right balance between the instillation of accountability and the encouragement of sensible risk taking. These two areas are not treated as mutually opposing goals. Overall, the Army should appreciate that how this issue is handled will help determine the Army’s trajectory in the years to come. **MR**

NOTES

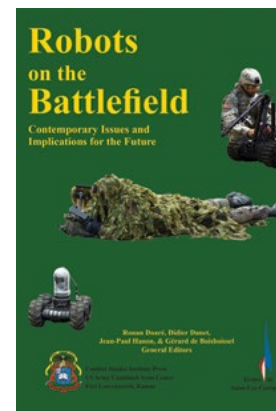
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CSI's new publication, *Robots on the Battlefield*, examines how robotization is changing our understanding of warfare in the 21st Century. This work, a joint project with the French military academy, *Ecole Spéciale militaire de Saint-Cyr*, features articles on the legal, ethical, technical, and tactical aspects of military robotization. The predictions for the future of warfare in this collection will challenge common assumptions about the character of war in the near future, and will be of great interest to commanders, operational and strategic planners, and national level policy makers.



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