RISK MANAGEMENT IN DREADNOUGHT

Implementing a new approach to risk management

Bass Rock designed and implemented a new approach to risk management for the MOD's Dreadnought team. By applying 'systems thinking', we were able to **streamline and simplify** the upward reporting of risks, **enabling senior management to focus on key issues** whilst r**educing the burden on project managers**.

The situation

In 2019, the Ministry of Defence's (MOD's) Submarine Delivery Authority (SDA), established an internal programme to manage the supply of Government Furnished Assets (GFA) and the Through Life Support (TLS) for the next generation of nuclear submarines.

With a budget of over £3bn, the Dreadnought Supply and Support Team (DSST) is critical to the successful delivery of the UK's submarine capability.

As part of the SDA's newly-formed Dreadnought Alliance, DSST's leadership team **required a new approach to risk management**, which was tailored to the needs of the programme and its customers. It needed to **provide critical management information** and a framework for individual project managers on this programme of national significance.

The brief

Due to our experience in **risk management** and our knowledge of submarine programme management, we were asked to **design and implement a new risk management system** for this multi-billion pound programme.

The new system needed to:

- Align to the programme's organisational structures and support the individual projects within the programme
- Provide clear, structured and regular Management Information (MI) to support project leaders with formal risk reporting and management
- Be simple to understand and manage whilst adhering to MOD risk management policies and guidelines
- Interface with other elements of project controls, such as the schedule, cost management and reporting

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Our approach

The work was split into three distinct phases:

1. Design a new approach to risk management
2. Manage change and embed this new approach within DSST
3. Use this approach to actively manage risks within the DSST programme

In order to design the **new approach to risk management**, Bass Rock first analysed the programme that DSST was responsible for. This showed that the programme was composed of a complex set of interactions between eight projects, with each project having multiple, complex and often interconnected threats and opportunities.

By **applying systems thinking** to this programme, Bass Rock were able to design a different approach which promoted **active risk management** at both programme and project level.

Change was managed within DSST by **concentrating on the change in the individual**. Our approach was a combination of open communication and targeted training. We issued a two-page 'Friday Risk Bulletin' which communicated the latest progress, plans and strategies to the team, as well as the timetable for the week ahead. This was a great enabler, helping to build widespread support for the approach as well as the new system.

We also held a series of targeted risk workshops that had two outputs:

1. **Train the project teams on the new approach** to risk management
2. Capture the key areas of risk and prioritise their importance

We organised risks into a network so that each project manager held a small number of important 'Strategic Risks', under which sat a larger number of lower-level 'enabling' risks. Focusing the teams on the significant risks enabled them to organise and prioritise their plans and resources more effectively. It **streamlined and simplified** upward reporting by reducing the number and variety of risks being reported. It ensured consistency in management information and reporting, enabling leaders to focus on the important issues and see what action was needed to enable smooth delivery of their outputs.

This was a great benefit to the project leadership, **improving clarity** and consistency and reducing time spent in meetings reviewing less important information.

The outcome

DSST appreciated our systems thinking approach and careful attitude to change, active risk management and reporting. They were **quick to embrace the new system and recognise its benefits**. Project Managers became **more engaged** in the risk process as they could now see the value to themselves of using the new effective process.

Project leaders had increased trust in the risk information they were presented with, and understood the impacts of key risks. This allowed decision makers to take action and prioritise resource to mitigate those key risks.

Bass Rock's approach to the task was praised by the programme leader, who commented that he valued **'not just what we did, but the way we did it'**.

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