

# LEADERSHIP IN THE RISK PROFESSION – ARE YOU BALANCED

MARK BREWER

Leadership is a critical skill for the risk profession. But perhaps not in the way you might think.

Because gaining influence is critical, the practice of effective leadership focuses heavily on our interpersonal behaviour, including the way we interact with others, how we communicate, make them feel and gain their trust. For without trust it will be almost impossible to recruit others to your cause, regardless of how important or pressing it is.

When considering the importance of leadership practice, we frequently place emphasis on those in formal leadership or managerial positions. People in such jobs are assessed and remunerated for their ability to lead, so it is not unexpected to focus our thoughts on them. But these roles have a degree of inherent authority, which can actually make the work of leaders in them easier.

The real challenge of leadership in the risk profession is for those of us expected to lead others in situations where we don't have any formal authority to rely on. As in a number of similar professions throughout the public and private sector, we often work in specialist principal or senior advisor roles. The business's focus is mainly on the expertise we bring, and where we do fulfil a formal managerial or leadership role, this is usually within our specific area.

Yet, as risk professionals, we actually need to practice leadership in everything we do. We are expected to lead the risk function within our organisation, ensuring the conduct of good risk practices, and the attainment of specific achievements or benefits associated with this critical work. We must also guide the risk function throughout the enterprise, across business units, command lines, areas of conflicting authority, arbitrary boundaries, and sometimes organisations and sectors.

We are often called upon to provide advice to senior leaders and encourage them to take specific actions, even where doing so may not be popular. Occasionally, we may even find ourselves actively trying to gain 'facetime' with decision-makers so as to advocate for immediate changes to planned activities. We do these things because they are important, and they highlight the importance of leadership to all roles within our profession.

So, how do you lead when you don't have positional authority? Why should others follow you or your advice?

The essence of leadership is influence; the ability to convince others to follow your vision, your example and your directions. Where there is no formal authority available to compel or coerce others to follow, the practice of leadership becomes even more important. For risk professionals this challenge is inherent in just about every role we fill.

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As professionals, trust is often acquired as a result of our specialist technical expertise. Competence in this area is critical to our employment, and we spend a lot of time acquiring the necessary skills and qualifications to do our jobs effectively. Without technical competence our advice cannot be fully trusted, and a Canadian study has rightly pointed to a lack of competence as one of the fastest ways for a leader to lose the trust of their team.

However, how we make people feel is what gains trust and influence the quickest. The study of trust in small teams in Canada actually highlighted benevolence (kindness, compassion and goodwill) as the most influential element in gaining an individual's trust. How we make others in our workplace feel, is therefore gaining in importance against technical skills as a key determinant of professional effectiveness.

Because risk expertise and competence clearly remain important, the key message here is the need for balance in our practice and professional development. Hard-skills will only get you so far. In addition to technical courses, you also need to consider development opportunities which build greater self-awareness, enhance your interpersonal communication and soft-skills.

So, how balanced is your professional practice? When was the last time you invested time in improving the way you interact and communicate with your workmates, colleagues and senior leaders? What are you going to do this year to give yourself the boost you need to advance the importance of risk practices in your organisation and the direction of your career?

*1.Adams, B.D. & Webb, R.D.G. (2002). 'Trust in Small Military Teams', 7th International Command and Control Technology Symposium, 1-20.*

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