

THE JANUS FACES OF RISK¹

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We live, as commentators are fond of saying, in a ‘risk society’ (Beck, 1992). In contemporary organizations, risk is increasingly prominent in the managerial lexicon. Practitioners routinely cite ‘risk management’ as the appropriate frame for a wide range of organizational activities, using technical terms such as enterprise risk management, operational risk, and risk matrix – to name but a few. ‘Risk talk’ now permeates organizations of all descriptions (Power, 2004), and a discourse has emerged that institutionalizes a highly convergent way of thinking about risk – as the probability of a harm, hazard or danger of some kind that can be effectively managed by accurately assessing, and then taking action to reduce, the likelihood and/or magnitude of undesirable events (Hardy & Maguire, 2016).

But is risk so straightforward? Our answer is ‘no’ and we draw upon the image of Janus to explain why. For the Romans, Janus was the god of transitions and time – of beginnings and endings and, hence, duality. He is usually depicted with two faces looking in opposite directions representing the past and the future. Describing someone or something as ‘Janus-faced’ implies they have two sharply contrasting aspects, where apparent positive qualities mask more negative features. We argue that risk is Janus-faced: powerful and seductive, but also complex and potentially deceptive. Moreover, risk has *multiple* Janus faces, which we describe below.

First, just as Janus did for the Romans, risk looks both to the past and the future. Modernity’s preoccupation with risk has given rise to a social order that “unlike any preceding culture lives in the future rather than the past” (Giddens & Pierson, 1998: 94). Risk management is most commonly viewed as acting on the future to thwart danger and secure safety. To do so, managers typically rely on “expert risk knowledge derived from empirical information about the past, which has been abstracted into regularities in the form of facts, correlations, and causal models and applied to a hypothetical future” (Hardy & Maguire, 2016: 94). However, inasmuch as the future may not conform to the logics of the past – as is typically the case with unfamiliar hazards, low-frequency/high-impact events and systemic risks – connecting the past to the future through the calculus of risk seduces us into believing that we are masters of our destiny – that we can control the future simply by measuring it and, based on this measurement, acting upon it (Beck, 1992; Giddens, 1999).

The second Janus face of risk refers to its status as real and objective, but also constructed and subjective (e.g., Burkard, 2011). Although the realist face is the dominant one as far as the myriad techniques of risk analysis and risk management are concerned, even scientists accept that risks are not perceived the same by all stakeholders. Indeed, this ‘reality’ forms the subject matter of the science of risk perception, which explores the so-called ‘errors’ and ‘biases’ of laypersons when their views diverge from those of experts. Constructionist researchers go further, pointing out that even experts cannot escape value judgments, simplifications and assumptions. As a result, this approach can be helpful in informing risk work in situations where actors face risk controversies, such as regulatory science contexts (e.g., Jasanoff, 1998). Despite a considerable amount of work on the social construction of risk, organizations still find it difficult, however, to break away from scripted, normalized and institutionalized ways of addressing risk that are based on realist assumptions.

A third Janus face relates to whether risk is to be avoided or embraced. While a negative view of risk often predominates in an era informed by terrorism, climate change and the Global Financial Crisis, risk has long been associated with opportunity. It is because risk is linked to reward that trading floors exist around the world, entrepreneurs are celebrated for their risk taking, and particular risks are judged to be ‘acceptable.’ When controversy reigns over the question of ‘is it worth the risk?’ the discourse of risk appears to provide the answer through

scientific expertise, objectivity and neutrality but, in doing so, masks more fundamental questions. Who gets to decide whether a risk exists? Who gets to judge whether a particular distribution of benefits and harms is just? What are the differential rights to speak and act on risk of those individuals and organizations assigned clearly delineated risk identities (e.g., risk bearers, risk producers, risk assessors, risk managers, etc.)? Are there certain harms for which there is no threshold of benefits that can justify them? Such questions often fade to background, unfortunately, once risk discourse is brought to bear on a particular situation.

These Janus faces mean that, as a way to address the many undesirable side effects of modernity, risk is itself risky. It has its own unintended, negative consequences, including delusions of control, the unwarranted discipline of actors unlucky enough to be categorized in certain ways, and the transfer of responsibility for managing risks to individuals bearing them, who may be ill-equipped to do so. From a critical perspective, then, there are many sides to the Janus-faced risk coin. How can organizational researchers deal with so many, dual faces of risk?

First, we argue that organizational researchers need to foreground the link between risk and power. As Beck (2006: 33) has pointed out, risk “is a socially constructed phenomenon, in which some people have a greater capacity to define risks than others.” Researchers therefore need to be alert to power relations when studying how risk is organized. For maintaining a sensitivity to power relations, in our own work we have found a discursive perspective invaluable. For example, in our paper on ‘riskification’ (Hardy & Maguire, 2016), we explore the way in which the dominant discourse of risk shapes how risk is organized both through processes that are normalizing, and by rendering these processes ‘normal’. Deviations from these processes are viewed as arbitrary, idiosyncratic and politicized. So, even though alternative ways of organizing risk may be more effective, it is difficult for organizations to enact them because it requires resisting the dominant discourse of risk. Further, through a ‘second order’ of critique, we illustrate how attempts to resist the dominant discourse of risk can lead to even more organizing being carried out in the name of risk and across many more realms of social life. Recognition of the uncertainty and unknowability of risk has failed to displace the dominant discourse and, instead, has been exploited by authorities as an excuse to implement draconian risk management actions. Individuals conform to organizationally-produced plans, scripts and protocols that are clearly inadequate as risks are materializing because it is less risky to comply than to improvise. The ‘individualization’ of risk forces individuals to take more responsibility for risks they face but, ironically, it also authorizes more organizations to intervene aggressively in some individuals’ lives in the name of risk. The scope for *critical* research that examines the effects of the dominant discourse of risk on those subjected to it is, then, considerable.

Second, notwithstanding the need for more critical perspectives on risk’s expanding reach, we believe that organizational researchers also need to explore ways in which organizations might act more expeditiously and effectively in assessing and managing a range of novel and systemic risks. We are, therefore, not arguing that we should reject the concept of risk: there is no doubt that risk work carried out in all kinds of organizations has saved lives, mitigated suffering, protected assets, and oriented productive entrepreneurial activity. In fact, there are times when we cry out for organizations to be *more* responsive to risk. Why do organizations not act on the risks posed by climate change? Why were the financial – and social – risks associated with the Global Financial Crisis overlooked? Has there been adequate attention to – and action on – the risks posed by artificial intelligence or synthetic biology, to name but a few contemporary fields where humanity and life itself may be at stake?

To this end, we have explored ‘problematizing’ practices, which emphasize “the reflexive acknowledgement of potential inadequacies in knowledge, discontinuity in organizational activities, and the use of open-ended deliberations as a basis for action” on risk (Maguire &

Hardy, 2013: 240). Problematizing helps organizations to construct – and act upon – risks even where there is scientific uncertainty regarding whether they ‘exist’ or not. Instead of demanding more data to reduce the uncertainty which, in turn, delays action, organizations that problematize make a case for special treatment, innovate, acknowledge the incompleteness of information, and involve a wider range of stakeholders than simply experts in risk assessment and management processes. In this way, they are able to construct risk objects even in situations of ambiguity. We have also explored organizational dynamics in different risk scenarios: established risks, where a risk is widely accepted by the network of organizations brought together around it; novel risks, where there is considerable controversy and conflict as to whether a risk ‘exists’ let alone what to do about it; and the elimination of risks, where organizations seek to substitute practices or products accepted as hazardous with alternatives they believe to be non-hazardous (Maguire & Hardy, 2016). This has allowed us to distinguish forms of risk work that differ in terms of the contemporaneous discursive work they require as well as the levels of inter-organizational conflict or collaboration to which they give rise, thus providing greater insight into how organizations might act on the diverse types of risk they construct. The scope, therefore, for *practical* research that examines how organizations might organize novel and systemic risks more effectively is, then, considerable.

In sum, we contend that the Janus faces of risk require researchers themselves to adopt a Janus-like approach, by being *both* critical and practical. Organizations construct risks when they ‘shouldn’t’ – organizing them, for example, such that some actors are silenced or responsibility for acting on risk is transferred to vulnerable individuals. So, maybe a little less organizational preoccupation with risk would be a good thing. On the other hand, however, organizations also fail to construct risks when they ‘should’ – failing to organize novel and systemic risks, for example, even when they have significant consequences. So, maybe a little more organizational preoccupation with risk would be a good thing. The challenge for organizational researchers is then to offer insight into how our society might extricate itself from the horns of this dilemma by appreciating the Janus faces of risk.

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