

## Reversing Decisions: Risk Lessons from the Peanut Gallery



By

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Changing your mind and reversing a previous decision generally seems like something to avoid. However, it may be the best thing to do when new information makes it prudent to do so. A recent [New York Times article](#) about peanut allergies discusses new guidelines issued by the [National Institute of Allergy and Infectious Diseases \(NIAID\)](#) that reverse previous recommendations about how early parents should expose children to foods containing peanuts. Earlier guidelines recommended avoiding peanut-containing foods in young children (up until age three in some cases). However, recent studies have shown that instead of reducing the risk of a serious allergic reaction to peanuts, avoiding exposure may have increased the number of children who developed severe peanut allergies. Now, the NIAID guidelines suggest that exposing children as young as six months of age may in fact decrease the child's likelihood of developing a serious peanut allergy.

The change in direction by NIAID brings to mind several valuable lessons for parents, as well as nonprofit risk leaders.

- **Think before acting on your initial impulse** – When facing risky circumstances or decisions, our first impulse may be to minimize our exposure to the perceived downsides. With peanuts, the allergic reaction in children was potentially severe and could be fatal. As concerns mounted, many individuals and organizations responded by restricting exposure to peanuts. In the case of your nonprofit, an incident involving inappropriate behavior by a volunteer may lead you to decide to limit the use of volunteers. In either situation, it may seem as if you have handily solved the problem and minimized your risk. However, as with any decision made in the face of uncertainty, there may be further complications down the road. And in some instances, overly broad policies and restrictive rules cause an undue burden, increase costs, reduce morale, and eclipse a worthwhile mission.
- **Address the cause of the problem, not the symptom** – We often address the concern or risk that is most apparent to us rather than delving into what may be at the root of the concern. With peanuts and children, a seemingly simple way to protect children was to limit their exposure to peanuts. With no exposure, there are no allergic reactions, particularly fatal ones. However, the cause of the severe allergic reaction may have been because children weren't able to build tolerance to peanuts because they lacked exposure to peanut-containing foods. With respect to the prior example about volunteers, eliminating volunteers also eradicates the possibility of a volunteer behaving inappropriately, but it doesn't address the root cause or causes of the inappropriate behavior. You may still face similar risks with your paid staff if the root of the behavioral problem was related to workplace culture, lack of training, lack of communication about organizational values and policies, and so forth. Take your time to find the actual root cause(s) of high priority risks and focus your efforts there. Don't forget that there are often multiple root causes that must be addressed together.

- **Monitor and evaluate decisions** - Failing to monitor the decisions you make in the face of uncertainty can lead to missed opportunities or even to greater exposures. Some scientists studying allergies have re-evaluated their longstanding recommendations with respect to exposure to peanuts. When you adopt a new policy in response to a risk, remember to track the effects on your organization. Is the new policy having the desired effect? Is the policy actually being followed or are staff members highly resistant to it? Has information come to light that might cause you to reconsider or tweak the policy or procedure? Are you missing valuable opportunities because of over-restrictive policies? Reassessing your risks and reactions continuously is an important part of the risk management process.
- **Be humble and don't be afraid to reverse course** - From time to time all effective leaders change their minds after acquiring new facts or insights. Whenever you make a "U-turn," however, be prepared for resistance, including being labeled indecisive. The change in recommendations about peanuts has garnered a [mixed reaction](#) from parents. Some parents may feel guilty about the dietary restrictions they imposed on their children, while others are skeptical of the new guidelines. A radical change in course may conflict with our ingrained instinct to 'stay the course.' Being transparent about the 'why' behind your decision to reverse course will help you inspire much-needed humility in your team. Although the risks your organization faces may not always equate to the seriousness of a fatal peanut allergy, the lessons learned from thinking about the NIAID's consideration of peanut consumption guidelines can help us all reflect on effective practices related to risk assessment and risk management in nonprofit organizations.

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