

Cultivate Curiosity to Fuel Risk-Aware Thinking



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"The world's biggest untapped source of energy isn't in the wind, water, or sun. It's inside established organizations. These organizations. . .are populated with people who, like all people, entered the world naturally curious and creative. That curiosity and creativity has been blunted and constrained, but it is there." – *Eat, Sleep, Innovate: How to Make Creativity an Everyday Habit Inside Your Organization*

When I was young, one of my sister Terri's favorite books was *Curious George*, the best-selling children's book by Margret and H.A. Rey. As children, we were encouraged to be curious and confident while remaining on the right side of the line between precocious and rebellious.

Did you know that curiosity is key to a risk-aware culture? If your approach to risk management is grounded in rigid rules, you may be doing it wrong. Curiosity is possibly the most important trait a risk professional brings to their role in a nonprofit. The authors of *Eat, Sleep, Innovate: How to Make Creativity an Everyday Habit Inside Your Organization* offer an approach to calculating an organization's "curiosity quotient." Their seven ways to live curious are:

- 1. *Customer intimacy*: Seek to know your customers—not just as numbers but as living, breathing humans.
- 2. *External orientation*: Take "idea road trips," bring in outside speakers, and use other mechanisms to find external stimuli.
- 3. *Idea sourcing*: Seek ideas from everywhere, including customers, suppliers, and outside experts.
- 4. Collisions: Bring together diverse groups to tackle thorny problems.
- 5. Openness to experimentation: Experiment regularly, sometimes just to learn.
- 6. *Idea sharing*: Share rough ideas early to get helpful feedback.
- 7. *Failure tolerance*: Recognize that, in the early stages of innovation, effective learning is more important than commercial success.

We were inspired by the 'curiosity quotient' table in Chapter 5. To make it even easier to measure how curious your organization's culture is, we've created a Typeform quiz! Answer 8 simple questions to find out how inquisitive your team is and receive some simple suggestions for taking your curiosity to the next level.

Ditch "know-it-all" and Become a "learn-it-all"

Many new risk professionals worry that they won't have the answers they will need to succeed in a risk role. Assuming risk leaders can provide durable, definitive answers to "what if?" and "would we be liable if?" questions is a common misconception. If you're spending time scurrying to find answers to demonstrate your worth and dispel any notion that you might not be qualified for the role, my advice my advice is to immediately abandon plans to be a risk 'know-it-all' and resolve instead to become a resourceful risk 'learn-it-all.'

In describing culture change at Microsoft during an interview with Adam Grant, CEO Satya Nadella explains: "The inspiration for the cultural change came from Carol Dweck's work around mindset. [Say] you have two students—one of them has more innate capability, and the other has less. The person who has less, but is a learn-it-all, will ultimately [become] better. That applies to CEOs, and that applies to companies. I think it has been a helpful cultural metaphor for us to say that you can't act like a know-it-all; you have to be a learn-it-all." Here are some of the questions we love to ask consulting clients when we're deep into *learn-it-all* mode:

- What result do we expect or hope for?
- What's the best possible outcome? What's the worst possible outcome?
- What have we experienced that feels similar? What happened? What did we learn?
- Are we prepared—regardless of how this turns out? What must we do to be ready? Resilient?
- What would a backup plan look like—if this strategy doesn't turn out as hoped?
- What actions should be considered now to increase the chance of success and decrease the chance of failure?
- What would an organization we admire be doing in anticipation of this risky event or decision with uncertain outcomes?
- What criteria must be met for this to be a good bet?
- Who might have an opposing or contrary perspective? Have we sought their views and opinions?
- If we had unlimited resources, how would we address this?

Be Curious Action Plan

If you're intrigued by the opportunity to increase the curiosity quotient in your nonprofit, try one of these curiosity hacks:

- Hack 1: Identify a new way to source ideas; for example, attending a conference you've never attended before, reading a book you wouldn't typically pick up, or meeting with a colleague in a distant division or department in your nonprofit (or a completely different industry!) to explore how they would approach a challenge.
- Hack 2: Identify one experiment you could undertake in the next 30 days that could help you understand something better.
- Hack 3: Share three 'rough' (not ready!) ideas with a peer group this month. Go on a limb and share a nascent (what if?!) vision that isn't well-documented. See what happens. Resolve to catch yourself before throwing cold water on someone else's rough idea.
- **Hack 4:** Stop and celebrate the next time you experience failure. Convene the team and invite everyone to complete this sentence: "Yes, and we learned..."

Committing to cultivating a culture of curiosity helps nonprofit teams become more comfortable embracing uncertain outcomes. Merriam-Webster defines 'curious' as "a neutral term, [that] basically connotes an active desire to learn or know." Examining the word further, the term's historical use dating back to the 1300s implied careful consideration of something. Combining both definitions—a desire to learn through careful consideration—succinctly describes a core quality that successful risk teams should aspire to. Curious risk teams naturally avoid boredom and apathy, thrive from enthusiastic creativity, and organically progress to seeking the positive opportunities risk presents instead of becoming mired only in mitigating downside consequences.

Curious to Read More?

- <u>Curiosity Trumps Competence</u>
- Round and Round: The Leadership Learning Loop
- <u>Rebellion: How to Change Your Approach to Learning</u>
- Learn How to Learn This Week (and Beyond)

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She would love to hear your techniques for cultivating curiosity or questions about coaching and mentoring teams to embrace a learning and growth mindset at <u>Melanie@nonprofitrisk.org</u> or 703.777.3504.