

## 9 Truths about Black Holes and Dark Risks



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The March 2014 edition of *National Geographic Magazine* featured a fascinating article about black holes (“The Truth about Black Holes,” [www.ngm.com](http://www.ngm.com)). The term “black hole” is often used to describe a space where things go, but never escape. I found some of the “truths” about black holes eerily familiar. The characteristics of black holes described in the article reminded me of the traits of what I refer to as “dark risks”—the controversial risks that cause many leaders to look away. These are the risks that make everyone uncomfortable. “Dark risks” share the following characteristics in common with black holes:

1. **What’s inside often stays there.** When leaders bury their “dark risks,” it’s pretty hard to get them out. This is especially true when leaders intentionally bury their knowledge of the risk, or vital information about the potential for the risk to seriously impair the mission of the entity. When a risk isn’t discussed, it can’t be addressed.
2. **Their presence is deduced by the effect they have on their surroundings.** Since no one wants to talk about “dark risks,” the only way to know that they exist is by the effect they have on the organization and its people. For example, lack of clear plans for financial sustainability or transitions may cause undue stress on staff and the board.
3. **They grow.** Ignoring a risk doesn’t cause it to go away! “Dark risks” continue to grow and represent a larger threat to objectives... even while cloaked in darkness.
4. **They are utterly common.** Every organization has “dark risks.” There are always some topics, some “what ifs” and some possible future actions or events—that no one wants to talk about.
5. **They spin like a whirlpool.** The risks hiding in the shadows of your entity are moving and changing... but because they are out of sight, you can’t measure how they are changing and react appropriately.
6. **They churn up old stars... and gases... which refresh the galaxy like a fountain of youth.** The toughest, most controversial risks facing your entity may also be your greatest opportunities. Once brought into the light, leaders can ponder, reflect, and consider the possibilities.
7. **They leak.** The “seepage” of black holes is sometimes referred to as Hawking radiation, after the British physicist who proved this truth about black holes. The seepage of your dark risks negatively impacts everything from staff morale to stakeholder confidence. And board members who accidentally learn about risks kept under wraps may lose faith in your mission.
8. **They are time machines.** Did you know that a minute on the edge of the black hole at the center of the Milky Way is like a thousand years on Earth? When a dark risk materializes, it will greedily demand the full attention of your leadership team. And that could feel like time standing still. All of the other priorities of the entity must be put on hold while every member of your team deals with the crisis at hand.
9. **They have different appetites: “picky” eaters are referred to as “tranquil black holes,” while**

**voracious, planet devouring eaters are called “quasars.”** Some dark risks will stay in the shadows for years and grow slowly. While others will grow quickly and are much worse when they finally come to light.

## Into the Light

Consider the strategies below to bring your entity’s “dark risks” into the light.

- **Start by agreeing that no issues are off the table.** When your risk team meets, begin your deliberations by agreeing that no risk is too controversial or delicate for discussion.
- **Remember that tough risks rarely have simple solutions.** Don’t shy away from discussion or action simply because it may take weeks or months to figure out the best possible course of action in the face of a dark risk.
- **Remind your team that ignorance isn’t bliss when it comes to dark risks.** In fact, ignorance is the one true enemy of sound risk management. Acknowledging that something could happen to propel or paralyze your mission, is the first step to making the best possible decisions in the face of uncertainty.
- **Look for opportunity in the face of disaster.** Fear drives dark risks into the shadows and keeps them there. Encourage your risk team to see the light of opportunity in every potential downside risk. For example, fear of a claim alleging abuse of a young client is an opportunity to revisit the components of your youth protection program. The risk that the historical funding model is on its last legs is a compelling opportunity to design a better, more sustainable model to fund the organization’s future.
- **Acknowledge the effects of dark risks.** Before sending a dark risk back to a shadowy corner, talk about how it affects staff morale, dampens the organization’s appetite for risk-taking, and disproves the entity’s public embrace of transparency.

Dark risks—the “what ifs” that make us terribly uncomfortable—must be acknowledged and discussed if the mission of your organization is important. Leaving these dangers hidden in the shadows is never a sound solution. Like black holes, “dark risks” grow, spin, and have the potential to consume the mission and good works of your entity.

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