

Don't Be a Buzzkill: Restore Trust in Risk Leaders



Resource Type: Risk eNews

Topic: General

Recently, an NRMC <u>Affiliate Member</u> wrote to our team asking how to convince her peers that risk management is in fact a mission *driver*, rather than a drag. Buy-in for risk management initiatives is sometimes hard to obtain because team members are resistant; the other side of the problem is that sometimes risk practitioners inspire resistance by being buzzkills: "people who have a depressing or dispiriting effect."

One way that some risk practitioners sabotage their own smart strategies is by making risk management rules and regimens more complicated than necessary. We can change that. To separate the Risk Champions from the buzzkills, I wrote a response to our Affiliate Member titled, "If You Hate Risk Management, then You're Doing It Wrong." Our Affiliate Member kindly allowed us to share an excerpt:

Some of your peers recently expressed concern about risk management causing "organizational drag:" impeding or slowing down your progress toward your shared goals and mission. I'll admit that risk management *can* be a drag... if you're doing it wrong. Let's distinguish forms of ineffective, drag-causing risk management from effective, mission-advancing risk management.

Ineffective, drag-causing risk management employs a philosophy of *risk-aversion*: protect against risk by avoiding risk or by *not doing* the programs/projects that you want to do. This form of risk management drives a policing mentality and causes team members to feel that risk management holds them back from doing their jobs.

Effective, mission-advancing risk management employs a philosophy of *risk-taking*: guard against threats in order to operate more effectively, thus enabling a team to *take more risk* on ventures that offer greater potential to advance the mission. This form of risk management drives a risk-aware culture, which encourages team members to consider risk and uncertainty whenever they make decisions. If you consider and anticipate the possible outcomes of any decision or action, then you're probably making a more informed decision. You're also preparing to adapt when things turn out differently than you expect. In essence, you're developing resilience. Resilient organizations can withstand greater threats to their missions, and they can take on more "risky," innovative programs in order to achieve their objectives and serve their target communities. Risk management = resilience = mission mojo.

If you hate risk management, it's probably because you're practicing the risk-averse form described above. How can you transform your risk management efforts into the mission-advancing kind? ...

Changing your mindset is the first step in transforming from a buzzkill to a Risk Champion. A risk practitioner's personal change will then begin to inspire renewed trust and participation from peers, who will gravitate toward a team member who paves the way for risk resilience and effective decision-making.

Cancel Your Buzzkill Membership

Cancel your buzzkill membership and join the Risk Champion club today! After mastering your new mindset, here's how you can continue your transformation:

- **Stop saying "no."** Sometimes it's important to say "no," but not all the time. You are not the law. You are a guardian of the mission, a nurturer of ideas, and a catalyst for change. Collaborate with your peers to help them think through risk while taking on the new ventures they believe will advance your mission. Add risk awareness prompts or exercises to your existing program planning processes, so the consideration of risk is baked into the development of innovative, "risky" programs. Instead of rejecting bold new ideas, spur creative risk solutions by saying, "How can we run with this idea while planning for the possibility of things turning out differently than we hope or expect?"
- **Take more risk.** Your new mindset is all about risk-taking, so practice what you preach. Set small goals for yourself to take more risk in order to help yourself and your team succeed. Convince your boss why you should do that thing you've always wanted to do, but never had the guts to. Celebrate and share examples of how your team members took risks—and achieved rewards—in their roles. Showcase the positive impact of risk-taking while demonstrating appropriate and thoughtful ways your team members can vet risks—and plan for contingencies—before betting the farm.
- **Build up your fan club.** Do you sometimes feel undervalued as a risk leader? Do you sense that your peers avoid you or sidestep the risk management policies you put into place? Stop feeling sorry for yourself and directly invite your peers to co-design a new, buzzkill-free approach to risk management. Remind your team that effective—not draining—risk management will help you navigate your journey to solve the toughest problems in the world.

Erin Gloeckner is the former director of consulting services at the Nonprofit Risk Management Center. NRMC welcomes your advice about bold risk leadership at info@nonprofitrisk.org or 703.777.3504. Please, no calls from buzzkills.

Related Resources:

Enjoy these other NRMC articles that offer insights for cultivating a risk-aware culture and for driving participation in risk management initiatives:

- <u>Happy Knot: Managing Workplace Culture Risk</u> Learn about a few cultural drivers of dysfunction in the workplace, and how you can inspire genuine contentment amongst your team.
- <u>Selfless Leadership: When to Leave Fingerprints</u> Determine when it's appropriate to leave your own mark, versus helping your team make its mark on your mission.
- <u>Sick of Power Plays? Manage Workplace Power Plays & Revenge -</u> Break down some of the darkest interpersonal challenges in the workplace by understanding how power is gained and lost, and by powering-up your team.
- What's In a Word? Risk Management Leaders as Mission Champions Combat the policing mentality—and resulting backlash from peers—that risk management often cultivates. Consider how language and personality help risk management leaders inspire their teams.