

Book Smart, Part 2: “Ah-Ha” Moments from a Year of Reading Well



By Melanie Lockwood Herman

Executive Director

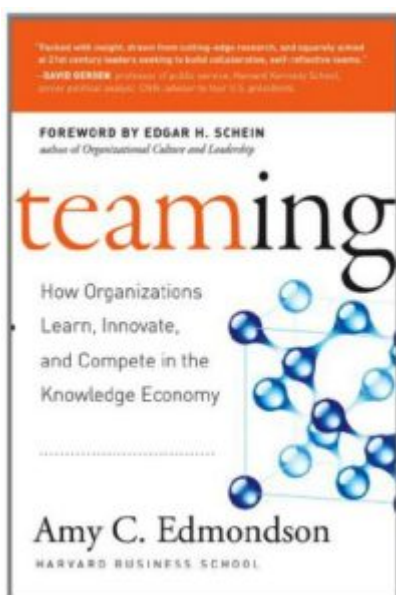
Resource Type: Risk eNews

Topic: General

As I shared last week, the term “book smart” is an adjective meaning “Having knowledge acquired from books or study; scholarly, bookish; frequently implying lack of common sense or worldliness.” (Source: Lexico.) And although ‘book smart’ is often a pejorative term, my bias is that reading is the *ultimate* learning tool. This week I’m excited to share a few ‘ah-ha’ moments from a second list of favorite recent reads.

These are a few of My Favorite Reads

Teaming: How Organizations Learn, Innovate, and Compete in the Knowledge Economy, by Amy C. Edmondson

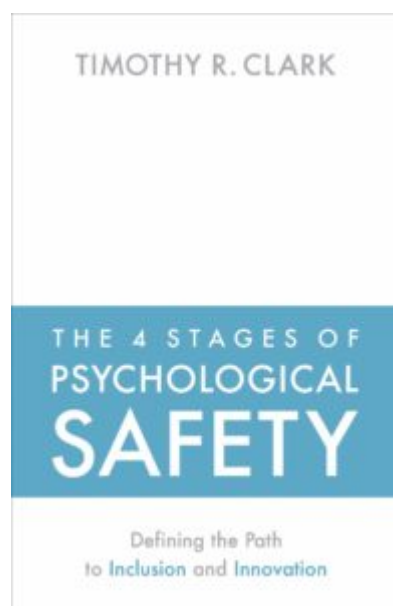


The word “team” takes a beating in many workplaces; if you’ve ever seen eyes roll or heard groaning after the term was uttered, you know what I mean. Leaders often use “team” to generally refer to their direct reports or groups of people who *ought* to be functioning as a team. And in real

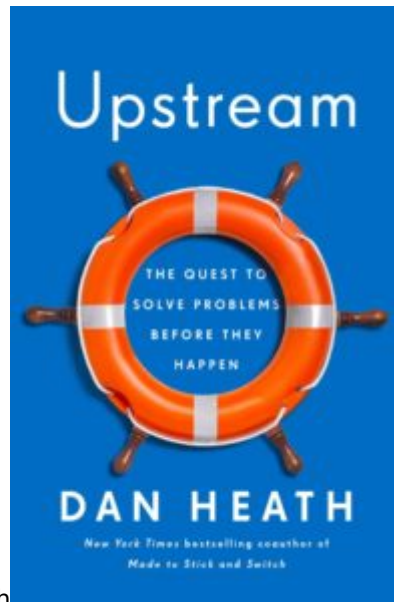
workplaces—behind the shiny exterior of a compelling mission—many staff members are ‘voluntold’ to be part of teams. All too often, managers announce the composition of new teams to solve difficult challenges without even considering the possibility of *inviting* people to serve. In her terrific book, *Teaming*, Professor Amy C. Edmondson describes the term “teaming” as a dynamic action verb referring to the way ever-changing groups form in response to knotty problems. The expectation of teaming is that members come together for a short time to take on specific challenges. She explains that ‘teaming’ is a cultural norm in high-performing cultures, where staff members expect to join and leave many different teams during their tenures. Two of my favorite ‘ah-ha’ moments from this book were:

- Edmondson’s observation that “Successfully implementing an organizing-to-learn mindset involves four actions: framing for learning, making it psychologically safe, learning to learn from failure, and spanning occupational and cultural boundaries.” These pillars of effective teaming are potent reminders for any leader hoping to inspire teaming to problem solve this year. Every problem-oriented group needs to understand that solving the problem and learning along the way are symbiotic goals. Without psychological safety and true diversity, the potential of a teaming exercise is sorely short-changed.
- The author’s timely reminder that: “Any implementation process that involves uncertainty is most successful when participants are open to change, eager to find the best fit, and recognize that other people may have different perspectives.” Every risk management exercise, activity, or discussion is anchored in uncertainty! None of us—including experienced risk professionals and consultants—knows how things will turn out for our organizations. Each year brings a new set of unforeseen opportunities and challenges. Edmondson’s advice to embrace a learning mindset and welcome different points of view is timeless.

The 4 Stages of Psychological Safety, by Timothy Clark



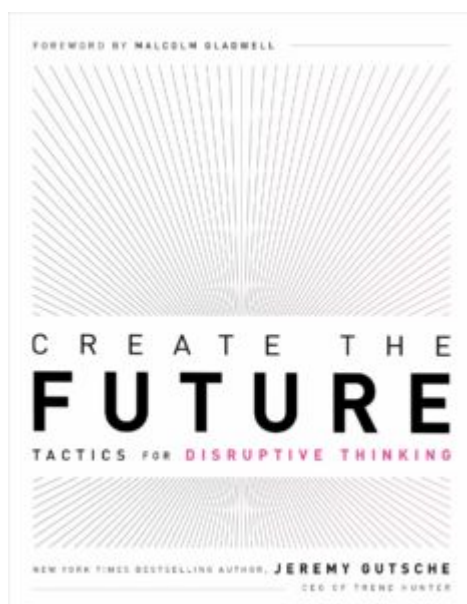
If you are intrigued by one of the ‘pillars’ of teaming—psychological safety—I encourage you to check out Clark’s book as well as both of Amy Edmonson’s books that cover the topic—*Teaming* and *The Fearless Organization*—and my prior article on the subject, “[Reduce the Risk of Ridicule](#).” Clark reminds us that that “An organization that expects employees to bring their whole selves to work should engage the whole employee.” And he explains that this type of work environment isn’t just a trend or a perk of employment; it’s a practice gaining traction and precedent as an *expectation*. He forecasts, “In the twenty-first century, high psychological safety will increasingly become a term of employment, and organizations that don’t support it will bleed out their top talent.” He also brilliantly links the imperative to create psychological safety in the workplace to the discipline of risk management. Clark writes: “Leaders committed to safeguard learner safety understand that learning is where competitive advantage comes from, that it represents the highest form of enterprise risk management, and that the biggest risk a firm can take is to cease to learn.”



Upstream, by Dan Heath

Although not explicitly written for risk leaders, this book offers some valuable takeaways for anyone trying to wrestle with risk, from scary existential risks to day-to-day threats. At its core, the book is about problem-solving and the wisdom of looking ‘upstream’ for the causes and triggers of downstream problems. This book cautions the reader against focusing narrowly on the problem at hand. A simple example would be the proverbial unattended puddle of water in your agency’s lobby. A narrow analysis of the problem might lead a risk manager to conclude that the person responsible for mopping spills has neglected their duties. Looking ‘upstream’ might reveal that in the agency’s culture, staff are coached to keep their heads down and not step outside their defined roles. The spill in the lobby is ‘someone else’s problem.’ As I read *Upstream*, I realized that risk management offers many opportunities for “upstream” problem-solving. During the past decade, my team has taught hundreds of nonprofit leaders how to use the Risk Bow Tie exercise to identify the underlying conditions that make future risks more or less likely—before brainstorming steps, strategies, and policies to address risk. This simple exercise has led many workshop participants to realize that tackling underlying conditions might be a way to address a host of current and potential future issues.

Create the Future + the Innovation Handbook: Tactics for Disruptive Thinking, by Jeremy Gutsche



I experienced several powerful risk-management-themed ‘ah-ha’ moments while reading Gutsche’s book. I’d like to share my two favorites. First, I was struck by an unfamiliar term: ‘optionality.’ The author writes: “We tend to make decisions that get short-term results, not realizing that certain choices can fix us to the path we are on and reduce our future potential.” Therefore, this term is, in

essence, "...about making decisions that increase our future choices." In the face of uncertainty and with grave concern about 'risk,' many decisions strive to reduce uncertainty. Yet, so many aspects of what happens to your organization are simply beyond your control. This passage led me to reflect on the value and importance of decisions and actions that allow a nonprofit to flex, pivot, and bounce back versus constrict our movements. I also found wisdom worth pondering in Gutsche's suggested "Tactics & Methods for Dismissible Trends." Gutsche's definition of a "dismissible trend" is when leaders can see the evidence that points to an emerging risk but wrongfully assume they are immune to its effects. The NRMC team has experienced this when consulting clients or Affiliate members wrongly excluded "competition" from their risk landscapes. It's exceedingly tempting to feel like your organization has the market cornered when it comes to your mission. These four tips seem wonderfully worthy for almost every circumstance risk leaders will find themselves in this year:

1. Be humble.
2. Ask questions.
3. Recognize the BLINDING power of your own expertise.
4. Take the advice you'd give to others.

The final item on the list above is one I've recently been giving to my adult daughter. But it's humbling and always a good thing to turn to the mirror and gratefully accept that heartfelt advice for yourself.

Please reach out to me if any of my picks inspire you to add an additional title or two to your reading list. I view book recommendations as a gift, so send me yours anytime!

Melanie Lockwood Herman is executive director of the Nonprofit Risk Management Center. Although she fell short of her ambitious reading goal in 2020, she's grateful for the lessons, insights, and inspiration she experienced along the way. Reach out to Melanie at 703.777.3504 or Melanie@nonprofitrisk.org.