

Risk Lessons from the Fall Classic



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Last month I was drawn to the duel between the impeccably groomed St. Louis Cardinals and the bearded Boston Red Sox. I really enjoyed watching these well-matched, and well-behaved athletes, battle it out for baseball's big prize.

One of the things I like about watching baseball is that there is always a lot going on. From the chatter about player statistics to the strange pre-swing and pre-pitch routines of the batters and pitchers, even if you don't really understand the nuances of the game, it's pretty entertaining.

During this year's Fall Classic it was especially fun to watch one of the oldest players on the Bo Sox, David Ortiz, achieve an amazing batting average of .688. For those who missed the World Series, in 24 appearances at plate, Ortiz had:

- 11 hits,
- two doubles,
- two home runs,
- six RBIs,
- eight walks, and
- seven runs scored in.

"Big Papi," as Ortiz is fondly called, led the Red Sox in all six categories. With so much talk these days about age bias in the workplace, I was thrilled to see a middle-aged athlete take a determined whack at World Series performance records while leading his younger teammates to victory.

To justify all of the time I spent watching the 2013 World Series, I took some time to jot down a few risk management lessons and tips.

MLB Risk Tips

• A backup plan is your best friend — During one point in Game 4, a broadcaster told viewers that the "Red Sox bullpen was stocked." He was referring to the fact that several relief pitchers were warming up and getting ready to take over for the starting pitcher at a moment's notice. I find it fascinating that some relief pitchers are brought in to face specific batters. Risk lesson? Every nonprofit organization needs a backup plan when your mission or critical programs are on the line. Whether it's a back-up spokesperson who steps up to the plate when your "starter" is the cause of a crisis, or a backup method for communicating with key stakeholders when your Internet connection fails, preparing to replace key people and systems is essential to sound risk management.

- Varying skill sets make a winning team The Center frequently counsels clients to avoid filling the seats on the risk management committee with staff members who have too much in common. A team with varying perspectives, backgrounds and skills is needed to unearth and understand a nonprofit's enterprise and operational risks. During Game 1, I listened with interest as a commentator discussed the strong arm that is an absolute requisite for a top notch shortstop or third baseman. I also learned that the best infielders bring excellent hand-eye coordination to the game. And I found out that height and concentration are sought after attributes at first base. When you combine the strengths of different players into a cohesive, winning team, some of the critical risks your nonprofit faces will become temporary obstacles, rather than permanent roadblocks to mission success.
- **Risk and choice go hand in hand** In the middle of a game (or the middle of your mission!), risk management is often about making the best possible choices under the circumstances. Red Sox manager John Farrell had to decide whether to let the team's extraordinarily effective hitter, David Ortiz, warm the bench when the Series moved to St. Louis for Game 3, or send Ortiz to staff first base and bench the quick and reliable first baseman, Mike Napoli. The keys to effective decision making under pressure include:
 - considering more than one option,
 - challenging assumptions ('because we've always done it this way' should never be a good enough reason to continue doing something),
 - reflecting on "what's the worst that could happen?" as well as "what are the mission-advancing outcomes?" of each option under consideration, and
 - considering "what will we do if the worst happens?"

With discipline, you'll increase the odds that the choices you make will be the best ones to advance your mission.

• Don't judge a player by his appearance — It was impossible to watch this year's Fall Classic without noticing the scruffy beards that the Red Sox were sporting, and the many fake beards worn by Sox fans in the stands at Fenway Park. In many nonprofits, leaders allow stereotypes and biases to impair decision-making. To address this, we need to start by admitting that we are hard-wired with biases and stereotypes. These include the belief that older workers are less tech-savvy than younger workers, and that younger workers don't have the work ethic of older staff. Denying your biases is a sure-fire way to perpetuate them. Doing so can impede your ability to motivate and inspire your team. The first step to countering biases is owning up to them.

Risk is around the corner and around the bases in the worlds of nonprofit management and professional baseball. Delivering a charitable mission or winning a world championship require a blend of risk-taking and risk management. Best in class nonprofits and winning teams don't shy away from risk; they embrace it.

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