

Got Instinct?



By Melanie Lockwood Herman

Executive Director

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Earlier this week, a friend who works in the entertainment industry told me that at the point when the curtain goes up on a Broadway show or the band emerges from the wings at a sold-out concert arena, the team behind the scenes must rely principally on instinct. He explained that in show business, the number of "moving parts"—including performers, staff, equipment, patrons and oversized egos—can combine in strange ways that put the show at risk of *not* going on. According to this theater veteran, the keys to cultivating the instincts necessary to survive the unexpected include:

- Obsessive focus on the details of the event or performance before the performance begins. Best in class performers rehearse until they can't imagine any further benefit from practice;
- A willingness to imagine a wide range of less than optimal conditions, from excessive heat, to the failure of heating/cooling or safety equipment, or sudden illness by a lead actor or musician (think "understudy"); and
- An "all in" mindset. My colleague explained that hesitancy is the Achilles heel of both seasoned performers and stage hands. "When it's time to perform, everyone on the team must be 'all in,' or the entire performance is at risk of failing."

As I listened to the wisdom of a professional from a world that seems light years from the nonprofit and social services sectors, I realized that honing instincts is absolutely vital to keener risk awareness and best in class risk management. Human beings aren't particularly good at predicting the future. Since we're unable to accurately predict the future downside risks our organizations will face, we must learn to hone and rely on our instincts. When the unavoidable happens, instincts may matter most.

Teams that thrive are the ones that have rehearsed obsessively, have imagined the failure of several controls at the same time, and are truly willing to be "all in" and resist the comfort of hesitation. Nonprofits led by instinctual risk champions are in the best position to thrive in the face of difficulty, and to navigate hairpin turns on the unmapped road of organizational life.

Follow these tips for honing your instincts, so your nonprofit can rock every show it puts on:

- Rehearse more than you need or want to!
- Create contingency plans that anticipate multiple controls failing at once. The crisis you face on the day of show may not be the one you planned for, but your preparation will inspire confidence and enable your band or cast members to act with unity.

- Ask your team members to go "all in" during risk management planning and in the midst of a crisis. Remind your team that hesitating during a crisis can make things worse.
- Know your audience. Bands work hard to engage and please the crowd; they take song requests and change their set lists in response to audience feedback. Be familiar with your stakeholders' desires and expectations so you can change the set list at a moment's notice.
- Have fun and believe in the power of a great show or a memorable concert! The members of a Broadway cast or rock band exude passion when they perform. The members of your nonprofit team bring a similar passion to your mission. By honing your risk management instincts your team will be able to serve and inspire for years to come.

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your ideas about any risk management topic, suggestions for best-in-class risk management, and questions about the Center's resources at <u>Melanie@nonprofitrisk.org</u> or 703.777.3504. The Center provides risk management tools and resources at <u>www.https://nonprofitrisk.org/</u> and offers <u>consulting assistance</u> to organizations unwilling to leave their missions to chance.