

Risk Management Should Unite Your Team, Not Divide It



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A mature, traditional enterprise risk management model can be a wonderful thing for a nonprofit organization. But then everything could change, and you might need something else.

That's what Tara Thomas and Heather Chadwick of Teach For America learned as the pandemic rocked their organization and all nonprofits. Teach For America's risk team quickly pivoted from a highly structured quarterly risk reporting model to a rapid response approach informed by pulse surveys. Now, Teach For America's team seeks to use all they've learned on their risk journey to help the organization build resilience.

At the final day of NRMC's <u>2022 Virtual Risk Summit</u>, held on October 13, Chadwick, TFA's Director of Risk and Policy, described how the organization is reviewing various types of data to help the organization create a cohesive narrative across its areas of work.

Sometimes, nonprofit team members fear that risk management work will create divisions in the organization. That's a natural fear: most nonprofit teams have members with very different levels of risk tolerance. But at October's *Risk Summit*, which focused on enterprise and advanced risk management, the risk function emerged as a way to help different parts of a nonprofit organization speak a shared language and see each other's points of view.

Presenter Julie Reyburn of American Jewish World Service recently led her organization through setting its risk appetite, the amount and type of risk that nonprofit leaders believe is appropriate and necessary to achieve its mission. Reyburn, AJWS' Director of Risk Management, said the risk appetite exercise offered an opportunity to reflect on the importance of embracing risk to achieve the organization's mission.

When building risk workshops for executive teams, Holly B. Raymond, Senior Vice President of Finance and Risk at child welfare nonprofit Upbring, considers her audience. Sometimes, she might use a different term than workshop, like "debrief," if she knows it will resonate better with the people in the room. Raymond also uses the phrase 'can you help me understand?' because it denotes that the person she's talking to is an expert.

Throughout the *Risk Summit*, presenters who have worked hard to bring risk management to their organizations shared the thrill of overhearing spontaneous conversations about risk. Erin Gloeckner, Director of Enterprise Risk Management at Planned Parenthood of Pacific Southwest, said she hears team members talk about risk in

meetings where risk isn't on the agenda.

The pandemic disrupted all nonprofits. For many, it shook up their strategic approach and made them question how they thought about risk. A search for answers can bring teams together, too. Miranda Hora, Director of Operations at global development organization Helen Keller International, shared during her *Risk Summit* workshop that HKI has revamped its risk management process. That work helped catalyze other advances for the organization, like a new budget process and a new fundraising tool.

NRMC Executive Director Melanie Lockwood Herman reminded attendees that as a trusted risk advisor and <u>consulting partner</u>, NRMC works to help clients adopt mission-advancing risk management practices. She noted that durable practices are those that are custom crafted to suit an organization's goals.

All nonprofit professionals and teams experience risk at work, just as they do in the rest of their lives. So, it follows that learning to talk about risk can bring departments and colleagues together, rather than push them apart. How can your nonprofit come together to speak risk as a shared language in 2023? We hope you'll find inspiration in the insights our *Risk Summit* presenters shared—and we wish you the thrill of many overheard risk conversations in the hall.

Rachel Sams is a Consultant and Staff Writer at the Nonprofit Risk Management Center. From her first job interview with the organization, she has enjoyed having her eyes opened to new ways to think about risk. She'd love to hear how your organization brings people together around risk management. Reach her at 703-777-3504 or rachel@nonprofitrisk.org.