

The Secrets of Effective Risk Communication



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Resource Type: Risk eNews

Topic: General

“Clear, concise, accurate, and timely information is hard to come by.” – General Stanley McChrystal & Anna Butrico, *Risk: A User’s Guide*

During three decades of advising nonprofit sector leadership teams, we have heard and seen that many groups run out of time for candid conversations about risk and spin their wheels on unproductive risk ranking and scoring exercises. We believe communications and conversation form the foundation of an effective risk function.

In *Risk: A User’s Guide*, McChrystal and Butrico write: “We likely spend more time, money, and energy on communicating than everything else we do—combined. We read, talk, text, chat, and Zoom. Occasionally we actually stop to think about what we’re saying and hearing, but not always.”

The authors describe four key “tests” that determine if communication is effective:

1. The physical ability to pass the information (can or can’t)
2. The willingness to pass it (will or won’t)
3. The quality of the message (accurate, complete, timely, relevant)
4. The receipt of the information (able or unable to digest and understand the message)

These tests offer a helpful self-check before communicating about the most concerning risks your organization faces. Are some teams or team members reluctant to talk about risk? Are the messages you’re delivering accurate, complete, timely and relevant? Is there evidence that listeners and recipients may not understand what you have shared? The techniques of effective risk communication shouldn’t be a secret. Here’s what you need to know.

Meaningful Risk Conversations

When I’ve written about communications in the past, I’ve emphasized clarity as key. Avoid jargon; get to the point. I’ve also encouraged risk leaders to follow Simon Sinek’s timeless advice and “start with why.”

I found additional inspiration for risk communication in *Blind Attraction to Certainty*, a new book by Chris Moreland. The NRMC staff and board teams recently attended training delivered by Chris and his colleague Michelle Witman from Diversity Crew. Although I found a bountiful buffet of food for thought in the trainings and

the book, my most satisfying takeaway is Chris' advice to substitute curiosity for judgment. As I work to apply this concept to various aspects of risk practice, five nouns have been especially helpful.

1. **Vulnerability.** Zero in on vulnerability to risks (future events that may or may not happen) to focus conversations about risk. Ask:

- In what ways are we vulnerable?
- How would our operations be disrupted, inconvenienced, or permanently altered if this risk materializes?
- How might our view of that vulnerability be skewed or biased? (think self-serving bias, optimism bias, and confirmation bias)

2. **Uncertainty.** Too often, conversations and communications about risk center on 'what we know' or worse, 'what we think we know.' The hard-to-accept truth is that if we are talking about risk—a future event that may or may not happen—we truly don't know. If we know, then we should plan for a certain future, not cloak our conversation as a 'risk' exercise. Ask:

- Is there anything about this risk that is knowable?
- Which aspects of the risk are unknowable?
- Is the truth of uncertainty clear in our preferred course of action?

3. **Humility.** Harvard Business School Professor and author Amy Edmondson teaches that "when leaders are inclusive, humble, and encourage their staff to speak up or ask for help, it leads to better learning and performance outcomes." Effective risk leaders resist the impulse to be 'know-it-alls,' and work to become true learn-it-alls. Ask:

- What assumptions have we made?
- What are we missing?
- What are the advantages of what we're considering? What are the disadvantages?
- How would someone we admire tackle this?

4. **Flexibility.** Given the uncertainty of risk—events may or may not happen, and they may look very different from what you're imagining—flexible approaches trump rigid plans every time. Ask:

- What contingency options have we identified?
- Have we spent enough time thinking through each contingency?
- What makes us believe that each contingency is viable? What are the consequences if they are not?

5. **Curiosity.** Many risk professionals are natural judges; we're asked to weigh in on situations and advise on action in the face of risk. Elevating curiosity and quieting judgment may be counterintuitive. But when we lead with curiosity, we have the opportunity to use all of our senses to understand the fascinating dimensions and knotty nuances of risk. When asked for an opinion about a future risk, ask:

- What do you think?
- What's the absolute worst that could happen?
- What's the best that could happen?
- What factors might influence the risk, and in what ways?

The authors of *Risk: A User's Guide* remind us that "We prioritize our ability to communicate above most other things. Were Abraham Maslow to update his famous hierarchy of needs, battery power, cell signal, and bandwidth would likely compete with air and water—at least in our minds." Yet despite the value we place on communicating, risk planning too often moves from identification to scoring, and then to action. We waste precious time assigning scores instead of reveling in open-ended conversations. To fortify an organization against risks, we must be vulnerable, uncertain, humble, flexible, and above all—curious.

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reach out to share your risk communication wins and questions at Melanie@nonprofitrisk.org or 703-777-3504.