

Use Design Thinking to Find Creative Solutions to Worrisome Risks



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“Some of our important choices have a timeline. If we delay a decision, the opportunity is gone forever. Sometimes our doubts keep us from making a choice that involves change. Thus, an opportunity may be missed.”– James E. Faust

As disruption—rapid change in current behavior with no time to oppose it—becomes the new normal in the world, risk champions may take a cue from design thinking to adapt their risk management process to the continuously evolving environment.

I recently attended a communication and technology conference where one of the sessions took attendees through the experience of design thinking. Design thinking is a visual, iterative approach to ascertaining human needs (or risks) and creatively discovering potential solutions. It is a quick-fire numbers game, which is exactly what happened in the one-hour session.

Attendees were asked to find a partner and uncover solutions to the gift-giving process. We interviewed our partner to tap into the emotional driver behind gift giving. Keep in mind that design thinking, like risk management, should not be overly engineered or complicated, or too simple (such as a clever checklist that is filed away and never used). In [World-Class Risk Management for Nonprofits](#), Melanie Lockwood Herman reminds risk leaders to keep the purpose of risk management top of mind. “Risk management activities should inform and improve decision-making.”

In the beginning of the design-thinking session, we all struggled to get beyond the surface issues. As risk advisors, our team often encounters teams who hesitate or stumble after identifying a long list of worrying risks! As the participants in the workshop continued to plug away, additional insights were revealed. Many nonprofits begin with a narrow thought process around risks inspired by the question: *what could go wrong?* Or with an overly narrow goal such as *reducing risk*. Truly successful nonprofits look beyond these starting points for risk discussion and dream big about the risks necessary to change the world. Where would we be if organizations like the March of Dimes—originally focused on polio—had simply stopped after the [Salk vaccine](#) was licensed for use on April 12, 1955?

Design Thinking in a Nutshell

During the hour-long design-thinking session I learned that design thinking can be achieved in short increments. Designers also know that criticism—often overlooked in design thinking—is an integral and essential part of the creative process.

1. Gain an **empathic understanding** of the problem you are trying to solve. Interview stakeholders to understand their experiences and motivations. This initial step involves observing nonverbal clues and the physical environment and practicing active listening. Active listening requires focus on what the person is saying. Remember to:
 - show that you're listening (e.g. by nodding, or using an open posture),
 - provide feedback ("sounds like you are saying"),
 - resist the urge to interrupt with counter-arguments, and
 - respond candidly and respectfully.

Also, ask open-ended questions. Your goal is to hear stories about the experience. Follow up after hearing some of the stories and ask why. Why is this risk being handled this way?

2. **Define or reframe the problem** based on what you've learned during the empathic stage. What are the goals and wishes of the stakeholder(s), and what are they trying to achieve? Craft a problem statement that captures your reframe: [Stakeholder] needs a way to [need revealed from empathizing phase] because...but...surprisingly...[insights]. Questions to ask yourself may include: what new things did I discover about the stakeholder's feelings and motivations? Think back to any stories that were shared. What do you see about the stakeholder's experience(s) that maybe they don't see? It is okay to create insights based on your inferences. Always take time to reflect on what you heard. Then dig a little deeper in another round of interviewing. Ask questions to get clarity on what you heard. Ask who, what, when, where, why and how. For example, if the organization's reputation is a risk concern, ask where (e.g. tweets of outside influencers, staff activities at conferences) the stakeholder perceives the risk. Remember to be a sponge! Soak up and record as much information as possible about the conversation so you may review your thoughts later.
3. Start **generating ideas** based on what you observed, analyzed and synthesized. This is the time to color outside the lines. Don't limit yourself to time, money, or resources. Sketch or write down at least five radical solutions to meet the needs you observed. This is a list-making exercise with no self-judgment and works best if you draw out the ideas. If art isn't your strong suit, use stick figures to draw at least five ideas. Jot down the human-centered problem statement or point-of-view statement you discovered earlier. During my session, the problem statement was: "Lisa a busy business owner needs to find a way to send her daughter—who lives far away—thoughtful gifts." Once you have generated ideas, share them with the stakeholder(s). You may show them the drawings or simply explain your ideas. Capture stakeholder feedback and listen for emotions and critical feedback. Often initial feedback on preliminary concepts will unearth even more creative ways of looking at the issue!
4. **Prototype and test** a real-life solution. Think back to all of the ideas you uncovered in the process of generating, developing, and communicating new ideas, plus the feedback you received from stakeholders. Take one of the ideas and think about some of the possible people, processes and systems needed to bring it to life. Ponder what needs to happen to make the idea feasible. This is where you create a low-cost prototype of the solution. I built a small gift box with multiple little items made from cardboard, pipe cleaners and paper to represent a monthly care package for Lisa to send her daughter. Ask staff to report back on what worked and what did not work, ideas for improvements, or any potential risks that arose during the testing. Again, this is where constructive criticism is important to make the risk management solution better. Also, keep in mind that risk solutions can't be static, because risks don't behave; they morph and change based on factors within and completely outside your control.

Great Learning Comes in Small Packages

Try design thinking in small increments. Try an hour-long session, digest the human needs that were discovered, reflect on the ideas for potential solutions or opportunities that surfaced, and set a goal to repeat the process. Design thinking is a great tool for moving outside the familiar and comforting boundaries of a dry risk management process. It's also a way to inject much-needed creativity into problem solving focused on the troubling risks facing your mission.

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questions and feedback about design thinking and any NRM resources at Katharine@nonprofitrisk.org or 703.777.3504.

Additional Resources

- [The Power of Anecdote: True Stories of Nonprofit Risk](#)
- [Get Fresh: How to Solve Wicked Problems by Scrapping Sameness](#)
- [Designing a Durable, Doable Risk Management Function & Capabilities](#)
- [Clearing the Air: How to Find Powerful Lessons After a Loss or Near Miss](#)
- [Right Back At It: Fostering Organizational Resilience](#)