

The Long Shadow



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If you had an opportunity to tune into your local or national news yesterday you've probably already heard the news. When Punxsutawney Phil emerged from his burrow he saw his shadow. According to the legend associated with the world's most beloved groundhog, the Punxsutawney Groundhog Club and www.groundhog.org, "If Punxsutawney Phil sees his shadow there will be six more weeks of winter weather. If he does not see his shadow, there will be an early spring."

Hearing the news about Phil reminded me of the long shadow that nonprofit leaders cast in their organizations. On a positive note, nonprofit leaders:

- Inspire thoughtful-risking taking as an important path to mission fulfillment;
- Demonstrate trust and confidence in their direct reports by giving staff the resources and freedom to take risks;
- Encourage attention to big-picture, enterprise-wide risks; and
- Engage the Board of Directors as partners in defining the nonprofit's risk appetite, risk management goals and enterprise risk strategies.

Sometimes, however, nonprofit leaders stand in the way of thoughtful risk-taking and effective risk management. They do so when they:

- Discount the relationship between risk-taking and mission fulfillment;
- Dampen ambitious goal-setting by limiting rewards to staff who achieve 100% of their goals;
- Ignore or treat "near misses" as successes rather than as important opportunities for learning;
- Isolate responsibility for risk management within a single functional or operational area of the organization; and
- Treat risk management as an administrative matter that falls outside the responsibility of the Board.

Leaders of nonprofit organizations enjoy influence over people and events. That influence can be directed to strengthen an organization, keep it in limbo or reverse its progress. Every leader has the opportunity to take thoughtful risks, exhibit risk awareness, and model inspired risk management. What form does your shadow take? Do your actions prolong a wintry status quo or enable your nonprofit to spring forward in the direction of its mission and critical objectives?

Many leaders take their influence for granted. When the letters CEO, COO or CFO appear on your business card people take notice. But what shadow are you casting with respect to risk-taking and risk management? Are you

providing the leadership needed to increase awareness of critical risks in the areas of strategy development, operations, and reputation management, or are you allowing your narrow view to set the tone and pace?

At the end of the news broadcast last night I learned that Phil's competitor "Staten Island Chuck" did NOT see his shadow yesterday and therefore predicted an early Spring. Chuck's contrary prediction provided a terrific reminder that there will always be diverse perspectives when it comes to forecasting the future. As a leader you have the responsibility to look beyond your own "take" on things and seek and consider the insights and perspectives of others. In the meantime, I'm hoping Chuck is right and Spring arrives without any unnecessary delay.

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