

Stuck in the Middle



By Melanie Lockwood Herman

Executive Director

Resource Type: Risk eNews

Topic: General

Certain melodies and lyrics get stuck in my head. In 1972, the single “[Stuck in the Middle with You](#),” by Stealers Wheel, took up permanent residence in my brain. Peaking at #6 on the U.S. Billboard Hot 100 chart, the song was apparently inspired by a business lunch, where songwriters and bandmates Gerry Rafferty and Joe Egan found themselves stuck at a restaurant table between businessmen hashing out a deal.

The subject of being “stuck in the middle” came up recently at a consultation with an NRMC client. It wasn’t the first time I’ve had an opportunity to talk with leaders who find themselves stuck in the middle of an earnest effort to evolve their risk management program.

Why Risk Plans Go Off the Rails

- **Unrealistic Expectations** – In many cases, new risk management efforts are expected to save a nonprofit from impending danger. Nonprofit leaders often start practicing risk management during or after a crisis since at that moment, they are inspired by the fires that they must put out. But if the board or executive team believes that risk management can or should enable your nonprofit to safely skirt any potential disaster, think again. Even with risk plans in place, your mission remains vulnerable. Risk management isn’t a recipe for guaranteed safety—the management of myriad risks requires vigilance and the ability to bounce back when adverse risk events occur or seize the day when wonderful opportunities materialize. An effective risk management program is founded on realistic expectations that are shared amongst your team. Start small, but don’t wait until a crisis occurs to begin thinking about risk!
- **Narrow Perspective** – Over the years we’ve witnessed countless risk management teams experience rough spots due to lack of diversity. If your risk team members look and sound alike, then you’re setting yourself up to miss dangerous blind spots. I myself was once guilty of inviting a narrow slate of leaders—mostly Board members and executives—to participate in [Risk Assessments](#) conducted for our nonprofit clients. A few years ago, our team began to schedule conversations with front line staff members during these engagements. This enabled us to see the ‘big picture’ by collaborating with employees at different levels of each nonprofit. Another pleasant and unexpected result was that we cultivated buy-in from staff members across each organization. By giving front line employees the opportunity to cooperate, you can foster enthusiastic teams of risk champions who are eager to propel your nonprofit mission forward. NRMC’s web app, [My Risk Assessment](#), makes it easy to source risk information from a large team of internal stakeholders.
- **Terminology Confusion** – One of the most common mistakes in risk planning is failing to begin with simple definitions. To begin, ask: what does the term “risk” mean to us? We see nonprofit leaders

struggling to integrate risk management practices into their operations and strategy because they cannot reach agreement about what risk is, or how much risk the nonprofit is willing to take. For example, one leader might identify an incredible opportunity to further your impact or grow your client base, while another leader rejects the prospect since it presents obvious financial risk. To begin developing your risk management program, have candid conversations with your team members to find a common ground on which to approach and assess risks.

Getting Unstuck

- **Start Simply** – Any renewed commitment to risk management should begin with simple, clear goals. Steer clear of any goal that hints at completely eliminating undesirable risks; instead, focus on identifying and embracing mission-advancing risks! Add a realistic timetable to your simple goals to increase your odds of success.
- **Celebrate Being Stuck in the Middle** – According to author Brené Brown (see “Wallow in your failure,” featured in the September 2015 issue of *Fast Company*), “People don’t recount the middle of the story often.” She explains that the middle has “...the most potential for shame. But it’s where everything important happens.” The same is definitely true when it comes to an evolving risk management capacity. If you’re feeling frustrated by the lack of tangible progress in risk management, revel in the mid-way point and consider your options. Two of our clients recently found that being “stuck” turned into a breakthrough moment. In a moment of frustration, the first team agreed to rethink a previously discounted suggestion to engage with the board. That engagement gave the team newfound energy. In another case, a team stuck in the middle realized that by creating a central repository for in-house risk resources served several purposes, including capturing their lessons and learning to date.
- **Take a Breather** – Sometimes we get so caught up in preventing one frightening possibility that the issue keeps growing until we feel exhausted and confounded. Instead of beating a dead horse, take a step back to refresh yourself. Try approaching the issue from a new angle, or take some time to consider other critical risks faced by your nonprofit. An over-stressed risk champion is no champion at all—keep your game face on by taking a breather when you need it most.

As a middle child, I’ve often felt “stuck in the middle” of my sibling group. Yet over the years I’ve come to realize that there’s no place I’d rather be. Feeling “stuck” can be just what leadership teams need to revisit assumptions, to be inspired to try something entirely new, or to stop following unproductive routines. When you learn to look past the “clowns to the left” and “jokers to the right,” you’ll start to see the messy middle as wonderful place to be after all.

Melanie Herman is Executive Director of the Nonprofit Risk Management Center. Melanie welcomes your feedback on this article or questions about risk issues at Melanie@nonprofitrisk.org or 703.777.3504.