

History's Mysteries... Unearth to Understand



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Although no new episodes are being produced, re-runs of the long-running program “History’s Mysteries” appear from time to time on the [History Channel](#). The program capably debunks the idea that history is boring and offers compelling evidence of the expression “truth is stranger than fiction.”

Recently, while watching an episode of “History’s Mysteries,” I found myself reflecting on the value of trying to *unearth*, and therefore beginning to *better understand* our past. Doing so not only makes great entertainment, it’s an important value in risk management.

In his thought-provoking book titled [“The Future of Faith,”](#) Harvey Cox writes that “Knowing about the past is vital, not to *return* to it, but to *learn from* it, from both its mistakes and its successes.” Although the author in this instance is referring to the history of the Christian faith, his words are equally powerful when applied to organizational life.

Every nonprofit organization has a past and present, and most will have a future. The key to tapping into the past for risk management purposes is *to ask questions that will allow leaders to understand the past with a greater degree of clarity*. Recently we took a look at some historical data from the NRMC’s files. We selected one line of business and plotted our results over a decade. Before “running the numbers,” I had a gut feeling that our growth followed a pretty straight line. The actual numbers revealed that our experience was more of a roller coaster ride than a straight line. By examining the curved line illustrating our *actual* experience we were able to identify some of the internal and external factors that, in combination, led to those results. This exercise got us thinking about the risks of current strategies, our assumptions about the near-term and long term, and our ability to flatten the curve in the future.

I will acknowledge that you’re unlikely to get an enthusiastic response when you announce the scheduling of a meeting to discuss recent mistakes or failures. But staff teams and boards of directors should be encouraged to examine gaps between results and ambitious goals. By learning from experience—mistakes and successes—you can reduce the chance of repeating mistakes and seize the opportunity to identify factors, circumstances, assumptions and other issues that contributed to the gap.

In my book, [Ready...or Not: A Risk Management Guide for Nonprofit Executives](#), I explore the idea of “culture change” as essential to effective risk management. Unfortunately, some leaders intent on embracing and applying “what’s new” and “what’s next” in the risk management discipline find themselves swimming

upstream, fighting a culture that is hostile to a healthy learning loop. To fight the normal organizational tendency to cover up what went wrong, consider adding the following questions (or your versions!) to the agenda of your next senior staff or board meeting.

- What was the biggest mistake or miscalculation we made this year? (Consider mistakes in strategy selection as well as mistakes in the implementation of core strategies intended to advance the mission of the nonprofit.) Do we have a clear understanding of what went wrong? If not, what is required to better understand how, when and why things did not turn out as we hoped they would?
- What mission-advancing opportunities have we missed this year due to our fear of mistakes or aversion to risk? What could we have done differently? What might we do differently in the future?
- What lessons from past years did we fail to incorporate in our planning for 2010 and implementation strategies? How might those lessons be instructive as we move forward?
- What have we learned *this year* from the gaps between our aspirations and our results? How can we incorporate these valuable lessons as we plan for 2011 and beyond?

In [Ready...or Not](#), I write about the *culture of reflection*, and express my view that organizations that embrace a culture of reflection are in the strongest possible position to learn from mistakes, miscalculations and even near-misses. Senior staff and volunteer board members who have embraced a *culture of reflection* do not fear a close-up look at strategies that have yielded less than hoped for results. They welcome scrutiny, recognize that a learning loop is like a muscle that requires exercise, and may even be invigorated by the opportunity to step back, slow down and take stock of 2010 before moving full speed ahead.

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