

One Thing



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Recently I attended a conference of association leaders gathered for a shared purpose: to re-energize. Of course, there are many ways to define “re-energize.” For me (and I suspect for others), the opportunity to “re-energize” is the chance to unearth and adapt a new approach for managing the challenges that await me at home base. Visit a spa to rejuvenate and relax. Jump headfirst into an educational event to undercover ideas.

Many attendees say they are here to learn “practical approaches.” What is “practical” depends on the circumstances, perspective, past experience, and sometimes the attitude of the workshop attendee. Like beauty, practical lies in the eyes of the beholder. Unlike some adult leaders, I don’t expect workshop presenters to deliver a long list of suited-to-me, ready to go strategies. I want and expect to learn, but I recognize that I will have to shape, adapt and custom tailor the “great ideas” to suit my needs. And my goal is modest: walking away from each educational session with one idea.

Who Are You?

During the wrap-up plenary session, executive coach and author Marshall Goldsmith invited members of the audience to think of one thing or one way to change who they are. Goldsmith uses the term “identity” to describe how we make sense of who we are. He explains that one source of our identity is found in what others tell us about ourselves. Goldsmith says that identity based on what others think is *reflected identity*. *Remembered identity* is based on memories of events or circumstances. Let’s face it, it’s hard to let go of our personal loss experience. How we see ourselves may be based on life-changing or perception-altering experiences. Goldsmith says that *programmed identity* results from “other people sending messages about who you are or will become in the future.”

When I was a young child my Dad often said, “You’re going to be a lawyer.” I regarded the prediction as nonsensical. As far as I knew Dad didn’t know any lawyers, had no practical experience with the legal profession, and he professed no psychic ability. After considering every other possible professional path I finally gave in to my programmed identity, I mean destiny, and reluctantly attended law school. The fourth category of identity is *created identity*, or in Goldsmith’s words, “the identity that we decide to create for ourselves.” We realize our created identity by taking practical steps to become the person we want to be—without being a “slave” to “the past or to other people.”

Risk Management Identity

Hearing Marshall Goldsmith's keynote address reminded me of how many leaders approach risk management in their organizations. In some cases, current risk management efforts are tied to past losses and events. *Remembered* events form the basis for action. Today's risk management is focused solely on preventing the recurrence of unpleasant outcomes that remain burned in our memories. While that's an important component of managing risk, it's far from the whole picture. Another aspect of risk management activity is akin to *reflected identity*: obsessed with what others think and are doing. Many clients ask me to produce examples of risk management structures, programs, or activities from "highly similar nonprofits" with the stated goal of not "reinventing the wheel." Learning from others is an important part of effective risk management, but the answers to your nonprofit's risk-related challenges and risk-taking opportunities do not lie in the files of another organization. Still, other leaders seem compelled to implement new screening, supervision, or program design elements because of community-wide or institutional pressure. They reluctantly agree to a *programmed* set of risk management strategies as an alternative to diving in and creating something that will better meet their needs.

My sense is that nonprofits are best served by leaders willing to create risk management structures and programs that meet the organization's needs today while instilling an early warning system for events in an uncertain future. And that means leaving the chisels at home: effective policies should not be chiseled in stone. They must be flexible and subject to ongoing review as the nonprofit examines and adjusts to its shifting circumstances and environment. A *created* risk management effort may take more time than one based on past losses or copied from the pages of another's playbook, but the ultimate reward is an organization that is far more agile in an uncertain world and resilient to the risks that are impossible to forecast.

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