

How to Report on Risk to Your Board

Resource Type: Articles

Topic: HR Risk and Employment Practices

Have you been asked by the Board to provide a risk report or briefing? It's natural to be a little nervous about that. But an open dialogue about risk can build trust, shape strategy, and help your nonprofit better execute on its mission. Here are some steps to help you have a great discussion about risk with your board.

Know what they want to know. Before the meeting, ask the board what they most want to learn about your nonprofit's risk management efforts. There might be a lot of variety in the answers! Tailor your presentation to focus on the major areas where the board seeks information.

Keep it high-level. Your board sets strategy for the organization, while staff handles day-to-day operations. Your presentation should highlight major risks your nonprofit faces with an overview of how you are building resilience. Don't take up valuable presentation time with minutia and endless operational details.

Get to the good stuff first. Slot your risk discussion early in the meeting agenda when brainpower runs highest (to avoid the risk of a weary or diminishing audience).

Don't talk at board members; talk with them. You might want to create a huge slide deck, rush through it in the hopes that your board will say, "Nothing to see here," and move on. But dialogue helps staff and board members better understand the organization's challenges and opportunities. Consider adding questions you want board input on to the agenda.

Get visual. Augment your presentation with graphics that illustrate key metrics. Don't overcrowd your presentation. A visual risk dashboard should contain no more than three key pieces of information, with the most important metric or data displayed in the top left corner.

Don't blue-sky it. Of course you want the board to think you have everything under control. But life, and nonprofit management, includes plenty of things you don't control. Be honest about how you've worked to mitigate risks, about what you still don't know, and describe how you are working to learn as much as you can.

Discuss risk appetite. Share your perspective on the costly consequences of risk aversion, and invite discussion about how and why your nonprofit should go boldly to make a difference in the lives of peoples and communities you serve. Work with the board to calibrate risk appetite—how much risk you are willing to take to achieve key objectives.

Consider a deep dive on one risk topic per board meeting. A deep dive serves two key purposes. First, shines a light on the care and attention you are giving to a critical risk without putting too many operational details in front of the oversight team. Second, it builds confidence by satisfying the natural curiosity of the oversight team to understand the "how" behind your approach to managing critical risks.

Identify a point person. Let board members know which staff person or people are in charge of coordinating risk assessment and risk management at your nonprofit. While nonprofit CEOs have ultimate responsibility for operations, by noting which functional team members constitute the risk team you will reduce the Board's worry that the CEO has too much on their plate.

Find out what you don't know. Include time in board risk discussions for staff and board members to talk about the emerging risks you have just begun to explore. Ask leaders to share what they are seeing or hearing in their industries on those risk topics.

Identify next steps. Summarize the board's requests for additional data points or angles on risk management at your next briefing. For example: "We heard today that you'd like the risk dashboard to include 3, instead of 5 risks, and that you'd like the next deep dive to cover workplace violence prevention."

Resources:

- [Risk and Resilience: The Board's Role – Nonprofit Risk Management Center](#)
- [Improving Board Risk Reporting – Corporate Compliance Insights](#)