

Good Problems: Why Risks (Possibilities) Are Exactly What Your Mission Needs



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I've recently finished a book by the blogger Mark Manson. I found many delightful surprises in Manson's writing, and a few unnerving ones. While I embrace the knotty dilemmas in risk management, I recognize that many nonprofit leaders do not find similar delight in mission-disrupting possibilities.

Manson writes, "Don't hope for life without problems... There's no such thing. Instead, hope for a life full of good problems. The secret sauce is the solving of the problems, not in not having problems in the first place."

Can you imagine a world without risk? That world would be devoid of possibilities. At NRMC we use the word "possibilities" as the shortest, simplest definition of risk. Risks are possibilities, events or outcomes that may or may not happen. And while there will always be events and outcomes beyond our control, our actions in the face of uncertainty, and our readiness to respond to disruption, can make the difference between mission success and a mission succumbing to circumstance.

Manson's words reminded me of an insight from another book, *The Power of Giving Away Power* by Matthew Barzun. Barzun writes, "Uncertainty is potential energy like heat from the sun. Uncertainty makes the whole system work—we don't know which branches will grow, which will wither and which will connect with other branches."

So instead of wishing away (or worse, ignoring!) potential disruptions, disruptors, and concerns, I urge you to recast problems, people and change as opportunities to build a stronger mission, an optimistic team, and a pathway to greater mission success.

Problem Spotting Prompts

If you're ready to name and noodle on the knotty problems in your risk function, here are a few question prompts to help you get started.

- What is the recurring barrier that impedes progress in our risk function? What are three different ways to overcome that barrier?
- What risk (possibility) overwhelms us? If we broke that risk down into component parts, what would they

look like?

- Whose (or what) perspective on risk are we missing on our risk team?
- If we could only focus on building resilience to three risks (possibilities) this year, what risks would we choose?
- Do we shy away from sharing our top risk concern with the Board because we don't have a plan? Who should we bring together to develop a plan to build resilience in the face of that risk?
- What risk (possibility) would propel our mission forward? How are we prepared (or unprepared) should that happen?

Roadmap or Schema?

As a linear thinker, I'm drawn to step-by-step instructions. Assembly diagrams confound me. While many risk teams use a list of action steps to address risk problems, that may not always be the best approach. Sometimes a schema or model is a better fit. During an ERM engagement many years ago, my colleague Diana Del Bel Belluz taught me how to diagram a risk by constructing an influence diagram.

An influence diagram uses geometric shapes to represent variables that can affect a desired outcome or downside risk event and help a team identify and understand the connections between objectives, uncertainties, and decisions/actions. A typical influence diagram uses a variety of shapes that correspond to variables. A risk-themed diagram might display objectives in diamonds, uncertainties in ovals, and decisions in rectangles. After identifying an objective, the next step is to identify uncertainties related to that objective. The third step is to identify decisions that could influence the realization of the objective. The last step is to add arrows that represent the direction in which influence is moving. An influence diagram may depict one or more objectives and the uncertainties and decisions in that objective's orbit. Creating an influence diagram can help a risk team visualize risks and deepen its understanding of the array of uncertainties—and relevant decisions—that should be considered.

A short introductory video on influence diagrams is available [HERE](#).

Whether your (good) problem is a risk that could upset or propel your mission or a barrier to progress in your risk function, never ignore the issue. Problems set aside rarely dissipate, and hand wringing doesn't work. Reflect on the challenges your mission invites you to tackle. Break the problem into simpler component parts and consider who could help tackle those component issues and contribute to a durable solution of the problem.

We hope a few good problems will surface for your team in the new year. When they do, take a deep breath, return to the steps we've outlined, and see how working through challenges can benefit your mission and your team.