

Your Best Investment Isn't Systems. It's Your Team.



By Melanie Lockwood Herman

Executive Director

Resource Type: Risk eNews

Topic: Data Privacy, Tech Risk, Cybersecurity

Headlines related to AI adoption and disruption upstage many other topics in the news these days. I think I understand why. We fear things we don't control. We don't know exactly how AI works, and we worry that AI tools are replacing the human judgments we trust. As we reflect on ways to strengthen our missions and risk management programs, we are drawn to the powerful promise of systems that will fortify defenses, speed processing, and make complicated tasks less so.

In a [special edition of his newsletter](#), Gary Burnison, CEO of Korn Ferry, writes that "Technology can be installed, downloaded and implemented, but it's people who have to adapt. Experience, judgment, context and relationships don't simply disappear because of transformational technology."

From client conversations to our in-person Risk Summit, we hear nonprofit leaders say that a focus on systems can divert attention from people. At NRMCM we believe tools, frameworks and policies support, but do not determine the success of a risk management function or program. People do. That's why we urge our clients to focus on people skills, leadership development, and fostering trust among colleagues (including management and the board).

As you navigate technology opportunities and disruptions, remember to keep people front and center.

- *Lead with trust.* Trust that people on your team bring commitment and the desire to contribute to the mission. Trust that they are capable, open and desire helpful feedback. Risk professionals occupy a unique role in a nonprofit organization. Their success and ultimate contributions depend on the entire team's support and cooperation. Without trust, the ambitious goals of a risk management program are doomed to fail.
- *Be open to fears and frustration.* These human emotions bubble up during periods of disruption and change. When technology is woven into the disruption, anxiety worsens. Leaders who are feared fail to inspire trust. In "Advice for Living," Dr. Martin Luther King, Jr. writes: "People fail to get along because they fear each other; they fear each other because they don't know each other; they don't know each other because they have not communicated with each other." Ask yourself: In what ways and under what circumstances might my actions inspire fear? How can I encourage learning, transparency, and communication?

- *Be transparent.* Secrecy impedes trust, while transparency is the ultimate trust booster. Unfortunately, the risk realm is full of secrets. Risk leaders often worry what will happen when an organization shares its top risks with the staff, the board, or an external partner. Yet it's impossible to fully understand and unearth the nuances and nature of risk when the issue, event, or possibility is cloistered. What risks are you reluctant to talk about? How might your reluctance cause unnecessary worry among members of the team? What concerning risks could you discuss with colleagues this year to begin to address them openly and honestly?

Gary Burnison's advice is timeless and relevant to nonprofit leaders grappling with technological mission disruption, as well as other types. Burnison writes, "Let's remember that in a world that is increasingly blurring the lines between the artificial and the genuine, we still intuitively and instinctually know the human side of organizations... Indeed, it's people who determine what an organization becomes—and ultimately, how it performs."

If your people don't trust you and won't share what's on their minds, no technology tool can bridge that risk management gap.

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your stories and comments about the intersection of risk leadership and trust. Reach out to Melanie at 703.777.3504 or Melanie@nonprofitrisk.org.