







Today's Agenda

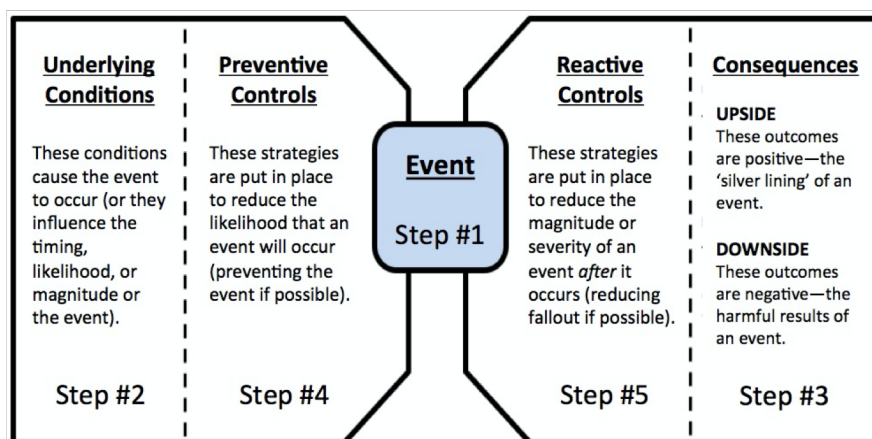
-  Introductions
-  Trio of Topics
-  Techniques
-  Tips



3 Timely Risk Training Topics

1. Risk assessment: **The Risk Bow Tie**
2. Risk ranking: **The Italian Flag**
3. Risk relationships: **The Influence Diagram**

The Risk Bow Tie




HOW TO BUILD & USE A SIMPLE RISK BOWTIE


SATARLA Risk Training | Consulting | Research

WHAT IS A RISK BOWTIE?


A method to understand and analyse a risk, problem, issue, or incident...



...that displays the causes and consequences of a risk...




...and explores all of the controls that contribute to the management of the risk.




WHY DO PEOPLE USE THEM?


Display understanding of a risk on one page, which can be added to and refined with more knowledge.



Communication tool.




Prompts robust decisions to be made regarding controls or prioritisation of risks.




WHEN & WHERE ARE THEY USED?


Board, management, site, and external stakeholders.



Work through threats and opportunities.



When a change occurs internally or externally to the organisation.



3 IDENTIFY CAUSES

CAUSES

4 IDENTIFY CONTROLS to prevent the risk from occurring

PROACTIVE CONTROLS

1 IDENTIFY THE RISK

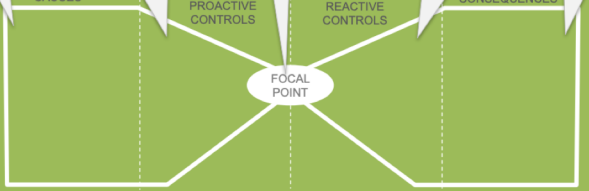
REACTIVE CONTROLS

5 IDENTIFY CONTROLS to lessen the impacts if the risk occurs

CONSEQUENCES

2 IDENTIFY CONSEQUENCES

FOCAL POINT



Time →

HOW TO BOWTIE

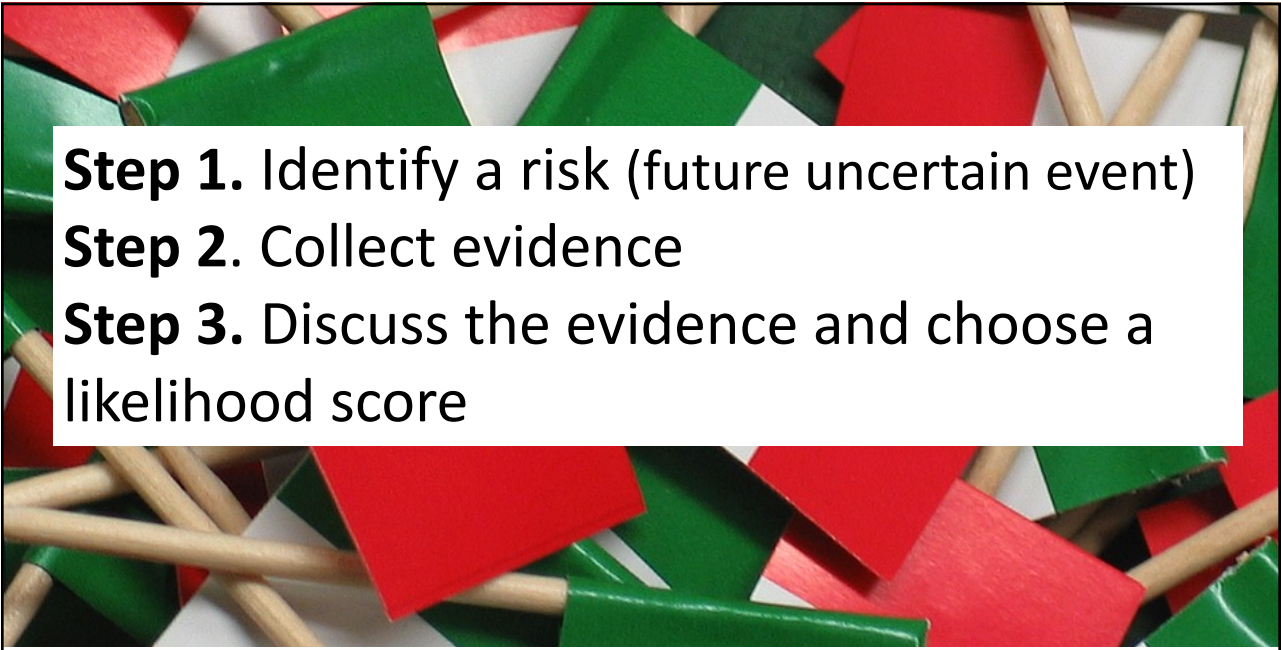
[Basics] 3:00

[Risk bowtie: How to create and use](https://www.youtube.com/watch?v=PHbLQWqojC8)

SATARLA RISK
 YouTube - Jun 17, 2015

www.youtube.com/watch?v=PHbLQWqojC8





Step 1. Identify a risk (future uncertain event)
Step 2. Collect evidence
Step 3. Discuss the evidence and choose a likelihood score

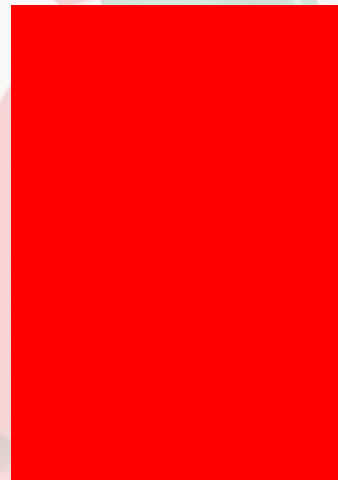
**Factors that positively
affect the likelihood of
the risk event**



Factors that could affect the
outcome, but it's not clear
whether it's a positive or
negative affect



**Factors that negatively
affect the likelihood of
the risk event**



Step 3. Discuss the evidence and choose a likelihood score

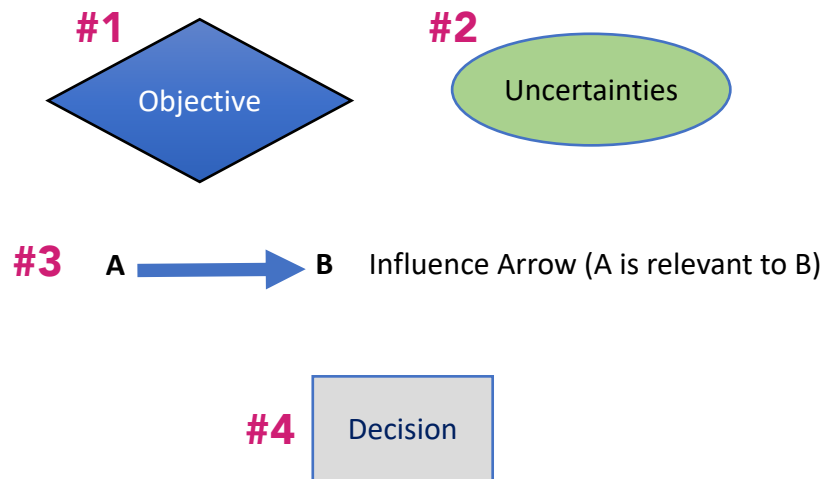
Likelihood statement	Probability
Excluded	0%
Extremely unlikely	5%
Very unlikely	15%
Unlikely	35%
Likely	65%
Very likely	85%
Extremely likely	95%
Certain	100%

Focus on determining a likelihood statement.

What is an Influence Diagram?

An exercise for identifying and understanding connections between objectives, uncertainties and decisions/actions

Influence Diagram Components

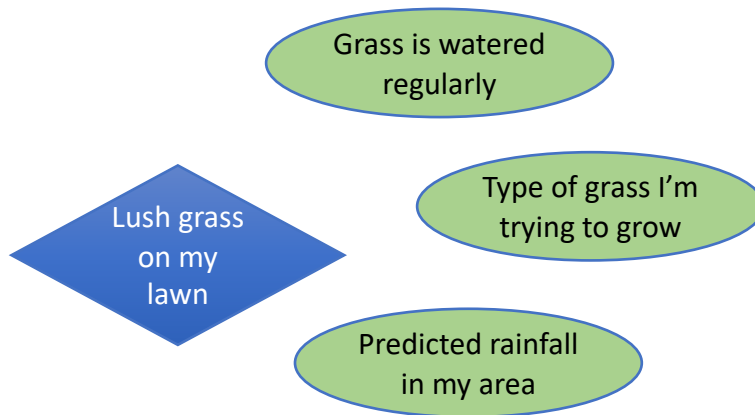


Influence Diagram Example

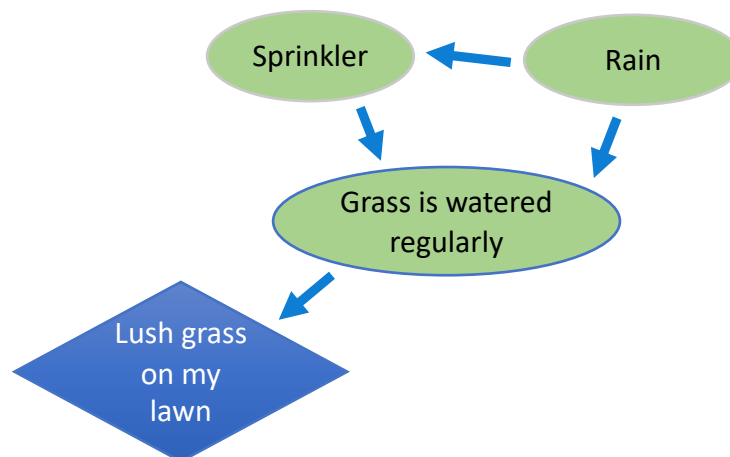
Step #1: select a strategic objective



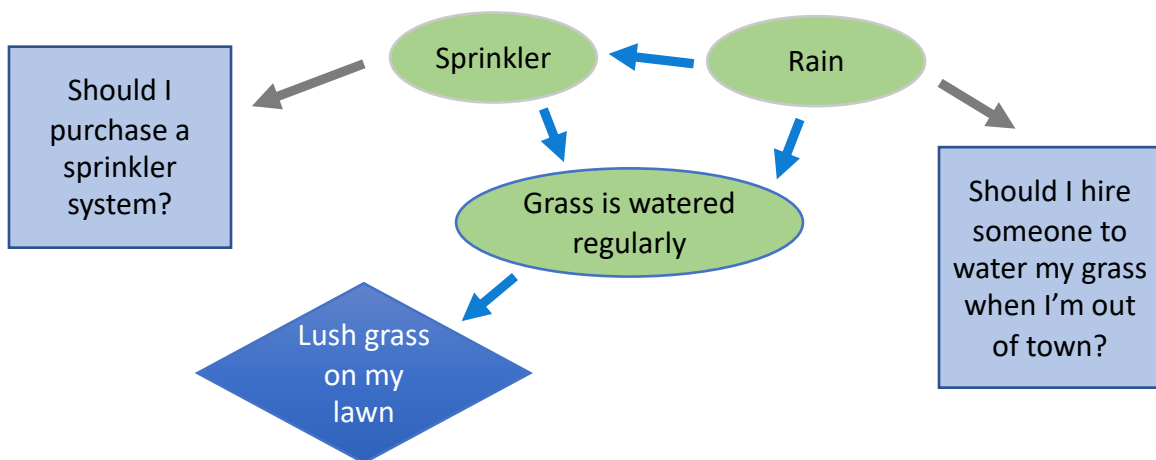
Step #2: identify uncertainties that could influence your achievement of the objective



Step #3: identify additional uncertainties that potentially influence your achievement of the objective; add influencing arrows



Step 4: add decision nodes where you see opportunities to increase the chance that your objective will be achieved



Techniques

- Role-playing: try on some one else's hat!
- Brainstorming
- Design exercise: build it and learn!
 - Takeaways: someone participants can use, and increased confidence about the ease of building something from scratch
- Case Studies and Scenarios

Facilitator Techniques

- Directive – Do This! Group is reactive
- Collaborative – Shall We...work together to achieve best outcomes
- Supportive – How may I help? Group is proactive

Tips

- Provide a preview! clearly define what will be covered
 - Ideal: 3 segments
- Use ice breakers
- Suggest next steps for continued learning
- Plant a seed: assign homework!
- Include a “what I learned” segment at the end
- Use green and red cards for quick polls and temperature checks

STRAW VOTE CARDS

In response to a declarative statement, all in the group may be asked to “Show Your Cards” all at once. This helps a group test ideas, evaluate an issue, and get total involvement.

Show this **GREEN** card if your personal response is **YES...**

Here’s an idea which truly
gives one pause...
It shows sound merit,
though it may have flaws.
I’ve probed and dissected—
its balance I see;
I’ve weighed it with care—
I tend to **AGREE**.

Courtesy of Bruce Lesley, BdSrc consultant

STRAW VOTE CARDS

In response to a declarative statement, all in the group may be asked to “Show Your Cards” all at once. This helps a group test ideas, evaluate an issue, and get total involvement.

Show this **RED** card if your personal response is **NO...**

Here’s an idea which leaves me in doubt;
The message is murky—
Its intent without clout.
I’ve scrutinized with care—
A bias I suspect;
This concept seems flawed—
I tend to **REJECT**.

Courtesy of Bruce Lesley, BdSrc consultant



Tips

- Keep the discussion focused
- Clearly define risk and terms
- Don’t let one powerful voice dominate conversation
- Understand your audience; be sensitive to relationships
- Encourage candid conversations
- Always have a backup plan

Continue learning!

- “Enterprise Risk Management: The Final Frontier,” Nonprofit Risk Management Center, www.nonprofitrisk.org/resources/articles/enterprise-risk-management-the-final-frontier/
- “How to Conduct a Risk Assessment,” Nonprofit Risk Management Center, www.nonprofitrisk.org/resources/e-news/conduct-risk-assessment/
- “Risk facilitation made easy,” by David Hillson, Project Management Institute, www.pmi.org/learning/library/risk-facilitation-made-easy-9632
- “21 workshop facilitation tips and secrets,” by Joel Barolsky, LinkedIn, www.linkedin.com/pulse/20140723214106-6380530-20-workshop-facilitation-tips-and-secrets
- “Tips and tricks for facilitating workshops and meeting,” by James Gadsby Peet, William Joseph, <https://medium.com/william-joseph/tips-and-tricks-for-facilitation-1c63c8640b42>



**Nonprofit
Risk Management
Center**

Find the answer here | nonprofitrisk.org

Thank you!

Melanie Lockwood Herman

Melanie@nonprofitrisk.org

703.777.3504

Katharine Nesslage

Katharine@nonprofitrisk.org

703.777.3504