All Aboard
Building Internal Support for Risk Management

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Webinar Overview

What is Risk Management?

Common Reasons for Pushback!

How to Build and Sustain Support

4 Final Tips and Takeaways

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Take 10: Resume and Thrive Strategies

The effects of a global pandemic have caused many nonprofits to quickly scale back and shutter programs, send staff home, and rededicate resources to keep the spread of COVID-19 in check. However, some organizations were already from the need to make fast, and in some cases, immediate decisions. In the recent weeks, we have seen decision-making and isolation mandates issued by government officials. We are now entering a new phase of the pandemic that has nonprofit leaders asking questions about remembrance and resilience. Reopening and revitalizing your organization will require thoughtful, deliberate decisions. Instead of suddenly flipping a switch to return “business as usual,” nonprofit leaders must plan the preparations necessary to foster a safe workplace grounded in future-forward, innovative enhancing principles.

Below we reframe the initial phase of response as Phase Zero and the next step in reopening as Phase One. Plans may be described differently in your area.
What is Risk Management?

- A discipline for dealing with uncertainty

- In a nonprofit, risk management activities often include:
  - Candid conversations about risks (the ‘what ifs’ of organizational life)
  - Development of policies and procedures to reduce the chance or extent of harm or loss from operations
  - Training on how to do various jobs safely
  - Information on what to do in an emergency or crisis
  - Consideration of insurance products to finance risk
  - Development of business continuity and other contingency plans
  - Development of crisis management and crisis communications strategies
  - Briefings to the board on how we’re managing risks
  - What else?
Common Reasons for Pushback

1. Lack of understanding!

- What makes a policy dreadful? What makes training tedious?
- Are any of your policies ‘convoluted’?
2. It’s uncomfortable

- Talking about the ‘what ifs’ makes me nervous
- Are members of your team superstitious about risk?

3. “Department of No”

- “Skunk at picnic”
- Perception that it conflicts with bold goals, mission advancement and innovation
- “...everyone loves a parade... except a risk manager!” – Richard Kwok-Sze Wong
4. Resources and priorities

- Money, time, competing priorities...
- Do we actually have time for this?
- What does this have to do with bringing in more revenue?

5. Perceived lack of value

Too much “safety” is a turn-off: managing the tension between being *welcoming* and creating a safe environment

- examples: health care nonprofit, environmental nonprofit
How to Build and Sustain Support

1. Lack of Understanding? Write for a general audience!

- Be specific! Choose clear terms and narratives in risk policies and training
  - “Perform testing and exercises to practice the new or revised emergency plans to make sure employees know what to do and to find any missing parts that need to be addressed before another emergency situation occurs.”

  VERSUS

  - “Test our plans!”
Inspire psychological safety in your workplace:

- “...psychological safety makes it possible to give tough feedback and have difficult conversations without the need to tiptoe around the truth. In psychologically safe environments, people believe that if they make a mistake, others will not penalize or think less of them for it. They also believe that others will not resent or humiliate them when they ask for help or information.”

– Amy C. Edmondson

Unmask the elephants!

3. Too negative? Focus on the positive

- Our mission is important!
- Prevention is generally less expensive than clean-up or the cure
- Working together on risks is a way to flex our cross-functional muscles!
Risk management can be a GPS system for our mission.

_A GPS tells us:_

- The distance to our destination, how long it will take us to get there, if there are detours and traffic jams (updated throughout your journey), and recommended ‘routes’

**Risk management can help us:**

- Identify possible bumps in the road on the way to delivering programs and services and inspire alternative approaches (back-up plans)

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**4. Resource-constraints? Build an affordable approach in-house**

“Do it yourself” Risk Management really works!

- Read free resources on risk for inspiration
- Watch webinars in the NRMC Webinar Vault
- Chat with colleagues about their experiences
Examples: right-sizing your approach

1. **Quick Start:**
   - Form a small team, lead a brainstorming/write storming exercise, create a one-page action plan with bold goals, metrics, and strategies

2. **Measured Start:**
   - Document what you already have in place; brainstorm gaps: what’s missing? How should we go about filling those gaps? What’s the decision-making or approval process for new policies or practices?

3. **Ease Into Risk Management:**
   - Reach out to similar organizations to gather information about a variety of approaches to integrating RM practices; ask about lessons learned as well as victories; draft a ‘charter’ for the risk team to discuss at its first meeting

5. Find the value!
   - How could stronger risk management help us thrive and grow?
   - What risk management steps and strategies can protect us from the inevitable twists and turns ahead?
6. Walk before you run...

- Consider test runs and trial balloons
- Invite volunteers!
- Try broad-narrow-broad

7. Create a continuous feedback loop

- **TIME:** What can I do to make the training, policy, or process *less time-consuming* or burdensome?

- **NEGATIVE:** How can I better explain the *WHY*?

- **DISCONNECT:** How can I loop people in who have self-selected out?

- **PSYCHOLOGICAL SAFETY:** What's the reason behind the reluctance to share concerns? How can I make it safe to be candid?
8. Go upstream...

- Are we truly solving the problem? Getting to the root issue?
- Or are we simply dealing with the consequences (mess)?

4 Final Tips and Takeaways
Tailor risk management!

- To suit your mission, culture and risk appetite...
  
  ...the amount and type of risk that [the organization] regards as appropriate for it to accept in order to execute its strategy.

Don’t be afraid to dabble and doodle

- “a picture is worth a thousand words”
- Try drawing a ‘concept map’ (a visualization of concepts that shows correlations)
- Find metaphors and symbolism that sync with your mission!
Learn as you go!

“Execution-as-learning means operating in a way that allows organizations to learn as they go.”
– Amy C. Edmondson, Teaming

Monitor the risk of organizational drag!

Organizational Drag:
“a malady that slows down decision making and execution in organizations, making them less effective.”

CEB: Reducing Risk Management’s Organizational Drag
Thank you!

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