

# Understanding Risk and Risk Management for NGO's

From threat to opportunity

A 2 day workshop for  
governance and senior  
management



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# Foreword

This is not a presentation as such. It is rather a documentation of key risk management elements presented in the medium of slides, some of which can be used as a projected digital presentation.

It includes some exercises that have been developed for particular groups. Whilst they may have unique application for those groups they have been left in the document as a resource for discussion.

The material has been crafted as a result of both experience and research and has been largely shaped by the frameworks spelt out in ISO 31000.

Much of the content is in the public domain. Where sources are critical to the veracity of the information or ideas, they have been included as a bibliography.

John West

For all those planning to  
turn threats into opportunity

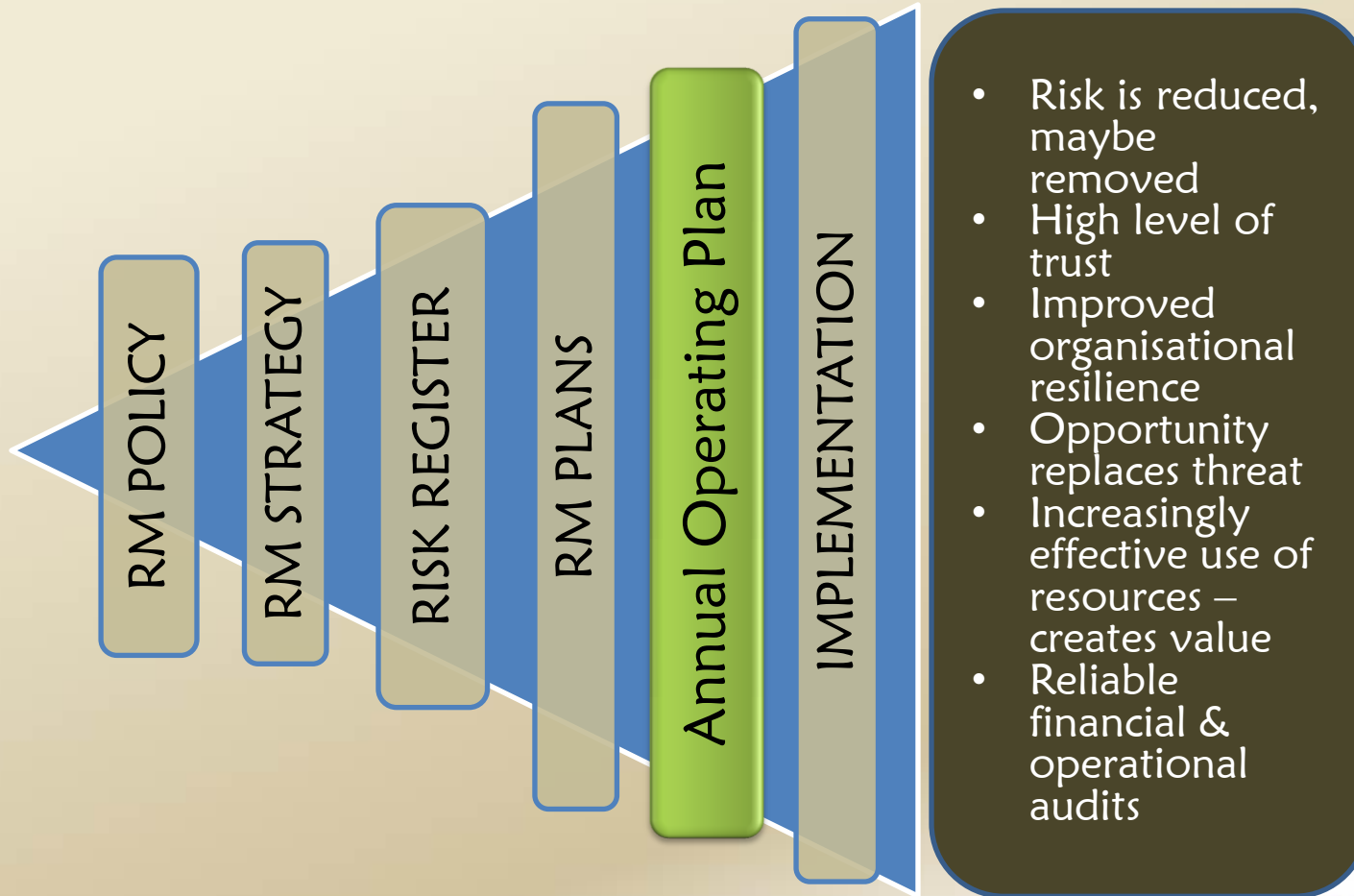


# Understanding RM

- What is risk?
- What then is risk management?
- Benefits of RM
- Principles of RM

# RM Outputs & Outcomes

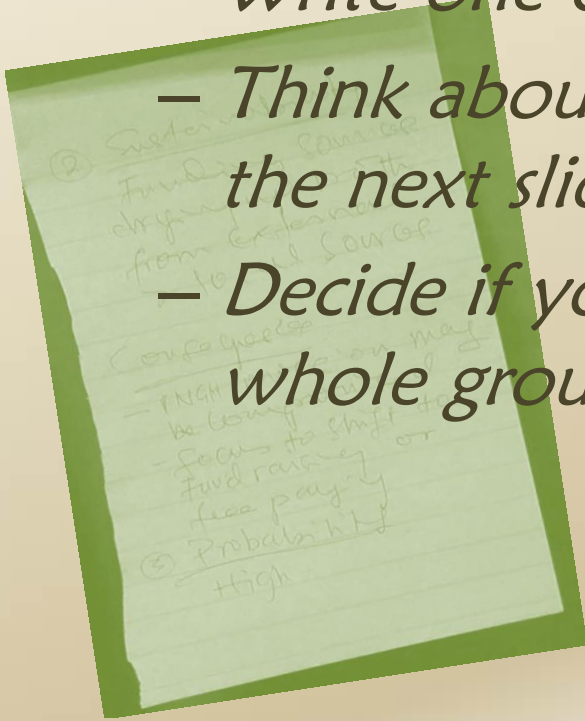
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# Exercise

- *Write down 2 risks you see in your work or in other parts of the organisation:*
  - *Write one on each of 2 sticky notes provided*
  - *Think about the risks through the categories in the next slide <sup>4</sup>*
  - *Decide if you are willing to share with the whole group, then share when asked.*



Internal	External
Human Resources / People and Culture	Funding
Property Management	Tax and regulatory environment
Procurement	Reputation / Perception
Asset Management	Competition
Financial	Partnerships
Compliance	Disaster Shocks / Threats
Corporate Governance	Societal events (crime/unrest/politics...)
ICT	Suppliers
Travel and Transport	
Visitor Policy	
Project Management	

# Understanding RM

- **What is risk?**
- What then is risk management?
- Benefits of RM
- Principles of RM

# What is risk?

- Potential loss or damage...to anything
- A risk is anything that can have a negative impact (or positive – if you choose) on your ability to achieve your vision, mission, goals, objectives and strategies.
- Observe the Chinese characters for risk:-

To the Chinese, 'risk' =

危機

Danger

Opportunity

# Understanding RM

- What is risk?
- **What then is risk management?**
- Benefits of RM
- Principles of RM

# What then is **risk management**?

- **RM** = the processes in place throughout an organisation to continually assess potential risks and take actions accordingly to help manage those risks, create opportunity and achieve defined objectives. The scope includes any type of risk—internal and external—facing the organisation at all levels.

# Understanding RM

- What is risk?
- What then is risk management?
- **Benefits of RM**
- Principles of RM

# Benefits of RM

- Creates value
- Builds trust
- Reducing risk leads to resilience and continuous improvement
- Opportunity for both faith and realism
- Effective use of resources
- Understanding risk opens opportunity
- Reliable financial and operating audits
- Fewer shocks and unwanted surprises

# Understanding RM

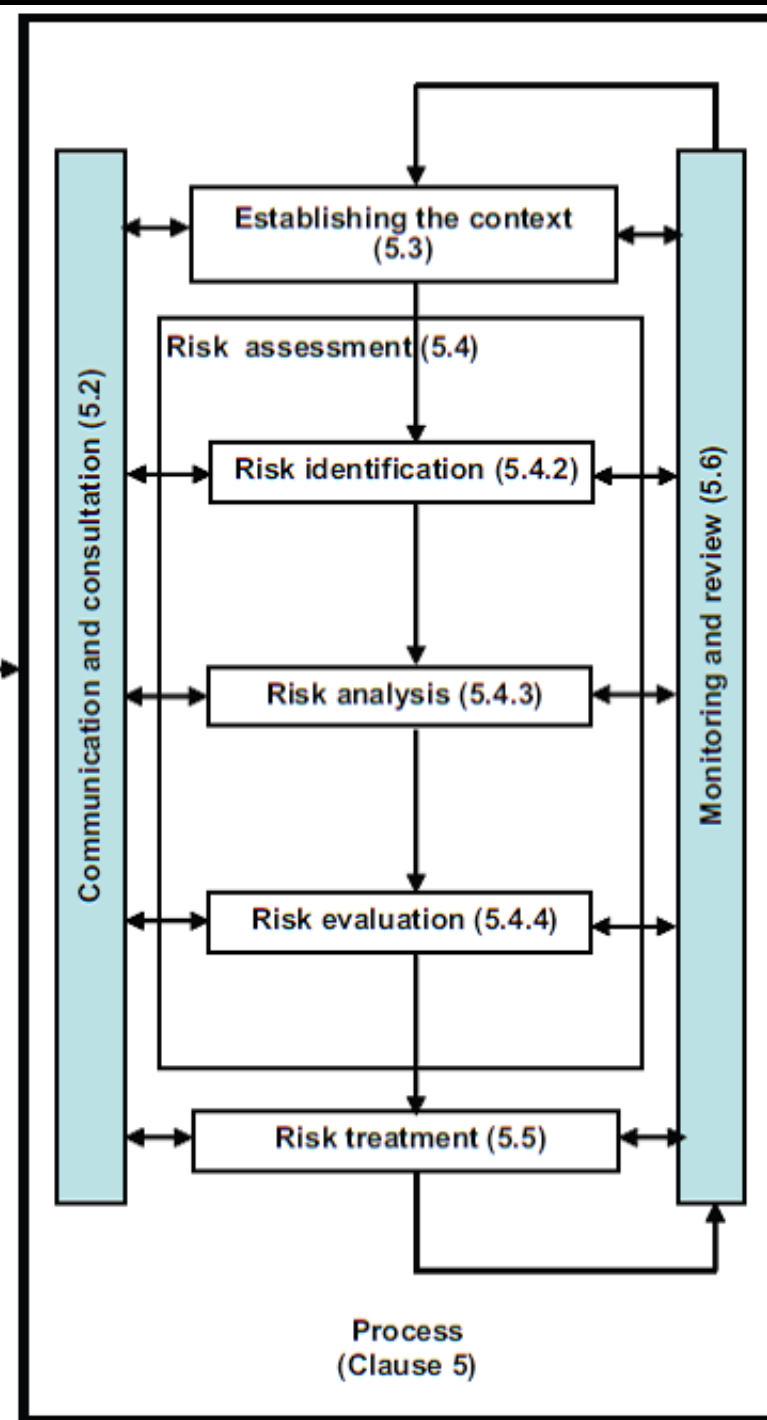
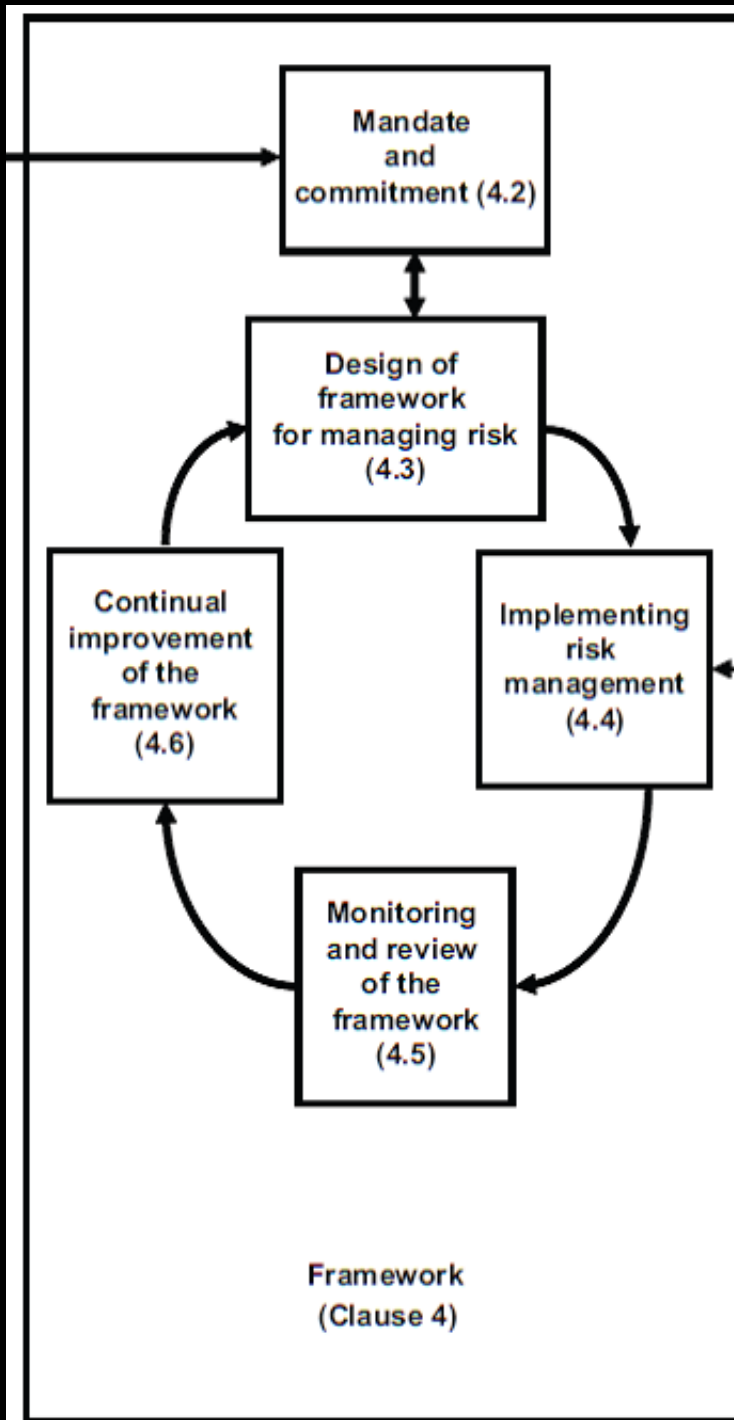
- What is risk?
- What then is risk management?
- Benefits of RM
- **Principles of RM**

# Principles of RM

- Integral part of organisational processes and calendar
- Risk is as much about opportunity as it is about danger or loss.
- Part of strategic and legal decision making role
- Explicitly addresses uncertainty
- Systematic, structured and timely
- Based on the best available information
- Tailored
- Takes human and cultural factors into account
- Transparent and inclusive
- Dynamic and responsive to change
- RM is iterative. It facilitates continual improvement and enhancement of the organisation.
- Important to avoid fear and paranoia - balanced by a clear eyed view of what is acceptable and encourages innovation. Is not risk-averse.
- RM is incorporated in the Job Descriptions of every person required to report and/or act in relation to Risk. This leads to RM being incorporated in performance management

A quick introduction to a  
framework for risk management  
and the process we use to  
manage risk...

# ISO 31000 – Risk Management Standards





# Exercise

A significant supporter of your work from North America has a business friend who wants to partner with you and make \$US 600,000 available each year for 5 years. There are some conditions. The first \$600,000 must be equitted in the next 8 months. This donor has just withdrawn the funding from another NGO because they did not fulfil on their promise, so the donor is wary. Secondly, the donor wants no more than 10% spent on buildings and equipment. They are keen to support initiatives that empower families and communities. Thirdly, they want to know that your HR team will employ the best and most experienced development workers available in the country.

- What is / are the risks in accepting this partnership?
- How would you rate the risks?
- What policies apply?
- How would you manage the risks?

# Building the capacity of your whole team to manage risk

*Risk Management is everybody's business*



Capacity Building

*“Training*

*Is not*

*Capacity Building!”*

# What is the difference?...

Ability

Capability

Competence

Capacity

# Capacity Building

## 3 Key elements leading to an effective Cap Building strategy

<b>Systemic</b> [Structure / Systems / Tools]	<b>Competence</b> [Resources, knowledge and abilities]	<b>Esprit</b> [Motivation, attitudes and values]
<ul style="list-style-type: none"><li>•Structures:</li><li>•Systems</li><li>•Tools</li><li>•Infrastructure</li><li>•Equipment &amp; Materials</li></ul>	<ul style="list-style-type: none"><li>•Resources</li><li>•Knowledge &amp; learning</li><li>•Ability, Skills &amp; habit</li><li>•Business Alignment</li></ul>	<ul style="list-style-type: none"><li>•Motivation &amp; will</li><li>•Culture &amp; corporate culture</li><li>•Attitudes &amp; world view</li><li>•Values</li></ul>
<b>Structures; Systems</b>	<b>Skills; Staff; Strategy</b>	<b>Style; Shared Values</b>

# Capacity Building – some detail

## 3 Key elements leading to an effective Cap Building strategy

Systemic	Competence	Esprit
<ul style="list-style-type: none"><li>•<b>Structures:</b><ul style="list-style-type: none"><li>Organisational structures</li><li>Team structures and Leadership</li><li>Networks, Alliances, Collaboration and Coordination</li><li>Political</li><li>Social</li><li>Economic</li></ul></li><li>•<b>Systems</b><ul style="list-style-type: none"><li>Financial; HR; Communications;</li><li>Knowledge; Information; Logistics;</li><li>Management; Admin</li></ul></li><li>•<b>Tools</b><ul style="list-style-type: none"><li>Evaluation; Gap Analysis;</li><li>Templates; Questionnaires; physical plant and tools; etc</li></ul></li><li>•<b>Infrastructure</b><ul style="list-style-type: none"><li>Roads; Bridges; Communications;</li><li>Inter-office comms; IT Infrastructure</li></ul></li><li>•<b>Equipment &amp; Materials</b><ul style="list-style-type: none"><li>Sat Phones; photo-copiers;</li><li>telephones; paper; Software;</li></ul></li></ul>	<ul style="list-style-type: none"><li>•<b>Resources</b><ul style="list-style-type: none"><li>Enough of and the right - budget, staff time, quality of people and equipment/materials</li></ul></li><li>•<b>Knowledge &amp; learning</b><ul style="list-style-type: none"><li>Education and Learning</li><li>Blended Learning</li><li>Action Learning / Agile Learning</li><li>Field-based action laboratories</li><li>Self-directed learning</li><li>Learning Journals</li></ul></li><li>•<b>Ability, Skills &amp; habit</b><ul style="list-style-type: none"><li>Experience</li><li>Apprenticeship</li><li>Practice</li><li>Specific technical talent</li></ul></li><li>•<b>Business Alignment</b><ul style="list-style-type: none"><li>Strategies are established and operations are aligned to business objectives and demonstrating that objectives are being achieved.</li></ul></li></ul>	<ul style="list-style-type: none"><li>•<b>Motivation &amp; will</b><ul style="list-style-type: none"><li>Clear vision</li><li>Alignment of vision with personal mission</li><li>A mission that unites the corporate consciousness</li><li>Calling, vocation, reward</li><li>Insight and wisdom</li></ul></li><li>•<b>Culture &amp; corporate culture</b><ul style="list-style-type: none"><li>Corporate culture</li><li>Community mythology &amp; culture</li><li>Power and authority</li><li>Esprit d'corps</li></ul></li><li>•<b>Attitudes &amp; world view</b><ul style="list-style-type: none"><li>Attitude</li><li>Disposition to learn</li><li>Passion</li><li>Faith and belief</li><li>Worldview</li></ul></li><li>•<b>Values</b><ul style="list-style-type: none"><li>Written and unwritten</li><li>Shared and unshared</li></ul></li></ul>
<b>Structures; Systems</b>	<b>Skills; Staff; Strategy</b>	<b>Style; Shared Values</b>

# Strategic Risk Management

*- risk priorities are driven by the strategic view*

# RM Framework

## RISK GOVERNANCE & ACCOUNTABILITY

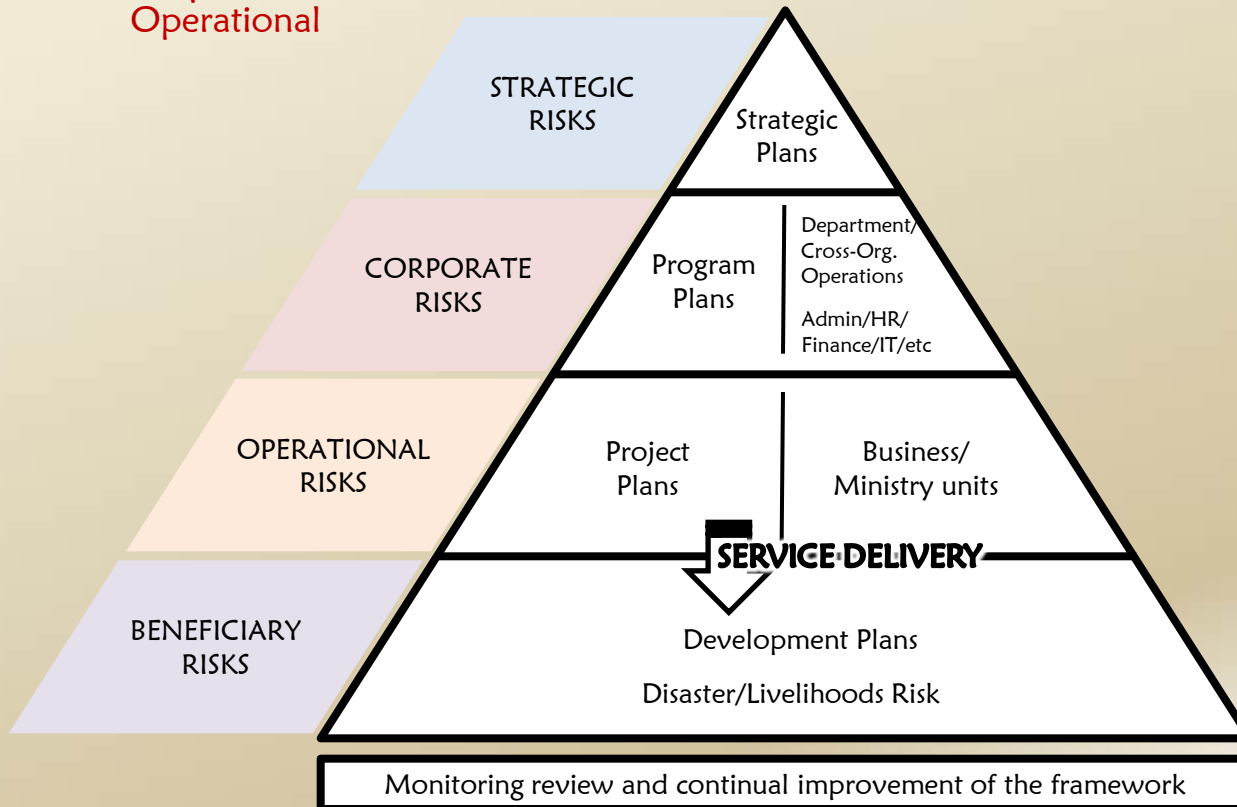
- [Policy](#)
- Structures
- Strategic
- Corporate & Operational

## RISK HIERARCHY

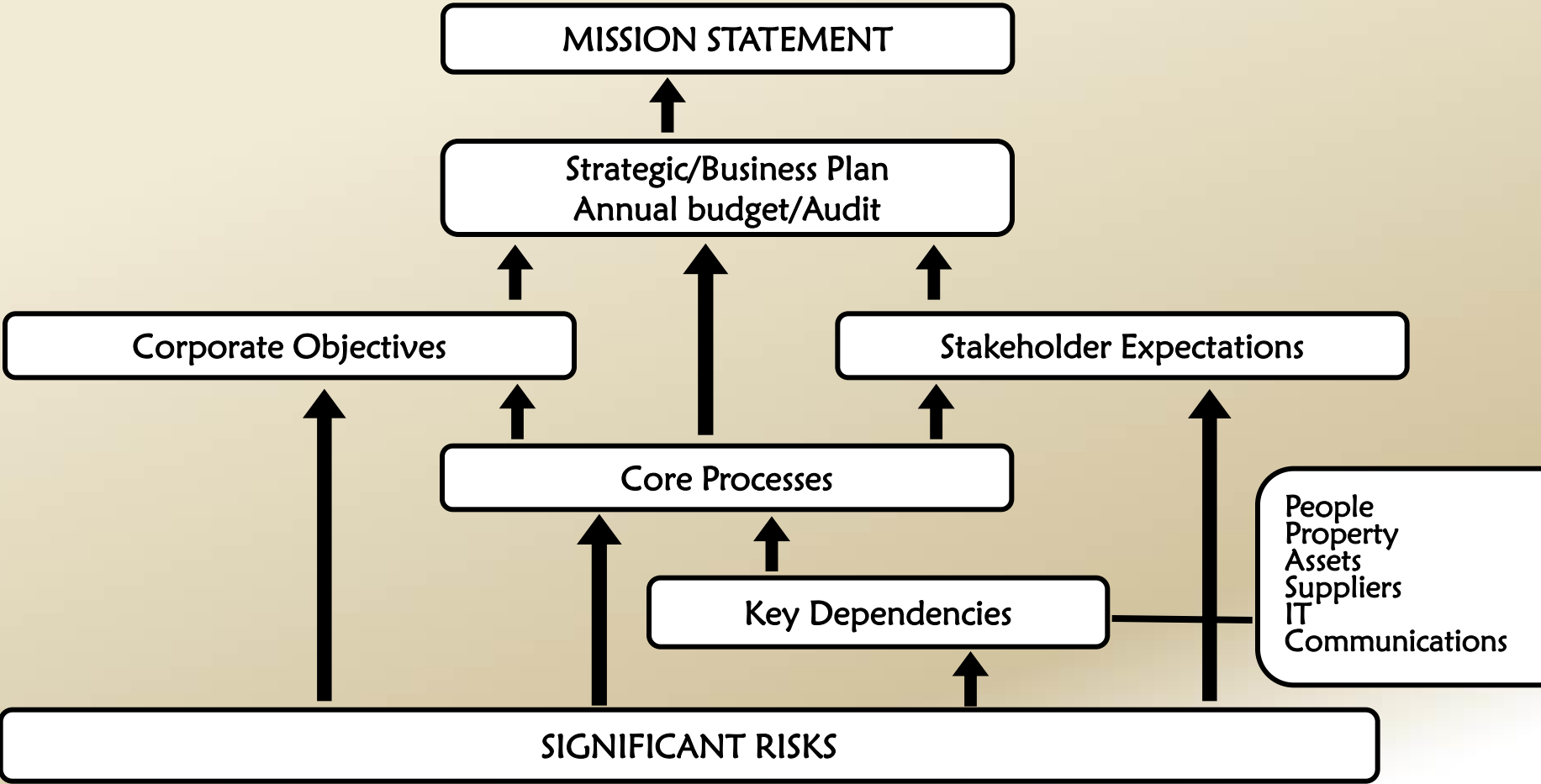
- Strategies
- Business Plans

## RISK SYSTEMS

- Policy
- Processes
- Tools
- Reporting
- Communications



# Risk Hierarchy







# RM Policy – Key Elements <sup>17</sup>

- Objectives and rationale
- Where RM fits in corporate culture
- Clear links between mandates and policy
- Outline accountabilities for MoR
- Guidance on risk tolerance appetite
- Support available to staff to implement
- How RM will be measured and reported
- Period of review of RM Framework



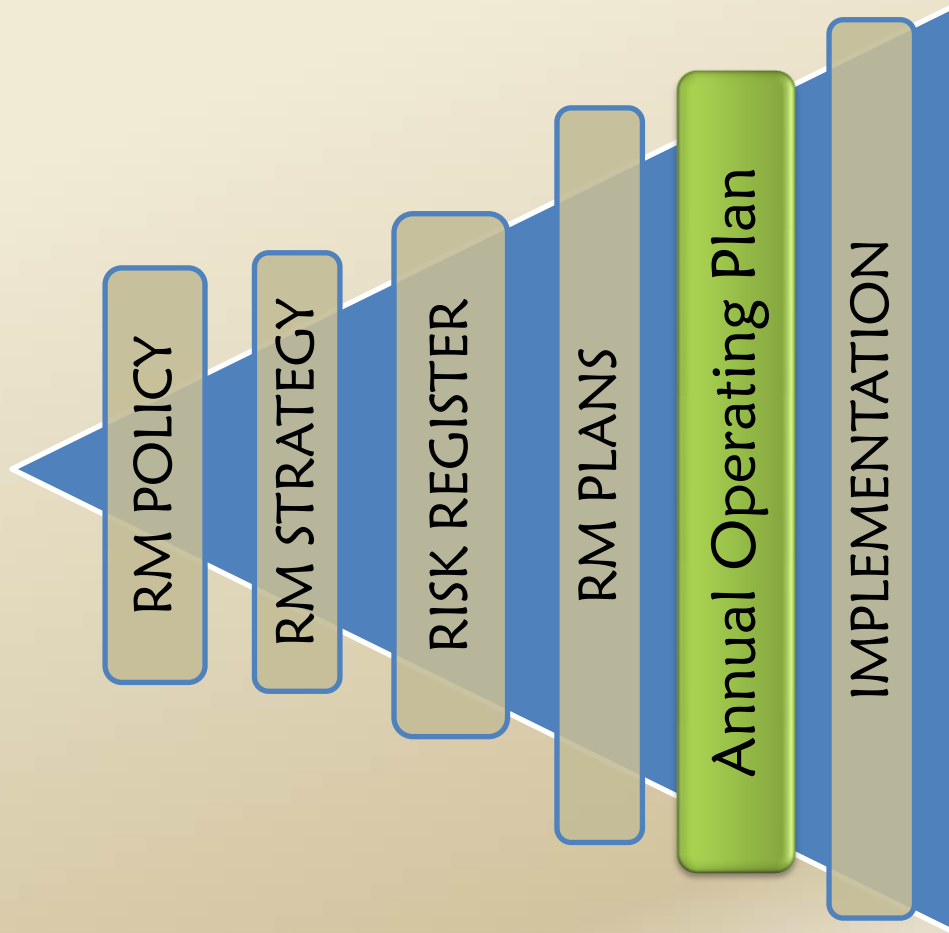
# Leadership & Governance of RM

- Who is responsible for risk management? 
- When things go wrong what are your legal, ethical and faith responsibilities? 
- What do you have in place to warn you that risks or threats are likely turn into problems? 
- Each layer of responsibility should have a set of key questions and a checklist... 

Board	Executive Mgmt	Programme & Functional Mgrs	Line Mgrs and Operational staff
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# RM Outputs & Outcomes

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- Risk is reduced, maybe - removed
- High level of trust
- Improved organisational resilience
- Opportunity replaces threat
- Increasingly effective use of resources – creates value
- Reliable financial & operational audits

# Structure & Admin of RM <sup>5</sup>

- RM Policy → RM Strategy → Risk Register → RM Plan → Implementation
- Board
- Management 

—	Executive / Senior
	Programme / Support
	Line
- Risk Manager
- Unit plans – Business/Ministry/Operational
- Audit – Financial  
– Operational
- Capacity Building
- Job Descriptions

# Roles & Responsibilities Exercise

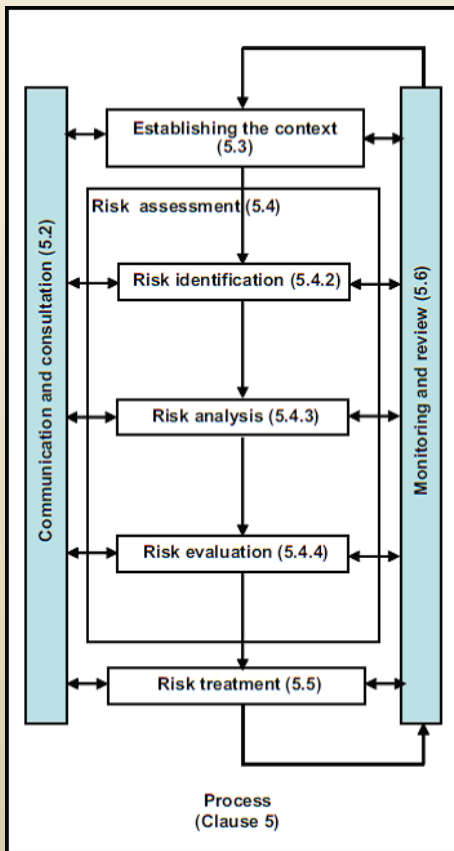


- In your layer in the organisation, start a progressive list of RM roles & responsibilities appropriate for your layer.
- E.g. The Board:
  - » Training on ISO 31000
  - » RM is a standing Agenda item
  - » Policy approval and review
  - » RM strategy approval and accountability

# The Process of Risk Management

...leading to a Risk Management Plan

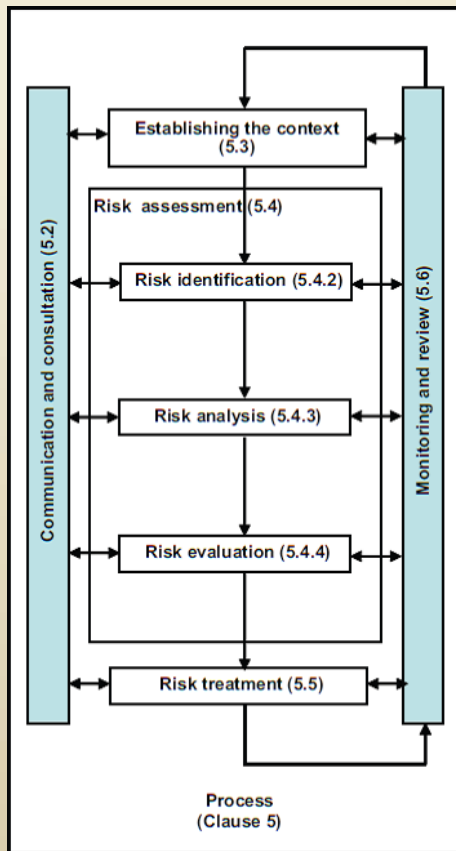
# Risk Management Process



- Establish the context
- Risk assessment
  - Risk Identification
  - Risk Analysis
  - Risk Evaluation
- Risk treatment
- Communications and consultations
- Monitoring, evaluation and continuous improvement



# Risk Management Process



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# Establish the Context

## *External and Internal*

The context statement should identify those internal and external factors that influence decision making in relation to risk and risk management. It could include such things as

- social standards re risk;
- goals ( for example, the context for an emergency response org might differ to a micro-enterprise project),
- relationships,
- activities and
- capabilities.
- etc
- Political winds & government policy
- Consider SWOT as a source of contextual information

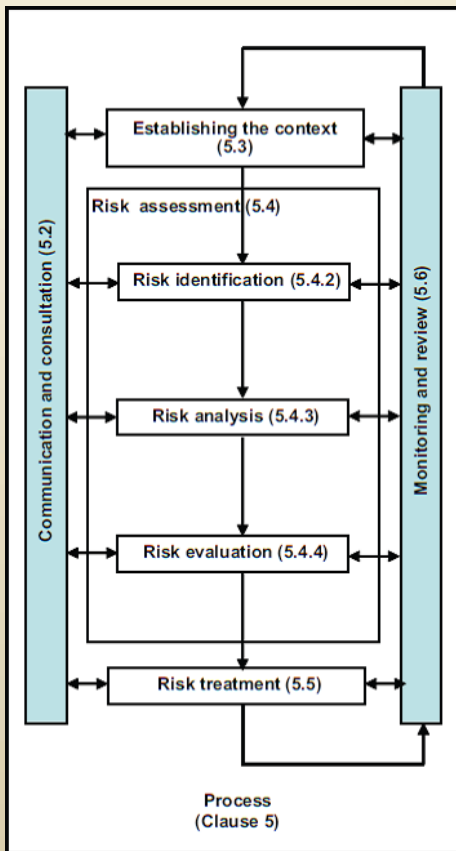
## *Our key stakeholders:*

- Business
- Suppliers
- Regulation
- Cultural
- Financial & Funding

## *Internal context:*

- *Organisational culture*
- *Structures*
- *Capacity, capabilities & competencies*
- *Systems, processes & procedures*
- *Goals & objectives*
- *Core values*
- *Theology of risk*

# Risk Management Process



- Establish the context
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# Risk Identification

The following slides illustrate the places to look for risk and the categories that can be used to think critically in identifying risks. There is also an incomplete catalogue of possible risks that could impact the ability of an organisation, its teams and staff to achieve the corporate objectives.

The resulting list of risks is often called a '*Risk Register*.' To craft a meaningful and agreed risk register a risk assessment tool is usually used. There are several kinds of tools ranging from the simple to sophisticated. What you use is your choice. For a sample simple '*Risk Assessment Tool*' see the slide below with that title.

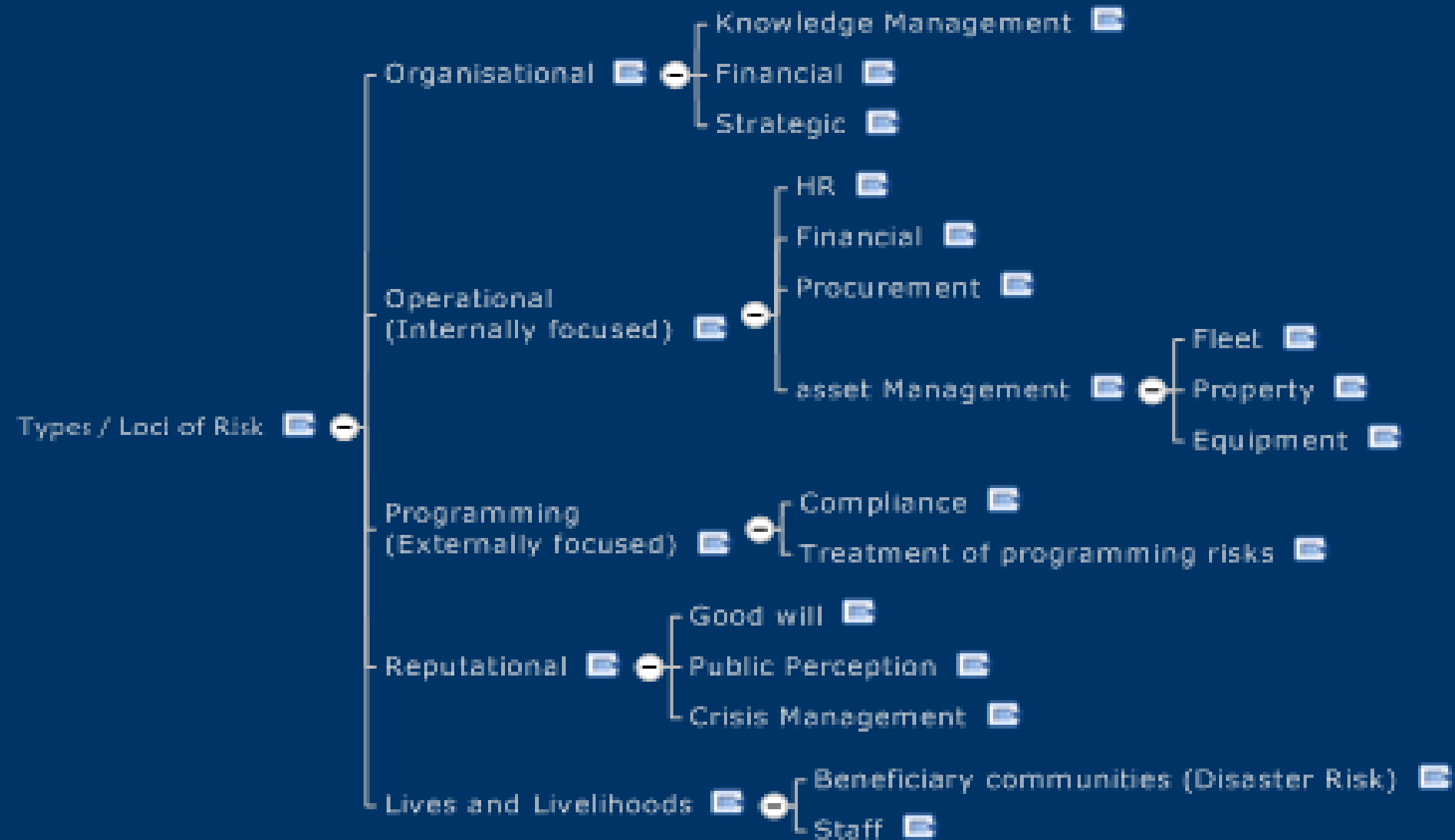
A range of other tools and techniques are available to assist in crafting your risk register.

## *Some Tools and Techniques -*

- brainstorming
- workshops
- audits
- history mapping
- risk mapping
- scenario analysis
- Business Plans
- Focus Groups
- Structured Interviews
- Surveys
- Checklists
- Collegial experience
- Lessons Learned
- Evaluation Reports

The critical element in these tools and techniques is the consultative approach – a serious effort to include all of those stakeholders affected by risk... internally and externally.

# Where to look for risks

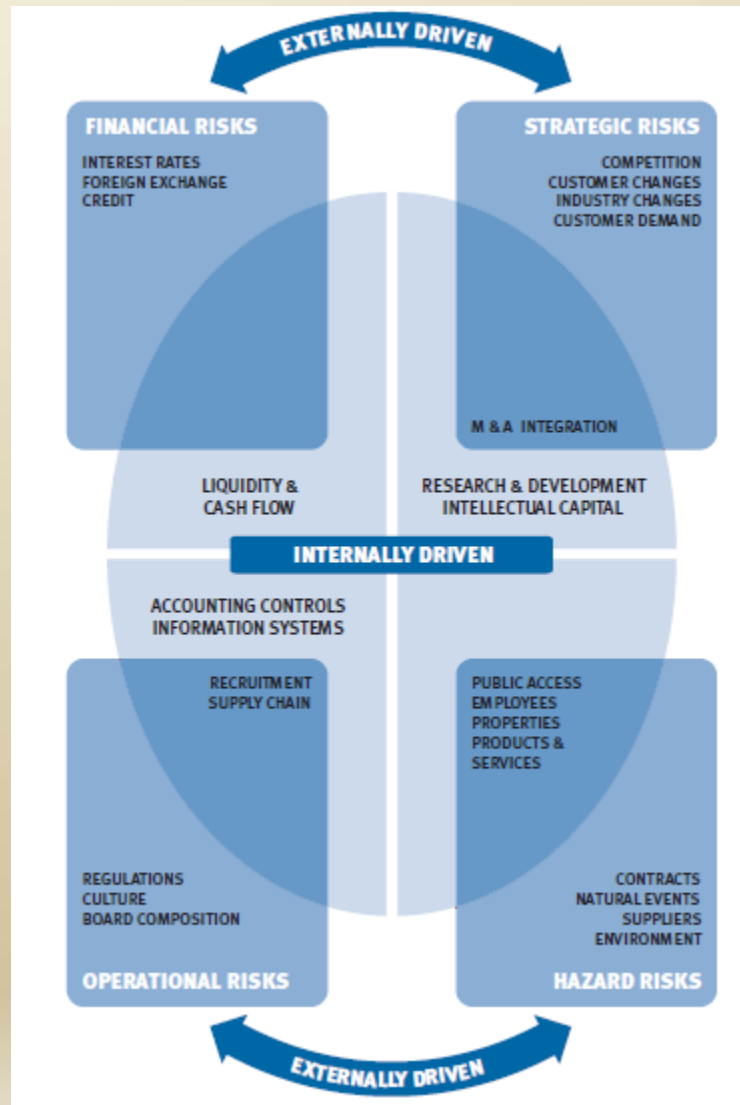


Internal	External
Human Resources / People and Culture	Funding
Property Management	Tax and regulatory environment
Procurement	Reputation / Perception
Asset Management	Competition
Financial	Partnerships
Compliance	Disaster Shocks / Threats
Corporate Governance	Societal events (crime/unrest/politics...)
ICT	Suppliers
Travel and Transport	
Visitor Policy	
Project Management	

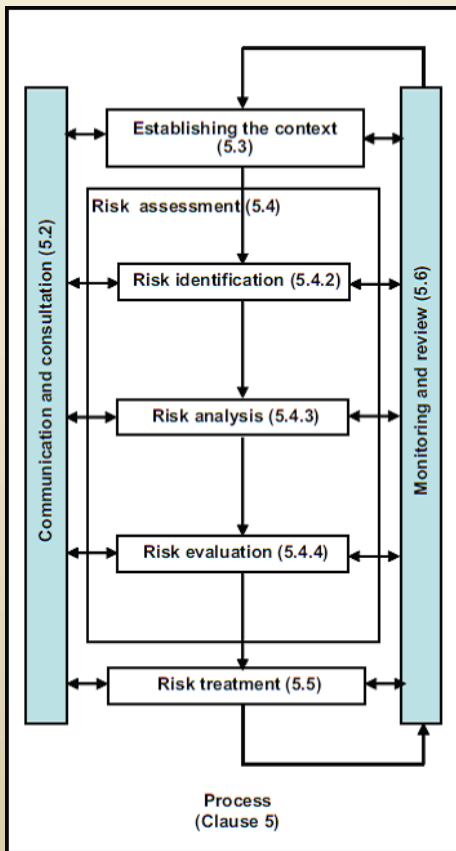
# A Risk Catalogue - some causes, some consequences

- Threats that result in reduced productivity
- Non-compliance with regulations / legislation
- Non-compliance with donor requirements
- Burden of competing compliance demands
- Sickness / epidemic amongst staff
- Climate change
- Budget overspend
- Budget underspend
- Poor staff morale
- Procurement malpractice
- Stakeholder dissatisfaction
- Emergency event impact on homes, offices, programmes, lives and livelihoods
- Financial impropriety / fraud
- Financial control not diversified
- Asset degradation
- Change in donor and or partner priorities
- Loss of public trust
- ICT does not fully support project management needs
- Implementing partner fails or misbehaves
- Audit findings not actioned
- Sustainability not practiced
- Weak or poor operational / ministry audit
- Information leak or stolen
- Poor project management
- Exchange rate fluctuations
- Social Unrest
- Violent crime
- Utility supplies disrupted
- Beneficiaries get a better offer
- Highly skilled staff leave
- A staff member does not follow internal guidelines, rules or procedures
- A staff member does not comply with a law or regulation
- Quality assurance policy and procedures not being followed
- Supply chain breaks down
- Supply costs blow out
- Cash flow getting dangerously low
- Etc

# FERMA Model of Risk Drivers



# Risk Management Process



- Establish the context
- **Risk assessment**
  - Risk Identification
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# Risk Analysis

Once a risk is identified, it is important to adequately describe it. In risk analysis consideration is given to these factors:

- The source of the risk
- Existing controls - Identifying controls currently in place to manage the risk by either reducing the consequence or likelihood of the risk
- Consequences - Identifying the potential consequence/s or operational impact that would result if the risk was to occur
- Opportunities

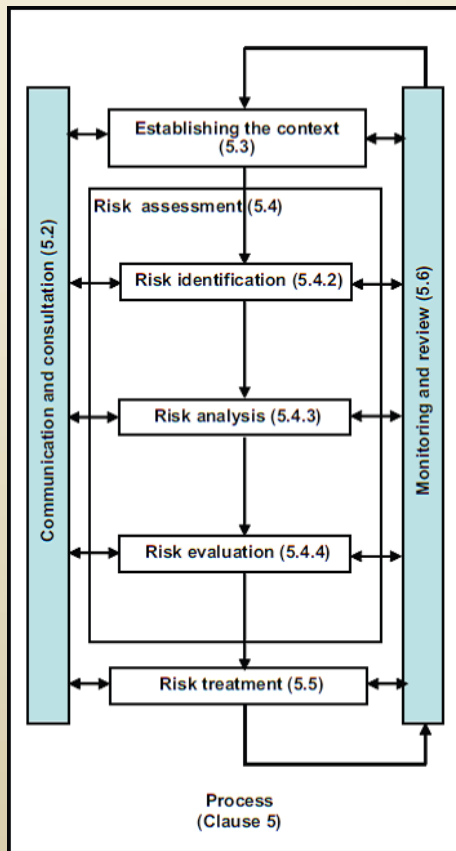
The components of a comprehensive risk description can be seen in this example:

- Event e.g. High staff turnover;
- Cause e.g. Staff job dissatisfaction; and
- Consequence i.e. Inability to achieve strategic objectives.

Risk Ratings: [33](#)

The likelihood and impact ratings are identified after consideration of current controls and are combined to determine the overall risk level. The ratings are always best arrived at by agreement through a consultative approach.

# Risk Management Process



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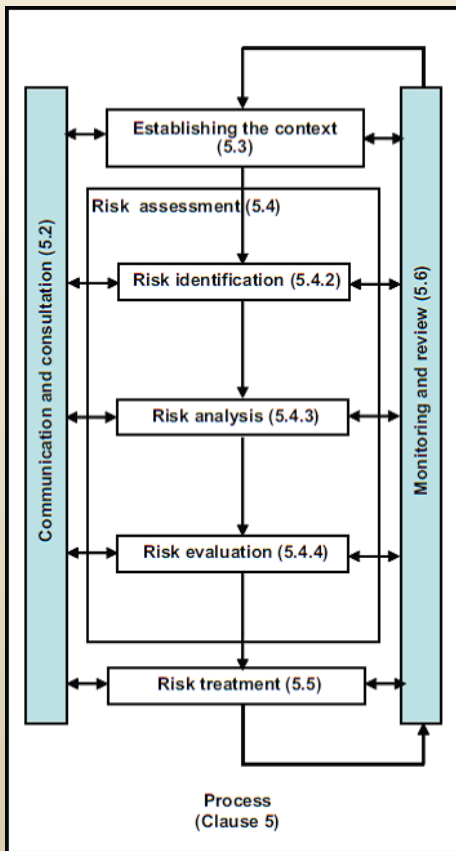
# Risk Evaluation

This section asks the key questions as to whether the risk and its rating is acceptable or unacceptable?

You also make a judgement about what level is acceptable? If the risk cannot be removed completely, then what level of risk is acceptable?

- Risk evaluation involves considering the risk's overall risk level (The combined rating of Probability and Impact). This allows determination of whether further risk treatment actions are required to bring the risk within the agreed level acceptable.
- The risk evaluation phase assists in arriving at a prioritised list of risks for attention.

# Risk Management Process



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# Strategic Risk Treatment

Looking in the right places for solutions...some ideas

## Organisational Risk

- Knowledge Management
- Fiduciary & legal solutions
- Strategic adjustments
- Corporate culture
- Safe 'whistle blowing' facility
- Ministry / business continuity

## Life & Livelihood Risk

- Disaster Risk Management
- Resilience building
- Protection
- Rights and Advocacy
- Church relations and outreach

## Programmatic Risk

- Logframe risk column actioned
- Planning and implementation
- Funding opportunities
- Child sponsorship processes
- Professional project management
- Partner capacity

## Operational Risk

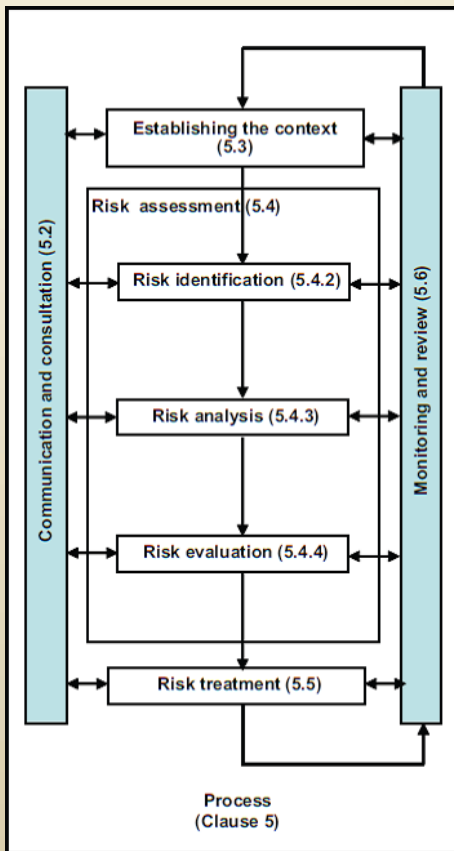
- Insurance
- Financial – Audits, procedures and cash handling etc.
- Human Resources / People & Culture:
  - Staff/ team development
  - RM in Job Descriptions
- Information management
- Communications
- Technology
- Procurement
- Asset management
- Operational audits
- Security and safety:
  - Security Plan
  - All staff care
  - Property & asset protection
  - Visitor management

## Reputational Risk

- Brand strengthening
- Crisis management & PR opportunities
- Working with public perception
- Integrity and good will building

When looking for solutions and ideas to treat risks, the above table lists just a few of many options available to you

# Risk Management Process



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# Communications & Consultations

## Communications

### Internal

The different entities within an organisation need tailored information to enable them to fulfil their RM responsibilities.

#### *The Board of Directors needs to:*

- Know and understand the most significant risks threatening its mission – they need to have a copy of the risk register.
- Have enough data to approve the RM policy and management plan.
- Receive a regular RM report from the executive team with data that demonstrates that the RM process is effective.
- Be familiar with the legal and regulatory instruments that influence the fulfilment of their RM obligations.

#### *The Business / Ministry Units need to:*

- Be familiar with and contribute to the identification of risks which sit within their remit and the potential impacts these might have on the org and other units.
- Report regularly and promptly to senior management any perceived new risks or failures of existing control measures.

Cont'd/...

## Consultation

Effective consultations across stakeholders and the organisation itself is critical to the success of turning threat into opportunity.

The more effective the consultative and agreement process, the greater the confidence stakeholders hold in both the findings that are reflected in the risk register and in the implementation of the plan.

Consultation increases the possibility finding creative and the most effective risk treatment strategies. Remember that one of the principles of RM is that it is dynamic, iterative and responsive to change. Ongoing consultations over time serve to improve the RM strategy.

The consultations used in developing the RM plan create the foundation for confident Board decision-making and Executive supervision of implementation.

It is important that the consultative process is:

1. Open and vigorous
2. Faithfully recorded
3. Engendering a 'lessons learned' approach
4. Conducted vertically and horizontally

Cont'd/...

.../Cont'd - **Communications**

**Business / Ministry Units need to:** (cont'd)

- Have in place systems and KPIs which warn of variances and anomalies in activities and budgets in a timely manner.
- Communicate regularly with all staff in each unit any developments in relation to RM.

**Individuals need to:**

- Understand and act on their accountability and responsibility for managing individual risks under the guidance of the organisation's *RM Policy*.
- Promote the commitment to the idea that RM is everybody's responsibility, including promptly alerting leadership to risks the individual sees.
- Value their contribution to the continuous improvement of RM treatment and building organisational resilience.
- Understand that RM and risk awareness are critical to the organisation's culture.

**External Communications**

NGO's work with a range of stakeholders from the beneficiaries, through suppliers, governments, partners and donors. Increasingly some stakeholders are expecting reporting and transparency in more than just financial matters. Stakeholders are expecting evidence of effectiveness in such areas as human rights, programming compliance, professionalism, environment, employment practices and health and safety etc.

Some of these stakeholders are looking to the Boards and executive management to exercise their duties to direct strategy, ensure compliance and monitor performance of the organisation.

It is important that NGO leadership find ways address the responsibility to beneficiaries as the broker of the relationship between stakeholders. Those communications to all stakeholders need to demonstrate the veracity of the RM system.

.../Cont'd – **Consultation**

Diversity of views adds great value to the result – A RM Plan. Different perspectives of risk lead to different judgements. Perceptions vary according to values, beliefs, needs, assumptions, cultural background, concepts and concerns. They all affect the depth of the decisions or judgements made.

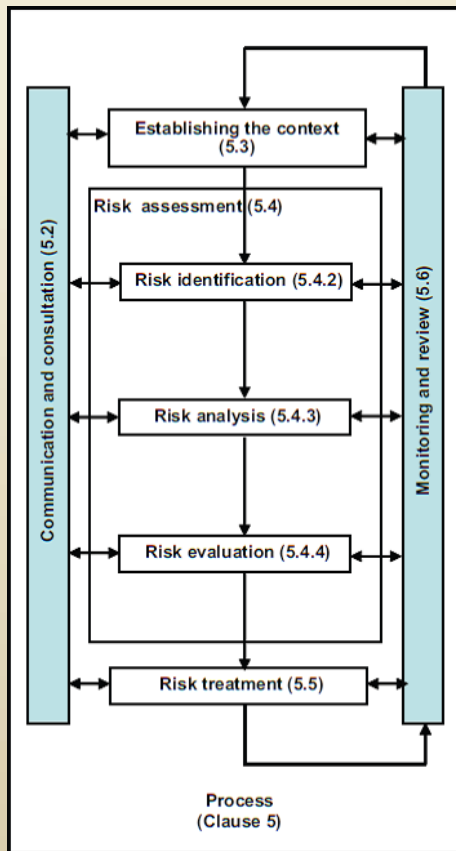
The ongoing feedback, lessons learned and continuous improvement only makes sense when carried out consultatively across the enterprise.

**Decision time**

When the appropriate consultations have been conducted and the *Risk Register* is completed, it is time for decisions to be made. This too will only work when there is strategic agreement, rather than a desk exercise conducted by one person.

Usually the 'Risk Manager' in consultation with Senior Management would then make decisions about priorities, resource allocations, the plan that would then be submitted to the Board for approval.

# Risk Management Process



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- Communications and consultations
- **Monitoring, evaluation and continuous improvement**

# Monitoring, Evaluation & Continuous Improvement

Like all monitoring and evaluation, it is most useful when set against baselines. The natural and simplest baseline here is the risk register. The risk register should be reviewed annually to track developments, add or remove risks and reset priorities.

Where possible use existing reporting and evaluation mechanisms such as Job Descriptions, KPIs and

performance reviews.

It is critical that monitoring and evaluation is built into the annual calendar.

With each review the RM capacity building plan also needs to be reviewed for professional and competency development, team building, systems strengthening and the ongoing improvement of corporate culture in relation to RM.



# Exercise

- Discuss in your group, what needs to be put in place so that your whole team has the capacity to manage risk.
  - You can use the Capacity Building Framework as a guide, but your solutions don't need to be in the same structure
  - You can also think in terms of the structured layers in your organisation – Board/Snr Mgmt/Prog Mgrs/Line Mgrs/Ops staff/all staff
  - Also think about functions – Management / Programmes / Admin & Support functions etc
  - Put your group's findings directly on to a flipchart for plenary sharing. Appoint a reporter.

# Some useful links...

- [www.ferma.eu](http://www.ferma.eu)
- <http://www.ourcommunity.com.au/icda/tools/?articleId=1794>

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# Theology of Risk Management

A faith-based view of risk management

# Theology of Risk Management

Author: John West

The Christian Scriptures have a lot to say about risk and risk management...no seriously, it does. OK, it doesn't use those words as such but it doesn't take very much intelligence to see that that is what is happening.

Most of what can be seen as risk and risk management is in the form of stories, supported by good and careful study. We are invited by scripture to imagine the context and deduce the meaning and application from within it's original form.

In this slide document, we will just work with an outline. Until the author can write a fuller theological text, it will be up to the reader to use the scriptures listed and your own logical thought to fill in the gaps.

## *Biblical Risk Events*

### **Moses: Genesis 19:12; 34:13**

1. What is the story here? Read the context before and after these verses.
2. What is the risk? Who was at risk?
3. How was the risk mitigated?

### **Gideon: Judges 6:25-27**

1. Read the verses above but also scan the context. What is the story?
2. What was Gideon's mission?
3. What was the risk? Identify the risk itself not just the cause.

4. How did Gideon manage the risk?
  - Context?
  - Risk Identification
  - Opportunity?
  - Evaluation?
  - Treatment?

## **Jesus: What was Jesus' Risk Management Plan?**

1. Think for a moment before you look at the passages below. Did Jesus have a risk management plan? After all he ended up dying a horrible criminal's death on a cross. But what about the 3 years of public ministry before that?
2. **Luke 4:28-30.** Crowd control issues leading to a security incident. What was the risk? How do you think Jesus rated the risk? How did he treat it?
3. **John 8:59; 10:39; 12:36.** Look at the context of each and place the incidents in the narrative. What were the risks Jesus and the disciples faced in these passages? How did Jesus manage the risk? Why did he do this?
4. **Mark 6:45-46; Mark 8:10.** The story that each of these 2 passages indicate are important to understanding the inherent risks...

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# Theology of Risk Management .../Cont'd

## Jesus' Risk Management Plan... *Cont'd*

...that Jesus mitigated?

- a. What was the real risk that Jesus faced? Certainly there was a possibility that he might never be able to extract himself from the crowds. If he didn't extract himself from the crowds what would have been the risk?
- b. For the purpose of the exercise, how did Jesus treat the risk? And what communications were there around the treatment?

Note: These two incidents as Mark records them (as a scribe to the Apostle Peter on their missionary journeys) are as much about learning moments for the disciples. They were action learning opportunities – after all Jesus was modelling ministry for the future Church leadership team.

5. **By Mark 11**, we find Jesus stops removing himself from the crowds or security incidents. He faces them head on and their consequences.

In Mark 11, we see that Jesus has thoroughly planned the confrontation in the temple. Look carefully at the context and you will see that he with the disciples in tow, had spent the previous afternoon carefully walking around the temple examining the problem and planning his move.

He was going to take whatever the consequences were. We see that he has also stopped speaking in parables and is speaking plainly.

Jesus risk management plan has now entered another phase...one he knew all along would be necessary.

6. **Ezekial 33:6** (++) for context)

*The whistleblower:*

Read the passage including the surrounding verses. What is the story here? What is the point of the story?

The story of the watchman must first and foremost be interpreted as applying to the prophetic function. Whilst we

can draw other lessons from the passage we have no room to take anything away from its prophetic mandate.

Having said that, we can also find a useful example about the implications of not sounding a warning when we see a danger. In NGOs / FBOs this would equate to someone acting as a whistleblower when they see something occurring that puts achieving the organisation's mission and mandates at risk.

If a staff member or any stakeholder for that matter sees something wrong and does nothing, they are in a sense complicit in the wrong doing or risk source.

However, this is a complicated issue. There are several key issues that need to be considered when thinking about the 'watchman' / whistleblower role.

1. The organisation must provide a safe environment in which stakeholders can alert the appropriate authority and know they will be respected and heard.
2. Confidentiality and anonymity must be guaranteed for candid reporting.
3. The staff member, beneficiary or other stakeholder must not be able to run a vendetta against someone they don't like.
4. There needs to be sufficient veracity to the complaint or report so that the appropriate authorised investigating team can gather, validate and corroborate claims.
5. The reporting must never be through the next manager up the line. This rarely works.

Again, be very careful not to misuse this passage in Ezekial and claim that *whistleblowing* in a modern NGO/FBO is what it is about. It does however serve as a great example of the principle.



# Theology of Risk Management .../Cont'd

## 7. Disaster Risk Management

There is a tremendous story in the Old Testament of the Christian Scriptures that for humanitarians of faith find to be a perfect fit with the principles and operations of disaster risk management.

Think on the following questions before you read

on.

- a. Can you think of a story that fits that description?
- b. It has many of the DRM criteria:
  - I. Emerging crises
  - II. Early Warning
  - III. Communications
  - IV. Preparedness planning
  - V. Mitigation
  - VI. Response planning
  - VII. Implementation
  - VIII. Monitoring and Review.
- c. What comes to mind?

Genesis 41:14-40 (plus surrounding passages for the context and fuller picture)

- a. Read the above passage
- b. Pinpoint the parts of the story that illustrate the steps listed above.

### *Listening to the risk stories*

One of the things that impresses me about the stories we have looked at is that each contains discipline at its core. Risk is managed through order and discipline and is not ignored and rarely evaded. We have just looked at a few of them here.

When we look at the laws in Leviticus and elsewhere we see that God is a God of order not chaos. Hence from one perspective, most of laws are in fact about managing risk. God has a clear-eyed view of the risks to societies and their members and provides very practical

treatments to mitigate the consequences.

The human story we read in the Old Testament is fraught with risk. It comes with being human. Risk is natural to humans and our societies and our faith texts don't ignore it. It is natural to humans because it is natural to God. God is a risk-taker. God breathes unto us the spirit of risk-taking as we adventure this thing called life.

## 8. God – the Risk-Taker

Yes God is a risk-taker. Maybe even a risk-maker. As an introduction to this part of the theology of risk, first consider these questions:

- a. Where do you see God taking risks?
- b. If God is a risk-taker what does that mean for us as created sons and daughters?
- c. If God is a risk-taker, how would you relate things like innovation, experimentation, risk aversion, risk appetite to 'faith?'

There are several dimensions to the idea of relating risk and God.

- I. God took a risk in investing something of the divine nature in humans at creation. Amongst other things, God breathed into humans a free will. This gave us the right to accept or reject God's sovereign rule...and love. It makes sense doesn't it? What good is a race of beings that have no choice but to love God back? But we do have a choice and that places a premium on our worship, obedience and love of our sovereign God.
- II. God loves us...unconditionally.
- III. There are risks associated with an unfinished creation
- IV. The Incarnation itself carried and carries risks.

These are just a few of the Biblical precedents and models. Go, be a managed risk-taker.