

EVERYBODY'S A RISK MANAGER!

How to Responsibly Engage Risk and Get to Yes

Student Organization Leadership Conference (SOLC)

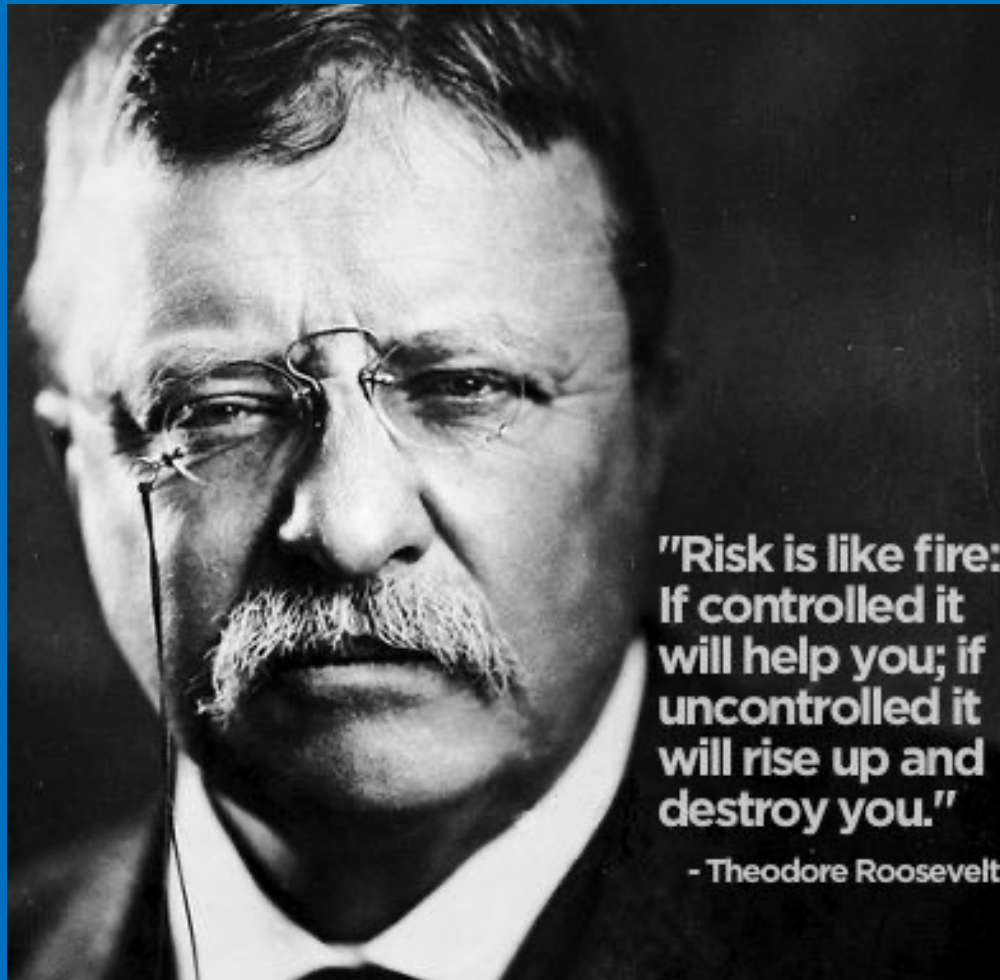
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Presented by

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INTRODUCTION



**"Risk is like fire:
If controlled it
will help you; if
uncontrolled it
will rise up and
destroy you."**

- Theodore Roosevelt

WHAT IS RISK MANAGEMENT?

RISK =

A possible future event that could alter the results you want or expect. (More simply: the possibility that something bad could happen.)

RISK MANAGEMENT =

The process of identifying, understanding and managing risks in order to achieve the objectives of the organization.

WHY TAKE RISKS?



DEEP THOUGHT
FOR THE DAY:

Ancient Chinese
symbol for risk:

担險

↑
Danger

↑
Opportunity

Responsible Risk Engagement =

Balancing (1) responsible stewardship of the University's resources with (2) achievement of the University's mission, vision & values, and (3) operational practicality.



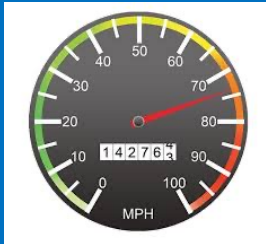
CATEGORIES OF RISK

- Health and Safety
- Operational
- Reputational
- Compliance/Legal/Regulatory
- Financial

"It takes about 20 years to build a reputation, and five minutes to ruin it. If you think about that, you'll do things differently."

- Warren Buffet

EVERYDAY RISK MANAGEMENT



BASIC RISK MANAGEMENT CONCEPT

Is the potential reward worth
the potential risk?

RISK ASSESSMENT

1. What is the likelihood something bad will happen?

-AND-

2. How bad will it be if it does?

BASIC RISK ASSESSMENT

(FSL Example)

	List potential risks	List specific strategies you will use to minimize or eliminate risk
<p>Physical Physical risks can include things such as: food poisoning, injuries that may result from physical activities, and/or injuries that may result from travel related accidents.</p>		
<p>Reputation Reputational risks are those things that may result in negative publicity for your organization, the CSUSM community, your advisor and/or the venue where you will be holding your event.</p>		
<p>Emotional Emotional risks are those things that can cause a participant at your event to feel alienated or can negatively impact the feelings of a member or members of the CSUSM community.</p>		
<p>Financial Financial risks are those things that negatively impact the fiscal stability of your organization and/or other organizations financially supporting your event.</p>		
<p>Facilities Facility risks are those things which may cause property damage, or prevent your event from being held (bad weather, not enough space for the number of participants, lack of equipment or materials needed for the event).</p>		

Other event planning resources and risk management guides:

www.fipg.org Fraternal Information & Programming Group
<http://kirklin.com> HRH/Kirklin is a fraternity insurance provider
<http://www.abc.ca.gov/> California Alcohol and Beverage Control (ABC)

RISK ASSESSMENT WORKSHEET

(USING RISK RATING TOOLS)

RISK ASSESSMENT WORKSHEET

Event Name:
Brief Description of Event & Activities:

Associated Risks:	Likelihood:	Impact:	Overall Risk Rating:	DECISION: Accept risk? Action required to reduce risk? Activity too risky to include (and no reasonable ways to reduce risk to an acceptable level)?
1.				
2.				
3.				
4.				
5.				

New Risk Ratings:
(after appropriate measures taken to bring medium or higher risks down to an acceptable level of low or very low)

Associated Risks:	Likelihood:	Impact:	Overall Risk Rating:	Notes:

OVERALL RISK RATING GRID

Visual Representation of How Overall Risk Rating is Determined
Based on Impact and Likelihood Intersection

IMPACT	Catastrophic	High	High	Very High	Very High	Very High
	Significant	Medium	Medium	High	Very High	Very High
	Moderate	Low	Low	Medium	High	High
	Limited	Very Low	Very Low	Low	Medium	Medium
	Minimal	Very Low	Very Low	Very Low	Low	Low
			Rare	Unlikely	Possible	Likely
		LIKELIHOOD				

SIMPLE 3X3 RISK RATING GRID

IMPACT	High	Medium	Medium High	High
	Medium	Medium Low	Medium	Medium High
	Low	Low	Medium Low	Medium
		Low	Medium	High
		LIKELIHOOD		

YOU'VE "RATED" YOUR RISK – NOW WHAT ?



OPTIONS FOR HANDLING RISKS

- **Accept the Risk** – the level of risk is low enough to accept without any further actions required.
- **Reduce the Risk** – the level of risk is at a higher level than we are comfortable accepting, so action is required to reduce the level of risk.
- **Transfer the Risk** – the level of risk to our organization is too high, so we will transfer the risk to another party.
- **Avoid the Risk** – the activity is too risky, and there are no reasonable ways to reduce risk to an acceptable level.

RISK ASSESSMENT EXERCISE



THINGS THAT GENERALLY REQUIRE SOME MITIGATION/CONTROLS/ATTENTION

Activities or Events With Any of the Following Elements Generally Have an Increased Level of Risk:

- Fire, fireworks, BBQs, open flame
- Cooking or preparing your own food (versus caterer)
- General public is invited and/or minors will be present
- Physical activity is involved (sports, dance contests, games, etc.)
- Rides, bounce houses, obstacle courses, inflatables, rock climbing towers, etc.
- Swimming/pools/other water-based activities
- Motorized equipment or vehicles
- Animals
- Alcohol
- Controversial speaker or topic, or high profile attendee(s)/speaker(s)
- High attendance events
- Events that include music or other entertainers

THE SHORT LIST:

→ FOOD

→ FIRE

→ ANIMALS

→ ALCOHOL

→ KIDS

MISSION-BASED RISK MANAGEMENT

ASK YOURSELF: Is what we are doing (or proposing to do) supporting and/or helping us achieve our mission?

To answer this, you need to know what your mission is.

MISSION-BASED RISK MANAGEMENT

ASI Mission:

To serve, engage, and empower students.

5 WAYS TO GET TO YES

1. PLAN EARLY

“No” often comes from not having enough time to fully analyze the risks and/or not enough time to put proper controls in place.

HOW DO YOU GET TO YES?

2. FOCUS ON YOUR MISSION

Make sure you can articulate how your activity/event ties to your organization's mission and/or the University's mission.

HOW DO YOU GET TO YES?

3. PAINT THE PICTURE

Help people understand what you are proposing. People tend to say “no” to things they don’t understand or can’t picture. Be ready and willing to do a demonstration or “test run” if appropriate.

HOW DO YOU GET TO YES?

4. DO YOUR RESEARCH

Present facts and data. Understand what the actual (versus perceived) risks are. Be specific. Make your case.

HOW DO YOU GET TO YES?

5. CONSIDER ALTERNATIVES.

Is there another way to achieve the same objective/result that may be less risky? Are there other activities that will work for what you want to do?

3 BONUS WAYS TO GET TO YES

6. PLAN EARLY

7. PLAN EARLY

8. PLAN EARLY

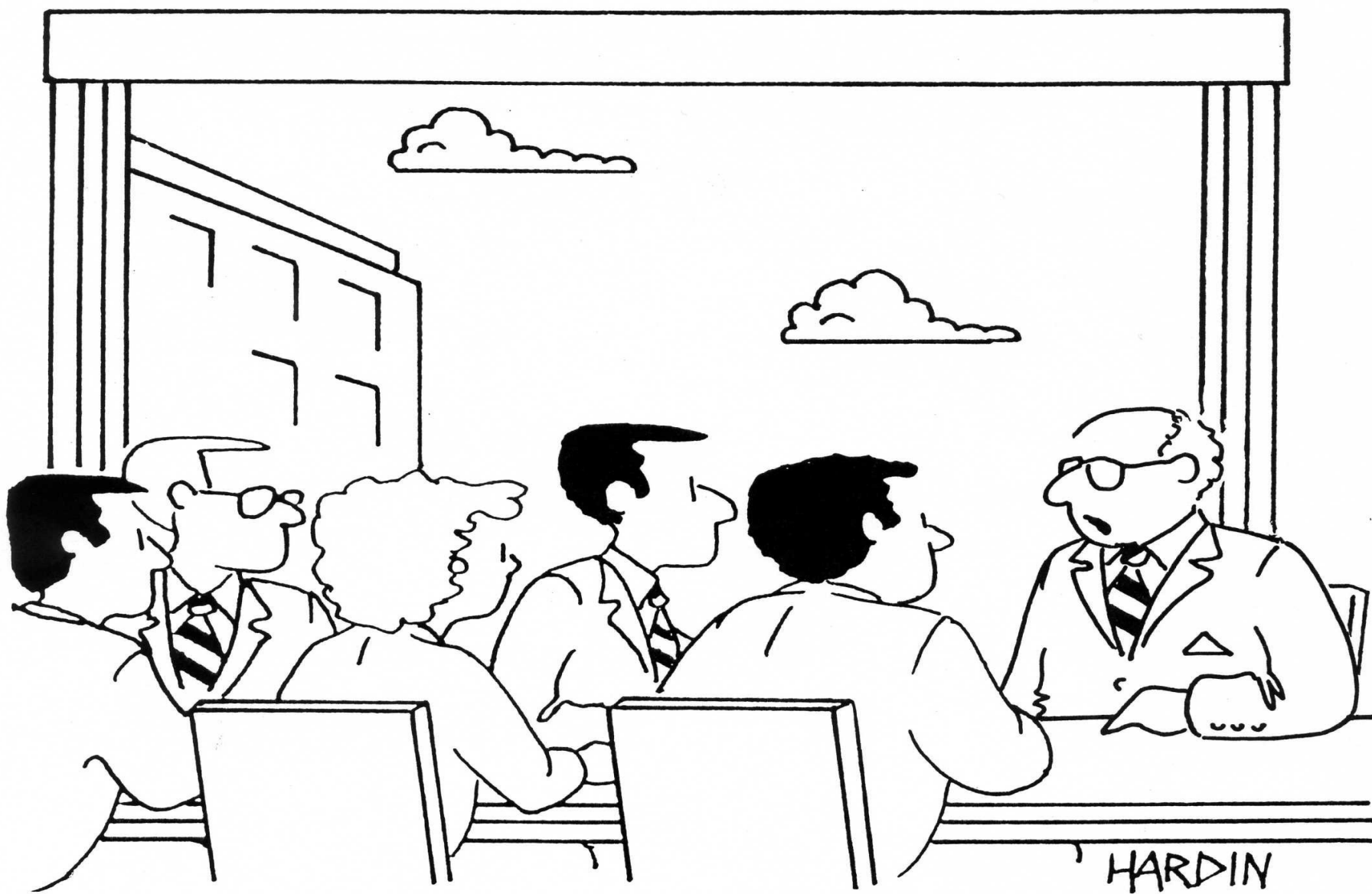
CAMPUS RESOURCES

- Me! Erin Fullerton, Campus Risk Mgr efullerton@csusm.edu
- Staff and faculty Advisors
- Safety, Risk & Sustainability Services shs@csusm.edu
- Event and Conference Services staff
- Websites for the above
- Other organizations/departments/campuses who have done similar activities before

BONUS DEEP THOUGHT FOR THE DAY:

PETER DRUCKER QUOTE:

"People who don't take risks make about two BIG mistakes a year. People who do take risks make about two BIG mistakes a year."



"We've considered every potential risk except the risks of avoiding all risks."

The End

