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## **“WHAT COULD POSSIBLY GO WRONG?” – HOW TO BUILD A RISK MANAGEMENT SYSTEM FOR VOLUNTEER ENGAGEMENT**

### **Part 1 – Risk management of the volunteer position**

Sometimes volunteers are injured, injure someone else or damage someone’s property during their volunteer work. There are many good reasons to take the time and effort needed to develop a formal system for managing the risks involved in volunteer engagement. Besides preventing injuries or other kinds of damage, a risk management program, or system, has other benefits. An injury or an allegation of liability can be a distraction, and damage the organization’s reputation, damage staff and volunteer morale, and increase your insurance costs. So by preventing losses, a risk management system can prevent these other consequences, too. A good risk management system can do something else for you, too. It can help attract the kind of people who can bring success to the mission.

Establishing a sustainable system to manage these risks requires identifying foreseeable risks, deciding what risks you should worry about most and which ones you can accept, then determining how you can reduce or eliminate the most serious risks. Insurance is for the serious risks you cannot eliminate entirely. And then, to keep the momentum, risk awareness really needs to be part of the organization’s culture, just as automatic as working with your clients, paying the electric bill or anything else you do.

There’s no absolute best way to establish a risk management system, but here’s an approach that often works well. First, apply the process to particular volunteer positions, or areas of responsibility. Then, apply the process to the individuals who fill those positions. So first, let’s look at the positions...

- What are we asking volunteers to do?
- Analyze tasks, and work environment, for risk scenarios.
- What can we do to eliminate or reduce hazards?

What are you asking volunteers to do, specifically? Do you have a written description of objectives for each volunteer job? If you decide you want to commit to a risk management system, it’s a good chance to evaluate each position, and create a written description, or standards, for those positions.



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Get input from the volunteers who do the job now. There might be aspects they've discovered that the supervisor didn't know about. Get the supervisor's input, too. You might learn that volunteers are doing tasks that are no longer important to the organization's mission. Have a written job description; also, it's a good idea to list the top five qualifications of the ideal volunteer for that position. That will help with selecting and assigning volunteers.

Next, analyze tasks and work environment for risk scenarios. What are the hazards involved? The first step in this part of the process actually is pretty easy. You just ask yourself a simple question...

**“What could possibly go wrong?”**

Dig deep, for answers.

Deeper!

After you've thought of the fall hazards, back injuries from heavy lifting, unsafe use of tools, working with vulnerable clients, vehicle accidents and other risks that might come to mind right away, dig deeper. Get your best people together, and think about what could possibly happen.

By the way, your best people might include someone from some other organization who has already been through the process you're starting. Your best people might include someone in another nonprofit organization, or a discussion group on LinkedIn or other social media platforms who would have good ideas.

If you work with vulnerable clients, you might already be doing background checks on volunteers to try to weed out someone who might be likely to assault a client. But look at it from the other side, too...what if a volunteer were assaulted *by* a client? Or by a client's dog? Would that be possible, in your world? What if a volunteer accidentally clicked on a ransomware link, while online using your computer system? What if a volunteer lost -- or stole -- your donor list?

What if a volunteer unintentionally violated IRS rules regarding political activity by nonprofits, and jeopardized your tax-exempt status? It's easy to make that mistake, if you make statements on behalf of your organization that favor a particular political candidate. Learn more at [www.irs.gov](http://www.irs.gov), in the section on nonprofits.

In brainstorming your scenarios don't stop until you have at least 25.

Then assign each of those risks a grade of A, B, C or D for the severity of the risk. The screaming disasters that would threaten your organization's existence would have a grade of A, and those you could get past with minor inconvenience would be grade D. So first you assess the severity



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of all the risks you can imagine. Then assess the frequency of each risk, again using the A, B, C, D system. But the highest frequency doesn't necessarily mean the most serious risk. In many of the nonprofit organizations that participate in the VIS Volunteers Insurance program, minor injuries occur with some regularity. For example, in home repair projects or other light construction, a volunteer hitting his finger with a hammer might occur several times a year. It really comes with the territory, so that's a frequency of A. But usually the injury isn't severe, so it isn't a risk that should worry you most.

On the other hand, there could be a risk scenario so remote it might occur only every 25 years or so but it is so severe that you want to reduce or eliminate it as a top priority. So severity and frequency have to be considered together, as you evaluate how serious each risk is.

And then the last step – Once you have identified your risks, what can you do to eliminate or reduce them? It might be training in proper lifting technique to prevent back injuries, training in vehicle safety, requiring background checks for any volunteers working with vulnerable clients, remote backup of computer files and some training on the basics of computer security. It might be training on the IRS rules about political advocacy, separation of duties where the organization's money is involved to minimize the risk of embezzlement, or a number of other strategies. Serious risks that cannot be eliminated entirely should be transferred to an insurance company.

## **Part 2 – Risk management of the individual volunteer**

In Part 1, we described how to analyze the tasks associated with each volunteer position, identify potential risks, and address those risks. Here, we will examine how to apply the same risk management approach to the individual volunteers filling those positions, in five key areas:

- Selection
- Orientation
- Training
- Volunteer and supervisor responsibilities
- Accountability

**Selection** – Do you use a registration form for volunteers? Make that registration form work to your advantage in selecting and assigning volunteers. Use it to describe available assignments and ask about their areas of interest. Ask about special skills. Ask about allergies or other medical conditions or limitations that could affect assignments, including driving. If you have the completed registration form, plus the written job description recommended in Part 1, it's easier to match volunteers and assignments effectively.

It also can help with retention of good volunteers. Volunteers are happiest when they know their talents are being used.



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The selection process also includes background checks if the volunteer is working with vulnerable clients or handling money, and motor vehicle records if the volunteer will be driving on behalf of the organization. (The “VIS Vault,” accessible 24/7 to VIS members on [www.visvolunteers.com](http://www.visvolunteers.com), has a variety of documents to help you.)

**Orientation** – One of the risks with volunteer involvement is not communicating what’s expected. When people are left to improvise, the results might not be very good. In fact, they might be awful. Your orientation program provides a good opportunity to reduce that risk. Does the volunteer know to whom he or she should report? Who do they see if they need something, or have a complaint or problem? Take time to explain any safety rules and procedures that go with the volunteer assignment. Explain recordkeeping requirements such as time sheets or other scheduling/attendance system you have, and reimbursement forms. Taking time to do it right shows the volunteer they’re in an organization that’s, well, organized!

**Training** – Make sure volunteers show you – not just tell you -- they are capable of doing the work required before they are allowed to begin. Do you have veteran volunteers train new ones? That’s a good way to reinforce the veteran volunteer’s own knowledge, as well as to train the new person. And it’s one more way of reminding the veterans that you value their skill and experience.

**Volunteer and supervisor responsibilities** – Have a written job description, and performance standards, just as you do for paid staff. Be careful here...Make sure current volunteers know that these new performance standards aren’t a backdoor criticism of their performance. Let them know that you’re adopting some standard procedures as part of your program to manage risks in the organization. With volunteer risk management, so much depends on good communication.

Do you have formal procedures for responding to an incident? If a volunteer is injured, injures someone else or damages someone’s property, what are the volunteer’s responsibilities, and those of his or her supervisor, to address the issue? Make sure it’s written, communicated and understood.

**Accountability** -- Correct poor performance, and discipline as needed. Just because volunteers are unpaid, that doesn’t mean you can’t discipline them, and even terminate them if necessary. Ask supervisors if there have been any occasions when they felt the need to criticize volunteers. What happened? If they let the occasion pass, why did they?

Sometimes in a close-knit organization, people are reluctant to question or criticize others. That reluctance creates a risk, though, and it can hurt you.

Don’t worry about offending the volunteer. As long as you’re sincere with them and keep your organization’s interests as your first priority, you’ll be OK.



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### **Part 3 – What to do when incidents happen**

In Parts 1 and 2, we described how to apply the risk management process to each volunteer position, then to the individuals filling those positions, to minimize the risk of injury or property damage involving a volunteer. But even in the most risk-conscious organizations, incidents can happen. When they do, it's important that you already have in place the procedures for reporting and dealing with those incidents in an effective and timely way.

The chain of command is very important, and it needs to be important to the volunteers and their supervisors. Make sure volunteers know that if there is an injury, or a potential liability situation, they are to report it to their supervisor. Not to the police, not to a local government agency, but to the supervisor -- as long as this arrangement complies with the mandated reporting laws of your jurisdiction. Make it the supervisor's job to handle it from there. The same is true if there is a complaint *about* a volunteer.

How does the supervisor know what to do? Well, it goes back to the brainstorming of risk scenarios and how to deal with the risks you imagine, as described in Part 1. The appropriate response needs to be developed for each risk scenario you identify. If there is an insurance policy that might respond, it's important to let the insurance company know what happened, and they can help you.

But never leave incident response decisions to the volunteer's discretion.

**The importance of timely action** – In the case of an injury, once the injured person gets medical attention, get as much information as you can about what caused the injury. How did it happen? Were your safety procedures being followed? If not, why not? What should have been done differently? Having that information can help with training to prevent a future occurrence.

Talk to any witnesses, write down what they say, and get their contact information. If there is a dispute over the facts, get both sides of the story. If it is a situation where a liability claim might arise (someone might claim you or your volunteer was negligent, and harm resulted,) don't admit liability. Just get the facts and tell the other party you will report the incident to your insurance company.

The report needs to be made right away. Claims often are slow to develop – particularly liability claims. Many times, those claims can be traced back to one or two incidents that happened months earlier. So it's important to begin your investigation at the first hint of a problem, and also put your insurance company on notice. Don't let your attorney decide whether to report the claim, and don't wait for it to blow over. This could jeopardize your coverage. The insurance contract says you must provide timely notification of claims, and you don't want to be in a position of arguing about whether your claim was timely.