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Make time for risk assessments

- **Performing risk assessments can save time and money in the long run.**
- **Management attitude and commitment are fundamental to risk assessment success.**
- **Properly designed and implemented risk assessments promote consistency and efficiency.**

As with most new endeavors, a considerable amount of up-front time and effort is needed to prepare for and conduct risk assessment projects. However, with time and resources already strained, agencies may be tempted to tackle risk assessments with a glass-half-empty attitude and miss an important opportunity to benefit from these projects.

A thoughtful approach to designing and conducting risk assessments can actually save time and money in the long-run by ensuring precious resources are appropriately deployed to safeguard agency resources from fraud, waste and abuse; protect delivery of public services; and, avoid costly recovery from unexpected events and embarrassing hits to agency and individual reputations.

Below are strategies an agency can use to get their risk assessments off on the right foot.

Buy-in Management attitude and commitment are fundamental to the success or failure of any project, including risk assessment projects. Employees follow the examples of their bosses. Therefore, agency leadership must have confidence that risk assessments can benefit the organization and convey that commitment through words (encouraging employees to actively engage in risk assessments) as well as actions (allocating employee time for projects and addressing action items identified as a result of the projects).

Participants To get the most value, employees actually involved in the day-to-day operations of a business process are the best candidates for inclusion in a risk assessment. For example, grant managers and administrators would be involved in a grant risk assessment, as would the accountants who make payments to grantees. Also, be mindful of the number of participants selected. Too large a group can

stifle expression. A smaller group helps keep everyone engaged in the discussion.

Training Risk assessment concepts may be new to first-time participants, especially those without a financial or accounting background. Training is essential to help each member effectively participate. Training does not necessarily have to be a big formal affair, but can be as simple as a short presentation to introduce the methodology, describe risk assessment terminology and provide basic examples.

Design A well-designed strategy for rolling out risk assessments promotes consistency and efficiency. For example, you can avoid rework by ensuring all relevant information is captured when needed before moving to the next phase of the project. Though many risk assessment formats are available, there is not a one-size-fits-all model for conducting the perfect risk assessment. Project coordinators will want to adapt their design based on the particular needs of the agency (e.g., meeting length and frequency, audio-visual needs, methods to gather and document information, etc.).

Validation A common mistake made in launching a risk assessment for the first time can be biting off more than you can chew. It is good practice to test your methodology and design on a small process or sub-process to gain confidence in its effectiveness and make any needed adjustments before introducing the concept to a larger and higher profile area.

Suggested action steps: What is your agency's attitude toward risk assessments? Does agency leadership communicate risk assessment benefits? Are risk assessment design and practices aligned with your agency's specific needs?

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