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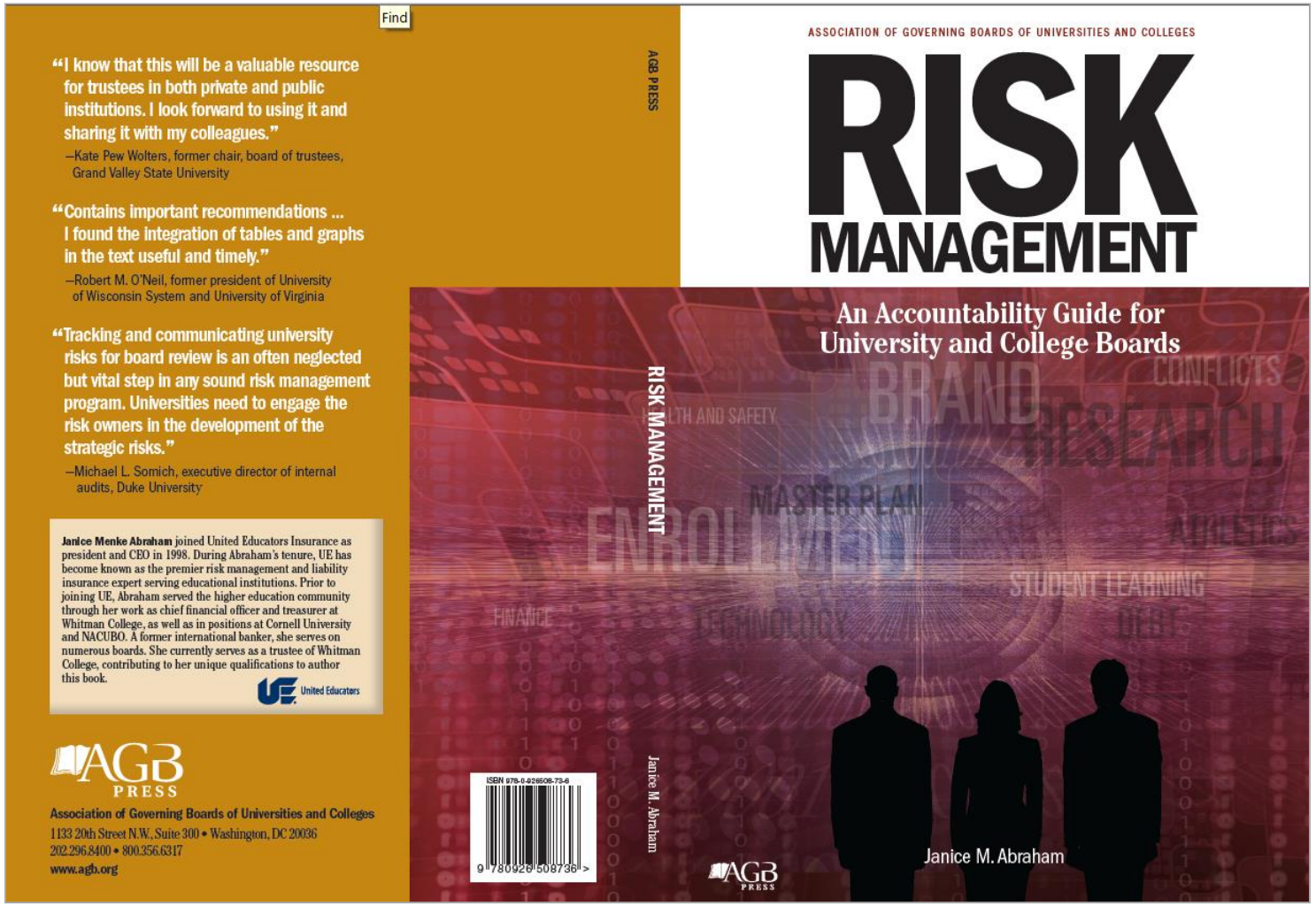
Resiliency for Boards

Janice M. Abraham, President & CEO


Find
"I know that this will be a valuable resource for trustees in both private and public institutions. I look forward to using it and sharing it with my colleagues."
–Kate Pew Wolters, former chair, board of trustees, Grand Valley State University
"Contains important recommendations ... I found the integration of tables and graphs in the text useful and timely."
–Robert M. O'Neil, former president of University of Wisconsin System and University of Virginia
"Tracking and communicating university risks for board review is an often neglected but vital step in any sound risk management program. Universities need to engage the risk owners in the development of the strategic risks."
–Michael L. Somich, executive director of internal audits, Duke University
Janice Menke Abraham joined United Educators Insurance as president and CEO in 1998. During Abraham's tenure, UE has become known as the premier risk management and liability insurance expert serving educational institutions. Prior to joining UE, Abraham served the higher education community through her work as chief financial officer and treasurer at Whitman College, as well as in positions at Cornell University and NACUBO. A former international banker, she serves on numerous boards. She currently serves as a trustee of Whitman College, contributing to her unique qualifications to author this book.
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What is Risk?

- Risk is omnipresent
- Risk can be a threat or opportunity
- **Risk = *the effect of uncertainty* on your objectives** - ISO 31000, the international standard on risk management
- Risk is anything that could harm, prevent, delay, or *enhance* your ability to achieve your objectives

ERM Framework

A business process that expands the core (traditional) concepts of risk management:

1. Identifying risks & opportunities across the enterprise
2. Assessing the impact/consequences of the risks to the plans and mission
3. Developing and testing mitigation plans
4. Monitoring identified risks and consistently scanning for emerging risks

Best Practices

- Tone at the top matters: Champions are essential
- Mind the gap (s) - while building bridges across institution
- Question sacred cows
- Incorporate RM into planning
  - Annual, strategic, and project planning
  - Establish accountability

Resilience

- Capacity to recover quickly from difficulties
- Ability to spring back into shape
- Trauma recovery

Resiliency

- Flexible
- Adapt to new circumstances quickly
- Thrive in constant change
- Creating good luck out of circumstances that many see as bad luck
- Empathy

"The Resiliency Advantage" by A. Siebert PhD

Building Resiliency

1. Positive leadership
2. Taking care – Cool Head, Warm Heart ™
3. Enhance problem-solving skill set
4. Deal with ambiguity
5. Management expertise
6. Better to prepare than repair

What keeps you up at night?

- 1.
- 2.
- 3.
- 4.

What gets you up in the morning?

- 1.
- 2.
- 3.
- 4.

Preparing for What?

- Natural disasters
  - Wildfires
  - Floods
  - Earthquakes
- Human made
  - Active shooter
  - Suicide
  - Pandemic
  - Sexual Assault…

Preparing for the Inevitable?

- Campus fires
  - Heavy mix of labs, equipment, and deferred maintenance
- Financial risks
  - State funding
  - Employer partnerships
- Enrollment
  - Demographic trends
  - Retention
- Leadership turnover & pipeline
- Cyber risk

Boards' Role

- Community engagement
  - Local emergency mgmt. coordinators
- Facility support
  - Funding for retro fits
- Financial support for prep
  - IT, security, counseling
- Support for training
  - Table tops
- Clear chain of command

Successful Programs…

1. Build ERM into their culture
2. Have ERM that follows smoothly from their Mission, Vision, and Values
3. Have support from the top: This is essential
4. Have President's Cabinet realize they are responsible for strategic risks
5. Understand their appetite for risk: When to seek it, when to avoid it
6. Implement risk as an element of all program and project analysis
7. Communicate broadly, deeply, and frequently about risk

Stay Connected

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