



TOP 10 RISKS FACING VOLUNTEER PROGRAMS

Practical Tips to Help Your Nonprofit Steer Clear of Mission-Draining Consequences

PRESENTED BY:

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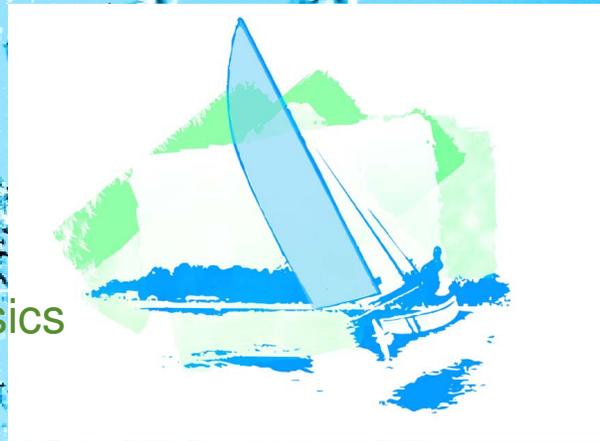
NONPROFIT RISK MANAGEMENT CENTER

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OVERVIEW

- Top Risks Facing Volunteer Programs
- Risk Management Basics
- The Risk Bow-Tie





TOP RISKS FACING VOLUNTEER PROGRAMS

3

Risks Vary With Volunteer Roles

- **Organization** – on behalf of your nonprofit
- **Donor** – donor/client confidentiality
- **Public** – cash receipts, public-facing

Ideally, screening/selection/assignment vary by volunteer role

Even volunteers should be chosen carefully, and screened.

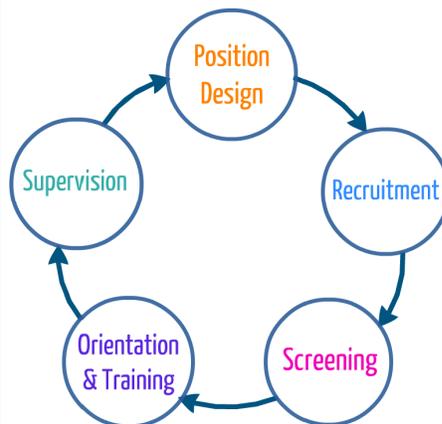
Tools might include:

- Position or Role Descriptions
- Volunteer Application
- Interviews
- Reference Checks
- Background Checks

RISK # 1

Lack of a screening process for volunteers

Volunteer (RM) Life Cycle



Bring “risk” into the equation.

“We humans simply have not yet learned to cope well with the complexities & interconnectedness of modern systems... Humans as moving parts enlarge the risk.”

Reb Gregg,
Outdoor Liability Law

RISK TIPS

Screening Volunteers

- **DO** choose screening tools based on risks of the position(s) you are seeking to fill
- **DON'T** make exceptions for your screening policy, e.g., no reference check because applicant is a friend of a friend

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The biggest risk is retaining a volunteer who is ill-suited for the position or organization.

Danger!!?

- Physical harm
- Emotional Harm
- Theft or damage to property
- Violations of privacy

RISK # 2

Hiring a volunteer that poses a threat

Risks to the Organization

- In addition to posing risk to clientele, a volunteer can also pose risk to your agency's:
 - Financial assets
 - Reputation among stakeholders
 - Volunteer morale
 - Safety of other volunteers

RISK TIPS

Choosing Appropriate Volunteers

- Your goals are:
 - Selecting applicants suitable to the open positions
 - Avoiding the retention of unsuitable individuals
- A strong screening process can reduce the risk that you will end up hiring inappropriate volunteers

Every volunteer should know what is expected from them *prior* to beginning their tenure.

Clearly outline what volunteers are expected to do, and what they can expect to get out of their service

RISK # 3

Poor communication about expectations

RISK TIPS

Setting Expectations

- Telling your volunteers what you expect will help you in the long run.
- Never assume your volunteers know what to do, or are familiar with your rules and policies.

- Help volunteers know what to expect
- If they don't fit the criteria, they can self-screen out of the process



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Clear and unambiguous policies help your volunteers understand the requirements and duties of their role.

The policies also help your nonprofit make decisions and know what to do.

RISK # 4

Failing to have policies that apply to your volunteers

RISK TIPS

Creating Policies

- Policies should be:
 - Clear and unambiguous
 - Timely and relevant
 - Applied consistently
 - Updated on a regular basis



VISION



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Common Policies

- Confidentiality
- Internet Use or Social Media
- Media Spokesperson
- Political Activity
- Authority on Behalf of the Nonprofit



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Don't be afraid of risk

Create custom risk policies in minutes

REGISTER

Welcome to My Risk Management Policies

This special edition of *My Risk Management Policies* is brought to you by the Community Action Partnership and the Nonprofit Risk Management Center. The purpose of this cloud application is to help you create custom policies for your community action agency. In a matter of minutes, you'll be able to create policies that suit the mission, culture, and circumstances of your organization.

To begin using the program click on "Register" at the top of this screen. As soon as you've completed our secure registration process, you will be ready to start creating policies for your organization. If you're already registered for the CAP special edition of *My Risk Assessment*, use the same credentials to access this cloud application.



Register Today!

Register Now

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Policy List:

- Access to Employee Communications
- Affirmative Action
- Alcohol Service Policy
- Alternative Dispute Resolution Policy
- Anti-Bullying Policy
- Anti-Harassment Policy
- Approval to Release Employment Information Form
- At Will Employment
- Background Checks
- Backup Procedures
- Behavior Policy
- Benefits
- Blank Policy (create your own)
- Blogging Policy
- Board Chair Position Description
- Board Exit Interview
- Board Member Position Description
- Board Secretary Position Description
- Board Self Assessment
- Board Survey
- Board Treasurer Position Description
- Board Vice Chair Position Description
- Bonus Policy
- Bring Your Own Device Policy
- Business Credit Card Use Policy
- Camera Phones Policy

Supervision helps your nonprofit be sure that volunteers are acting within the scope of their position (duties and authority) and are not causing harm.



RISK # 5

Not providing appropriate supervision



RISK TIPS

Supervision

- Don't just advise your volunteers to "use common sense" and then let them take on activities
- Have periodic check-ins
- Build a community

What impact might this have?

Low level

- *Lack of productivity*
- *Declining morale*

Moderate level

- *High volunteer turnover*

High level

- *Violence*
- *Reputation erosion*

RISK # 6

Volunteer discontent

RISK TIPS

Retaining Happy Volunteers

- Communicate frequently with your volunteers. Make them feel like an essential part of the organization.
- Praise and thank your volunteers for their time and commitment.
- Don't favor *one* (or some) over others.

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Understanding Volunteer Turnover

Top 5 Predictors

1. Immediate supervisor
 - Unclear expectations
 - Inadequate resources
 - Few opportunities for development
2. Poor fit to the position
3. Lack of commitment to "quality"
 - Organizational issues...
4. Pay and benefits
5. Lack of connection to mission

Source: Gallup Research

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Volunteers without support or tools to follow through may feel as though the organization doesn't care about them, and serious mistakes may be made.



RISK # 7

Lack of ongoing training

EXAMPLE

Small After-School Nonprofit

- Tennis lessons on the campus of a university
- An instructor noticed a manhole cover missing on a field
- She told participants to stay away, but didn't notify anyone
- A few days later, a participant fell into the hole and suffered a serious brain injury
- The nonprofit was held responsible and paid over \$2 million



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RISK TIPS

Provide Training

- Volunteers should have an initial orientation with an introduction to volunteer policies and expectations.
- This will ensure a minimum competency, and provide volunteers with confidence and capabilities.



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Volunteer status

- Volunteers should be performing duties by their own choice, not through coercion.

Additionally, volunteers should not expect payment in return for their service.

RISK # 8

Unclear employment status

RISK TIPS

Clarify Volunteer Positions

- Volunteers should be aware from the start that they are freely choosing to provide services to your nonprofit, and they are not expecting payment in return
- Payment or promise to pay could **change status**:
 - Volunteer Protection Act (immunity for simple negligence)
 - Protection under anti-discrimination statutes



COMMON QUESTIONS

- Mandatory volunteering?
- Can we use unpaid interns?
- Can we give our volunteers stipends?
 - What about discounts or other incentives?
 - What about gifts? What about reimbursements?





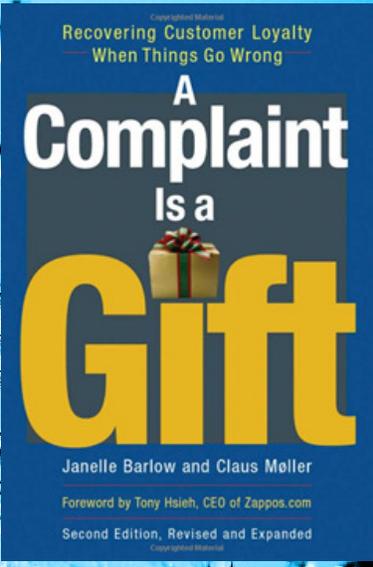
RISK # 9

Ignoring red flags or complaints

Ignoring inappropriate behaviors by volunteers, or complaints from other volunteers or stakeholders can cause more trouble if you don't address it right away

RISK TIPS
Be Aware

- Invite complaints and information from your volunteers, and from other stakeholders
- Complaints can help you understand where things aren't going as smoothly as possible



Recovering Customer Loyalty
— When Things Go Wrong —

A Complaint Is a Gift

Janelle Barlow and Claus Moller

Foreword by Tony Hsieh, CEO of Zappos.com

Second Edition, Revised and Expanded

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A dynamic splash of water against a light blue background, with bubbles and droplets visible.

Volunteers are protected from personal liability by the federal Volunteer Protection Act.

However, a nonprofit may be liable for harm caused by a volunteer.

Insurance is important, even for small nonprofits.

RISK # 10

Not having the appropriate insurance coverage





RISK TIPS

Considering Insurance

- Commercial General Liability (CGL)
- Directors & Officers (D&O)
- Workers Compensation
- Volunteer Accident

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RISK MANAGEMENT BASICS

WHAT IS RISK?

“The ... possibility that an action or event will adversely or beneficially affect an organization’s ability to achieve its objectives.”

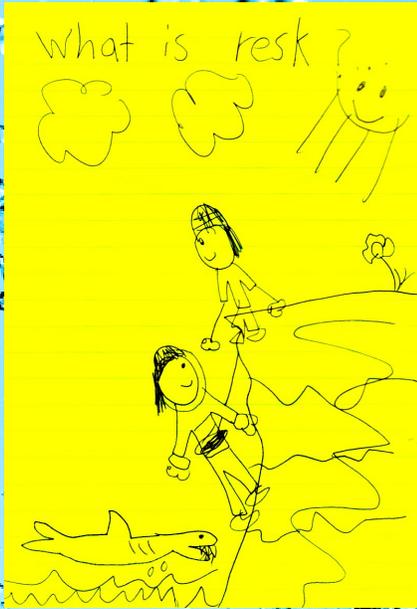
Health Education Funding Council for England



WHAT IS RISK?

... a measure of the possibility that the future may be surprisingly different from what we expect.”





What is risk?

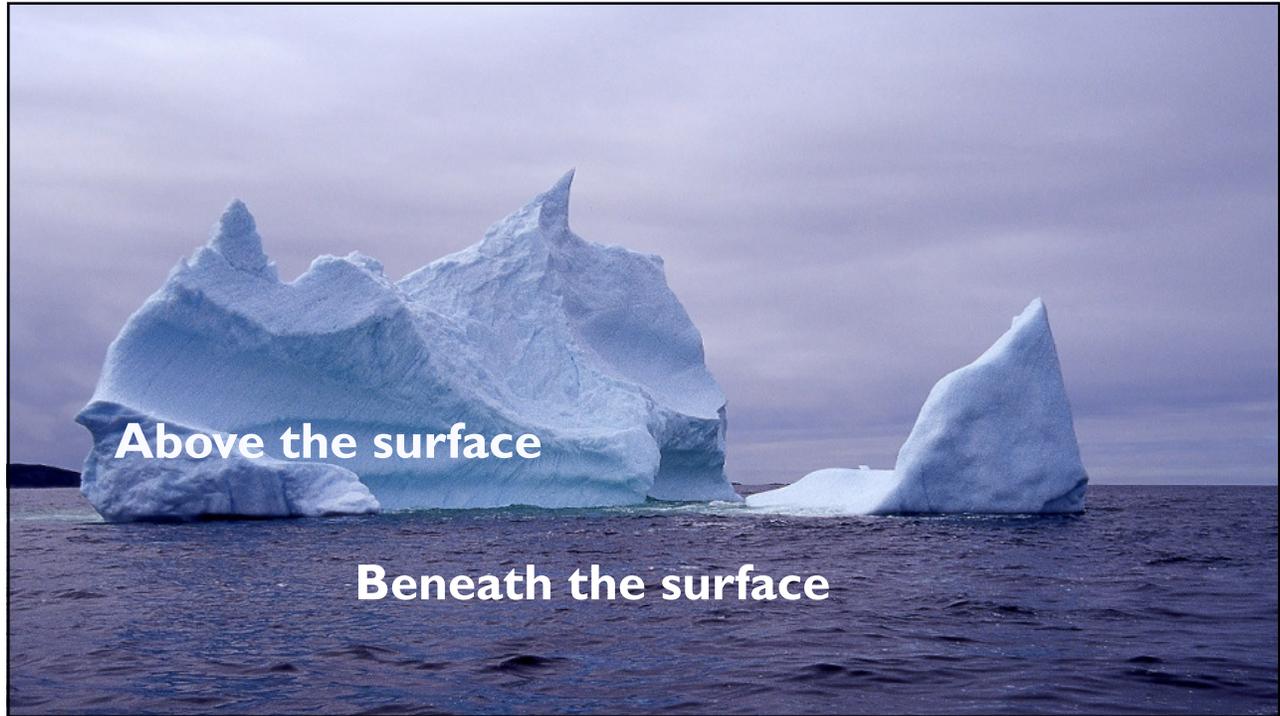
A Child's Perspective on Risk

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THINKING BROADLY ABOUT RISK

- What could go wrong?
- What could go better than anticipated?
- What is changing... and how is it changing?
- What change factors are within our control?
- What factors are outside our control?

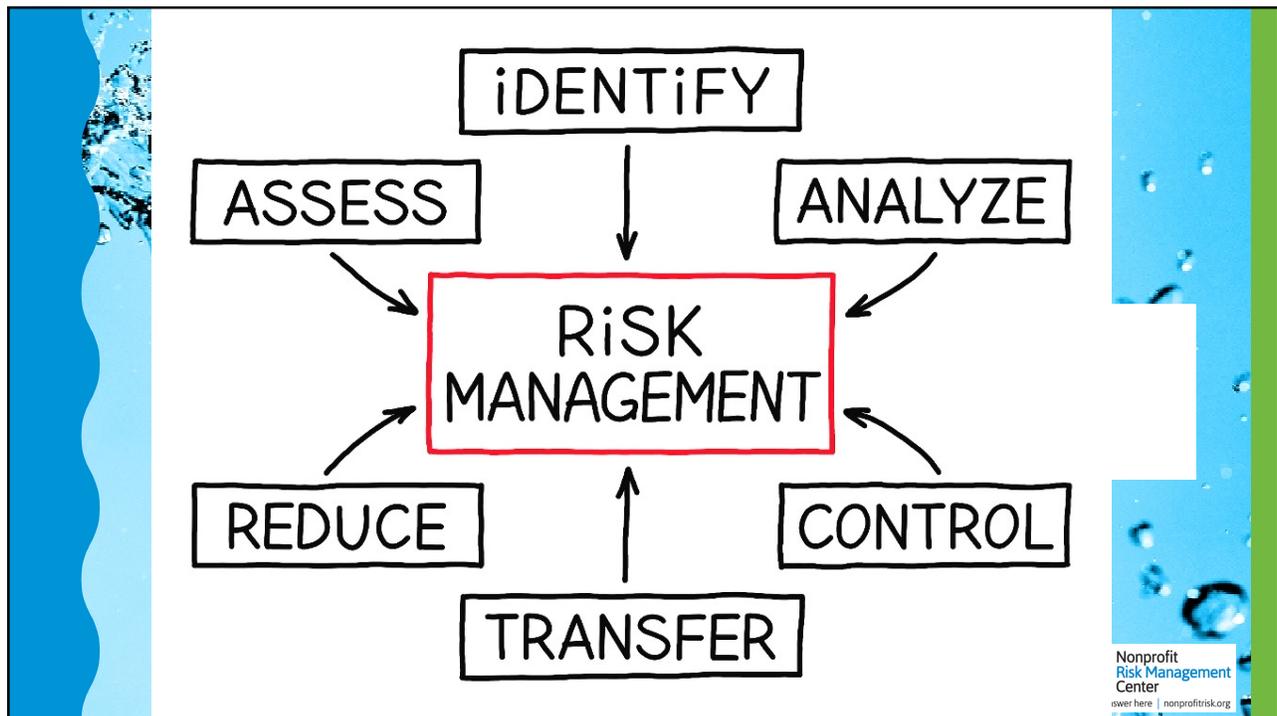
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The image is split into two parts. The left part is a cartoon illustration of a fisherman in a green shirt and hat fishing from a cliff edge, with a diver underwater below. The right part has a blue water splash background with the text "WHAT IS RISK MANAGEMENT?" in large green letters. Below this, a blue bullet point reads "A discipline for dealing with uncertainty". At the bottom right is the logo for the Nonprofit Risk Management Center, with the tagline "Find the answer here | nonprofitrisk.org".

What does "Risk Management" mean to you?

- 1** Proactively identifying risks associated with our programs and taking steps to minimize or mitigate those risks in deploying those programs
- 2** Monitoring and assessing a wide variety of risks that could arise for the organization (including legal, HR, financial, operations, liabilities, etc) and planning ahead to prevent (if possible) and mitigate (if necessary) those risks.
- 3** Being strategically prepared for the unexpected at the same time assessing areas of impact from expected or unexpected events.
- 4** managing an appropriate level of risk with effective outcomes to serve our mission.



WHAT IS THE PURPOSE OF RISK MANAGEMENT?

- Gain perspective
 - Prepare for the future
 - Build & maintain confidence of stakeholders

Prepare

One must **prepare** for an uncertain future

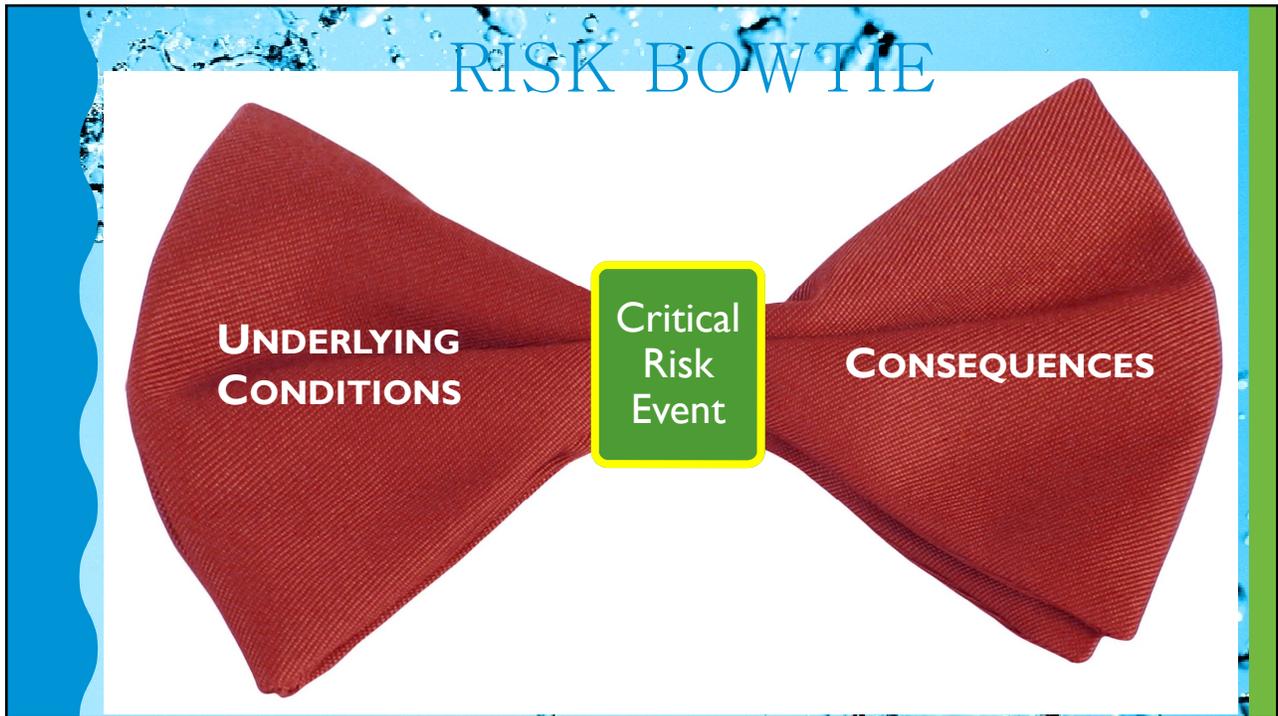
Respond

Responding when events turn out very different from what you expect

There are **two paths** to a risk management program



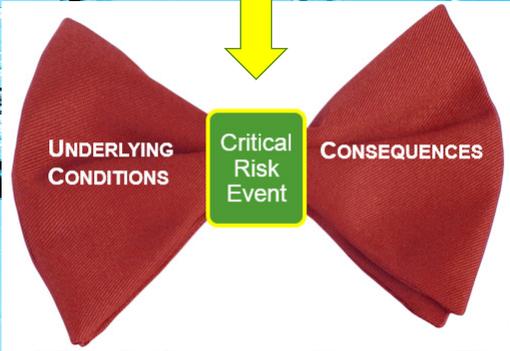
THE RISK BOWTIE



The possibility of an action or event that threatens to substantially impair or advance your mission or objectives

RISK EVENT

- **Action or Event**



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UNDERLYING CONDITIONS

- Context or circumstances that influence the **timing, likelihood, magnitude** of the Risk Event



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CONSEQUENCES

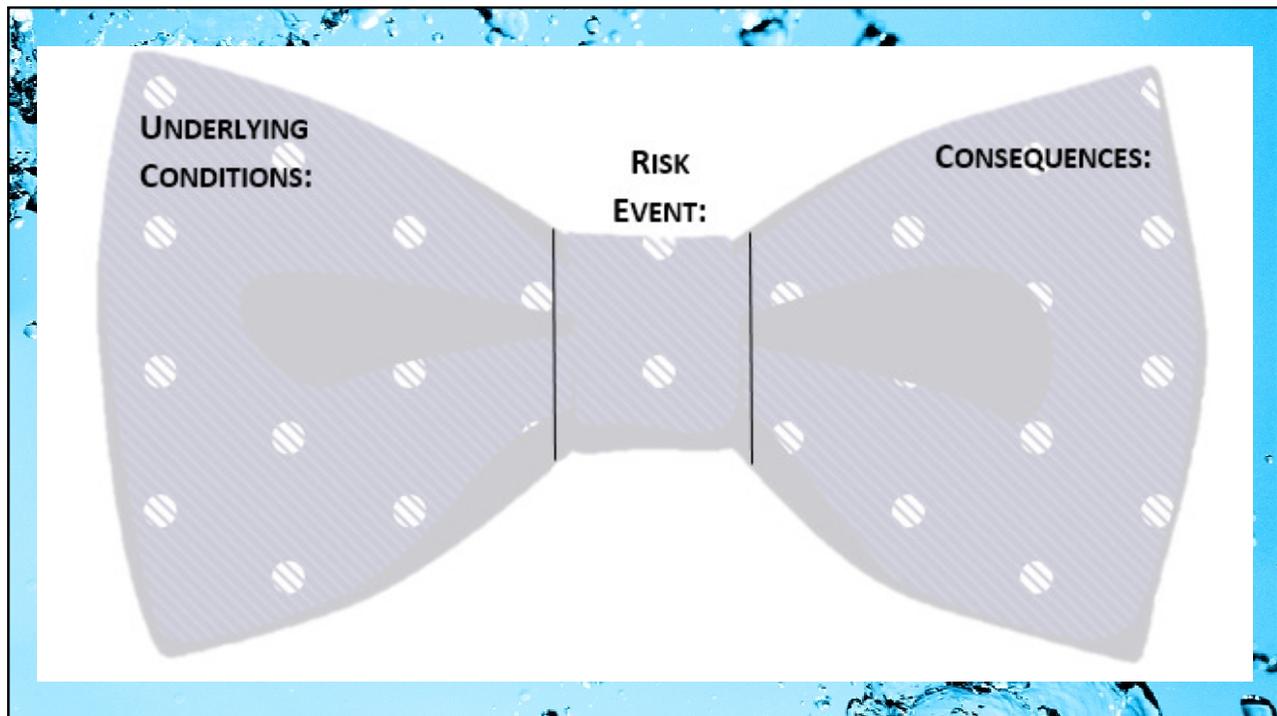
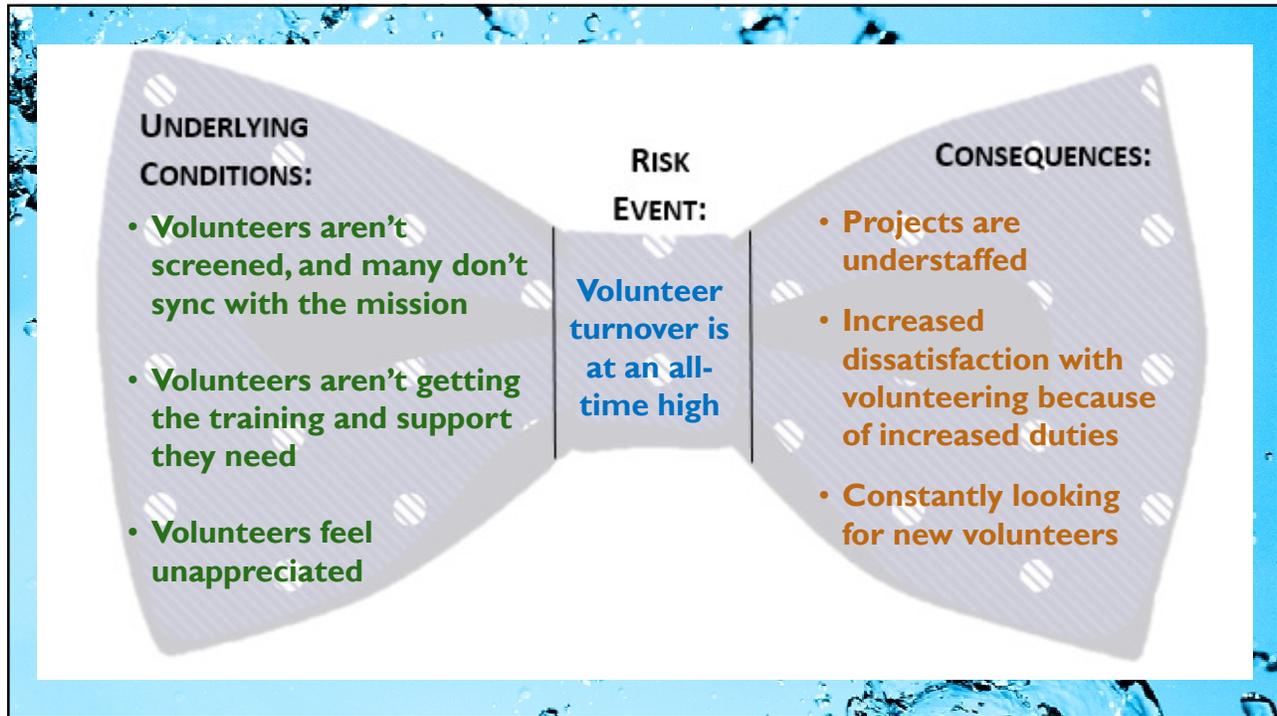
- Usually, both **negative** and **positive**



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QUESTIONS?

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