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Advisory services resource pack for Organisations of Persons with Disabilities (OPDs):

Resource 7: Risk management

This resource provides guidance on managing risks that may arise while managing and delivering an advisory services contract.

Prepared by the Inclusion Advisory Group (IAG) of CBM Global Disability Inclusion, with input from the Pacific Disability Forum.

Potential risks arising in advisory services work

Given the complexities of providing paid advice on disability inclusion to other organisations, from time to time there can be some risks that organisations of persons with disabilities (OPDs) may face and need to manage, as well as risks that client organisations also need to consider and manage.

The kinds of risks that may affect an OPD's advisory services work and its contractual arrangements with other organisations are similar to the kinds of risks that can occur in any kind of project. They can be categorised as follows:

- Risks in the operating environment, such as disasters/hazards, political uncertainty or conflicts, or changes in the donor's priorities.

- Risks to the OPD and its staff, such as unsafe travel or a threatening security situation.

- Risks of OPDs being associated with organisations or projects that perform badly or do not comply with the Convention on the Rights of Persons with Disabilities (CRPD).

- Risks associated with relationships with the other organisation, such as a conflict or a clash leading to a dysfunctional relationship.

- Risks within OPDs, for example in transparency and relationships between staff and management, sometimes associated with distorting effects of income for paid advisors.

- Risks of the work not getting done in the agreed timeframe or to the expected quality, such as if there is a mis-match in terms of timing and quality standards.

- Risks of the work not getting done at all, if the OPD is not able to complete its plans because of loss of staff or other issues.

- Risks of non-compliance related to due diligence and safeguarding requirements.

Some risks are within the scope of OPDs to influence or manage, and others are more difficult to deal with. When risks are associated with relationships or conflicting views, usually differences can be worked through with mutual respect, good communication skills and commitment to shared processes and outcomes. When risks are internal to an OPD's structure or management, steps can be taken to manage these. For example, some OPDs have found that their senior leaders may be asked to work as individual contracted advisors, while still holding a leadership role in an OPD. Some OPDs have created new policies that state if leaders or staff are contracted to provide services, a set proportion of the fees are allocated to the OPD itself.

Preparing for potential risks and minimising the chances of them happening

OPDs report that the better prepared they are, the easier it is to manage when risks do occur in the provision of advisory services. There is benefit in thinking ahead of the 'things that could go wrong' and planning for steps to take to avoid them and respond to them if they do happen. There is value in talking with client organisations early in the planning processes about how they will contribute to managing risks overall, and minimising risks to OPDs and to the collaborative work.

Some organisations write down risks in a simple table. **Tool 7.1 provides an example risk table that can be adapted and used by OPDs.**

Once a risk management table has been developed, this can be updated from time to time, particularly if the advisory work continues over more than a year. The example in Tool 7.1 includes a rating, in the form of a score from 1-5, where 1 is a low risk and 5 is an unacceptably high risk. If an assessment results in one or more ratings of 4 or 5, then the OPD may decide to respond, for example, by not proceeding with the contract. Some client organisations have their own risk registers that they require those providing services to use, and may have different ways of updating them or changing them or responding to risks.

Responsibilities for managing risks

Everyone involved in advisory work will have some responsibility for understanding the risks involved, trying to minimise the chances of them happening where possible, and monitoring risks. Working out who is responsible for responding to risks is an important decision. All organisations, including OPDs and those that commission advisory services, have complex issues and relationships to juggle and negotiate. Risks associated with one contract may be related to other risks in the OPD and in the broader working context, which means senior staff may have existing skills and experience in how to deal with the situation.

Organisations that contract OPDs to provide advisory services have responsibilities in relation to risk management. They may take various steps to reduce risks or have various approaches to defining, monitoring, and managing risks. They are likely to focus on risks to their own reputation, staff, and work, so OPDs will need to consider the client/partners perspective as well as their own, when it comes to managing risks.

Some OPD staff will have more responsibilities than others for managing risks. For example, senior staff will need to support more junior staff in the provision of advisory services, and board staff will need to be prepared for risks and ready to determine responses if the OPD's reputation is at stake. While not all risks can be seen in advance, there are always ways to respond that can minimise harm to everyone involved.

OPDs report that risks can be best managed if they happen within the context of respectful partnerships, good communications and a commitment to shared outcomes. Generally, if there is a shared commitment by the OPD and the contracting organisation to achieve the agreed outcomes and agreement on how best to remain focused on achieving these outcomes, then managing risks is easier for both organisations.

Responding to risks when they occur

When things go wrong in a contracting situation, there is usually a satisfactory way to address issues, particularly if there are good relationships and communications with clients. OPDs report that when mistakes have been made on their part, then it is usually best to be honest, to apologise and to ask for agreements on how they can be repaired or addressed or prevented from happening in future. When an OPD is working with another organisation to achieve a shared outcome, there is generally shared interest in, and responsibility for, responding to risks and addressing problems that arise.

However, there may be different ideas about how to respond and how to treat each other. An important aim for the OPD is to avoid having to 'breach' a contract, which means not meeting the agreed legal requirements. This can have negative consequences for the OPD in future, for example, being perceived by others as unreliable partner.

OPDs have also experienced problems caused by the organisations that have contracted them, which can bring risks to OPDs themselves. OPDs can raise concerns with client organisations, but they are often challenged by having relatively less power in a contracting situation. However, OPDs often have good experience in advocacy and influencing change, so may use these skills to negotiate a favourable outcome.

If an OPD finds that a client organisation is performing in ways that contradict good inclusion practice or which are non-compliant with the CRPD, then the OPD has a choice about how to respond. For example, it could raise concerns with more senior staff in the client organisation, document its concerns in reports, or suggest alternative ways of working that will ensure compliance.

Learning from experience

All organisations can benefit from learning about what works well and why, including learning about how to avoid or minimise future risks. One way of looking at this is to consider that whenever there is an issue, a concern or a problem, there is something to learn. For example, if an OPD has experience of an organisation that refuses to work in inclusive ways, despite best advice, then they may decide not to work with them again. Similarly, if there is a mismatch of expectations between a contracting organisation and the OPD, then next time there is an opportunity to collaborate the OPD might ask more questions and explain their position and capacity more clearly.

Some ways to learn from any risks that have occurred are:

- Asking questions and discussing lessons from members' or other OPDs' experiences at regular staff meetings.

- Writing down lessons to share with other staff and future staff, during regular committee meetings or reporting processes.

- Undertaking a review after each contract to reflect on any risks that have occurred and how best to address them.

- Asking the client organisation about their level of satisfaction with how risks have been managed and what they/you might do differently next time.

- Asking the contracting organisation for their ideas or suggestions about how the OPD can continue to strengthen capacity in managing risks.

Tool 7.1: Sample risk register

The table below is an example risk register that can be adapted and used by OPDs to plan for any risks that may arise in advisory services work.

What could go wrong?	Risk rating	How would it affect our advisory services?	How could we minimize the risk of this happening?	What could we do if it did happen?	Who will be responsible?
A major disaster or hazard	2	It might cause delays or stop us attending meetings or organising events	Regular inclusive disaster preparedness efforts	Advise the client about the consequences and discuss agreed next steps	Office Manager
The relationship with the contracting organisation goes bad	3	We would not feel happy or able to finish our role	Put effort into communicating with the client to build mutual understanding, trust and respect	Try to find a way to work together successfully, through respectful discussions	Chair of the Board
The client organisation is not taking notice of our advice	3	We would not feel inclined to keep trying to influence change	Think about 'how change happens' (i.e., slowly and sometimes unexpectedly). Talk with the client to find other ways to influence change	Learn from experience, refine the messages, or decide to put efforts into other projects without compromising the reputation of the OPD	Program Director
There are concerns about the quality of work	2	The client organisation is unhappy and the OPD is not achieving its own objectives	Find ways to support the staff involved so they can strengthen their skills and knowledge.		