Why Care About Risk Management?

When my kids were little and I would tell them to do something, there was a 99.4% chance that the next word they said was “why?” Risk management deserves the same question—why should you care about it? Here are some reasons:

1. **You Can Be Sued.** “You” means both your organization and you personally. The law allows both to be sued in the event something bad happens. Perhaps the injured person just wants to retaliate against you? Maybe you have additional insurance someone wants to tap? Either way—as a defendant or as a witness—a lawsuit can be lengthy, expensive and painful.

2. **Judgments Hurt.** Maybe you’re thinking: “Fine, go ahead and sue me, I don’t own anything.” A judgment is like a ghost. It will haunt you for 10 or 20 years in the future.

3. **Claims Affect You In and Out of Court.** Lawsuits, even pending lawsuits, show up on background checks and credit reports. Will your application to graduate school, law school or medical school be affected? Probably. Will a professional license be denied (for example, by the Bar Association)? Will an employer still hire you? Will the bank still loan you money for that new car? High risk, for sure.

4. **Jail is a Nightmare.** Criminal hazing, underage drinking and drug use can also lead to police investigations, jail and even prison. Judges are increasingly impatient with the argument that these are “college hijinks.” Those same judges are using prison sentences to clarify that point.

5. **Reputations Are Fragile.** Social media has accelerated a sad fact of life. You can become known for one bad act. You do not want to be “that person.”

Other sobering side effects include: What will your parents think? What will happen to your scholarship? What will the Dean do?

Risk management is not just important to your chapter, it is important to you personally. Protect yourself and your chapter with a good plan.

What Can You Do to Manage Risks?

1. Ask questions about your chapter's plan.
2. Actively look for “holes” in your plan.
3. Make a better plan.
4. Continually evaluate and improve your plan.
5. Support your group’s risk management plan.