2020 NAIS ANNUAL CONFERENCE

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ERM IS CHANGING THE GAME AT PINGRY
LEARNING OBJECTIVES

» Hear examples of ERM in action – in individual plays as well as game strategy
» Review key components of a multi-year ERM implementation plan
» Ask the coaches for advice about how to “win” ERM!
AGENDA

» Introduction – to ERM and to Pingry

» ERM and decision making – “Using ERM to tackle the hard stuff”

» The game plan – How to use ERM for decision making

» Your questions for the coaches – Would this work at your school?
WHAT IS ERM?

- ERM helps us answer the question: Are we paying attention to the right stuff?
- Identifies and manages a broad range of risks – beyond insurable risks – and beyond threats
- Links risks to purpose, mission, objectives
- Supports appropriate risk taking
- Incorporates stakeholders, ownership and accountability
- Facilitates continuous improvement
THE PINGRY SCHOOL

» K-12 on two campuses with 1,130 students
» 157 years old
» Highly achieving faculty and student bodies
» Supportive and committed community
ERM AT PINGRY

The Pingry School is committed to the effective management of risk across all school operations in order to support the achievement of our mission.

- ERM provides a data-driven, overarching framework for Pingry to manage risks, improve operations and more optimally achieve its goals
- ERM increases awareness among faculty, staff, and administrators of the importance of managing risk and our collective roles in doing so
- ERM leads to better decision-making processes that are consistent with our mission and inclusive of stakeholders

ERM allows the School not to simply mitigate its perceived risks, but engage in calculated risk-taking
YEAR ONE: 2016-2017
Mission, Values, Stakeholders, Process & Identification
YEAR TWO: 2017-2018
Prioritization, Ownership & Treatment
Key risk – athletes were choosing club sports over Pingry, hurting our teams

Potential consequences – this “specialization” and desire for “a la carte” services could spread into academics and other programs, and seriously reduce alumni engagement and support

Stakeholders – director of athletics, director of admissions, upper school head, head of school, administrative team

Result of process – created a Participation Policy, updated the Enrollment Contract, helped student athletes play at Pingry

Lessons learned – misinformation spreads without careful communication about the process and the reason for change
YEAR THREE: 2018-2019
Continuation, Accountability, Communication
ERM
Supports Decision Making

In Year 3:

› Student Transportation

- Key risk – transportation model had become unsustainable resulting from years of “we’ve always done it this way”
- Potential consequences – complex financial and operational structure, confusing to parents
- Stakeholders – students, parents, financial aid, insurers
- Result of process – multi-year implementation plan, investment in staffing and resources, increased efficiency, more transparency and predictability
- Lessons learned – informed risk workshops empowered the School to take this risk. Careful communication about the process and the reason for change may still not be enough!
YEAR FOUR: 2019-2020
Mitigation & Integration
ERM
Supports Decision Making

In Year 4:

- HR Revamp

- Key risk – HR functions and processes that no longer met the needs of the organization

- Potential consequences – multiple risks identified, staff/faculty unease, potential lawsuits

- Stakeholders – employees, students, parents, attorneys

- Result of process – investment in additional HR staffing and technology, centralization of functions and processes, and cultural change

- Lessons learned – the wisdom of listening to many voices; many small risks can indicate a greater need; ERM spotlighted a needed change
What you need to make ERM work:

- Consistent, sustainable framework
- Repeatable process for identifying and treating risks
- Communication and training
- Continual learning

ERM Framework

- Consistent terminology and risk criteria
- Customized governance structure
- Repeatable risk management process
- Accountability for managing risk
- Reporting, communication and education about ERM
- Process for continual improvement
The Advantages of ERM

- A structured process to make decisions and take risks
- Engages many stakeholders
- An effective way to address “A total eclipse on a Tuesday”
Questions for the Coaches

Time to ask the coaches questions!

If you could “watch film” of your school what would you see?

➢ Identify a big risk – we’ll explain how to “workshop” it
➢ Are there areas of weakness that you haven’t been able to address?
➢ Are there risks you wish you could take?
THANK YOU!

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