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Understanding the Context

What a confusing, challenging - yet exciting - time for Head Start leaders! Change, of course, is not new to us. We are used to new program initiatives and emphases that seem to appear each time new leadership emerges in Washington, D.C., or in our Regional Offices. And the opportunities - and threats - posed by the technological advances of the past 10 years certainly altered the way we managed our Head Start and Early Head Start operations. But our 21st Century changes appear to be of a different order. A careful investigation of the current Head Start/Early Head Start climate suggests that a true paradigm shift is being suggested.

It is important to recall the original Head Start/Early Head Start mission: To provide comprehensive services of high quality to low-income young children and their families. As we operationalized this mission, we realized that Head Start was not just an early childhood program - not just a health program - not just a family service program. It was all three - and more! It was a program designed to provide meaningful learning, empowerment, and decision-making opportunities for parents. It was a vehicle to promote community economic development by employing low-income residents, especially our parents, and to provide them with professional development opportunities that could lead to career advancement. And it was a social change agent, designed to make community institutions more responsive to the needs of their low-income customers.

Forty-some years later, some are questioning our original mission. It has been strongly suggested that Head Start/Early Head Start is a program that should focus on making children ready for later learning experiences. The seemingly logical next step emanating from this school readiness emphasis has been evaluation of our success using the level of our children's accomplishments in selected developmental areas as the only legitimate benchmarks. Do Head Start children know at least 10 letters by the time they enter kindergarten? Are they aware of phonemes? Do they know that print (in English) moves from left to right? Clearly, some leaders and policy makers want a paradigm shift in the basic foundation of Head Start. The title of the last Head Start reauthorization, The Improving Head Start for School Readiness Act of 2007, points to this continuing emphasis. However, the definition of school readiness in the Act heartens us as it includes the comprehensive nature of services to children and the importance of engaging parents in the education of their children and in making decisions regarding the program.

Our years of collective experiences, as well as the increasing number of well-designed research studies, have demonstrated to us that the success of Head Start involves a complex constellation of outcomes. Our children indeed do need to be socially competent, which requires an array of knowledge and skills across many developmental domains. Equally important, Head Start parents and guardians can make great gains towards personal and economic self-sufficiency, often in the face of daunting obstacles. Our programs continue to offer an array of educational opportunities for all staff, and our ability to modify community institutions and hold them accountable for their services remains unique and effective.
The political climate and the economy have always impacted Head Start, perhaps never more significantly than today. We have seen a climate suspicious of our work change to a climate respectful of our philosophy, goals and services. We have experienced budget cuts, but look forward to increased funding. Head Start services are needed more than ever when many families face unemployment, lower funding to social services agencies and charities, housing crises, and the like. Each of these twists and turns brings with it both threats to our ability to fulfill our mission and opportunities to step up and serve.

Where does the concept of risk management fit in this ongoing debate about the foundation of Head Start? Why should your program invest staff, parent and board time and energy in systematically identifying and managing the risks facing your program? Simply put, one strategy that facilitates a paradigm shift is to promote the theme that the original paradigm isn’t working! This strategy takes two complementary forms. First, evidence is offered that much money is spent for few desirable outcomes. Second, evidence is offered that a program’s operations are poor, so few desired outcomes could emerge. If the negative publicity about Head Start programs across the country is considered, numerous examples of this strategy in operation can be found.

Unfortunately, there are examples of Head Start programs who either have no significant, reliable and valid outcomes to report in any service area. And there are other examples of Head Start programs whose operations are lacking in quality, quantity, and consistency. Other programs have made the headlines – and not in a positive way! There is some truth to that famous wisdom of Pogo that, “We have met the enemy and it is us.”

Thus you and your Head Start colleagues have a wonderful opportunity to move the paradigm shift discussion out from the murky and cloudy venue of “Nothing of worth is happening in Head Start,” and “How could anything of merit happen in those poorly run programs?” to a higher plane where the discussion can focus on how to best make meaningful long-term changes in the lives of this country’s low-income children and families. You can seize this opportunity by assuring that your Head Start/Early Head Start program is well-managed, grounded in the most current child and family development knowledge bases, and is true to the important and powerful goals of Head Start’s founders. Risk management is your program’s first step on that journey.

ACF was directed by the GAO to “develop a comprehensive risk assessment of the Head Start program and improve the processes it uses to collect information on program risks.” The Risk Management process introduced over the past several years is the result of that mandate. This booklet can help Head Start and Early Head Start programs participate thoughtfully and thoroughly in that process as well as go beyond the government initiative and infuse the notion of risk identification, assessment and management into the ongoing monitoring and self-assessment processes and general management of the program.
Understanding Risk Assessment and Management

Sitting behind the wheel of your car, you are confronted with a wide array of lights and gauges. When you turn the key in the ignition, a series of messages are flashed to you.

- The seat belt light is flashing. Remember to buckle your seat belt.
- The gas gauge registers 1/4 full. Plenty of gas to get to the service station, but you probably should stop to get gas on the way home.
- Red light tells you that the parking brake is engaged. Better release it before you put the car in gear.
- Ready to back out of the garage? Look both ways, then back onto the street.
- Once you are moving, a light on the dashboard tells you that you are in reverse, then drive.
- Your proof of insurance form is tucked safely away in the glove compartment.
- Then again, maybe you should take the bus.

Without thinking about it, you have just engaged in a series of risk identification, assessment and management activities.

**Risk identification:** You are running low on gas.

**Risk assessment:** You have enough to run errands.

**Risk management:** Fill up before it registers empty to avoid running out.

You have also employed a series of risk management techniques. You prevent injury by buckling your seat belt, eliminate the possibility of burning out the emergency break by releasing it before driving, and avoid running into another car by looking both ways before backing out of the driveway. You can minimize the risk of running out of gas by filling up before the gauge registers empty. And you carry insurance to protect yourself and your passengers in case of an accident and to comply with the law. You might even consider not doing the driving at all and let the bus driver handle all of those issues of fuel, traffic and insurance.

The Government Accountability Office (GAO) has directed the Administration for Children and Families (ACF) to create systems that Head Start programs can use to monitor performance, just as automobile manufacturers provide us with the lights and gauges that we use to monitor our driving experience. ACF, Head Start’s “manufacturer,” has identified risks for Head Start to be aware of, designed a system to help us monitor those risks, and has given us “lights and warning signals” to install on our Head Start dashboards to help us monitor those risks. The monitoring protocols, fiscal checklist, health and safety checklist, and most recently the Office of Head Start Risk Management process include the elements that Head Start’s “manufacturer” expects us to monitor. But just like the driver of a car, a good
driver uses his or her own professional judgment to monitor things that are not signaled on the dashboard of the car. For example, many drivers carry a tire gauge to check tire pressure and they simply know what it feels like when a tire is low. Likewise, Head Start programs have developed checklists that go beyond the Federal tools and use professional judgment to assess the “feel” of a classroom, a parent meeting, or a home visit.

Attending to risks that face your organization and applying these same techniques in your Head Start program will enable you to assess and mitigate the risks that face all programs every day. The key is to know where the “lights and gauges” are in our programs and what additional tools we need, and then have strategies for responding when a light comes on or when a gauge tells us that attention is required or when our professional judgment alerts us to look more closely at a practice or situation.

The dictionary defines Risk in many different ways: as a noun, (1) the chance of injury, damage or loss; (2) dangerous chance; hazard; (3) the degree of probability or chance of loss; (4) a person, place or thing which might be in jeopardy or peril; (5) the amount of possible loss to the insuring company; as a verb (6) gamble, speculate, venture or wager; (7) endanger, imperil, or threaten.

For Head Start and Early Head Start programs and their grantee or delegate agencies, risk can be defined quite simply: risk is any threat to your ability to fulfill your mission. Risk then is either internal or external to your organization and may exist in any of the following environments:

**Macro Environment:**
- Social factors
- Technological factors
- Economic factors
- Political factors

**Industry Environment:**
- Structure of the industry
- How the industry is financed
- Change in government regulations and their degree
- Change in typical products or services offered
- Change in typical marketing strategies and techniques

**Competitive Environment:**
- Competitor profiles
- Market segmentation patterns
- Research and development trends
- Emergence of new competitors

**Customer Environment:**
- Tracking customer complaints and compliments
- Monitoring return rates and warranty costs
- Listening to customer needs and concerns

**Internal Organization Environment:**
- Appropriateness of organizational structure
- Lessons learned from organization’s history
- Organizational climate and culture
- Organization’s distinctive competencies
- Shifts in organizational leadership
- Organization’s systems, operations and services