How to Evaluate Collection Risk

This was a presentation by **Shannon White**, Director of Collections at the Bechtler Museum, **and Christopher Wise**, Vice President at DeWitt Stern.

The general discussion was how one identifies, evaluates and avoids (or minimizes) risk to a collection. The example used in this case was a recent project they worked on together: re-housing the Bechtler Museum's collection.

Christopher discussed the question "What is risk?" On a very basic level, risk is the chance that something may have a negative impact on a collection.

When considering how to manage negative outcomes, one needs to evaluate and describe what the risks are, in what context do choices need to be made, and who is evaluating the risk.

In identifying specific risks, one can look at the concentric circles of the layers of enclosure an artwork. The inner circle is what is coming in contact with the artwork, or the packing, followed by packing, shelving or cabinets, that is wrapped by the building, and that is finally surrounded by the community.

Christopher also brought into the discussion, a useful point about describing risk- it is important to communicate about risk in appropriate and effective language. This would be especially important when making decisions along with a board or committee, that may or may not be thinking of risk in the same way that you, the registrar or collections manager, and risk manager are.

Types of risk can be described as Rare, Common or Cumulative. More specifics on this were detailed later in the conversation.

As far as risk treatment strategies, there is a multi-layered strategy:
One can **avoid** risk (that is eliminate, withdraw, or not be involved) or
Transfer the risk (as in to your or another insurer)
One can **reduce** risk
And one can **share** the risk (or spread it out) or one can **retain**, or accept the risk and budget for any eventual outcomes of this risk.

In a more specific way, Shannon and Chris then went on to discuss their recent project of assessing risk when presented with the task of re-housing the collection of the Bechtler Museum. Chris again brought up the point that there had to be a shared language for decision making and policy. They needed to have priorities and an action plan.

Previously, this 7-year old museum's collection of 1400 works, obtained mainly through inheritance, was housed in a free on-site building belonging to the Estate.

At issue was the fact that they needed to move quickly to an off-site storage facility. Budget was a main consideration, as previously there was no charge for storage. Another important factor was that there was very limited museum quality storage in the area. The closest one was hours away by car.
They proceeded to assess the risks, and to discuss clearly what the consequences of their decisions might be. In order to make a decision, they needed to decide what policies had to be amended or reviewed in order to support the collection.

So, what are their risks? An extremely useful part of this presentation, one that we could all take away and make use of, was the chart that they showed with risks, and their severity, from the least severe to the most. (Waller method charts) Here are the very useful charts, below. In one column, they listed the type of risk, such as physical forces (hurricanes, etc), then tin another columns they categorized the type of risk, and so on with risk location, and levels of control in adjacent columns

These risks were compared to the facility- its location, the policies and procedures for dealing with risks, and what they had control over. Examples of risk were fire, water, criminal activity, pests, humidity and custodial neglect.

Their decisions were not fixed, but rather part of a continuum. They were based on- what is an acceptable risk? How does one avoid them? What risks would be transferred to the museum's insurance? And how would they spend their limited resources - on avoiding or mitigating risk?

In the end they decided, for practical (financial, time, geographic) reasons to move to self-storage near the museum.

As far as mitigating risk- they ended up purchasing new furniture to better store things off-site. They also figured out how much and how to transfer risk to museum insurance. They decided to sell of some of the items that were not part of the museum's mission.

It was very interesting to hear how they came about their decision to move to self-storage, which many of us would consider a difficult one to accept, and how they accepted the risks they could not mitigate or transfer. Shannon did a wonderful job of discussing all of the details of the collection and what they were up against, and Chris' long view of the situation, and very useful charts added an invaluable takeaway from this case study that we can all apply to our specific situations.

Submitted by Barbara Campisi