Unlocking Effective Risk Management in Higher Education

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The context

Higher education institutions (HEIs):

- operate as **complex systems** linked with **societal dynamics**

- presence of **multicultural students** with **unique needs** and **expectations**

- **people centre** organizations with **high mobility** and **concentrated events**

- **diverse risk factors** - often do not manifest simultaneously

- **data** can be transformed into **actionable knowledge**, enhancing the **ability** of HEIs to **anticipate** and **manage risks**

The context

Engaging complementary systems in risk management can ensure:

- continuous flow of information, enhancing organizational **understanding of past, present, and future risks**

A **comprehensive shared taxonomy of risks** is essential for **effective risk management** in higher education institutions

The challenge

- **Collaboration** with similar institutions can be beneficial in **identifying** and **addressing** both **potential** and **realized risks**.

- Establishing a **cooperative network** characterized by **openness, voluntarism, confidentiality,** and a **no-blame culture** can create a valuable repository of data.

- **Repository of data** - actionable knowledge, enhancing the ability of HEIs to **anticipate** and **manage risks**

- **Increasing** their **resilience** and maintaining their **focus** on educational **excellence** and **improvement**.

One way forward

- Budget Allocation
- Revenue Generation
- Funding and Budgeting

- Market Position
- Regulatory Compliance
- Reputation Management

Financial Risks

Academic Risks

Taxonomy of risks for HEI

Strategic Risks

Operational Risks

- Accreditation
- Research

- Facilities Management
- Information Technology
- Academic Community Health and Safety
- Crisis Management

One way forward

Taxonomy of risks for HEI

- Financial Risks
- Academic Risks
- Strategic Risks
- Operational Risks

▶ Budget Allocation

▶ Revenue Generation

▶ **Funding and Budgeting**

▶ **University funding**

"

The rector of the University of Lisbon finds it 'incomprehensible' that the funding formula does not include performance indicators for higher education institutions

"

in Semanário Expresso
14-08-2023

One way forward

Financial Risks

Academic Risks

Taxonomy of risks for HEI

Strategic Risks

Operational Risks

▶ **Accreditation**

▶ Research

▶ **Loss of accreditation due to failure to meet educational standards**

" *City College of San Francisco nearly lost accreditation due to financial and administrative issues.* "

in Inside Higher Ed
19-01-2024

One way forward

Taxonomy of risks for HEI
- Financial Risks
- Academic Risks
- Strategic Risks
- Operational Risks

▶ Accreditation

▶ **Research**

▶ **Research misconduct leading to loss of grant funding and damage to institution's reputation**

" *Duke University settled research misconduct case for $112.5 million over falsified data in grant applications.*

"

in Science

25-03-2019

One way forward

Financial Risks · Academic Risks · Taxonomy of risks for HEI · Strategic Risks · Operational Risks

▶ **Facilities Management**

▶ Information Technology

▶ Academic Community Health and Safety

▶ Crisis Management

▶ **Active shooter, security risk**

" *Active shooter at Faculty of Sciences, University of Lisbon* "

in Rádio Renascença
11-02-2022

One way forward

▶ Facilities Management

▶ **Information Technology**

▶ Academic Community Health and Safety

▶ Crisis Management

▶ **Cyber attack**

"

Cyber-attack on Universidad Complutense de Madrid and possible compromised/exposed personal data

"

in El País

10-05-2024

One way forward

Taxonomy of risks for HEI
- Financial Risks
- Academic Risks
- Strategic Risks
- Operatio-nal Risks

▶ Facilities Management

▶ Information Technology

▶ **Academic Community Health and Safety**

▶ Crisis Management

▶ **Mercury contamination**

" *Building of the Faculty of Pharmacy of the University of Lisbon contaminated with mercury to be demolished* "

in Público

06-11-2015

One way forward

Taxonomy of risks for HEI
- Financial Risks
- Academic Risks
- Strategic Risks
- **Operational Risks**

▶ Facilities Management

▶ Information Technology

▶ Academic Community Health and Safety

▶ **Crisis Management**

▶ **Social protests at universities**

" *Students arrested during pro-Palestinian protest at the University of Lisbon* "

In CNN Portugal
10-05-2024

One way forward

Taxonomy of risks for HEI:
- Financial Risks
- Academic Risks
- Strategic Risks
- Operational Risks

▶ **Market Position**

▷ Regulatory Compliance

▷ Reputation Management

▶ **Decline in enrolment due to competition from nearby universities offering similar programs**

" *University of Maine System experienced a significant enrolment drop due to competition and demographic changes.* "

in The Maine Campus
18-09-2023

One way forward

Financial Risks
Academic Risks
Taxonomy of risks for HEI
Strategic Risks
Operatio-nal Risks

▶ Market Position

▶ Regulatory Compliance

▶ **Reputation Management**

▶ **Alleged harassment and abuse of power**

" *Abuse of power and harassment at the Centre for Social Studies (CES) of the University of Coimbra.* "
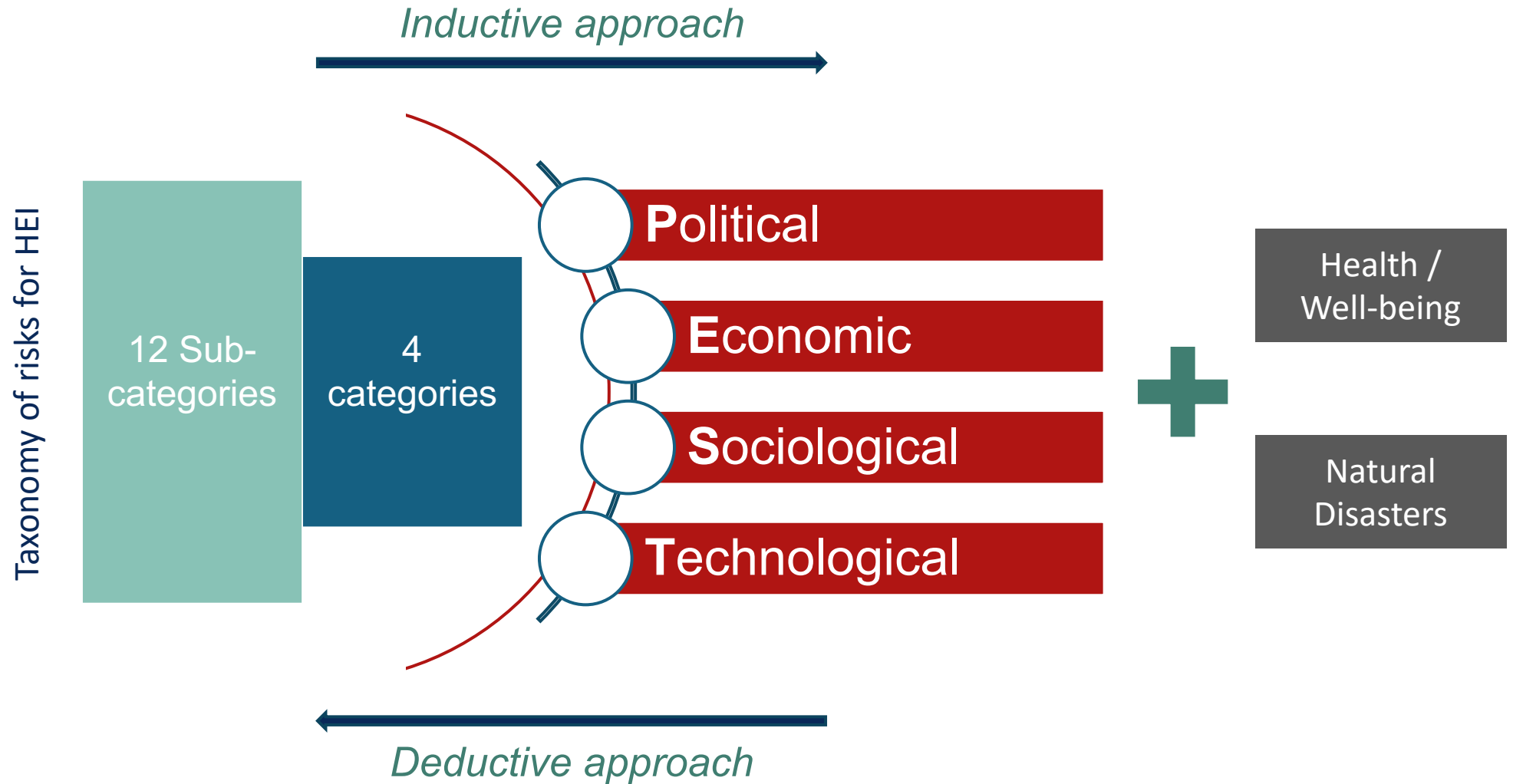
in Semanário Expresso

13-03-2024
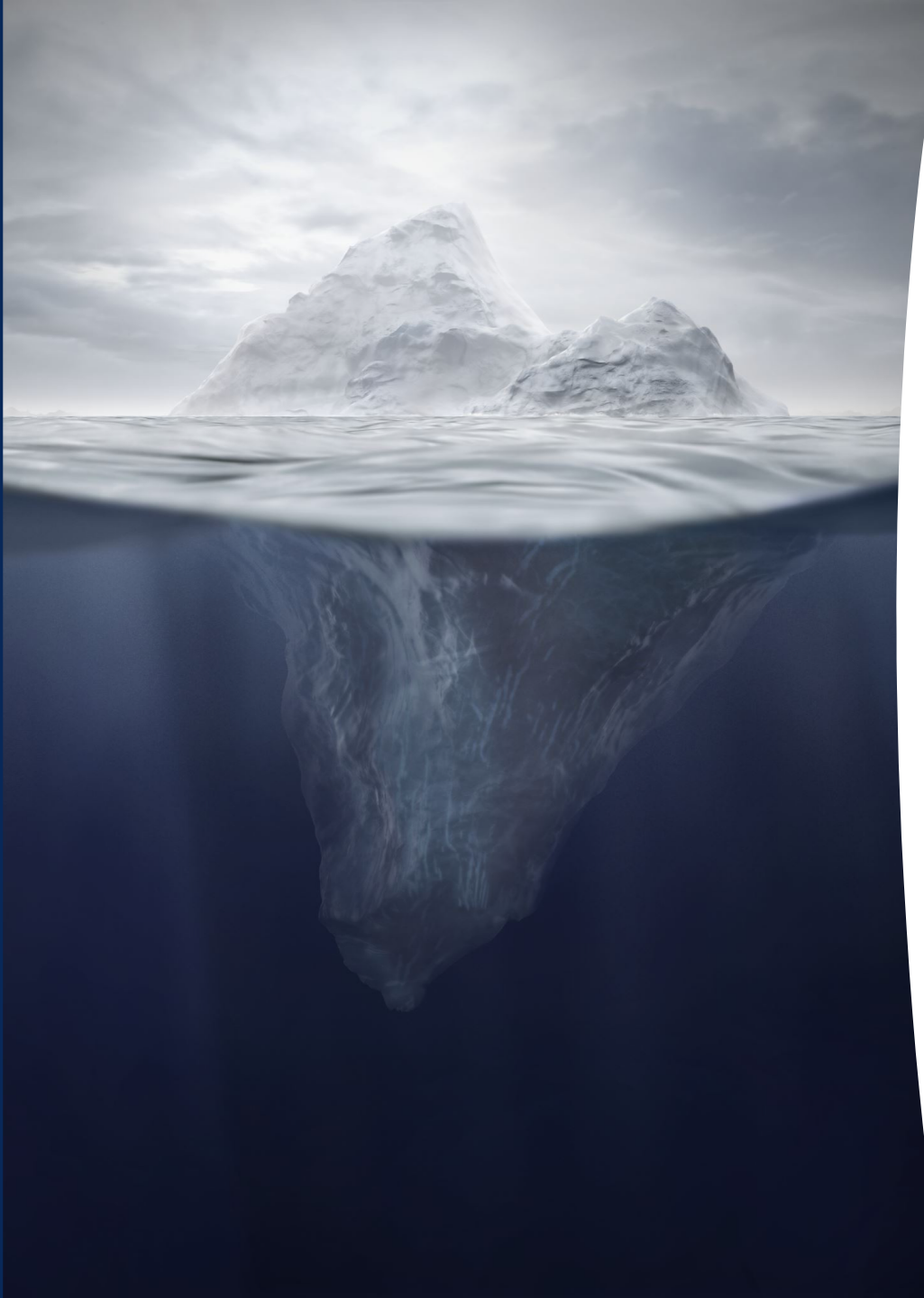
- Just the **"tip of the iceberg"**

- **underlying problems**, **systemic issues**, or the **root causes** of events

- This approach enables us to address:
  - **near misses**
  - **risks with fast onsets**
  - **small, slow moving and low impact risks**

- that can **accumulate** without **acknowledge** of the stakeholders

PEST Model

Considerations

Shared knowledge among HEIs, including sharing data on potential underlying causes, is crucial for risk management

- **Implement Robust Risk Management Frameworks** – regular risk assessments, monitoring, and mitigation strategies

- **Conduct Root Cause Analysis** – to address systemic issues

- **Enhance Transparency and Reporting** – to stakeholders with detailed analyses and action plans

- **Strengthen Oversight and Accountability** – strong governance structures and clear mechanisms

- **Promote a Culture of Compliance and Ethics** – prioritizes compliance, ethics, and continuous improvement