United Educators

2023 Top Risks Report:
Insights for Higher Education

Each year, United Educators (UE) members share their institution's most pressing risks in the Top Risks Survey. This year's report reflects responses from 112 colleges and universities that completed the survey in September and October 2023.

Key insights from this year's survey:

- **Data Security** overtook **Enrollment** as the top risk in higher education. 73% of respondents listed Data Security as a top risk, increasing from 65% last year, while Enrollment was flat at 67%.

- Nine of the top 10 risks also ranked among last year's top 10 risks, suggesting consistency in higher education's top risks.

- **Funding**, the new entrant to the top 10, rose from 11th place last year while **Public Safety** fell to 11th place.

- Respondents who ranked **Funding** as a top risk cited risk to revenues from virtually every major source: government funding, tuition, alumni philanthropy, endowment returns, and auxiliary revenue. This suggests a general apprehension about institutions' financial stability instead of a threat to specific revenue sources.

- Despite inflation and political and cultural instability in 2023, **External Pressures** fell four spots to 10th, while **Funding**, **Facilities and Deferred Maintenance**, **Compliance**, **and Title IX** climbed above it. This may represent respondents' focus on risks they feel like they can control.

- While they didn't reach the top 10, **Abuse of Minors** (12th), **Student Physical Health and Safety** (14th), **Study Abroad and Other Travel** (tied for 16th), and **Admission Management** (tied for 16th) made large jumps in this year's survey.

Top 10 Risks of 2023

1. Data Security
2. Enrollment
3. Recruitment and Hiring
4. Operational Pressures
5. Student Mental Health
6.* Funding
6.* Facilities and Deferred Maintenance
8. Regulatory and Legal Compliance (Non-VAWA/Title IX)
9. Title IX
10. External Pressures

* Two risks tied for sixth.

This year's survey also asked about the education labor market and employee mental health. Most colleges and universities continue to struggle to hire and retain talented staff in 2023, but most also say the labor market isn't affecting their ability to manage liability risk. Employee mental health plays an important role in employee retention and workforce liability risks, and more than half of respondents frame it as a risk to their institution's success.

Use the data below to start discussions about your institution's top risks and benchmark against peers. Each risk listed includes links to UE resources, some of which require a member login.

Top 10 Risks: Higher Education

Percentages in this report show the percent of respondents identifying a given risk. Because respondents listed five risks and some questions were optional, percentages often don't total 100%.

01. Data Security 73%

Information technology risks such as data breaches, phishing, accidental disclosure of personal data, ransomware, and hacking

UE Resources:

Data Security Course Collection

Tabletop Exercise Library

Don't Take the Bait: Defending Institutional Data From Phishing

Manage the Risks of Remote Learning in Higher Education

Mitigation Efforts:

- Increase compensation to hire and retain cybersecurity staff.
- Train on data security more frequently.
- Create or update a data governance strategy.
- Conduct third-party risk assessments.
- Practice ransomware and network outage response plans.
- Strengthen authentication protocols.

02. Enrollment 67%

Risks affecting new student admission and retention of current students, including international students

UE Resources:

Risk Management Steps in Response to the Supreme Court's Admissions Ruling

Avoid Misrepresentations to Prospective and Current Students

Reputational Risk Toolkit

How Higher Ed Institutions Can Respond to "Operation Varsity Blues"

Mitigation Efforts:

- Evaluate and expand program offerings.
- Change discounting and pricing strategies.
- Enhance student retention programs and tools, including mental health support.
- Strengthen relationships with local schools and transfer partners.
- Expand student recruitment to new regions.
- Identify new vendors to assist marketing and recruitment efforts.

03. Recruitment and Hiring 42%

Risks related to maintaining a talented staff and faculty workforce

UE Resources:

Considerations in Skills-Based Hiring

Using Artificial Intelligence Tools in the HR Lifecycle: Risks to Consider

Supporting Employee Mental Health Issues

Avoid Sex-Based Faculty Pay Discrimination

Best Practices for Operating Campus Child Care Centers

Employee Burnout Is a Risk Management Issue

Mitigation Efforts:

- Increase pay, benefits, and flexibility.
- Conduct a compensation study and act on its findings.
- Consider non-traditional experience and skills for job applicants.
- Outsource administrative functions to third parties.
- Provide child care options for employees.
- Offer employee mental health support.

Top 10 Risks: Higher Education

04. Operational Pressures 38%

Risks related to constraints on the institution's processes, financial stability, and business model

UE Resources:

Enterprise Risk Management Resource Collection

Guide to Manage Risks Associated With Program Change

Academic Closures with Husch Blackwell

Mitigation Efforts:

- Consider partnerships, mergers, and acquisitions.
- Evaluate budget model and budgeting practices.
- Review tuition pricing model and financial aid strategy.
- Expand auxiliary revenue streams.
- Reorganize institutional operations.
- Improve cost controls.

05. Student Mental Health 31%

Risks related to students' mental and emotional well-being, including mental illnesses and suicide

UE Resources:

Student Mental Health Resource Collection

Student Mental Health Course Collection

Tabletop Exercise Library

Prevent and Respond to Fentanyl Overdoses

ProResponse®

Mitigation Efforts:

- Train faculty and staff to support students' mental health.
- Launch social skill development programs.
- Contract with remote counseling providers.
- Create mental health programs to support marginalized identity groups.
- Conduct mental health climate surveys.
- Practice substance misuse and suicide response plans.

06. Funding 26%
(TIE)

Risks to core revenue streams

UE Resource:

Enterprise Risk Management Resource Collection

Mitigation Efforts:

- Invest in enrollment and retention strategies for new demographic groups.
- Increase philanthropic fundraising.
- Lobby state and federal governments for additional support.
- Launch or expand auxiliary revenue sources.
- Diversify sources of funded research.

Top 10 Risks: Higher Education

06. (TIE) Facilities and Deferred Maintenance
26%

Risks concerning outdated facilities and new construction, including inadequate buildings and infrastructure to achieve the institution's mission

UE Resources:

Slips and Falls Resource Collection

Good Signage = Good Risk Management

Take Inventory of Your Off-Campus Real Estate

Campus Parking Lots: Common But Risky Locations

Reduce Serious Injuries in Residence Halls Through Informed Facility Management

Mitigation Efforts:

- Conduct routine campus hazard walkthroughs.
- Implement a hazard reporting system.
- Renovate buildings for climate adaptation.
- Launch a capital campaign for maintenance and new construction.
- Partner with property management and development companies.
- Install signage in unsafe spaces and areas under construction.

08. Regulatory and Legal Compliance (Non-VAWA / Title IX)
21%

Risks involving noncompliance with federal, state, and local regulations and other elective accountability authorities

UE Resources:

Guide to Campus Telehealth Risk Mitigation

Manage Faculty Who Resist Disability Accommodations Requests

New DOJ Guidance on Web Content Accessibility

Understand Your Duty to Make Technology Accessible

FERPA: Protecting Student Privacy

Mitigation Efforts:

- Centralize compliance functions.
- Seek specialized outside counsel.
- Engage regulatory bodies for guidance.
- Update electronic privacy and record retention policies.
- Continue training and awareness.
- Improve research compliance policies and procedures.

09. Title IX
16%

Risks related to sex discrimination

UE Resources:

Title IX and VAWA-Campus SaVE Act Resource Collection

Department of Education Releases 2022 Proposed Title IX Regulations

Campus Sexual Misconduct and Student Social Media Posts

Mitigation Efforts:

- Ensure adequate staffing and compensation in Title IX office.
- Elevate qualification standards of lead Title IX coordinator.
- Expand Title IX training/information sessions.
- Implement bystander training for students.
- Seek third-party advisors on Title IX investigations and decisions.
- Prepare to comply with forthcoming Title IX regulations.

Top 10 Risks: Higher Education

10. External Pressures

15%

Risks related to societal forces beyond an institution's control, including economic, political, and cultural stressors

UE Resources:

Enterprise Risk Management Resource Collection

Diversity, Equity, Inclusion, and Belonging Resource Collection

Addressing Demonstrations on Campus

Manage Risks Associated With Faculty Use of Social Media

Surviving the Digital Normal on Campus

Reputational Risk Toolkit

Mitigation Efforts:

- Communicate value of education to students, families, and community leaders.

- Plan for demonstrations and controversial events on campus.

- Engage faculty and staff in public communication guidelines.

- Consider how to lead or respond to diversity, equity, and inclusion issues.

- Defer expenses to mitigate the impact of inflation.

Rank Changes From 2018 Through 2023

Rank	2023 Top Risks	Rank in 2022	Rank in 2020-21	Rank in 2019-20	Rank in 2018-19
1	Data Security	2	2	2	4
2	Enrollment	1	1	1	1
3	Recruitment and Hiring	3	Not ranked	9	Not ranked
4	Operational Pressures	4	4	6	3
5	Student Mental Health	5	New in 2022		
6T	Funding	Not ranked	5	7	2
6T	Facilities and Deferred Maintenance	8	6	4	Not ranked
8	Regulatory and Legal Compliance (Non-Title IX/VAWA)	7	7	5	8
9	Title IX	10	8	3	5
10	External Pressures	6	Not ranked	Not ranked	7

Emerging Risks

Survey participants identified emerging or evolving risks they think will become more urgent over the next few years.

Top responses included:

- **Artificial Intelligence and Emerging Technologies**

- **Student Mental Health**

- **Public Distrust in Education**

- **Climate Change**

- **Political Climate and Adversarial Regulation**

- **Admission Practices**

Respondents perceived interesting connections among some emerging risks:

- **Political Climate**, **Public Distrust of Education**, and **Adversarial Regulation** have obvious connections. Less obviously, some respondents worry about political polarization causing national economic weakness and reducing available funding for higher education.

- Respondents citing **Climate Change** as an emerging risk often noted that adapting campus buildings to increasing heat or flood risk reduces resources for routine deferred maintenance.

- While **Artificial Intelligence and Emerging Technologies** received few mentions as a top risk, it was a common emerging risk. Its popularity suggests it may rank in the top 10 in the coming years.
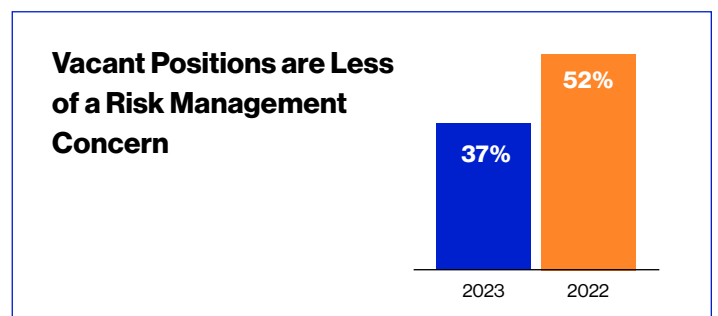
Return to Campus, Staffing, and Risk Management

Recruitment and Hiring ranked third in the last two surveys, and its frequent coverage in education news and at conferences reflects the scale of the challenge. This year's survey asked respondents how the labor market changed for their institution over the last year.

Most respondents (72%) cited challenges in hiring and retaining employees for the last two years, while 14% of respondents didn't struggle to hire or retain employees. About 13% said the labor market improved in the last year.
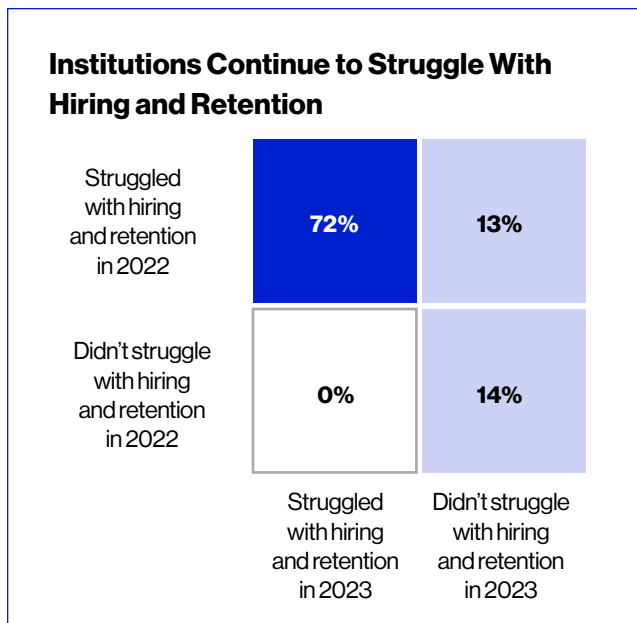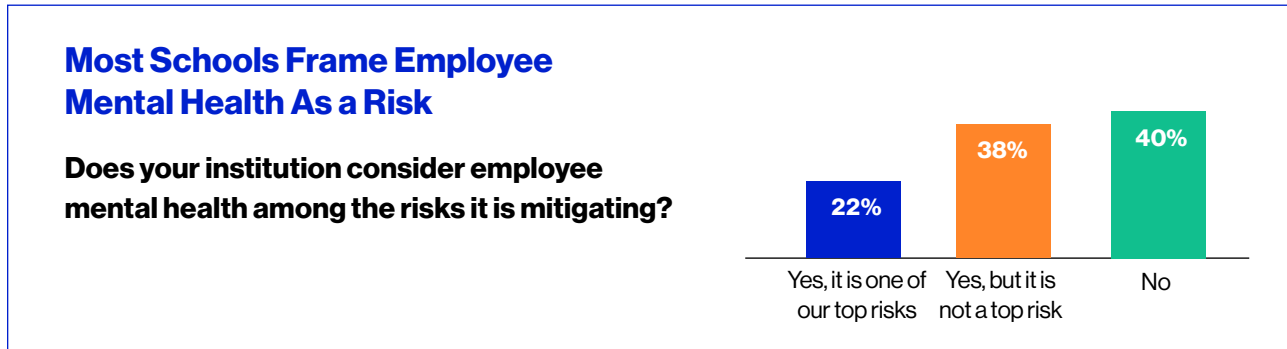
People mitigate risk, so hiring difficulties could affect an institution's ability to manage its risks. Of the 85% of respondents who struggled with hiring and retention in 2022 or 2023, 37% agreed that vacant positions harmed their ability to manage risks. This is an improvement from 2022, when 52% of respondents were concerned that vacant positions or turnover affected their ability to manage risk.

Institutions Continue to Struggle With Hiring and Retention

	Struggled with hiring and retention in 2023	Didn't struggle with hiring and retention in 2023
Struggled with hiring and retention in 2022	72%	13%
Didn't struggle with hiring and retention in 2022	0%	14%

Vacant Positions are Less of a Risk Management Concern
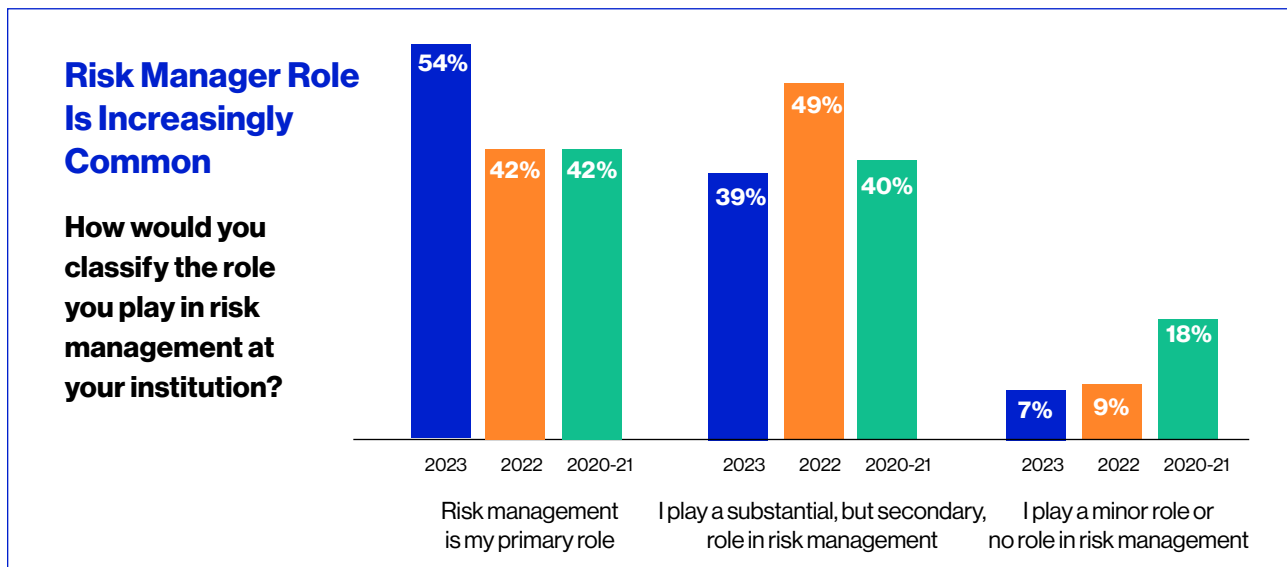
2023	2022
37%	52%

Managing Employee Mental Health Risk

Institutions have focused on student mental health for years, but mental health risk extends beyond students. Employees suffering mental health conditions may work less productively, make errors, or, in rare cases, cause violence. 89% of respondents said their institutions recently implemented some kind of employee mental health programming, and 60% frame it as a risk.

Most Schools Frame Employee Mental Health As a Risk

Does your institution consider employee mental health among the risks it is mitigating?

Yes, it is one of our top risks	Yes, but it is not a top risk	No
22%	38%	40%

Respondents' Risk Management Role

The risk management role continued to grow in the last year, with more respondents than ever reporting that their primary role is as a risk manager. The year-over-year increase in the number of risk managers suggests expectations for professional risk management have grown in higher education.

Risk Manager Role Is Increasingly Common

How would you classify the role you play in risk management at your institution?

	Risk management is my primary role			I play a substantial, but secondary, role in risk management			I play a minor role or no role in risk management		
	2023	2022	2020-21	2023	2022	2020-21	2023	2022	2020-21
	54%	42%	42%	39%	49%	40%	7%	9%	18%

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