# *Enterprise Risk Management Program Update*

PURDUE UNIVERSITY®

# ERM Process



Identification (Phase 1)
Leadership/Work groups identifies enterprise risks and related sub-risks

Leadership/Work groups monitors mitigation plans for ongoing effectiveness

Risk Owners

Monitoring and Communication (Phase 4)

Continuous Evaluation

Assessment (Phase 2)
Leadership/Work groups assesses the impact and likelihood of each risk/sub-risk

Mitigation (Phase 3)
Leadership/Work groups assigns risk owners to Top risks, documents the risk mitigation plans and KRIs

- ***Integrates framework for holistically managing enterprise risks to achieve organizational objectives and minimize unexpected disruption***

- ***Focuses on major risks that could affect Purdue long-term positioning and performance***

- ***Provides common platform for discussion of risk throughout the University***

The risk identification and evaluation was an *inclusive and collaborative process* that considered many functional areas.

*Additionally, **external benchmarking** was performed to align with current industry trends and risk landscape.*
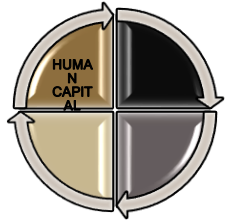
# 2022 ERM Top Risk Themes Detail
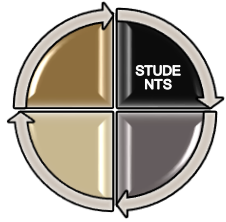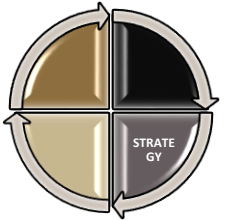
**Student Success, Wellbeing & Safety**

**Human Capital Vision and Strategies**

**Academic & Research Competitive Advantage**

**Security, Compliance, Campus**

## Top Risks

- Student mental health and wellbeing (including student athletes, graduate students) and housing

- Enrollment

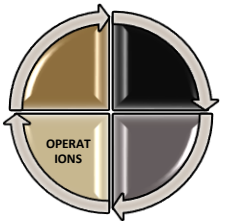- Talent management and Excellence at scale (acquisition, retention and development, and succession planning)

- Faculty and staff mental health and wellbeing

- Academic and Research Competitive Advantage [University and program rankings and memberships (AAU)]

- Expansion and academic programs (Indianapolis Campus, School of Business)

- Research governance and compliance

- Compliance (regulatory and legal, research, and athletics)

- IT Security (National/Classified Research Security, cyber-security and incident management)

- Campus operations and safety

# Embedding ERM into Operations: Phase 4

- *Focus on embedding ERM into a risk-aware culture*
- *Operationalizing ERM and promoting accountability*
- *Validating the effectiveness of risk mitigation activities/ continuous monitoring*
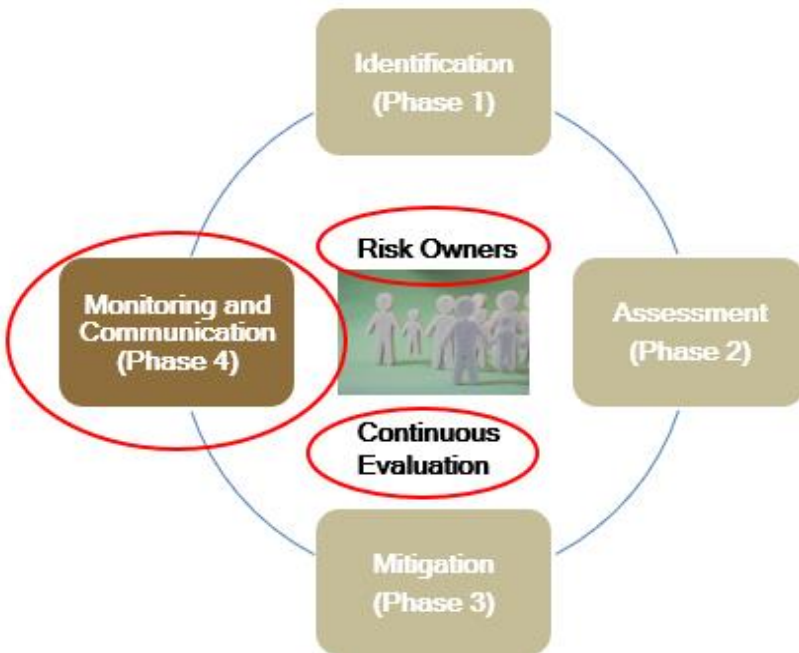


- Regular stakeholder engagement with ERM milestones and expectations

- Complete tests of effectiveness of the risk mitigation activities defined by Risk Owners

- Regular reporting of the test results and KRIs to key stakeholders

- Consider including ERM milestones in annual performance goals of Risk Owner and relevant university staff

- *The future goal of the program is to implement an integrated Audit/ERM system*
- *Use a data-driven approach*
- *Automate KRI monitoring and reporting via interactive dashboards.*

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