United Educators®

2023 Top Risks Report:
Insights for Independent K-12 Schools

Each year, United Educators (UE) members share their school's most pressing risks in the Top Risks Survey. This year's report reflects responses from 59 independent K-12 schools that completed the survey in September and October 2023.

Key insights from this year's survey:

• The top 10 risks in 2023 are similar to the top 10 in 2022, including no change in the top four: **Enrollment**, **Recruitment and Hiring**, **Operational Pressures**, and **Data Security**. Schools may need to continue investing in these areas to mitigate risk.

• **Student Mental Health**, **Public Safety**, **Student Physical Health and Safety**, and **Employee Health and Safety** all climbed relative to last year, while **Diversity, Equity, and Inclusion** and **External Pressures** fell. This suggests a heightened focus on campus assailants and violence.

• **Facilities and Deferred Maintenance** jumped five spots in this year's survey. Many respondents linked climate change to Facilities and Deferred Maintenance, worrying there isn't enough funding to address routine maintenance, climate adaptation, and increased risk of fire or flooding.

Top 10 Risks of 2023

1. Enrollment
2. Recruitment and Hiring
3. Operational Pressures
4. Data Security
5.* Student Mental Health
5.* Facilities and Deferred Maintenance
7. Public Safety
8. Employee Misconduct
9.* Student Physical Health and Safety
9.* Employee Health and Safety

* Two risks tied for fifth and ninth.

This year's survey also asked about the education labor market and employee mental health. About half of schools 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 employee mental health as a risk to their school's success.

Use the data in this report to start discussions about your school'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: K-12

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. Enrollment — 63%

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

UE Resources:

Reputational Risk Toolkit

Parent and Alumni Associations

"Operation Varsity Blues" Reinforces Need for High Schools to Review Counseling Practices

Mitigation Efforts:

- Enhance enrollment and marketing analytics.
- Review tuition pricing model and financial aid strategy.
- Reduce admission selectivity.
- Expand health and well-being services.
- Adopt new international student marketing strategies.
- Identify new vendors to assist marketing and recruitment efforts.

02. Recruitment and Hiring — 49%

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

Best Practices for Operating Campus Child Care Centers

Employee Burnout Is a Risk Management Issue

Equal Pay Issues for Educational Employers

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.
- Provide child care options for employees.
- Recruit and re-hire retirees.
- Offer employee mental health support.

03. Operational Pressures — 47%

Risks created by constraints on institutional processes and the school's business model

UE Resources:

Enterprise Risk Management Resource Collection

Employee Burnout Is a Risk Management Issue

Mitigation Efforts:

- Adjust procurement methods to reduce costs.
- Review tuition pricing model and financial aid strategy.
- Expand auxiliary revenue streams.
- Reorganize institutional operations.
- Evaluate budget model and budgeting practices.
- Improve cost controls.

Top 10 Risks: K-12

04. Data Security

39%

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

UE Resources:

Managing Student Data Privacy: A Guide for School Business Officers

Data Security Course Collection

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

Protecting Student Data Privacy in a Remote Learning Environment

Manage Minors in During Remote Learning

Tabletop Exercise Library

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.

05. Student Mental Health
(TIE)

34%

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

UE Resources:

Student Mental Health Resource Collection

Tabletop Exercise Library

Alcohol and Drug Awareness Course Collection for K-12 Schools

Prevent and Respond to Fentanyl Overdoses

ProResponse®

Mitigation Efforts:

- Train teachers and staff to support students' mental health.
- Communicate resource availability to students and parents.
- Contract with remote counseling providers.
- Create mental health programs to support marginalized identity groups.
- Conduct mental health climate surveys.
- Practice suicide response plans.

05. Facilities and Deferred Maintenance
(TIE)

34%

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

UE Resources:

Slips and Falls Resource Collection

Good Signage = Good Risk Management

Playground Safety: Keep Children Safe and Protect Your School

Campus Parking Lots: Common But Risky Locations

Reduce Serious Injuries in Residence Halls Through Informed Facility Management

Mitigation Efforts:

- Conduct routine campus hazard walkthroughs.
- Renovate buildings for climate adaptation.
- Launch a capital campaign for maintenance and new construction.
- Increase funding for deferred maintenance.
- Install signage in unsafe spaces and areas under construction.

Top 10 Risks: K-12

07. Public Safety — 29%

Risks related to crime and safety for the school community and guests, including campus assailants

UE Resources:

Campus Violence Risk Management Resource Collection
Tabletop Exercise Library
Seven Practices to Prevent and Prepare for Shootings
Use Security Cameras and Closed-Circuit TV on Campus
ProResponse®

Mitigation Efforts:

- Increase monitoring of campus grounds and facilities.
- Implement new campus safety technologies.
- Enhance campus and building access security.
- Change the scope of campus safety office's responsibilities.
- Practice crime and safety incident response.
- Increase collaboration with emergency responders.

08. Employee Misconduct — 24%

Risk of unethical, illegal, or otherwise harmful employee behavior that violates school policies or codes of conduct

UE Resources:

Workforce Management Resource Collection
Tabletop Exercise Library
Improve Documentation Practices

Mitigation Efforts:

- Expand vetting of new employees' backgrounds.
- Train employees on appropriate behavior.
- Create impartial employee misconduct investigation processes.
- Implement whistleblower and fraud reporting mechanisms.
- Discipline employees who commit misconduct.
- Audit expenditures and communications for fraud and misconduct.

09. (TIE) Student Physical Health and Safety — 14%

Risks to students' physical health, well-being, and safety

UE Resources:

Preparticipation Exams for Athletes
Checklist: AED Programs
Vaping and E-Cigarettes: What Does Your Policy Say?
Protect Students With Food Allergies
Seizure Preparedness

Mitigation Efforts:

- Strengthen campus security.
- Increase investments in a student health center.
- Practice health emergency response.
- Conduct safety assessments for recreation and athletics.
- Require vaccinations to attend the school.
- Train teachers to report signs of illness or harm.

Top 10 Risks: K-12

09. (TIE) Employee Health and Safety 14%

Risks to employees' physical and mental health, well-being, and safety

UE Resources:

Supporting Employee Mental Health Issues

Employee Burnout Is a Risk Management Issue

Targeted Campus Violence: Recognize the Warning Signs

Mitigation Efforts:

- Implement mental health and employee assistance programs.
- Increase wellness leave options.
- Strengthen campus security.
- Extend student health center services to employees.
- Practice health emergency response.
- Assess workplace climate.

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	Enrollment	1	1	1	1
2	Recruitment and Hiring	2	Not ranked	3	Not ranked
3	Operational Pressures	3	5	6	3
4	Data Security	4	3	9	Not ranked
5T	Student Mental Health	7T	New in 2022		
5T	Facilities and Deferred Maintenance	10	4	4	Not ranked
7	Public Safety	7T	9	Not ranked	10
8	Employee Misconduct	Not ranked	Not ranked	5	6
9T	Student Physical Health and Safety	Not ranked	New in 2022		
9T	Employee Health and Safety	Not ranked			

Emerging Risks

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

Top responses included:

- **Student Mental Health**
- **Data Security**
- **Political Climate**
- **Funding**
- **Artificial Intelligence and Emerging Technologies**

Respondents perceived interesting connections among some emerging risks:

- Some religiously affiliated schools discussed how the polarized **Political Climate** may affect **Student Mental Health** and increase the risk of an extremist attack on their school.

- Respondents who mentioned **Funding** often referred to the risk of recession. In addition to families' ability to afford an independent school education, economic weakness may affect banks' willingness to lend to schools.

- 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 second 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 school over the last year.

Most respondents (72%) cited challenges in hiring and retaining employees in at least one of the last two years, while 28% of respondents didn't struggle to hire or retain employees. About 19% said the labor market improved in the last year, while 11% said that they didn't struggle with hiring and retention in 2022 but did in 2023.
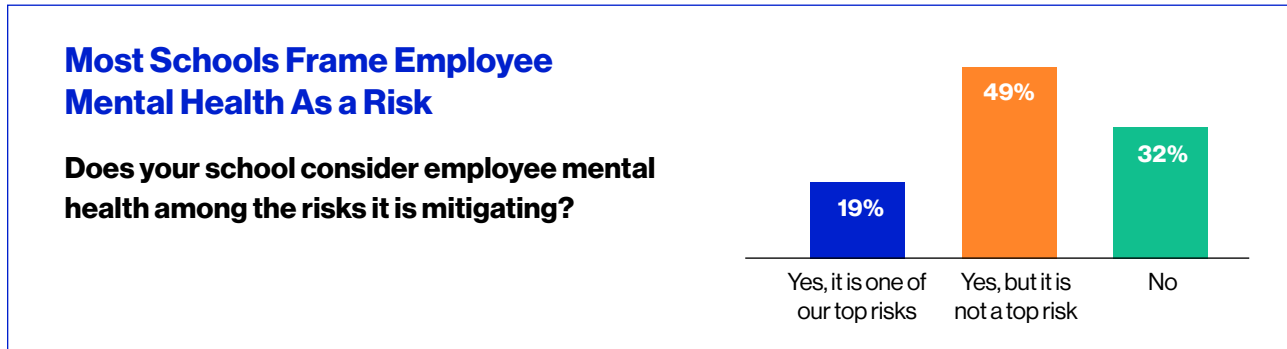
Schools Continue to Struggle With Hiring and Retention

	Struggled with hiring and retention in 2023	Didn't struggle with hiring and retention in 2023
Struggled with hiring and retention in 2022	42%	19%
Didn't struggle with hiring and retention in 2022	11%	28%
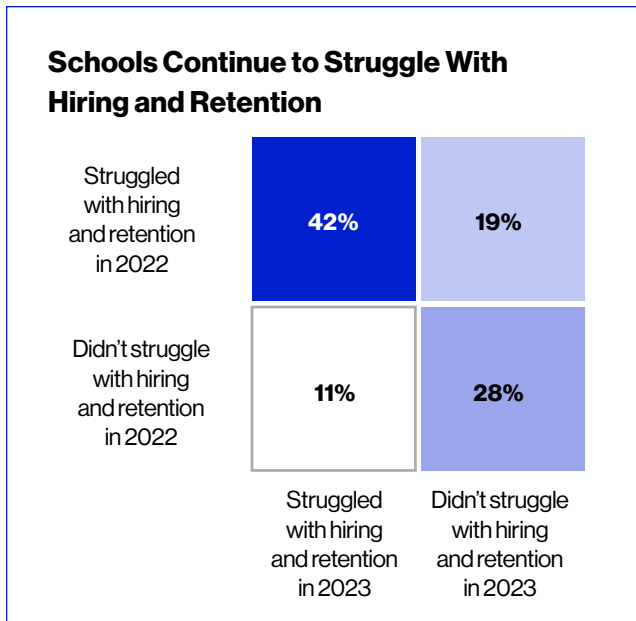
People mitigate risk, so hiring difficulties could affect a school's ability to manage its risks. Of the 72% of respondents who struggled with hiring and retention in 2022 or 2023, 26% agreed that vacant positions harmed their ability to manage risks. This is worse than in 2022, when only 15% of respondents were concerned that vacant positions or turnover affected their ability to manage risk.

Respondents Increasingly Say Vacant Positions Affect Risk Management
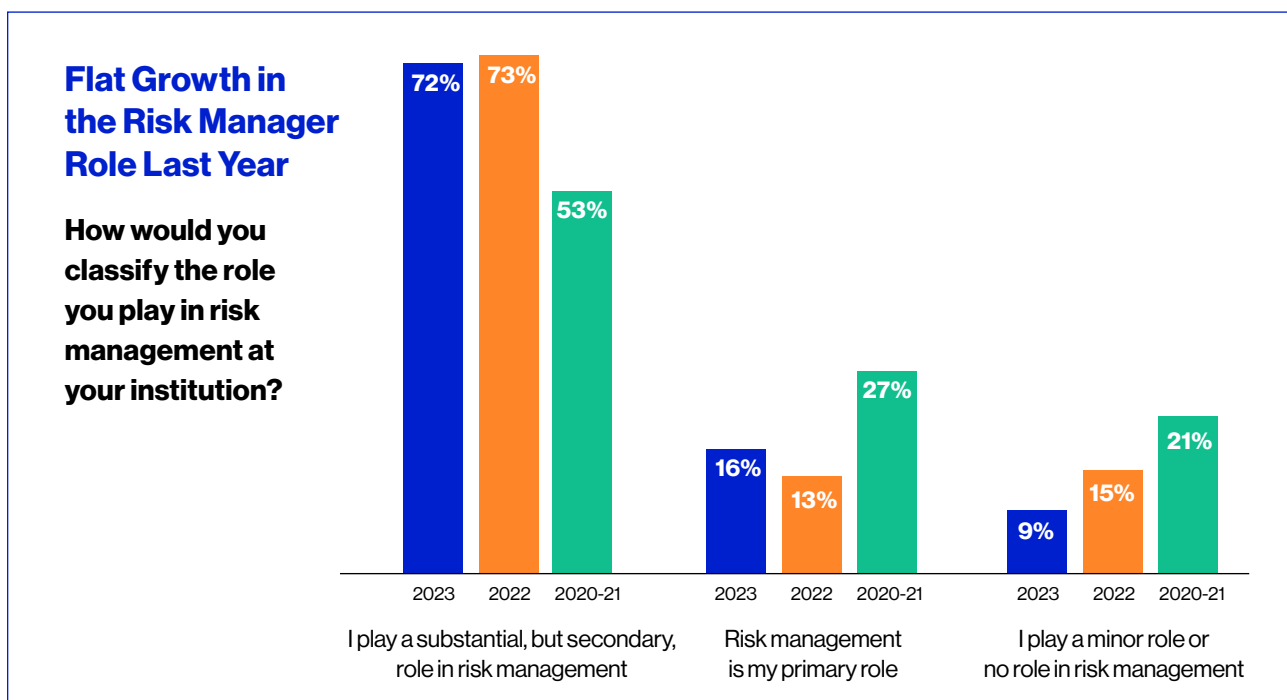
2023	2022
26%	15%
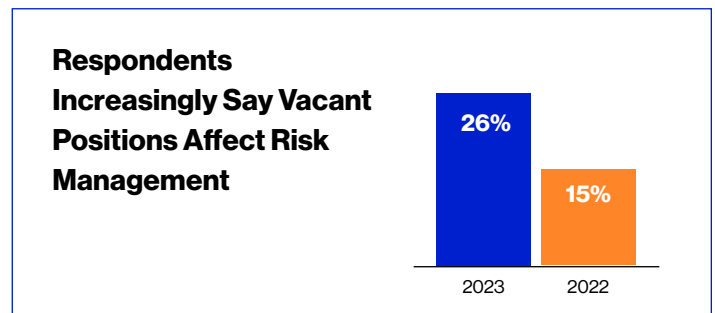
Managing Employee Mental Health Risk

Schools 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. 77% of respondents said their schools recently implemented some kind of employee mental health programming, and 68% frame it as a risk.

Most Schools Frame Employee Mental Health As a Risk

Does your school 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
19%	49%	32%

Respondents' Risk Management Role

The risk management role in independent schools didn't grow or decline in the last year. This suggests risk management duties remain distributed as the education risk landscape evolves.

Flat Growth in the Risk Manager Role Last Year

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

	I play a substantial, but secondary, role in risk management			Risk management is my primary role			I play a minor role or no role in risk management		
	2023	2022	2020-21	2023	2022	2020-21	2023	2022	2020-21
	72%	73%	53%	16%	13%	27%	9%	15%	21%

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