The variety, type and volume of risks affecting higher education are numerous and the consequences for unmanaged risks and missed opportunities are more significant than ever before. In response, many institutions of higher education are adopting an Enterprise Risk Management (ERM) approach. External factors, as well as institutional culture, play a role in the decision to adopt ERM and the path of its implementation. Higher education has unique characteristics that differentiate it from other organizations, particularly a shared governance structure, the adoption and implementation decisions, and resulting ERM frameworks have aspects that make them unique to the higher education environment. While adoption of ERM is increasingly widespread, empirical research is limited. This constructivist grounded theory mixed methods study was conducted using an exploratory survey and case study design that comprised of four interactive phases. The research question for this study was: how do administrators with risk management responsibility at institutions of higher education (IHE) in the United States (U.S.) describe ERM adoption, implementation, and integration?

Results reveal that IHEs adopt ERM either as a proactive initiative by the board, president, or senior administrator or in response to a sentinel event. ERM implementation activities move through four stages (forming, developing, established, and integrated), not
in a linear progression, rather in deepening cycles organized around the academic year. The process of dialogue across institutional silos in the decentralized college and university environment may have equal benefit to the identification, evaluation, and mitigation of risks. While most administrators regard ERM as essential for achieving the institution’s objectives, practitioners articulate that most faculty do not. This study opens up many other areas for research regarding particular aspects of ERM in higher education while providing practical ideas and models for administrators tasked with adopting, implementing, and integrating ERM on their campus.