Risk Management in Internationalisation of Higher Education

A Practical Institutional Approach

The internationalisation of higher education institution, as a comprehensive process, carries many different types of risks. The macro risks and threats are more widely discussed in the literature than the operational risks generated at an institutional level. The article is focused on the practical aspects of risk management related to the routine internationalisation activities. Typical strategies of risk management are presented and illustrated with examples. The issues of risk management ownership and the supportive role of top decision makers are discussed, and the need for a strategic approach is emphasised.

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The binding of this supplemental volume enables you to remove each article from the cover and file it according to your needs. Also, for your convenience, all articles have been organised by chapter and subchapter online at www.handbook-internationalisation.com. This article, B 3.5, has been assigned to

Chapter  B: Institutional Policies and Strategies
Subchapter  B 3: Impact and Risks
1. Introduction

Higher education institutions (HEIs) face a wide variety of risks that can potentially affect the achievement of their strategic objectives, operations, processes, projects and specific activities. The internationalisation of a HEI, as a comprehensive process, is no exception and all its activities carry risks. That is why risk management should be treated as a mandatory aspect of the management of internationalisation.

The purpose of this article is to describe the management of risks and opportunities that occur in internationalisation at the institutional level. Not all HEIs approach risk management in internationalisation with due attention. In some cases, this may lead to painful financial, academic or reputational consequences for the HEI.

Risk management is explained in thousands of publications. Many refer to higher education but only a few to risk management in the context of internationalisation. The available literature is more focused on macro risks, that is, those of a more global nature (e.g. neo-colonialism, loss of cultural identity, brain drain, commercialisation, etc.) than on practical threats and opportunities associated with routine operations in internationalisation.

“Internationalisation affects every part of an HEI and some aspects of it bring potential financial and reputational risk.” (Fielden, 2011, p. 4)

Among important bibliographical sources, the author indicates a few related to the topic of the article. Operational risks in internationalisation, seen from an HEI’s perspective, are explained in detail by Fielden (2011) in a form of the comprehensive guide for HEI’s governors. An international branch campus – one of the riskiest activities – is used as an example for risk analysis by Wilkins and Huisman, (2012) as well as by Beecher and Streitwieser (2017). Girdzijauskaite and Radzieviciene (2014) discuss the risk framework and strategy for international networking and branch campuses. Stella and Woodhouse (2008) focus on the institutional level of risk management in internationalisation in practical aspects. Pricewaterhousecoopers (2015) presents a brief analysis of risks faced by HEIs with overseas operations. The University of Vermont (2012) describes in detail its risk management programme and includes a list of potential risk areas for a HEI, including internationalisation activities. The RSM UK Group (2015) provides an in-depth analysis of the contents of institutions’ risk registers across 20 HEIs in the UK.

Higher education internationalisation can borrow and adapt risk management models from business. Figure 1 illustrates a standard risk management process (ISO 31000 2009) which can be tailored to the needs of internationalisation.
2. Terminology in Risk Management

Risk management terminology is often tailored to the field or sector of activity (e.g. business, health care, manufacturing, education). There is no specific standard terminology developed for internationalisation of HEIs. That is why, in this article, a universal terminology of risk management, based on ISO standard 31000 2009, has been applied.

The relationship and hierarchy among basic risk management terms is as follows.
Risk management

Risk Management Framework, Policy and Plan

Risk Management Process

Communication and Consultation

Establishing the Context (Internal or External) and Criteria

Risk Assessment (Identification, Analysis and Evaluation)

Risk Treatment

Risk Monitoring and Review

ISO risk terminology

This article uses the following terms from the ISO standards:

- risk – effect of uncertainty on objectives;
- risk management – coordinated activities to direct and control an organisation with regard to risk;
- risk management framework – set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the organisation;
- risk management process – systematic application of management policies, procedures and practices to the tasks of communicating, consulting, establishing the context, identifying, analysing, evaluating, treating, monitoring and reviewing risk;
- risk assessment – overall process of risk identification, risk analysis and risk evaluation;
- risk treatment – process to modify risk;
- residual risk – risk remaining after risk treatments;
- risk tolerance – organisation’s or stakeholder’s readiness to bear the risk after risk treatments in order to achieve its objectives; and
- risk owner – person or entity with the accountability and authority to manage a risk.

Internationalisation of an HEI

Also, it is useful to recall the definition of internationalisation process:

Internationalisation of an HEI is

the intentional process of integrating an international, intercultural or global dimension into the purpose, functions and delivery of post-
secondary education in order to enhance the quality of education and research for all students and staff, and to make a meaningful contribution to society (de Wit, Hunter, Howard, & Egron-Polak, 2015).

This definition derives from the earlier one (Knight, 2003) and may not be a universally accepted but is highly popular and frequently used.

3. Risk Generation in Internationalisation

Internationalisation is subject to various risks that can be managed with the methods similar to those used for business processes.

![Figure 2](image-url)

**Figure 2 Examples of risk sources in HEI’s internationalisation**

Not all identified risks can be managed with the same efficiency and ease. In practice, some risks are almost entirely beyond the HEI’s control. The capacity to respond depends, among other things, on the level where the risk is generated (global/transnational or national/regional or institutional/local).
<table>
<thead>
<tr>
<th>Level of risk generation</th>
<th>Risk sources (examples)</th>
<th>Institutional ability to manage the risk</th>
</tr>
</thead>
</table>
| External global/international | – Sudden drop in applications caused by political turbulences in the key region  
– Brain drain  
– Geographic preferences in student mobility  
– Growing competition among HEIs | Very limited management and control by HEI |
| External national/regional | – Restrictions in HE law and regulations  
– Lack of governmental support for internationalisation  
– Unattractiveness of the country (economy, language, tolerance, cost of living, visa restrictions, etc.) | Limited management and control by HEI |
| Internal local/institutional | – Insufficient care in establishing international partnerships  
– Wrong policy in international student recruitment  
– Lack of proper institutional support for internationalisation  
– Focus on profit maximisation | Manageable and controllable by HEI |

Table 1 Levels of risk generation

Some international activities are subject to both locally generated risks (at the level of HEI) and, at the same time, risks that are externally generated (in other countries). Typical examples of such activities are international branch campuses, joint degree studies, recruitment agencies abroad or international project consortia and networks.

The list below presents examples of risks generated internally and externally, as well as those generated both at the institution and to some extent externally.

**Internal Risks**

– Available budget would significantly limit international activities
– Failure to attract sufficient numbers of international students
– Quality assurance policy in place would not be enough to ensure high quality of internationalised curricula
Lack of strategy for internationalisation may lead to chaotic international activities
Failure to provide adequate support for international students on the campus
Fall in research activities may lead to loss of international reputation of the university
Organisation of IRO may result in ineffective management of internationalisation process
Presence of international students may become disruptive for university culture
Commitment of university top management would not be enough to pursue the internationalisation process further
Faculty may not be engaged in internationalisation process
Focus on quantitative outcomes of internationalisation only
Purely commercial approach to recruitment of fee-paying international students
Restrictive immigration law in the country will affect the inflow of foreign students
Bad economic-social situation in the country
Political isolation of the country
High cost of living in the country may create a financial problem for foreign students
Embassy in a key-important country is not able to cope with a number of student visa applications
University reputation would be damaged as a consequence of improper performance within international partnerships
International research isolation as a consequence of failure in establishing international partnerships and networks
International ranking may affect the visibility of university
International branch campus may not perform as expected – especially in terms of teaching quality
International research project may not be relevant to the university expertise
Double diplomas may result in devaluation of quality
Exclusion – the educational offer may be accessible only to international students with sound financial resources
Unacceptable performance by overseas recruitment agency

External risks

External and internal risks
- Excessive competition among similar HEIs in the country leading to unethical situations
- Partnership agreements would result in collaboration with partners of bad reputation in their countries
- Unrecognised learning outcomes and credit earnings for mobility students

The internationalisation literature is focused mostly on macro-risks, that is, risks generated at global level. This article tackles operational threats and risks generated at institutional level – those risks that are in the decisional range of the HEI.

The magnitude of risk and its impact on international activities vary. The risk continuum from lower-risk to higher-risk activities is illustrated in a very simplified way in Figure 3. It is intuitively understood that internationalisation at home is, in general, less exposed to risk than internationalisation abroad.

**Figure 3** Risk continuum in internationalisation activities of HEI (adapted from Beecher & Streitwieser, 2017, p. 7)
4. Risk Management in the Larger Institutional Context

Because of many links and interdependence between internationalisation and all other areas of an HEI’s activity, risk management for internationalisation is an integral element of the entire institution’s risk management framework (Figure 4). Attention should also be paid to links between HEI’s quality assurance policy and internationalisation in the context of risk.

![Integration with risk management framework for HEI](image)

Risk management should be treated as an inseparable part of a mature internationalisation process due to potential consequences for internationalisation quality, institution’s finances and reputation (Polak, 2017, p. 19).

The risks in internationalisation should be managed in the context of institution’s goals and objectives. In other words, risk management should be incorporated into the HEI’s strategy for internationalisation. The internationalisation strategy should be treated as guidance for the owner of the risk management process. Lack of strategy significantly complicates the task and can result in ‘wandering in the fog’. The analysis of identified risks at the levels of institution’s goals, operational objectives and planned activities should precede the development of an internationalisation strategy. Although this a priori analysis is not valid forever, it is a suitable starting point for risk management in internationalisation. A SWOT analysis, if performed carefully, is also a valuable source of information on possible threats to the internationalisation...
Risk management must have an owner, i.e. a person or entity (e.g. a risk management committee) who is accountable for risk management and who has authority to fulfil this role. A situation where no one is responsible for risk management and monitoring is unacceptable. This is a rather sensitive issue in academia because of the reluctance of academic staff to accept such a responsibility. The delegation of risk ownership by the HEI's management works effectively when it is voluntary. Responsibility for risk management should reside with a person or persons at the managerial level, furnished with appropriate power of attorney. A logical choice in this regard is the vice president for international relations or the director of the international office, thus integrating risk ownership and the management of internationalisation. The owner (in many cases a committee or a team of specialists) should develop a risk management plan, e.g. roles and responsibilities of involved actors, methodology of risk identification and assessment, risk acceptance criteria, reporting rules, ways of documenting and monitoring methods.

It is extremely important to gain the commitment and attention of the HEI’s top level management to risk management in internationalisation. It is not an easy task, especially if internationalisation is not part of the HEI’s strategic mainstream. The voice and acceptance by top authorities are especially needed in case of activities with high-risk impact but promising opportunities to the HEI.

The risks are not static and have to be monitored continuously as a basis for an evaluation of the effectiveness of treatment measures taken and planned. The register of identified risks must be periodically updated.

Too low or too high level of risk-taking usually results in suboptimal performance of the HEI in internationalisation. It may be that missed opportunities can be more valuable for the university than the potential losses. Like in business processes, the fundamental rule in this regard is: minimise threats and maximise opportunities.

Recommended treatment of risk must be carefully analysed in regards to the cost/benefit ratio. In some cases, the cost (financial, organisational, extra-workload) may largely exceed costs of potential losses caused by unattended risk. In practice, HEIs face the following questions:

a  Is it beneficial to launch treatment measures for a given activity?

b  What is an acceptable degree of risk related to a given internationalisation activity?

c  Would it be better to face the consequences when the risk has materialised?
5. Identification and Analysis of Internationalisation Risks

All internationalisation activities are more or less subject to risk exposure. The nature of the identified risk can vary:

- Strategic risk affects the HEI’s ability to achieve internationalisation and overall goals.
- Financial risk may result in losses of financial assets or unauthorised increase in costs.
- Operational risk affects the management of internationalisation process.
- Compliance risk affects compliance with the law and HEI’s regulations and policies in the internationalisation area.
- Reputational risk affects HEI’s international reputation and ranking position.
- Ethical risk affects ethical principles of the HEI applied for international activities.

Potential threats and risks can be identified using different methods and tools: brainstorming, SWOT analysis, historical data analysis, internal questionnaires and experiences of other HEIs. When the risks are identified and described, the risk owner should be ready to answer a few basic questions:

- Why do we intend to take the risk in internationalisation?
- What are the potential benefits of risk-taking?
- What is our appetite for risk in internationalisation?
- Is the identified risk only negative or is it to some degree positive in the context of opportunities?
- How do we prepare ourselves for the potential risk of internationalisation?

"Defining risk is not so much the problem. It is once you begin to realize and discuss what it is going to take to solve it, that there is a tendency to be frozen in place – transfixed by the enormity of the task.” (Nacubo & Pricewaterhousecoopers, 2003, p. 23)

Table 2 presents examples of institutional risks, common to many internationalised HEIs.
<table>
<thead>
<tr>
<th>Internationalisation activity</th>
<th>Identified risks (examples only)</th>
<th>Likely reasons for risk generation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Teaching and Learning</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Mobility – outgoing students                                      | Recognition of learning outcomes and credit earnings?                                           | - Partner universities do not care about learning agreements and students trying to bypass requirements  
- Differences in programmes of studies between home and partner HEIs |
| Internationalisation of curriculum (at home)                     | Low capability of faculty to internationalise curricula                                         | - Too low language proficiency among faculty                                                       
- No motivation to lecture in foreign language                     
- University not offering advanced training courses for academic staff |
| New international projects in the framework of Erasmus+           | Not winning any E+ project                                                                     | - University not participated in E+ projects before                                                
- Lack of project support unit specialised in preparation of applications |
| **Research with international component**                        |                                                                                               |                                                                                                   |
| New research project in the framework of XYZ programme            | Collapse of research plans related to XYZ programme                                             | - Low interest to engage with new XYZ projects                                                     
- No financial motivation; too low remuneration rates               
- Too much bureaucracy in XYZ programme                           |
| Visiting researchers                                              | Too low number of visiting researchers                                                          | - Visiting researchers not properly planned in budgets of HEI’s faculties                         
- No budget accommodation for visitors available at the campus     |
| **Institutional support to internationalisation process**         |                                                                                               |                                                                                                   |
| Establishing new international partnerships                        | Low effectiveness and lack of significant benefits from established partnerships                | - No strategic approach to new partnerships; ad hoc and emotional decisions in place               
- No desk research and analysis of benefits before establishing contacts |
Institutional support to international students

International students are not well supported by the HEI

- No training programmes in cultural awareness offered to administration
- Too low language proficiency among administrative staff

IRO – International Relations Office

Collapse of fundraising plan for internationalisation

- Fundraising training not offered to IRO staff
- Bad historical habits in internationalisation funding at HEI

Table 2: Examples of common internationalisation risks at institutional level

The next step is the analysis of each identified risk in terms of probability of occurrence (likelihood) and severity (consequences) as can be seen in Table 4. The product of estimated probability and severity (P x S) is called the risk impact factor (or risk level).

The risk impact factor is calculated in an impact matrix shown in Table 3 below. The values of probability (P) and severity (S) range between 0 and 1. The numerical values of P and S are discussed and decided based on historical experiences, similar cases and institution’s ‘appetite’ for risk-taking. The decisions depend to a large extent on the intuition and experience of the evaluation team. In the examples presented, strategies were decided on the basis of the impact thresholds as follows:

- impact factor below 0.20 – risk is acceptable (‘accept’ strategy);
- impact factor between 0.20 and 0.60 – recommended measures to reduce impact (‘mitigate’ or ‘transfer’ strategies); and
- impact factor above 0.60 – risk is unacceptable. If it is impossible to avoid the risk (‘avoid’ strategy), try to analyse and manage potential opportunities (‘enhance’ or ‘exploit’ strategy).

The decision on impact thresholds can be different from the above (e.g.: 0.25, 0.50, 0.75) depending on institution’s risk strategy.
<table>
<thead>
<tr>
<th>Identified risk (examples only)</th>
<th>Probability of occurrence</th>
<th>Severity (consequences)</th>
<th>Impact factor</th>
<th>Recommended action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobility: Problematic recognition of learning effects/outcomes</td>
<td>Medium 0.50</td>
<td>Very high 0.90</td>
<td>0.45</td>
<td>Recommended mitigation</td>
</tr>
<tr>
<td>Internationalisation of curriculum: Low language proficiency among academic staff</td>
<td>Very low 0.20</td>
<td>Very high 0.70</td>
<td>0.18</td>
<td>Accept the risk/no mitigation</td>
</tr>
<tr>
<td>Education projects: Lack of institutional experience in Erasmus+ project management</td>
<td>Very low 0.20</td>
<td>high 0.70</td>
<td>0.14</td>
<td>Accept the risk/no mitigation</td>
</tr>
<tr>
<td>Research projects: Low interest by researchers to engage with new projects in XYZ programme</td>
<td>Very high 0.90</td>
<td>Very high 0.90</td>
<td>0.81</td>
<td>Unacceptable risk/too high to start new activity</td>
</tr>
<tr>
<td>Research: Limited financial resources to support visiting researchers</td>
<td>Very high 0.90</td>
<td>High 0.90</td>
<td>0.81</td>
<td>Unacceptable risk/too high to invite all interested researchers</td>
</tr>
</tbody>
</table>

Table 3 Matrix with estimated risk impacts
6. **Examples of Risk Treatment in Internationalisation of HEI**

Popular strategies in managing negative risk (responses to threats) include:

- **mitigate** – launch appropriate measures to reduce the probability (likelihood) and risk impact;
- **avoid** – eliminate the threat and protect the internationalisation process from its impact;
- **transfer** – transfer part of the responsibility and the threat to the 3rd party (e.g. your partner) and bear the risk impact together; and
- **accept** – accept the identified risk and take no action until it is materialised.

It is natural that at the very first instance the total elimination of the risk is investigated (‘avoid’ strategy). However, for most internationalisation activities it can be unfeasible or very difficult to achieve.

Although the majority of risk treatment actions are focused on risk mitigation (‘mitigate’ strategy), ‘transfer’ strategies, which are appli-
cable and very useful in the case of international partnerships and networking activities, should not be forgotten.

The ‘accept’ strategy is applied mainly in cases of so-called residual risk with low impact where there it makes no sense to mitigate, also because of costs.

### Example 1

- **Activity:** Outgoing student mobility (Erasmus+)
- **Identified risk:** Recognition of learning outcomes and credit earnings from abroad. Estimated risk impact factor (0.45) is significant and justifies the launch of mitigation measures (mitigate strategy) to reduce the risk in 2018 and the following years.
- **Description of the problem:** Based on statistics, 17% of all students coming back from Erasmus+ mobilities faced the problem of recognition of their learning. The learning agreements (LAs) were approved before student departures by vice deans for studies at their faculties. There are two main reasons causing these risks:
  - Some partner HEIs do not care enough about the LA and allow students to modify them without getting approval from their home HEIs. Such a situation was identified in approximately 11 partner HEIs, out of 93 in total.
  - Significant differences in programmes of studies between home and partner HEIs, not recognised properly before mobility. Syllabuses of courses available on websites of some partner HEIs differ in reality from expectations. Such a situation was found in 15 partner HEIs, out of 93 in total.
- **Recommended mitigation measures (mitigate strategy):**
  - Remind all outgoing students that any revision of LA needs prior approval by the proxy for student mobility and/or by vice dean for studies at their faculties. Responsible: head of international relation office (IRO) mobility section
  - Verify the list of Erasmus+ partner HEIs and eliminate those where LAs are not properly controlled. Responsible: head of IRO mobility section
  - Remind all faculty proxies for student mobility and vice deans for studies that the syllabi of courses selected by students in partner HEIs must be carefully checked for compliance with home programmes before the approval of LA. Responsible: head of IRO mobility section
Organise a dedicated training for proxies for student mobility from all faculties to present the threat and recommended mitigation measures. Responsible: head of IRO mobility section

- Recommended transfer of responsibility (transfer strategy): Request in writing all partner HEIs to observe the rules of Erasmus+ mobility and to tighten control on studies of incoming students in terms of compliance with approved LAs. Responsible: head of IRO mobility section (to prepare letters) and vice president (VP) for studies (to sign them).

- Risk monitoring and reporting:

  - Head of IRO mobility section – based on questionnaires collected from students after the first three months of mobility and on individual student reports submitted after mobility in mobility tool
  - VP for studies – based on analytical reports prepared by the head of IRO mobility section.

Example 2

- Activity: New research project applications under XYZ programme at the Faculty of X.

- Identified risk: No new XYZ research projects granted affecting objectives of faculty’s internationalisation strategy in research. Estimated risk impact factor (0.81) is very high. The risk is unacceptable. At the moment, no chance for mitigation measures bringing positive effects in a short time period.

- Description of the problem (risk sources):

  - New call for proposals has been issued but there is no motivation among faculty researchers to engage with application preparation. It consumes a lot of time, mostly to meet bureaucratic requirements, and affects personal development, especially in case of younger researchers. Besides, the success ratio is very low (12%) and thus demotivating.
  - There is also no motivation to be engaged with project implementation. The remuneration rates in XYZ are low and percentage of administrative and bureaucratic workload very high. In addition, internal regulations of HEI are not motivating for engagement.
  - There is no specialised support offered to research teams by the HEI in the stages of application preparation and project implementation.
### Recommendations:

- **The risk is too high and unacceptable.** There is no sense in forcing research teams to prepare and submit new applications without a visible motivation. It is recommended to withdraw from the current call for proposals (‘avoid’ strategy as a temporary solution).

- **However, an urgent solution of the problem needs to be developed as participation in XYZ programme is one of the main strategic objectives in faculty’s internationalisation strategy.** The deadline is the date of next call for proposals (‘mitigate’ strategy as a perspective solution). The support from the central project support unit must guarantee to release research teams from laborious administration and bureaucracy (budgeting, accounting, financial reporting, audits, etc). Significant incentives need to be offered to researchers engaged with application preparation and project implementation like a release from part of organisational duties at the faculty and partial reduction of teaching duties. Responsible: vice dean for research at the faculty and the head of central project support office.

- **Monitoring and reporting:** Despite withdrawing from the current call for proposals the issue needs to be carefully monitored by the vice dean for research and the head of central project support office. It is highly desirable to submit the proposal in the next call, provided that the risk impact is significantly reduced.

### Residual risk will remain

It is worth mentioning that even after implementing all planned methods of responding, the residual risk and related threat will still be there. Usually, the cost of further treatment is too high and the reward rather insignificant. It is logical to face the risk and monitor its impact carefully.

### Opportunity Management and Positive Risk

#### Definition of positive risk

When the target for a given internationalisation activity is established, two types of risk can be distinguished: The risk that the target will not be achieved and the risk of significantly exceeding the target. The first risk has a negative connotation, and the second one is called a positive risk, considered also by many as an opportunity. The problem is that exceeding target is not always desired and/or accepted. Such a situation is not uncommon in internationalisation as shown in the following examples:

- The HEI launched an intensive virtual campaign addressed to three Asian markets to get 30–40 students for master’s studies at one of
their faculties. The campaign turned out to be a great success and 75 candidates for studies meeting the entry conditions have been registered in HEI’s database. The faculty does not have the capacity to admit all successful candidates. There are two possible solutions: (a) to register only 40 students as planned and (b) to search for additional resources and use this opportunity to increase the number of accepted students for the benefit of HEI.

- HEI’s management secured all conditions (resources, support, etc.), enabling efficient preparation of proposals within the international research programme XYZ. The plan was to get three to four new projects out of ten submissions. Meanwhile, as a result, seven proposals have been approved by the XYZ Selection Committee. This is far above the HEI’s capability to implement all granted projects. Again, there are two possible scenarios: (a) to sign agreements for four new projects as planned before or (b) to search for additional internal or external support (e.g. industry) and use this opportunity for a faster development of HEI’s research.

For both cases the encountered risks can be analysed with two different approaches: risk or opportunity focused. Instead of asking ‘What could go wrong?’ we can ask ‘What could go better than expected?’ The positive risk (opportunity) management does not mean at all that negative consequences of risk taking disappear.

The positive risk can be a useful idea in internationalisation and needs to be identified and properly managed as a component of the risk management process. However, the positive risk is somewhat controversial as a concept. Does it exist or not? Opponents say that it is not a positive risk but opportunity, and they prefer to talk only about the opportunity management. In the author’s opinion, both terms are useful in internationalisation and not necessarily mutually exclusive.

As explained in Figure 5, opportunity management relates to the range of results exceeding the established target but still within HEI’s capability, assuming that appropriate actions are taken. In other words, the identified opportunity can be exploited, enhanced, shared or accepted to bring added value and benefits for the HEI.

Positive risk management relates to the range of results being far above HEI’s capability. It is practically impossible to reach these results even if above mentioned methods of response are applied. It means that this range of (positive) risk needs to be managed with the same methods as a negative risk (see also Figure 6).
To avoid ambiguity, in the rest of this article only the term *opportunity management* will be used. More details on positive risk and opportunity management can be found in literature (Kendrick, 2015 & PMBOK Guide, 2013).
Effective risk management helps to take on more risk. Risk management can be a powerful driver for development of internationalisation process.

The action equivalent to risk mitigation is the enhancement of opportunity.

Mitigation modifies the degree of exposure by reducing probability and/or impact, whereas enhancing seeks to increase the probability and/or the impact of the opportunity in order to maximize the benefit (University of Vermont, 2012, p. 20).

Examples faced by internationalised HEIs when potential threats and opportunities are confronted are:

- Should we allow for admission of more international students, keeping in mind limited capacity and resources of our faculties?
- Should we submit the next three proposals for Erasmus+ strategic partnerships knowing that the project support unit is already fully loaded with currently conducted projects?
- Should we open a new campus in one of the oil-rich countries knowing that the legal and financial environment there does not align with our academic standards?
- When analysing threats against opportunities it is recommended to watch the risk/benefit ratio. In some cases it may become quite clear that potential benefits (because of evident opportunities) significantly outweigh potential losses (because of identified threats).

“The risk management seeks to understand what might go badly, whereas opportunity management looks for what might go better.” (Kendrick, 2015, p. 141)

The strategies to manage opportunities (i.e. responses to opportunities) include:

- exploit – use the opportunity and make it beneficial for the internationalisation;
- enhance – increase the probability (likelihood) of its positive impact;
- share – transfer the responsibility to a third party (e.g. your partner) who can increase the probability and better exploit the opportunities; and
- accept – accept opportunity but take no action to make it happen.
Example 3

- Activity: international research, visiting researchers

- Identified risk: Insufficient financial resources to host and support all foreign researchers interested in visiting the HEI. The risk impact (0.81) is very high but opportunities are undisputable. The 'avoid' strategy makes no sense.

- Description of the problem:

  - The HEI opened a very modern and well-equipped research centre for nano-electronics. 12 researchers from eight countries declared their interest in joining research programmes launched in the centre. This is in line with HEI’s internationalisation strategy in the research area.

  - Visiting researchers expect some support by the HEI during their stay in the centre. It relates to providing accommodation and transportation. Unfortunately, the HEI (including interested faculties) has a very limited budget in this regard, not allowing for support to all visitors.

  - The benefits of hosting all interested researchers are unquestionable in terms of the increase of research potential of the HEI and the possibility of new joint projects with recognised research centres abroad. It is estimated that the benefit/risk ratio is around 3 to 1.

  - Recommended strategies: share and exploit opportunities and mitigate risks. Despite very high-risk impact, the HEI and all interested faculties should concentrate their efforts on finding additional financial resources as well as affordable accommodation and transportation solution for coming researchers.

  - Share and exploit: It is necessary to identify all industry partners of the HEI interested in research programmes planned in the centre and

    - interest them in potential benefits resulting from planned research;
    - invite them to join research teams; and
    - ask them for a financial contribution.

  - Mitigate: It is recommended to approach programmes addressed to visiting researchers, run by the national agency for academic exchanges and apply for relevant scholarships. Responsible: vice deans for research at all three interested faculties.
8. Organisation of Internationalisation Risk Management in HEI (Ownership Structure)

There is no universal model of organising risk management in internationalisation. It depends on many factors: the HEI’s organisational setup, the maturity of internationalisation process, the approach to risk management by HEI’s management, etc.

In the example model presented in Figure 7 the overall responsibility for internationalisation risk management rests with the vice president for international relations. The vice president delegated operational risk management to the director of international relations office, the deans of the HEI’s faculties and the head of the HEI’s administration. Such an approach requires very good coordination between the international relations office, the faculties and administration, as well as a clear definition of who is responsible, for what and up to what degree.

An example of the division of responsibilities is Erasmus+ student mobility where the international relations office and the faculties are dependent on each other.

Responsibility of the international relations office in this activity can be defined as follows:

- searching for partner universities interested in exchanges and maintenance and update of partner database;
- distributing information on recruitment of candidates for mobility and on available partner universities to all faculties and students;
- administering mobility, i.e. registration of candidates, completing all required documentation, payments of grants and monitoring mobility with specialised tools (e.g. with a mobility tool or other); and
- reporting results of monitoring to the deans of involved faculties and to the VP for international relations.

Responsibility of a faculty includes:

- careful check of candidates’ eligibility for Erasmus+ mobility;
- careful approval or rejection of the learning agreement proposed by the candidate; and
- careful verification and recognition of learning outcomes and ECTS credit earnings after the mobility.

Each of the above-mentioned activities has risk exposure of a different nature. However, the most important and the most risky issue is the learning agreement and recognition of learning outcomes after mobili-
Thus, it is logical that the faculty dean should be appointed as a ‘leading sub-owner’ of risk management for Erasmus+ student mobility. At the same time, very close coordination and communication between the international relations office and the faculty are a must.

![Diagram](image)

Figure 7 Example of organisational setup for risk management in HEI’s internationalisation

9. Conclusions

Internationalisation is one of the most sensitive activity areas in an HEI’s portfolio in terms of exposure to risks. At the same time, properly managed and coordinated risk management in internationalisation seems to be rare and low on many HEIs’ list of priorities. Ignoring risk management can lead to significant potential losses, including a decrease in the quality of teaching, low success ratio for international students, failures of international research projects, drop in rankings and financial losses due to careless partnership agreements.
“Have you and your colleagues on the board got an effective risk management process that will take account of all aspects of international operations?” (Fielden, 2011, p. 6)

A well designed risk management process is integral to a mature and strategy-driven internationalisation process (Polak, 2017) and cannot be treated as only an annoying bureaucratic requirement. It generates additional operational cost and needs additional resources, but the final benefit is unquestionable. It is a bit paradoxical that if such a policy is in place, the potential negative consequences are becoming often forgotten and benefits not visible or appreciated. A lot in this respect depends on top university management and the owner of internationalisation process.

The HEI that really implements an internationalisation strategy is in a much better position than an institution with no strategy or with a strategy treated merely as a formal and unnecessary document. Monitoring strategic goals and objectives almost automatically forces the HEI to analyse and revise the risk (‘Why we are not yet in the place we planned to be?’ ‘What makes our progress too slow?’ ‘What should be done to eliminate encountered problems?’, etc.).

A risk management policy can turn risks and accompanying opportunities into an advantage to enhance the internationalisation process.

The benefits of implementing risk management for internationalisation of HEIs are evident. To mention only a few:

- increased risk awareness among academic and administration staff, especially among those responsible for internationalisation;
- improved management of the internationalisation process (better justification for decision-taking);
- effective use of resources, realistic planning, higher success ratio;
- higher resilience to potential losses (financial, reputational, organisational); and
- reasonable use of opportunities in the internationalisation area.

“Significant benefits generally involve significant risk.” (Kendrick, 2015, p. 11)
References


Biography

Marek Polak has retired from his position as director of the Centre for International Cooperation, Warsaw University of Technology, but still works for the centre. His activities are focused around the internationalisation of higher education, project management and project evaluations. His main technical areas of interest relate to geographical information systems, geomatics and geospatial technologies. He holds a PhD in technology and a post-diploma in pedagogy. His professional and academic experience comes from Poland, Middle East (Iraq, UAE, Israel) and some European countries.

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