The Implementation of Risk Management in Semi-Autonomous Agencies: Cases in Higher Education Institutions

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Abstract. The government is increasingly enforcing the implementation of risk management in Semi-Autonomous Agencies or Badan Layanan Umum (BLU). Each BLU management is required to build and implement an integrated risk management program. This study aims to analyze the implementation of risk management in two BLUs of higher education. This paper uses a qualitative method with a case study approach. Data were collected through document reviews and interviews with key organization personnel and analyzed using the interactive analysis model. The study shows that identified risks are less based on organizational context. Furthermore, only a few organization members are actively involved in the risk assessment process. The risk treatment programs are also less appropriate for mitigating the identified risks. Therefore, higher education management needs to engage intensively with the implementation of risk management. The implementation must not be just an administrative process and should enhance the achievement of organizational goals.

Keywords: Risk Management; Higher Education; Semi-Autonomous Agencies; Risk Assessment; Risk Treatment

1 Introduction

In order to carry out its function in providing public services to the community, the government establishes various ministries and institutions with specific tasks and functions. Each ministry and institution has the responsibility to carry out political tasks as well as administrative tasks. Along with the development of the New Public Management (NPM) paradigm, there is delegation of administrative tasks from ministries or government bodies to semi-autonomous agencies, that is called the agencification [1]. With agencification, there is a transfer of government tasks and functions from the ministry to a special vertical agency that is outside the ministry [2]. Agencification has been the main agenda for administration policy makers for at least two decades [2]. The existence of agencification is considered able to encourage public sector organizations to modernize its management and to improve its performance in serving the community [3]. In addition, the agency policy is based on the desire that the agencies could be better managed and may provide high quality services. The agencies are more flexible in

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operations and employee recruitment systems, including remunerations, promotions and employee rotations. These agencies are more transparent and efficient [4].

As a result of agencification, the number of semi-autonomous agencies in various countries around the world has increased in the 1980s [3]. The number of central agencies is increasing in European countries [5], in East Asia, Latin America, and in developing countries [6]; [7] . In addition, the Next Steps Reform launched by the British Government succeeded in creating 155 agencies during the period of 1988-1998 [8]. Furthermore, based on the results of Jordana and Levi-Faur's [6] research in 36 countries, the number of regulatory agencies increased from 28 in 1986 to 164 in 2002.

In Indonesia, the agencification phenomenon began to occur in 2005 which was marked by the creation of a massive semi-autonomous agency known as Badan Layanan Umum (BLU) or Public Service Agency [9]. In this country, agencification has been implemented in educational institutions, health services, fund management, facility management, and other public service providers [10]. Among those agencies, educational institutions has formed the largest number (43.18%) and they are dominated by the state universities. In order to regulate BLU financial management, Government Regulation Number 23 of 2005 concerning Financial Management of Public Service Bodies was issued. Furthermore, to formulate and to implement policies and technical standardization in the field of financial management development for BLUs, the Directorate of Financial Management Development for Public Service Bodies was formed in 2006 as a mandate from the State Finance Law.

The number of BLU in Indonesia is increasing from year to year. In 2005, the number of BLU was 13 and increased to 141 in 2014 [1]. According to the Director General of the State Treasury, the number of BLU services in 2023 would reach 264 across Indonesia, consisting of 106 BLUs of health, 114 BLUs of education, 9 BLUs of fund management, 7 BLUs of area management, and 28 BLUs of other goods/services [11]. The total assets managed by all BLUs in 2023 are IDR 1,170 trillion [12]. In this case, BLU is considered to be successful in being a catalyst for the economy as well as providing excellent public services to the community. These services are in an inclusive, affordable and sustainable manner, as well as being accountable and anticipatory of uncertainty [12].

Considering the increasing number of BLUs and for simplifying BLU arrangements, the Minister of Finance issued Regulation of the Minister of Finance (PMK) No. 129/PMK.05/2020, concerning Guidelines for Management of Public Service Agencies. In Article 250 PMK No. 129/PMK.05/2020, it is stated that the management of BLUs are required to develop and to implement an integrated risk management program. The implementation of risk management within BLU must be done because of the uncertainties faced by public sector organizations (PSOs), in carrying out mandates and achieving organizational goals [13]. In addition, the implementation of risk management at BLU is mandatory in order to comply with the Indonesian National Standard (SNI) ISO 31000:2018.

The awareness level of PSOs in Indonesia in implementing ISO 31000:2018 is very low [13]. Several factors causes the condition including 1) there is an assumption that risk management is only suitable for commercial and financial organizations; 2) there are no risk management guidelines specifically for PSOs; and 3) there are still many PSO having difficulties in distinguishing between "risk" and “problems.” [14]. In fact, the challenges faced by PSOs are varied and dynamic, especially after Covid-19.

The agency of BLU has not been an ideal agency relationship because BLU, as an agent, has a legal status that is inseparable from the main ministry/institution [15]. In addition, the agency of BLU, especially tertiary institutions, has not been able to optimally improve service quality and has not been able to fully increase efficiency in resource utilization [16]. These problems have influenced several state universities to leave the BLU model [17]. Therefore, it is necessary to conduct research related to the implementation of risk management in BLUs of higher education.

The implementation of risk management in BLUs of higher education has previously been studied by researchers in Indonesia, such as those conducted by Triadi and Winaya (2017), Ningsih *et al.* (2016), Kurniawan *et al.* (2020), and Sumiyati and Tritjahjono (2020) who examined the implementation of risk management at state polytechnics and research conducted by Alfian *et al.* (2020), Monica *et al.* (2020), Valena *et al.* (2019), Aristoteles *et al.* (2018), and Susanti *et al.* (2021) who examined the implementation of risk management in state universities. Most of these studies focus on the implementation of risk management to a unit or section in higher education or focus on risk identification in higher education. There is still little research that focuses on the reviewing and analysing of risk management documents, particularly at the risk assessment and risk mitigation stages.

Slightly different from the previous studies, this study aims to contribute in the understanding of the preparation of risk management documents at the higher education BLUs in Indonesia, in accordance to ISO 31000:2018. This study focuses on discussing the implementation of risk management at two state BLUs of polytechnic, particularly regarding the preparation of risk management documents. There are three research questions. Firstly, how is the preparation of risk management documents in BLUs of higher education? Second, how is the risk assessment process carried out by the BLUs of higher education? Lastly, how is the risk mitigation plan prepared by BLUs of higher education?

2 Theorical Background

2.1 Semi Autonomous Agency

Semi-autonomous agencies are organizations that carry out public tasks, such as social services, education, market regulation and policies that are separate from government administration [27]. Agency is an administrative body that is formally separate from the ministry, carries out public tasks at the national level permanently, filled by civil servants, financed mainly by the state budget, and is subject to public law procedures [2]. In other words, agencies are organizations that operate outside of government ministries to carry out public tasks, regulate markets and policies, implement policies, or provide public services [3]. Agencies are usually not completely independent, because, in many cases, there are political responsibilities that must be carried out by the agency [3]. Meanwhile, according to Regulation of the Minister of Finance No. 129/PMK.05/2020, a semi-autonomous agency or BLU is an agency within the government that was formed to provide services to the community in the form of supplying goods and/or services that are sold without prioritizing profit and in carrying out its activities based on the principles of efficiency and productivity.

Agencies have several criteria, namely organizational status separate from government ministries/departments, carrying out government public tasks, employee status is government

employees (not necessarily civil servants), financed by the state budget (partly or wholly), and following public administrative procedures/provisions [7]. In managing its finances, BLU is given flexibility in the form of freedom to apply best business practices to improve services to the community, as an exception to the provisions for managing state finances in general [28]. Government agencies that apply the BLU financial management pattern carry out activities that are operational in nature and can come from and be domiciled at various levels of echelon (structural) or non-echelon (non-structural) [28]. Based on the type of services provided, BLU work units can be grouped into 3 (three) major groups, namely (1) providers of goods and/or services, for example: education and training, health, research and development, and the field of public broadcasting, (2) managers of certain areas/areas, for example: authorities, integrated economic development areas, and (3) managers of special funds, for example: managers of revolving funds, investment fund accounts, and regional development accounts [28].

2.2 Risk Management

One of the first articles that presented a definition of risk was Frank Knight's article in 1921 which defined risk as a probability that can be measured through establishing an acceptable level of confidence [29]. Organization for Standardization 31000:2108 defines risk as effect of uncertainty on objectives. Meanwhile, according to Minister of Finance Regulation No. 222/PMK.01/2021 concerning Risk Management of State Financial Management, risk is defined as the possibility of an event occurring that will have an impact on achieving the target. In various literature, what is meant by risk is organizational risk or corporate risk [30]. In this context, what is meant by corporate risk is a measure of uncertainty and factors that can hinder or prevent the achievement of organizational goals [30]. From these definitions, risk has two main elements that are specific characteristics of risk, namely the probability of its occurrence and the level of its consequences [31].

In order to make a risk does not change into a problem that can hinder the achievement of organizational goals, risk needs to be managed through a process called risk management. According to Regulation of the Minister of Finance No. 222/PMK.01/2021 concerning Risk Management in State Financial Management, risk management is defined as a systematic and structured process supported by a risk-aware culture to manage risk at an acceptable level, in order to provide adequate confidence in achieving targets. In a shorter definition, ISO 31000:2018 mentions risk management as a process of coordinating activities to direct and control an organization related to risk. Along with the development of the organization, risk management is considered as a means to increase the probability of success in the implementation of complex, multifunctional and challenging tasks related to the management and engineering of product development or projects [32].

The practice of risk management began around 2400 years ago in ancient Greece where the Athenians always assessed risks before making decisions [33]. The concept of risk management was not used formally until the early 1950s and the modern concept of risk management originated in the United States [33]. Risk management is an important tool for managers to make the most appropriate decisions for their companies so that many organizations implement risk management [32]. However, the purpose of implementing risk management is not to eliminate the risk of an organization, but to minimize the risk [29].

Nowadays, the global guide for risk management practices is the International Organization for Standardization (ISO) 31000 risk management standard developed by professionals around the world and used by all types of organizations [33]. The use of ISO 31000 has been widely recommended as a basis for implementing risk management [34]. The existence of ISO 31000 which is recognized as a world standard allows organizations to apply risk management process in order to improve organizational performance [29]. ISO 31000 provides guidance on how to implement an effective risk management [35]. However, there are several challenges faced by organizations in implementing risk management, which are varying interpretations of the standards, adjustment of standard frameworks to company needs, and lack of agreement, acceptance, and understanding of standards itself, due to the complexity of the standards [36].

The ISO 31000 Risk Management Guidelines were first published by the International Organization for Standardization in 2009 and provide guidelines for standardizing risk management processes through frameworks, concepts and terminology. Furthermore, in connection with developments in the organizational environment and the emergence of several new research on risk management, in February 2018, a new version of ISO 31000 was published [29]. In Indonesia, ISO 3100, both the 2009 and 2018 versions, has been adopted as SNI [14]. According to ISO 31000:2018, there are several steps that must be carried out in the risk management process, namely: establishing context, assessing risk, mitigating or managing risk, communicating and consulting risk, monitoring and reviewing risk, and recording and reporting risk. The risk management process can be seen in Figure 1 below.

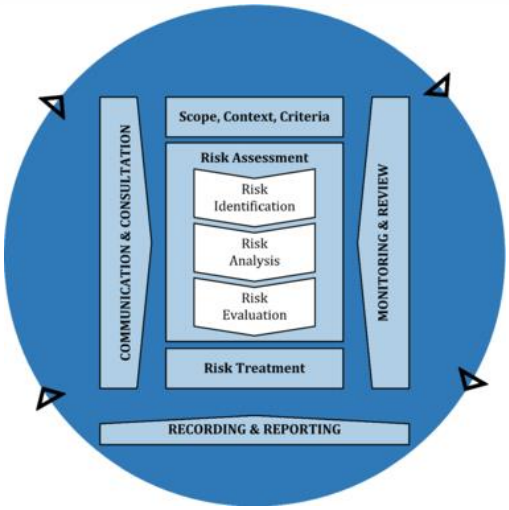

Fig.1 Risk Management Process

2.3 Risk Management in Public Sector

The principles and standard models of risk management that have been applied in the private sector can be applied in the public sector [37]. The main difference between risk management in the public and private sectors is that risk management in the public sector is much more complex and the impact is social [37]. The activities of public sector organizations are closely

related to the existence of risks that need to be identified, analyzed, evaluated, monitored and controlled as part of the risk management process [31].

There are some of the main challenges identified in implementing risk management in the public sector, which are as follows [37].

1. Setting goals that do not consider the other factors.
2. Frequently in leaders changes and vacancies in the managers positions.
3. Leaders‘ lack of knowledge in risk management and business.
4. The separation of operational budget from program budget.
5. Fuzzy or unclear organizational risk metrics.
6. Complicated procedural requirements.
7. Lack of risk culture and risk awareness.

To overcome the challenges, several requirements are needed, so that the implementation of risk management in public sector organizations could run effectively. The research by [31] conducted at Lodz University of Technology, Poland shows the conditions that must be met in implementing risk management in public sector organizations are as follows.

1. The conducive culture within organization for implementing risk management.
2. The active support from higher level managers in promoting risk management process.
3. The integration of risk management in the management process.
4. The full connection of risk management to achievement of organization goals.
5. The communication of procedures and benefits of risk management to organization’s staff.
6. The evaluation and management of risks associated with external parties.

The implementation of risk management in public sector organizations has been carried out by several countries in the world. The first country to implement risk management was Turkey in 2013, followed by India, China, the United Kingdom (UK), the United States (US), and Japan [13]. Furthermore, several countries have started implementing risk management, namely South Africa, Australia, European Union, Russia, Canada, South Korea, and Indonesia [13].

In Indonesia, the application of risk management in public sector organizations still has many problems and challenges. Most of the problems are related to governance and human factors [14]. However, almost all of the respondents surveyed believe that managing risk is important for organizational performance and success. Respondents are also agree that it is necessary to develop specific guidelines on the implementation of risk management standards in public sector organizations (PSO) [14].

3 Research Method

This study used a qualitative approach with case studies in two polytechnics of BLU. The research analyzes and reviews the risk management documents that have been prepared by the two universities. The scope of this research is limited to the process of compiling risk management documents, starting from setting the context, risk assessment, and to risk mitigation. The data collected are primary data and secondary data. Primary data is in the form of interviews and group discussion forums, while secondary data is in the form of applicable laws and regulations, risk management charters, context forms, profile forms, risk maps and mitigation, and other relevant documents.

To obtain an overview of the risk management process and how the ideal process should be carried out by universities, researchers used interview techniques, group discussion forums, and documentation. The interviews were in the form of semi-structured interviews with four parties related to the preparation of risk management documents, namely (1) the director as the risk manager, (2) the head of the finance and general department as the risk coordinator, (3) the head of the administration and HR subdivision as the risk administrator, and (4) executor of administrative subdivision as compiler of risk management documents. Documentation needed in this research includes information related to university profiles, related regulations and information, and risk management. Higher education profile data, including a brief history, vision, mission, goals, objectives, tasks, functions, and organizational structure. Regulatory data and related information include ministerial regulations, agency head regulations, records, transcripts, books and guidelines, as well as other relevant documentation. Risk management data includes strategic plans, business plans and budgets, organizational performance indicators, risk management charter, risk context forms, risk profile forms, risk maps and risk mitigation forms.

In analyzing data from interviews, this study uses the interactive model developed by Miles and Huberman in 1984. The interactive model uses 4 components, namely (1) data collection, (2) data reduction, (3) data presentation, and (4) conclusion or verification. Data collection was carried out through interviews and document reviews. The interviews were conducted in the format of a group discussion forum through face-to-face meetings with the respondents. The results of the interviews were recorded with a tape recorder and copied in the form of a transcript. The document review activities are carried out using three perspectives, namely:

1. Formal perspective; the conformity of university Risk Management Documents with applicable regulations, especially regarding the format and the completeness of the components covered.
2. Substance perspective; the alignment and consistency of the contents of risk management documents, which include:
    a. Conformity of risk profile with the organizational goals and main objectives of activities implied or stated in the vision, mission, Strategic Plan, Business Plan and Budget and Organizational Performance Indicators.
    b. Conformity of the contents of the risk profile document with the Risk Context
3. Quality perspective; the quality of risk management charter formulation, risk context, risk appetite, risk profile, identification of causes and impacts of each risk, measurement of risk magnitude, identification of control weaknesses related to risk, mitigation plan and the determination of related person in charge.

Data reduction is done by grouping the data into certain categories according to the topics discussed. Presentation of data is done with narration and flowcharts to organize the data. The reduced data is presented in the form of narratives and tables which describe the results of the review of risk management documents. By presenting the data with narration and tables, the data will be organized, so that it is easy to understand. Drawing conclusions and verification is done based on the process of data reduction and presentation. Conclusions are supported by valid and consistent evidence throughout the research process. The conclusion will answer the formulation of the problem that was stated in the previous sections.

4 Results and Discussion

4.1 Legal Formal Analysis

Formally, the risk management document in certain matters complies with the applicable provisions. However there are a number of errors, including in the context form, the structure of the Risk Owner Unit (UPR), and in defining risk criteria. The UPR structure for the university scope should consist of a risk manager, risk coordinator and risk administrator. In the risk profile, the column of “Mitigation Decision” is missing; filing out by the “Mitigation Activities” column, which is not even in the risk evaluation stage. In accordance with applicable regulations; the mitigation decision column should exist and be placed at the risk evaluation stage, which is to the right of the “Risk Priority” column. In addition, in the risk profile document, the Residual Expected Risk (RRH) column still refers to the old provisions. This column should refer to the new provisions.

Regarding to risk numbering, the risk numbering system implemented is not in accordance with the provisions where risk numbers or codes use a number format, whereas in the UPR risk profile, risk numbers or codes use a combination of letters and numbers. Furthermore, in the Main Risk Indicator Manual compiled by the tertiary institution as the UPR, there is an entry for "Type of Location Consolidation". Meanwhile, if you look at the applicable provisions, there is no information or content regarding the type of risk consolidation. As for the aspect of completeness of presentation, the risk profile table has included a number of risks accompanied by the causes and impacts of risks, related internal control weaknesses, and the necessary mitigation steps. Measuring opportunities and the magnitude of impact has also been explicitly stated in the document.

4.2 Risk Assessment Analysis

Based on the results of interviews and document reviews, higher education BLU as the Risk Owner Unit (UPR) has conducted a risk assessment by compiling a complete risk profile. However, the quality of the risk assessment results still requires further improvement. This is indicated by the condition that the Risk Assessment Activity has not been carried out by involving all sections in the higher education environment. Universities also do not yet have clear methods and techniques in carrying out risk assessments. In addition, the parameters for achieving the goals are not good enough to measure the success of the achievements, so that it has a bad impact on risk formulation, measurement of its importance and mitigation steps. Another thing that needs to be improved is the existence of a risk management implementation paradigm that is still not appropriate. The implementation of risk management should not only be carried out or be the absolute responsibility of certain units, but it is the responsible for allsections or units.

Regarding to risk identification activities, there were still some weaknesses/deficiencies, including a number of important risks that were not included in the risk profile, such as risks related to study program accreditation activities, institutional accreditation activities, BLU maturity level assessment results, and a number of other important risks. In addition, a number of risks identified in the Risk Statement are generally not sharp enough to lead to long-term and medium-term organizational goals (as stipulated in the Strategic Plan) and short-term plans (as stipulated in the Business Plan and Budget (RBA)). In fact, some risk statements are less relevant to organizational goals. For example, there is a risk of "not optimal in assessing student

character" which is less sharp towards one of the goals of the organization, namely "Excellent Human Resources". Another example is the risk of "The New Student Admission Selection Participants (SPMB) do not receive excellent service" which is less relevant and less valid in leading to the Organizational Goals of "Relevant, Applicable, Impactful, and Accessible Learning" because it only concerns SPMB services. In the applicable regulations, it is stated that risk management must be directed to support the achievement of the vision, mission, targets, and performance improvement. Risk management must be aligned with securing achievement of long-term objectives while securing performance improvement objectives.

Another weakness found was related to the substance of filling out the risk profile form, including the identification of internal control weaknesses related to certain risks that were not sharp or even imprecise, the classification of many types of risk was not correct, and the mapping of many risks was not correct. In detail, several things that need to be improved include the similarity of substance (synonymity) between the risk event formulation and the risk impact description. For example, there is a risk of "Competence of the graduates does not yet reflect the quality of human resources expected by the user unit", while the impact is stated "Graduate user units underestimate the quality of graduates". If examined further, the two statements have the same substance. Another example is a risk event stated "The low level of employee awareness of organizational culture", while the impact is written by "The lack of embedding organizational culture in employees' daily work". Another finding is that there is ambiguity (ambiguous/multiple interpretations) regarding the formulation of Risk Events, where the formulation is still not focused and specific. For example, there is a risk event of "not optimal in assessing student character". This risk statement is still general and not specific. In addition, there are formulations of causes that are less logical and less related to Risk Events. For example, there is a risk event of "Competency certification is not implemented as needed", while the cause is stated "Pandemic Covid-19 which resulted in competency certification being unable to be carried out offline in 2020".

Another finding is that there is unclear and non-specific formulation of the causes of risk and there is a risk impact formulation that is not/less related to risk events. For example, a risk statement of "The implementation of lectures using the blended learning method is not optimal", while a description of the impact of the risk is "An assumption of the difference in quality between graduates of face-to-face learning programs and blended learning programs". From this statement, it can be seen that the impact description written is not related to the stated risk event. Another example that needs to be corrected is that there is one Project Risk where the project has been completed, but the risk is still there. The risk should have been abolished, because it doesn't exist anymore.

4.3 Risk Treatment Analysis

Related to the risk mitigation or risk treatment activities, there are still some weaknesses or deficiencies. There is a discrepancy between the mitigation action plan and the risk mitigation technique options that have been selected. For example, there is a risk statement "the quality and quantity of building work does not comply with the terms of the contract" and the selected risk mitigation technique option is to reduce the impact. However, the risk mitigation action plan that has been prepared is "the establishment of a technical support team from internal and external parties". The action plan is not in accordance with the selected option because the action plan is not to reduce the impact of the risk, but to reduce the possibility of the risk to occurring.

Another example, there is a risk statement "Higher education governance is not in accordance with the statutes and other applicable provisions" and the risk mitigation technique option chosen is to reduce the impact. However, the risk mitigation action plan that has been prepared is "forming a Squad Team to compile the determination of the legality of tertiary institutions as the agency that manages BLU finance and Minimum Service Standards of BLU of higher education". If examined more deeply, the action plan is not to reduce the impact of the risk, but to reduce the possibility of a risk occurring so that it is not in accordance with the risk mitigation options that have been chosen.

Another finding that needs to be corrected regarding the risk mitigation plan is that there are conditions where the risk mitigation plan is not related to the description of the obstacles encountered. For example, for the risk of "not optimal in assessing student character"; the mitigation action plan was prepared is "to communicate the submission of violation recapitulations and positive scores earlier to caregivers and conduct outreach to caregivers about Character Assessment". From the mitigation action plan, it was stated that the obstacles faced were "the members of the communication network were busy so they did not have time to follow up on the content of the communication and the increase in the number of caregivers". This mitigation action plan needs to be corrected because the risk mitigation plan drawn up is not related to the description of the obstacles encountered. Another example, there is a risk "The implementation of lecturing using blended learning method is not optimal" and a mitigation action plan prepared is "Developing delivery blended learning strategies". The obstacles encountered were written "there is a possibility of a lack of interest from prospective students to choose the blended learning method while in college". The description of the obstacles encountered is not related to the risk mitigation action plan that has been prepared.

5 Concluding Remarks

5.1 Conclusion

This study aims to contribute to understanding regarding the preparation of risk management documents at BLU higher education institutions in Indonesia in accordance with ISO 31000. The results of this study indicate that from a formal legal standpoint, risk management documents that have been prepared, in certain matters, are in conformity with the provisions stipulated. However, there are a number of things that need to be corrected, namely related to the naming of the Risk Owners Unit structure and the completeness of the columns on the profile form and risk mitigation. Regarding the overall risk assessment process, the higher education BLU as the Risk Owner Unit (UPR) has conducted a risk assessment by compiling a complete risk profile. However, there are a number of things that need to be improved, including risk assessment activities that have not been carried out involving all work units in the higher education environment. In addition, there is still an inappropriate risk management implementation paradigm. The implementation of risk management should not only be carried out or be the absolute responsibility of certain units, but for all sections or units. Meanwhile, with regard to the risk identification activities, there were still some weaknesses/deficiencies, including a number of risks identified in the Risk Statement in general that were not sharp enough to lead to long-term and medium-term organizational goals (as referred to in the Strategic Plan) and short-term plans (as referred to in the Business Plan and Budget). In fact, some risk statements are less relevant to organizational goals. As for risk mitigation or handling activities, there are still some weaknesses/deficiencies, including discrepancies between the

mitigation action plan and the risk mitigation technique options that have been selected and there are conditions where the risk mitigation plan is not related to the risk description.

5.2 Implication and Limitation

Based on the discussion of the research, there are a number of lessons from the implementation of risk management process in higher education BLU, particularly in terms of preparing risk management documents. Some of these lessons include the BLU of higher education as the UPR needs to involve each units or sections in carrying out risk assessments, conduct dissemination or outreach regarding organizational risk to all employees, and conduct risk management training to all employees and officials in order to obtain a common perception and alignment of action in managing risk. In addition, the UPR also needs to develop an organizational risk database system by creating a codification system and issuing a Risk Management Application Guideline within the UPR. Regarding the preparation of risk management documents, UPR needs to align organizational goals and activities in various documents such as Vision, Mission, Strategic Goals, Targets on RBA and Organizational KPIs and aligning individual KPIs with organizational KPIs. Meanwhile, related to the risk identification process, the risk identification needs to be specifically directed to all important risks that affect the success of achieving organizational goals. The risk profile should describe the risk statement completely and logically, in accordance with events, causes, and impacts. As for the risk mitigation process, the UPR needs to socialize the mitigation action plan to all relevant units or sections and carry out periodic (quarterly) monitoring to the mitigation actions and report the results.

This study has several limitations, including the small number of research samples and originating from the same type of tertiary institution, namely the polytechnic. Future research is expected to increase the number of samples from various types of higher education BLU, such as universities, academies and institutes. In addition, the scope of this research is limited to reviewing risk management documents, starting from the risk identification process to risk mitigation. For this reason, future research is expected to broaden the scope of research which includes the stages of communicating and consulting risks, monitoring and reviewing risks, as well as recording and reporting the risks.

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