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RISK MANAGEMENT IN THE ACTIVITIES OF A MODERN UNIVERSITY: A COMPARATIVE ANALYSIS OF BRITISH AND UKRAINIAN EXPERIENCE

The characteristic of the regulatory, organizational and methodological basis of the implementation of risk management in the higher education of Great Britain and Ukraine at the national and institutional levels is given in the article through the application of a holistic set of theoretical and empirical methods. The regulatory framework and organizational structure of risk management in the universities of Great Britain and Ukraine are clarified; the typology of academic risks in the universities of Great Britain and Ukraine is characterized. Most of the focus is put on the identification and analysis of the high-priority risks which are incurred by modern universities in their activities, and common for all higher educational institutions in terms of the globalization, internationalization and massification of higher education. In particular, the key risks under study include the compliance risk, reputation risk, financial risk, the risks of student experience and staffing issues. The system of measures aimed at reducing the probability of occurrence of a particular risk type, or mitigating its consequences has been identified and generalized on the basis on the empirical data obtained as a result of applying the methods of analysis of the statutory and reporting documents of the British (the University of Oxford and the University of Cambridge) and Ukrainian universities (the universities of Sumy Region of Ukraine – Sumy State University (SSU), Sumy National Agrarian University (SNAU), Sumy State Pedagogical University named after A. S. Makarenko (SSPU)). The effectiveness of implementing the risk management practice in the activities of the Ukrainian universities has been confirmed. The recommendations for the development of the risk management system in the Ukrainian higher education at the national and institutional levels are formulated based on the comparative analysis of the regulatory, organizational and methodological aspects of the issue under study.

Keywords*: modern university, activities, risk management, risk area, mitigation measures.*

Introduction

Modern universities of different types face the impacts of challenging political, socio-economic and cultural factors that make their operating environment ambiguous and controversial. The needs for the innovative development of universities associated with the onrush of IT technologies, the internationalization of public life, the diversification and massification of the student population generate a demand for the development of ways to improve the educational, scientific, economic, international and other types of activities of higher education institutions. The scope of such changes requires new approaches to the managerial decision-making that goes beyond the traditional core competences of university managers. The new realities of university life result in the occurrence of a great deal of risks and uncertainties, which is why it is essential to understand the interaction between the identified risk and mitigation measures to be developed, taken, and reviewed on a regular basis.

The researches of H. Khimicheva et al. [6], and T. Udovytska [28] focus on the analysis of possible risks to the functioning of the higher education system. In particular, T. Udovytska [28] has put a special emphasis on the risks of the Ukrainian educational sphere, which the quality of specialist training depends on one way or another. L. Vitkin and H. Khimicheva [6] have identified the risks of the innovation activities of higher education institutions, and the factors causing them. The scholars A. Yelesina and L. Serheeva [25] have analyzed the conditions of the occurrence of the HEI internal risks, their consequences for the functioning of educational institutions, and the mechanisms developed to manage each risk. The regulatory risk framework in higher education has been examined by such foreign researches as C. Huber [7], M. Huber [8; 9], M. Power et al. [12], etc.

However, the analysis of numerous researches proves the lack of fundamental studies in risk management in the Ukrainian pedagogical science. The interpre-

tation of the concept of risk in this sphere is rather controversial. The review of the literature also indicates a lack of clear understanding of the relationship between different types of risks the universities face. Little research has been done on the mitigation activities aimed at reducing academic risks. In view of this, the relevance and social significance of the above problem have resulted in the selection of this topic.

The paper **aims to** provide characteristics of the regulatory, organizational and methodological basis of the implementation of risk management in the higher education of Great Britain and Ukraine at the national and institutional levels. The following **tasks** have been defined according to the above aim:

1) to clarify the regulatory framework and organizational structure of risk management in the universities of Great Britain and Ukraine;

2) to characterize the typology of risks in the universities of Great Britain and Ukraine;

3) to analyze the experience of the particular British and Ukrainian universities in implementing the measures directed towards reducing the probability of the risk materializing or reducing the exposure to risk;

4) to develop recommendations for the risk management improvement in the universities of Ukraine on the basis of the comparative analysis of the regulatory, organizational and methodological aspects of the problem being investigated.

Research methods

We used such theoretical methods as the *thematic analysis* (case-studies) of the applied and synthesis studies (meta-studies) of risk management in the universities enabling to identify the degree of the scientific development of the problem, to prove the expediency of its further elaboration, to clarify the theoretical, organizational and practical foundations of risk management in the universities of Great Britain; the *comparative analysis* of the regulatory documents and organizational principles of risk management in the universities of Great Britain and Ukraine with the aim of identifying the common and distinct features in the relevant field; the *SWOT-analysis* of the risk management practices of the particular British and Ukrainian universities enabling to identify the strengths and weaknesses in the university management that require the most attention from the managers, as well as the threats being most likely to occur.

The empirical methods such as the analysis of the statutory and reporting documents of the British universities (the University of Oxford and the University of Cambridge) and the universities of Sumy Region of Ukraine ((Sumy State University (SSU), Sumy National Agrarian University (SNAU)), Sumy State Pedagogical University named after A. S. Makarenko (SSPU)), the observation over the practice of the relevant university structures, and interviewing the administrative personnel of the Ukrainian universities that made it possible to compare the practices of risk management of the universities being studied, were applied as well. The selection of the British universities (the University of Oxford and the University of Cambridge) in order to clarify the approaches to risk management is conditioned by the fact that the relevant universities, among more than forty best British universities being the subject of the preliminary consideration, have the most carefully designed risk portfolio, and have described an array of tools to work with them in a proper manner. The selection of the Ukrainian universities (the universities of Sumy Region) has been made due to the fact that the authors of this scientific research are engaged in the innovative transformations in the field of their institutional management.

Research Results and Their Discussion

The pivot of the entire activities of a modern university is its innovative character. Provided that innovations and changes are indivertible, and occur under conditions that create certain risks and uncertainties, the primary need is not only to understand the nature of such risk events, but also to take measures to prevent and minimize their effects. In the research project "How Innovation Occurs in High Schools within the Network of Innovative Schools: The Four Pillars of Innovation", the internationally renowned specialist in the field of educational risk management Douglas Watt specifies the innovation activity of university as the one which has "risk taking spirit" [31]. In view of this, managing risks and understanding the relationship between the identified risk and measures to be taken to reduce the likelihood of adverse processes arising in the implementation of the scientific, educational and economic activities are "challenging and critical to preserving and protecting the reputation, resources, and standing of the modern university in the local, national and international context" [15].

In the context of our study, it is appropriate to appeal to the experience of Great Britain being among the first in the world to introduce risk management into the public administration system that has been accompanied by the government development of regulatory documents outlining the basic principles of risk management in public institutions, and providing for practical recommendations regarding the implementation of this process at the national level. In 2000, the Higher Education Funding Council for England (HEFCE) decided to implement risk management as a tool of innovative development in the corporate governance system of universities. In particular, HEFCE circular letter 24/00 emphasizes that higher education, unlike other sectors, should not apply a standard approach to risk management. Instead of the standard one, HEFCE decided to use an individual approach taking into account the features of a particular university that should ensure "a continuous process of risk identification, assessment and management, and taking measures to mitigate the risks faced by university" [5]. In the process of risk identification, the British experts suggest focusing on 20-30 significant risks; considering, first and foremost, those that may have negative financial implications; identifying risks that could significantly affect the achieve-

ment of the university strategic goals; classifying risks into appropriate categories or groups.

The systemic and structural analysis of the documents of the British universities, in particular, the University of Cambridge and the University of Oxford as the universities, which have gained power in the top international and national ranking tables, and are positively evaluated by the national educational community (the subject matter of the analysis is the development strategies (strategic plans) of the universities; the recommendations put forward by the university experts for the introduction of risk management into all university structures; the university reports on the implementation of risk management submitted to HEFCE), has enabled to acknowledge the fact that the identified risks of the universities are listed and documented in two types of registers – corporate or strategic (Corporate Risk Register), and local (Local Risk Register). The risks of "high priority" having an impact on the achievement of the university strategic objectives and mission are included in the corporate register. It contains, as a rule, from 10 to 20 priority risks.

Unlike Great Britain, the legislative regulation of the procedure of risk management in the system of higher education is missing in Ukraine. The concept "risk" is not provided for in the Law of Ukraine "On Higher Education". The reporting documents, disclosed by the Ministry of Education and Science of Ukraine to universities, contain no risk register, which should become the subject matter of our analysis.

The first step towards implementing the system of academic risk management in the legal field, where the higher education system of Ukraine operates, is the regulation of the university audit service at the national level. The Audit Service (or the Internal Audit Department) is the structural subdivision subordinated to the rector of the university, the main goal of which is to give an opinion on the effectiveness of corporate governance, management and internal control, to provide independent and impartial advice and recommendations aimed at improving the university performance, the effectiveness of management processes, facilitating the achievement of the university goals and objectives.

The Audit Committee of the British universities is administratively subordinated to the University Council and accountable to it for the internal control system operation. In addition, the Committee exercises control over the internal and external audit, and is provided with an annual report of the university's president and representatives of the university administration on the effectiveness of risk management. In this regard, the Audit Committee may provide the University Council with recommendations aimed at improving the effectiveness of the internal control system, including the risk management system as a whole.

What follows is the analysis of the most typical risks across the university's activities, which are common to all modern higher education institutions as they operate in a common global education space, the development factors of which are as follows: the political and economic globalization giving rise to the transformation of universities into businesses, which compete among themselves to attract and retain the high-quality intellectual, financial and material resources; the internationalization of the cultural and educational space, under which all aspects of the university's activities have an international dimension; the massification of higher education driven by the needs of the knowledge economy and ICT development; the diversification of student population and academic staff resulting in the variety of cognitive interests and abilities of students and academics.

Accordingly, the typology of risks incurred by modern universities is the common thing that characterizes the world's universities in general, and the British and Ukrainian universities in particular. The subject of our consideration under this scientific research is the risks which are objectively of the highest priority, given the conditions of the functioning of higher education: compliance risk, reputation risk, financial risk, and the risks of student experience and staffing issues.

If risk types are common, the mechanisms for risk management are comprised of the distinct and specific elements that is due to the external and internal factors of functioning a particular university within a particular national system of higher education. Therefore, let us characterize the specific manifestations of the above mentioned risks by the example of the practices of certain British and Ukrainian universities.

First and foremost, we will consider the features of the compliance risk. It is worth pointing out that the *compliance risk* is considered to be the exposure to legal penalties, financial forfeiture and material loss an institution faces when it fails to act in accordance with industry laws and regulations, internal policies or prescribed best practices [17]. Since universities have to operate under the international, state, local and administrative laws and regulations that may be applied at the institutional level, they have to comply with all legal requirements. In addition, the universities shall seek to ensure that their staff and students are compliant with all relevant legislation.

The consideration should be given to the procedures under which the British universities deal with *the compliance risk*. The universities of Great Britain consider the compliance risk to be the highest priority one, since HEFCE is the main source of public funding for the British universities, which distributes funds among them according to the RAE (Research Assessment Exercise) outcomes. The occurrence of this risk type may result in budget freeze, or even the imposition of fines. The administration of the British universities is aware that failure to comply with regulatory requirements will give HEFCE the grounds for cutting off funds. This is precisely why *the compliance risk* is part of the strategic risk register, and the universities pay special attention to the implementation of all procedures to ensure compliance with the requirements imposed by the British government via HEFCE. For example, the compliance risk ranks third in

the risk registers of the University of Cambridge [29; 30] and the University of Oxford [22; 23], which attach great importance to regulatory compliance, and are not willing to assume the risk associated with the violation of the professional standards, rules, regulations of HEFCE and other regulatory bodies.

In the context of today's operation, modern universities are conscious of the need for legal regulation of their research and pedagogical, economic and innovative activities, as well as the probability of occurrence of *the compliance risk*, which, in case of the violation of laws, regulations and standards, may injure their reputation. For example, non-compliance with health and safety law and/or other regulations, may result in accident, injury, loss of life of staff or students; prosecutions; penalties; fines, etc. Thus, in order to eliminate the compliance risk or reduce it to an acceptable level, some universities of Ukraine have developed and embodied the idea of legal clinics. The application of the methods of observation and documentation analysis, and the interviewing of administration enables to conclude that the practices of Sumy National Agrarian University (SNAU) and Sumy State University (SSU) deserve special attention. The legal clinic "Dovira" of SNAU was created on the basis of the laboratory of practical law under the subgrant from the American Association ABA/ROLI in 2009, and since that time the lawyers of the university and the legal clinic experts have been providing the university's employees, academic staff representatives, and students with some legal advice on various legal issues, thereby ensuring their compliance with applicable legislative, regulatory, and contractual requirements. For example, in 2011, the specialists of the legal clinic "Dovira" filed 25 claims with the court to protect the university's interests, and in 24 cases their claims were satisfied for the total amount of UAH 59,865.41 [27]. Moreover, the university not only provides in-house legal advice, but it renders the legal services when advice from external stakeholders and local population is required. The legal clinic "Dovira" of SSU is a unique structural unit of the university, where students provide free legal assistance in the sphere of civil, family, labor, housing and social security law, as well as the protection of human rights, to the poorest and most vulnerable categories of the population unable to pay for legal services [26].

The compliance risk consists of legal and reputation risks. *Reputation risk* arises when a situation, occurrence, business practice or event have the potential to materially influence the public and stakeholder's perceived trust and confidence in an institution" [18, p.3]. M. Huber considers reputation risk to be "a genuine type of academic risk". According to him, reputation risk may be interpreted as the other side of, or complementary to, financial risks being the basis of organizational risk. Reputation risk ranges from assets management to the impact of press statements by staff, bad press about student excursions, equality and diversity issues to a dirty classroom [8, p. 16]. In case of being improperly managed, reputation risk can quickly escalate into a major strategic crisis [1, p. 5]. This type of risk includes such elements as failure to attract top-quality students, failure to attract and retain high quality staff, failure to properly manage positive and negative publicity, failure to build positive, long-term relationships with foreign partners etc.

The detailed examination of documentation of the above British universities and the analysis of researches of the scientists and experts (case-studies (Raban, Turner [19; 20; 21]; PriceWaterhouse Coopers [13]) and meta-studies (C. Huber [7]; M. Huber [8; 9]; T. Klochkova [10; 11]; A. Sbruieva [24])) in the area under study have enabled to state that the majority of a modern university's key risks have a reputation risk component. An example might be the University of Cambridge, in the register of which reputational damage is the impact of almost all strategic risk areas [29; 30]. The university's reputation is well-deserved, but it has been built up over decades and even centuries. It is an important factor in attracting the best academicians, scientists, students and managers.

In an increasingly competitive market for higher education, it is not surprising that many universities have redirected their attention to evaluating their reputation and brand perception among prospective students and employers [4, p. 5]. Some scholars argue that the reputation risk differs in its social construction from other risk categories by being a purely "man-made" product of social interaction and communication. Reputation is a communicative construct beyond the direct control of universities, often embedded in media-friendly external measures such as ranking and ratings [12, p. 302]. Since the mission of universities is to contribute to the society development through achieving higher levels of performance in the education and scientific research, one of the main aspects is an increase in the significance of university ranking as a tool of the information provision, evaluation and transparency of the university activities. In recent times, there has been a rapid growth of evaluative and standard setting institutions both at the global and national levels in the educational sphere. Ranking systems and league tables are the instruments developed in order to evaluate university's brand and reputation, taking into account the teaching and research dimensions of the university performance to a large degree. The monitoring of league tables is considered to be a core method of managing reputational risk both in the Ukrainian and British universities. For example, the indicators that the reputation of the University of Cambridge is at risk include negative press comments, recruitment difficulties (staff and student), but low league table positions take pride of place among them [29; 30].

The main indicators of the reputation risk of the Ukrainian universities include professional incompetence and low level of academic qualifications, low university competitiveness, low mobility, lack of employment prospects for graduates, as well as labor market insecurity, etc.

In Ukraine, much attention is given to public assessment and international ranking of public and private

universities, as well as separate structural subdivisions. The assessment of the above mentioned institutions is made according to the following criteria: international activities, high-quality student recruitment, scientific and pedagogical potential quality, quality of research and scientific-technical activities, resource and infrastructure provision, etc. For example, the publishing service "URAN" (Association of Users of Ukrainian Research and Academic Network) carries out the scientometric monitoring of the entities of the academic publishing activity in Ukraine in terms of Scopus database, on the basis of which the rating of Ukrainian higher educational institutions is annually made. The results of the university ranking are based on the indicators of the Scopus database, which is a tool for tracking citation of the scientific articles, published by universities or their staff, and determining the university prestige. The scientific activity performance is assessed by two key indicators: the number of publications and citation level, which testify to the productivity of both individual academicians and higher education institution as a whole. Publications in the journals, included in scientometric databases, confirm the high level of the scientific and research work that automatically improves the university ranking, and reduces the reputation risk.

An increase in the number of publications in the scientometric database, in particular Scopus, enables the universities not only to retain but also improve their positions that makes them more attractive to students and academic staff.

But on the contrary, it is worth mentioning that university rankings could have an adverse effect on the university reputation as there is a risk that time invested by universities in collecting and using data and statistics in order to improve their performance in the rankings may detract from efforts to progress in other areas such as teaching and learning or community involvement [14, p. 8]. Efforts by universities to improve their positions in the rankings may keep them from placing greater focus on elements of their mission that have no direct relevance to the ranking scores.

Besides publication in prestigious international journals, in order to keep up academic reputation, the universities focus on the international collaboration by strengthening their links with reputable overseas educational institutions. The development of bilateral and multilateral international relations, educational and scientific projects is a priority for the universities of Sumy Region. The cooperation with foreign partners is made using a variety of organizational forms: from student and academic staff mobility and participation in international conferences, seminars, "round tables" to the implementation of joint educational programs and participation in various international scientific and educational organizations. As of today, the above mentioned Sumy universities have concluded over 200 agreements on different types and forms of cooperation with foreign partners from more than 40 countries. The activities of the universities in the international educational space are focused on the long-term programs and projects aimed at improving the quality of educational and scientific activities to the level of world standards. In the system of international relations, pride of place goes to the arrangement of practical training and scientific internship abroad. The students of the universities have practice in the businesses of Denmark, Holland, Germany, Poland, Austria, Switzerland, Sweden, Finland, USA, Australia and other countries. By so doing, through international engagement SNAU and SSU strengthen their international reputation and image.

Due to the fact that the effective operation of universities depends on their financial stability, financial risk is no less dangerous than the aforementioned types of reputation risk. Financial risk in the economic sector is "an umbrella" term for multiple types of risks including credit risk, market risk, exchange risk etc. In a university context, this includes reduction in public funding, inflation, bargaining pressures, enrollment, operating grant, collection of student fees, investment of trust and endowment funds and impact on international student enrolment which arise from currency fluctuation" [3, p 3].

Most British universities consider the financial risk to be of the highest priority, that is why it ranks first in their risk registers. Insufficient financial resources may lead to lower quality of the educational and research services provided by higher educational institutions. The typical examples are the University of Cambridge [29; 30], in the corporate register of which the reduction in research funding and the threat to financial stability are the main strategic risks being in the top decile, and the University of Oxford where the financial risk is of paramount importance and ranks foremost in the register. The University of Oxford considers insufficient government funding, particularly from HEFCE, poor financial planning, insufficient capital funding from donors or HEFCE, etc. to be the financial risk [22; 23]. For example, to achieve sustainable operation and maintain the ability to make continued investment in the fulfillment of its mission, the University of Cambridge should seek to achieve an annual operating surplus of at least 3% of turnover (i.e. about 20 million pounds). The financial health of the institution is at risk if this target is not met [29].

The financial risk of the Ukrainian universities, in particular, the studied universities of Sumy Region, is made up of such elements as change in government funding policy resulting in a drop in income, failure to recruit (home or overseas) target student numbers, failure to meet financial liabilities, improper financial strategy and management, failure to secure value for money in the university's resource use, etc.

Nowadays, educational institutions of all accreditation levels and types, including diversified (classical, technical) and industry (technological, pedagogical, humanitarian, medical, economic, legal, pharmaceutical, agrarian, etc.) ones, have some difficulties in overcoming internal and external challenges, accompanied by public budget cuts, the processes of globalization and interna-

tionalization of higher education, which, on the one hand, intensify competition, and on the other one, provide new opportunities for activity expansion. Direct public funding is the most important income source for many British and Ukrainian higher education providers. But insufficient budget financing has resulted in the search for additional funding sources by higher educational institutions to ensure their functioning and fulfilling the statutory objectives. In this context, risk mitigation is a powerful driver for the strategic pursuit of new funding sources. Against the backdrop of a severe economic downturn, universities typically find themselves in a position where developing additional funding streams becomes a requirement if they are to fuel further growth in their activities. It is worth noting that this perception is shared by universities across different countries, regardless of the percentage of GDP allocated to higher education. Universities in Portugal, Ukraine, Switzerland, the Netherlands, Germany, Italy or the United Kingdom all shared this rationale [2, p. 61].

The study of activities of the Ukrainian universities has made it possible to find that in terms of public financing reduction, the provision of fee-based services, including for overseas students, is one of the effective mitigation measures which enable universities to generate millions in revenues. In order to avoid being under-recruiting institutions that might face serious financial difficulties, the Ukrainian universities should attract international students, as in case with SNAU and SSU which got the hang of it some years ago, and as things stand, increased their proceeds. The universities try to obtain licenses to train foreign students under all accredited degree programs at Bachelor, Master and Ph.D. levels. For example, in order to increase the number of foreign students, SNAU and SSU have implemented the academic curriculum providing for cross-cutting English language training that, in turn, results in occurrence of another risk – the risk of failure of some representatives of academic staff to teach their subjects in a foreign language. To minimize the effects of this risk, the universities have introduced the foreign language courses for the academic staff, after which the proficiency level is assessed.

The attraction of the international student population plays a pivotal role in bolstering financial stability of Sumy State Pedagogical University named after A. S. Makarenko. The university has concluded the agreements with the Yinchuan North National University in the province of Ningxia (China) under the intergovernmental agreements on cooperation in the field of education and science regarding academic mobility of students under the educational programs 3+1 and 2+2. In accordance with this agreement, foreign students are given the opportunities not only of being trained in attractive specialties, but also of taking the educational and industrial practices, conducting scientific researches. The holistic character of such an offer, including both theoretical and practical training, obtaining the scientific degree sets this university apart other universities of the region.

The capacity of universities to generate additional income relates to the degree of autonomy granted by the regulatory framework in which they operate [2, p. 9]. SNAU and SSU provide an example of the institutions that are able to absorb the financial impacts of any changes and financial risks that materialize, without significantly changes to their revenue and expenditure policies. In order to mitigate negative consequences of a drop in income or to accelerate further growth of their activities, the Ukrainian agrarian universities have an option to grow and sale their own agricultural produce, to breed cattle and poultry, to lease land and other property, etc. For example, the share of SNAU income received from the economic activities (sales of agricultural produce and products of the public catering facility, asset lease and sales, provision of utilities and hostel services etc.) amounted to 31% of the total budget in 2016 [27]. In that year, the SSU additional sources of funding amounted to 20.8% of the total revenues, and included, among other things, the development and export of research and development products on the order of foreign firms under commercial contracts, the introduction of the system of advanced training on anti-corruption management, the provision of other paid services [26].

In addition to securing alternative sources of funding, the financial risk mitigation techniques include accurate budgeting, regular monitoring of performance, regular liaison with funders, fundraising activities, clearly defined fraud policies, marketing of student accommodation, etc.

The financial risk of universities is directly connected with the *risk of student experience* as recruitment difficulty or under-recruiting leads to a drop in real income. The risk of student experience has the following components: failure to recruit and retain sufficient number of students, failure to attract high quality students, failure to provide the educational services which meet the expectations of students, failure to develop high-quality programs and enhance quality, improper evaluation of students' academic performance, poor student experience resulting in loss of, or damage to, the university reputation, poor graduate employability, etc.

To reduce the impact of this type of risk the Ukrainian universities take the following innovative measures: review of training programs by business representatives, professional development of academic staff in business structures, arrangement of the training process at production site, participation of the company's representatives in demonstration lectures, effective recruitment strategy planning, etc. In the situation when there is a reduction in the number of school leavers, the Ukrainian universities try to attract the graduates with the Diploma of Junior Specialist to reduce the risk of low student recruitment. For example, to avoid the risk of failure to meet the student expectations, Sumy universities have introduced a new approach to the organization of student practical training: integration with agribusiness and business on the

basis of requests and orders for the internship, pre-graduation practical training, and job placement.

To improve the graduate job prospects as one of the most pressing issues in the Ukrainian society, the universities of Sumy Region have created the systems aimed at providing students with support and assistance in finding the best companies and institutions for future employment, and have established the practice of arranging job fairs, career days. For example, SNAU has established the student agency for graduate employment, which is intended not only to help solve the employment problems of young specialists, but also to teach them how to attract the employer's attention and to stimulate interest in their candidacy.

The mitigation measures taken by the Ukrainian universities for minimizing the risk of low student recruitment include occupational guidance for prospective students, arranging Open Days, coming into contact with schools or other educational institutions, creating an environment that facilitates the exchange of information and dialogue. The occupational guidance work with students conducted by many Ukrainian universities includes the establishment of career guidance camps for senior pupils. The camp programs provide for the following: economic and legal games, personal development trainings, career guidance consultations and visits to companies and enterprises, testing, individual consultations with a psychologist, etc. In this regard, the practice of SNAU is worth noticing. The university annually arranges the vocational guidance camp "Eco-Prof" during the holidays, at no expense to pupils. The goal of this event is to help school leavers choose their future profession, provide them with the most comprehensive information about the university, and create an atmosphere of immersion in student life, etc. The students of the university participate in this event as well. The program covers training on personal development, practical acquaintance with the faculties and specialties, imitation games, master classes, eco-quests and others.

The specialized center "Prospective Student" of Sumy State Pedagogical University named after A. S. Makarenko has been created to suggest special preparatory course for the External Independent Testing, to advise school leavers and their parents on the issues regarding the External Independent Testing, etc. In order to ensure occupational guidance for schoolchildren, the university annually arranges the "Biologist" summer camp in Vakalivshchyna, and has entered into the agreements with the supporting schools to attract prospective students.

According to M. Huber, the quality of academics and other senior staff, and attraction of the best staff, especially at professorial level, are the key factors in the university's future performance and reputation [8, p. 16]. Hence, *the risk of staffing issues* completes the list of the modern university's risks of high priority. It includes the following components: inability to attract new staff and retain the existing one, failure to improve teaching capabilities of academic staff, reduction in the opportunities to appoint new staff to vacancies because of increased budgetary pressure, difficulties in recruiting appropriate existing and/or new staff to senior leadership positions in the university, failure to create adequate system of salaries and allowances in comparison to the European markets and competitor academic institutions from abroad, etc.

The risk of staffing comes fifth in the risk register of the University of Cambridge, and comes second in the risk register of the University of Oxford. These universities consider failure to articulate academic priorities, failure to recruit or retain academics and other senior staff to be the main components of the staffing risk.

It should be mentioned that the staffing risk of the British and Ukrainian universities has some common features such as budgetary pressures, which reduce the opportunities to appoint new staff to vacancies, low salaries particularly at the top of the professorial scale in comparison to the European markets and competitor academic institutions, etc. The mitigation measures of the universities of Great Britain and Ukraine directed at reducing the probability of the staffing risk materializing include the following: the conclusion of the agreements on cooperation and development of academic mobility, the introduction of the staff training, development and accreditation programs, the management of the university image as a good place to work, constant review of staff remuneration package, the monitoring and regular review of facilities, the introduction of the fast-track promotion scheme, etc.

Conclusion

The problems, arising from the uncertainty regarding public funding, quantitative and qualitative student recruitment, fierce competition in attracting foreign and domestic students, as well as from the application of new teaching methods based on innovative information technologies, force the Ukrainian universities to improve existing and create new educational products, processes and services. The introduction of mechanisms to increase effectiveness of the educational, scientific, financial-economic and other activities, to search for alternative sources of income, to promote the development of cooperation with business structures and other higher educational institutions is accompanied by numerous risks such as the compliance risk, reputation risk, financial risk, and the risks of student experience and staffing issues. In this regard, the application of methods and tools to minimize the consequences of risks in order to anticipate adverse events that could potentially occur during the university operation and to ensure its overall stability are of particular importance for universities.

The study of the British and Ukrainian experience in risk management of higher school enables to conclude that the risk types existing in the university activities are common making it possible to make the following recommendations for the implementation of the achievements of the British higher education system in the study area in Ukraine:

1. It is essential to develop the regulatory framework of risk management at the national level, in which to formulate a pro-forma portfolio of risks, the management of which the higher education establishment shall be liable for.

2. At the university level it is expedient to develop the risk management strategy in accordance with the mission of the university; to specify the methodology for the identification and analysis of risks that threaten its performance. The university management should develop a comprehensive risk profile using standard definitions and metrics.

3. Under the obligatory procedure, it is necessary to ensure the university's risk accounting over the years, to determine an acceptable risk level (risk appetite).

4. An important step in implementing the risk management practice is to carry out systematic monitoring of the risk management process and outcome at all levels of the university governance.

5. Finally, it is appropriate to report on the risk management outcomes, and to appoint the persons responsible for maintenance of a key risk register and the frequency of its updating.

The study conducted does not resolve the totality of the above problems. The prospects of further research are to determine the characteristics of the methods and tools for creating the system of academic risk management in the Ukrainian higher school.

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МЕНЕДЖМЕНТ РИЗИКІВ ДІЯЛЬНОСТІ СУЧАСНОГО УНІВЕРСИТЕТУ: ПОРІВНЯЛЬНИЙ АНАЛІЗ БРИТАНСЬКОГО ТА УКРАЇНСЬКОГО ДОСВІДУ

Провідною ознакою діяльності сучасного університету є її інноваційний характер. З урахуванням того, що інновації і зміни в діяльності університету є неминучими і відбуваються в умовах, що створюють певні ризики і невизначеність, нагальною необхідністю є не лише розуміння сутності таких ризикових подій, а й застосування заходів запобігання або мінімізації їх наслідків. Метою статті є характеристика нормативних, організаційних та методичних засад запровадження менеджменту ризиків у вищій освіті Великої Британії та України на державному та інституційному рівнях. У статті з'ясовано нормативну базу та організаційну структуру менеджменту ризиків в університетах Великої Британії та України; схарактеризовано типологію ризиків в університетах; здійснено порівняльний аналіз процесів запровадження менеджменту ризиків у діяльність британських та українських університетів. Акцентується увага на ідентифікації та аналізі пріоритетних ризиків діяльності сучасних університетів. Зокрема, розглянуто такі ризики: нормативно-правової невідповідності, репутаційний, фінансовий, пов'язаний зі студентським контингентом, пов'язаний із науково-педагогічним персоналом. Схарактеризовано ключові зони ризику; виокремлено заходи, які можуть зменшити негативний вплив кожного виду ризику на діяльність сучасного університету. На основі емпіричних даних, отриманих у результаті застосування методів аналізу документів звітності університетів, виявлено та узагальнено систему заходів, спрямованих на зниження ймовірності реалізації того чи іншого виду ризику або пом'якшення його наслідків. Підтверджено ефективність використання практики менеджменту ризиків у діяльності вітчизняних університетів. На основі порівняльного аналізу нормативного, організаційного та методичного аспектів розгляду досліджуваної проблеми сформульовано рекомендації щодо розвитку системи управління ризиками в українській вищій освіті на державному та інституційному рівнях. Доцільні заходи включають, крім іншого, розробку стратегії управління ризиками, визначення інституційної методики виявлення та аналізу ризиків, організацію ведення обліку ризиків, здійснення систематичного моніторингу процесу управління ризиками, звітність про результати управління ризиками.

Ключові слова: сучасний університет, діяльність, менеджмент ризиків, зона ризику, заходи з мінімізації наслідків ризику.

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