

# Executive Perspectives on Top Risks for 2020

Board members and C-suite executives worldwide perceive a slightly less risky business environment in 2020 compared to 2019, according to an annual survey from NC State University's ERM Initiative and Protiviti. But significant concerns still abound.

Two overarching themes surround most of the top 10 risks: talent and culture, and technology and innovation. These themes are especially relevant as organizations strive to advance their digital maturity and embrace the transformative potential of technology.

While the top risk issue globally in 2020 is regulatory change and scrutiny, the number 2 risk, economic conditions, is notable in that it was not among the top 10 risks in 2019.

Operational concerns with strategic underpinnings dominate the top 10 global risk issues, including succession challenges and the ability to attract and retain top talent, competing against "born digital" organizations, and resistance to change.

TOP 10 RISKS FOR 2020		
RISK ISSUE	2020*	2019 (rank)*
 1. Impact of regulatory change and scrutiny on operational resilience, products and services	6.38	6.24 (3)
 2. Economic conditions impacting growth	6.34	5.93 (11)
 3. Succession challenges; ability to attract and retain top talent	6.27	6.34 (2)
 4. Ability to compete with "born digital" and other competitors	6.23	6.35 (1)
 5. Resistance to change operations	6.15	6.17 (5)
 6. Cyber threats	6.09	6.18 (4)
 7. Privacy/identity management and information security	6.06	6.13 (7)
 8. Organization's culture may not sufficiently encourage timely identification and escalation of risk issues	5.83	5.99 (9)
 9. Sustaining customer loyalty and retention	5.82	5.95 (10)
 10. Adoption of digital technologies may require new skills or significant efforts to upskill/reskill existing employees (new in 2020)	5.71	N/A (new)

\* Scores are based on a 10-point scale, with "10" representing that the risk issue will have an extensive impact on the organization.

The full survey report, *Executive Perspectives on Top Risks for 2020*, may be accessed at [erm.ncsu.edu](http://erm.ncsu.edu) or [protiviti.com/toprisks](http://protiviti.com/toprisks). It includes detailed breakdowns of the results by respondent role, organization size, industry, geography and other categories.

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