



CPAs & ADVISORS

2024

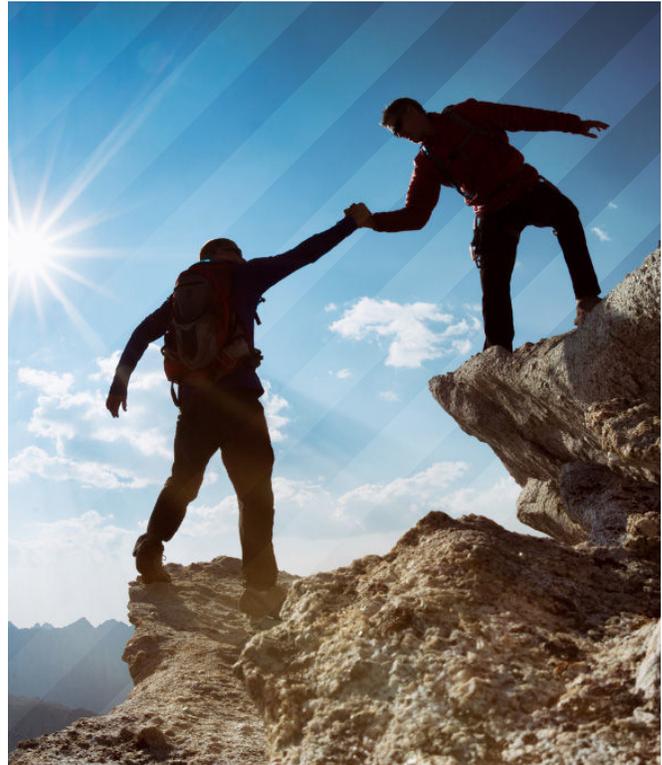
# Top Risks for Nonprofits and Associations



# At the start of 2024, the landscape of risks facing organizations is evolving at an unprecedented pace.

The Risk & Advisory Services team at GRF has meticulously analyzed the top risks predicted by political, economic, and business experts, as well as insights from our 40+ years of experience serving nonprofits and associations.

Join us in exploring the dynamics of 2024’s top risk themes and the potential implications for nonprofits and associations.



Theme 1: Cybersecurity threats are accelerating	3
Theme 2: Economic conditions remain uncertain	5
Theme 3: Attracting and retaining talent continues to present challenges	7
Theme 4: Elections and global conflict complicate long-term planning	9
Theme 5: Artificial intelligence is both an opportunity and a threat amplifier	11
Concluding Thoughts	13
GRF Can Help	15
Contact Us	16
Appendix: Sources	17



**THEME 1**

# Cybersecurity threats are accelerating

Cybersecurity, a perennial top risk, has skyrocketed to the number one slot on many surveys and experts' risk rankings for 2024. As organizations become more digitally connected and reliant on third-party technologies, external data sources, and outside service providers, they become more exposed to direct attacks and more vulnerable to the financial, operational, and reputational consequences of an attack on a vendor or partner. At the same time, cybercriminals are becoming more sophisticated, often with the assistance of artificial intelligence (AI), leading to more frequent attacks that are harder to prevent and counter.

Some organizations that shifted to remote or hybrid work environments since 2020 did so hastily without adequate segregation of duties and internal controls within their IT systems, increasing risk of data breaches and fraud. Many organizations have not yet instituted sufficient cybersecurity defenses, such as performing annual risk assessments, designing internal controls, and educating staff on internal policies to address their increased exposure. Using personal devices or insecure home networks provides cybercriminals with easier access to sensitive information and systems. Employees using cloud-based storage, shared files, and collaboration tools from various unsecured locations increases the risk of unauthorized access to sensitive data or data breaches.

AI can help bolster protections but is more often used by cybercriminals to outpace defenses (see Theme 5). Using generative AI can make phishing and malware smarter and trickier. Most people can easily recognize phishing emails that ask for immediate payments and wire transfers as scams. But the next generation of phishing emails will feature realistic, but fake, phone and video calls that use the actual voice and likeness of organization leaders, fooling many employees, donors, and partners.

Geopolitical tension is fueling state-sponsored and politically motivated cyberattacks. These cyberattacks are increasingly launched by criminal operations rather than solitary hackers. Ransomware-as-a-service is a growing trend, where groups harvest access credentials for sale, build ransomware for others, and manage ransom payment processing. State-of-the-art scams are now more widely available to criminal groups who previously lacked the necessary technical skills to be effective.

***“Not only has the risk of state-sponsored cyberattacks increased because of geopolitical uncertainty – including the war in Ukraine and tensions between the U.S. and China – but the burgeoning cyberattack-as-a-service industry means that amateur hackers can carry out sophisticated scams for a fraction of the time and cost.”***

**- INTERNAL AUDIT FOUNDATION'S RISK IN FOCUS 2024:  
NORTH AMERICA**





## Impact on Nonprofits and Associations

Nonprofit organizations, with traditionally weaker defenses, are especially vulnerable. Small organizations are not immune; advances in technology make it cheaper and easier to attack organizations of all sizes. In fact, smaller organizations may be seen as better targets since they are less likely to be prepared. Organizations that rely on third-party service providers and have remote and hybrid work environments are at highest risk.

The financial implications and operational impact of a cybersecurity incident can be significant and if data is breached, consequences from the violation of trust and reputational damage can be long-lasting and devastating.

☒ All organizations should assume they are targets for a data breach and put precautions in place, as well as form a crisis management group and prepare protocols in the event of a successful attack. Minimum security measures include multi-factor authentication (MFA), antivirus software, routine database backups, mobile device management, and regular user awareness training. Simulated exercises to test employees' detection of phishing and social engineering tactics are effective for strengthening the first line of defense. Cyber audits and cybersecurity scanning, such as GRF's Cyber Scorecard, are cost-effective ways to identify and fix weaknesses before they are discovered by hackers.



**THEME 2****Economic conditions remain uncertain**

Last year's predictions for a recession in the U.S. did not materialize, but most experts do not expect a strong economy in 2024. Inflation stabilized in 2023, but the risk of it picking up pace remains and, as a result, interest rates are likely to stay high. Protracted war in Europe and the potentially widening conflict in the Middle East could disrupt supply chains and increase energy prices. The El Nino weather pattern, which will affect most of the world in early 2024, may reduce food production and drive up food prices. Catastrophic natural disasters due to climate change will continue to be more frequent and have the potential to affect global supply chains and commodity markets as well as have significant localized economic impact.

In 2024, over 70 countries representing nearly 60% of global GDP are heading to the polls (see Theme 4), creating tremendous uncertainty around economic policy throughout the world. Weak economies and national security concerns may fuel populist candidates and prompt expanded industrial policies and trade restrictions that will further increase inflationary pressures.



*“Near term, uncertainty continues in the market over central bank policies amid persistent inflation being fueled by rising labor costs (driven by robust employment and skilled labor shortages, particularly in countries where birth rates have dropped significantly), outsized government stimulus, the West’s de-risking reliance upon China, regional conflicts, other developments in the geopolitical landscape, and increasing shelter, food and energy prices.”*

- NC STATE UNIVERSITY AND PROTIVITI'S EXECUTIVE PERSPECTIVES ON TOP RISKS FOR 2024 AND A DECADE LATER



## Impact on Nonprofits and Associations

Even if inflation declines, the impact of several years of price increases will strain budgets. Operational costs, such as rent, utilities, and supplies, will likely remain high and could rise further. A continuing tight labor market will keep upward pressure on salaries and benefits (see Theme 3). Nonprofits with programs addressing poverty, food insecurity, and homelessness may find demand for their services growing while the cost to provide those services is increasing. Capital projects that have been delayed due to high interest rates may still not be affordable.

Uncertainty about future economic conditions creates fundraising challenges. Donors may reduce their charitable giving or take a wait-and-see approach and delay their gifts. Keeping current and former donors engaged and attracting new donors to address the shortfall resulting from high costs may require increased development efforts.



☒ Building flexibility into budgeting can help organizations cope with economic uncertainty by recognizing that financial plans may need to adapt to changing circumstances. This involves identifying variable costs that change in response to fluctuations in revenue, activities, or external conditions. Regularly revisiting and updating budgets based on revised assumptions and economic trends enables organizations to be more responsive to financial concerns and opportunities. Monitoring cash flow on a regular basis is crucial for predicting financial needs and can help identify patterns and trends to inform more proactive financial management, such as following up on outstanding receivables and implementing cost-saving measures.



**THEME 3**

## Attracting and retaining talent continues to present challenges

As the pandemic recedes, disruptions to the labor market that were assumed to be temporary are becoming systemic challenges. Workforce shortages and skills gaps persist and will be exacerbated by demographic changes and shifting views on work-life balance. Higher compensation alone will not be sufficient to attract new staff. Workers of all generations, but especially the Millennials and Gen Z who are beginning to dominate the workforce, expect more from their employers. Employees are increasingly looking for flexible work schedules, career development opportunities, and workplace initiatives that advance diversity, equity, and inclusion.

Meanwhile, retaining talent is becoming a more significant risk as chronic vacancies intensify pressure on current staff. Burnout is a concern as increased workloads, adjustments to post-pandemic work arrangements, and the stress of living in a polycrisis world contribute to deteriorating mental health.

*“Many people who survived on a combination of adrenaline and loyalty to their colleagues and employers are now running on empty tanks. And there is limited prospect of a let-up in pressure; our survey respondents report a higher level of perceived risk [to staff health, wellbeing, and security] in the coming 12 months than at any time in the past five years.”*

- INTERNATIONAL SOS'S RISK OUTLOOK 2024





## Impact on Nonprofits and Associations

Quality of life benefits, including remote work and greater schedule flexibility, mentoring, professional development opportunities, and contribution to meaningful work may compensate for lower salaries and be more appealing to younger staff, but nonprofits with limited budgets will continue to be constrained in their ability to compete for and retain talent, especially for technology-related positions. And lack of technological expertise is often the bottleneck preventing the adoption of new technologies that would improve efficiency and allow organizations to do more with less staff.

☒ Organizations may need to consider alternatives if vacancies are unfillable, such as investing in training to expand current employees' skillsets or reskilling to help them transition into new roles. For many organizations, investing in capturing institutional knowledge and succession planning will be priorities. In some cases, staffing limitations may affect the timing and scope of strategic priorities and plans.



**THEME 4**

## Elections and global conflict complicate long-term planning

An unprecedented number of elections will occur in 2024 with a greater share of the world's population heading to the polls for nationwide elections than has ever occurred. As a result, there is tremendous uncertainty globally about everything from the continuity of economic policy to action on climate change to military engagement. Some elections will not be free and fair, so the outcomes are not in doubt. Others are unlikely to cause major disruption or result in significant policy changes, but the potential for significant changes and unrest exists throughout the world in 2024. Regardless of the outcome, the election in the United States is likely to have a profound impact throughout the world.

The run-up to the U.S. election is likely to be destabilizing with political division and polarization worsening and further eroding trust in institutions and democratic processes. Disinformation is likely to play a role, aided by advances in AI that make it easier to promulgate convincing false information. The extent to which it will be effective in distorting views of reality will determine its ability to influence actions from casting votes to committing violent acts. Social unrest, an increase in hate crimes, and terrorism are all possible. The result of the election will determine the direction of economic, social, environmental, and national security outcomes in the United States and throughout the world.

Amidst the complex landscape of global elections and conflicts in 2024, environmental, social, and governance (ESG) considerations add an additional layer of uncertainty to long-term planning. Organizations and nations grappling with the outcomes of elections and geopolitical tensions must also navigate the evolving landscape of ESG factors, as stakeholders increasingly prioritize sustainability, ethical practices, and social responsibility.

The wars in Israel and Ukraine will continue to dominate global affairs throughout 2024. If either war expands into a regional conflict or tensions between China and Taiwan escalate, there could be devastating human, geopolitical, and economic impact throughout the world. In addition to the human cost and destabilizing effects for the countries involved, protracted and expanded conflict will contribute to inflationary pressures and result in supply chain challenges, particularly if shipping routes and production centers are directly affected.

***“Over the next two years, close to three billion people will head to the electoral polls across several economies, including the United States, India, the United Kingdom, Mexico, and Indonesia. The presence of misinformation and disinformation in these electoral processes could seriously destabilize the real and perceived legitimacy of newly elected governments, risking political unrest, violence and terrorism, and a longer-term erosion of democratic processes.”***

- THE WORLD ECONOMIC FORUM'S GLOBAL RISKS REPORT 2024



## Impact on Nonprofits and Associations

The outcome of the U.S. election could have significant impact on the operating environment, funding, and strategic priorities for many nonprofit organizations across a wide range of sectors, including civil rights, media, and humanitarian assistance. Regardless of the election results, the period from January through November will intensify existing risks and add new strategic, operational, and reputational risks for many organizations.

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☒ Scenario planning is a useful tool for analyzing geopolitical risks, especially for elections with binary outcomes. Scenario planning begins with identifying the most relevant aspects of uncertainty associated with the event, such as policy or regulation changes.

To enhance the effectiveness of scenario planning in the realm of ESG considerations, it is crucial to integrate the principles of double materiality. Double materiality involves assessing the impact of environmental, social, and governance factors not only on the internal operations of the organization (first materiality)



but also from a stakeholders perspective (second materiality).

Determining the potential impact on these factors of multiple plausible outcomes informs planning of proactive and responsive actions. These actions may be beneficial to pursue regardless of scenario, potentially reversible actions, or permanent actions.

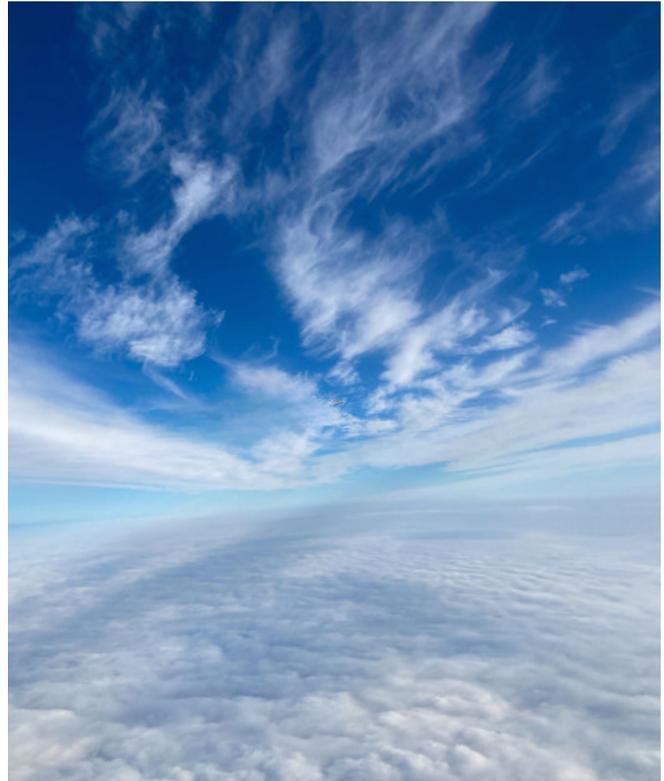


**THEME 5**

# Artificial intelligence is both an opportunity and a threat amplifier

AI's ability to quickly and cheaply complete complicated and time-consuming tasks will be transformational. Many organizations will experience fundamental changes in how they operate, what they do, and how they engage with their stakeholders. Though the most significant impacts are not imminent and are still hard to predict, they are so potentially far-reaching that organizations should begin to consider the potential impact – both positively and negatively.

In addition to increased cybersecurity threats (see Theme 1) and disinformation (see Theme 4), the most common short-term risks associated with AI are related to privacy and reputation. Many employees – officially or unofficially – are using generative AI tools like ChatGPT, but guidelines and guardrails have not kept pace. Employees can enter sensitive or proprietary information into online AI tools without realizing that this action releases the information publicly. Employees may not realize that generative AI is subject to “hallucinations,” or convincing presentation of plausible, but incorrect, information. AI can also be biased and make inappropriate recommendations or inadvertently plagiarize. Using generative AI without significant fact-checking and review can cause significant reputational harm.



*“AI is a ‘gray rhino\*,’ and its upside is easier to predict than its downside. It may or may not have a disruptive impact on markets or geopolitics this year, but sooner or later it will.”*

- THE EURASIA GROUP'S TOP RISKS 2024

\* The term “gray rhino” refers to a highly probable, high-impact event that is anticipated, yet neglected or underestimated. This contrasts with a “black swan event,” which is also high impact, but extremely rare and unexpected.



## Impact on Nonprofits and Associations

AI will present opportunities for nonprofits to enhance both their efficiency and effectiveness. The ability to streamline and automate administrative tasks will allow nonprofits to allocate more resources to programs and mission-centered activities. AI-powered data analytics will enable nonprofits to make more informed decisions, optimize fundraising efforts, and better understand the needs of their communities.

One of the most promising short-term applications of AI is for fundraising. AI algorithms can help nonprofits gain valuable insights into donor behaviors, preferences, and trends, enabling more targeted and personalized fundraising campaigns. Predictive analytics can identify potential high-value donors and suggest the most effective engagement strategies. AI can also analyze social media and online trends, helping nonprofits understand the sentiment around their cause and tailor their messaging accordingly. Furthermore, AI-driven automation can streamline administrative tasks and speed up report writing.



☒ To protect against the privacy and reputational risks associated with AI, nonprofit organizations should discuss how they intend to use AI and the precautions they will put in place. Data privacy policies are critical to safeguarding sensitive information. These policies should articulate how to collect, store, and use data, ensuring compliance with any relevant privacy regulations. Security protocols should be established to protect against potential breaches or malicious use of AI applications. Ethical guidelines should address the responsible use of AI, considering potential biases in algorithms, and circumstances when to use AI and when its use must be disclosed.





## CONCLUDING THOUGHTS

For many organizations, 2023 marked the end of the pandemic era and the start of settling into an era of changing norms, greater unpredictability, and more inter-connected and fast-moving risks. A healthy risk culture has never been more important. Leaders should strive to establish an environment where employees at all levels of the organizations feel safe to express their concerns, share observations, and report potential risks without fear of judgment or reprisal. Open communication is essential for earlier and more comprehensive risk identification, analysis, and response.

Because risks are so interconnected, it is critical for cross-functional leadership teams to regularly discuss risks and the measures needed to address them. The five risk themes highlighted in this year’s report demonstrate the related nature of top strategic risks. For example, geopolitical conflict and uncertainty are contributing to inflation and driving

up salary expenses in an already tight labor market. To counteract higher labor costs, organizations are outsourcing functions to third parties and using new technologies that increase their risk of cyberattack. The need to use scarce IT resources to address cybersecurity vulnerabilities may deprioritize or displace exploration of productive and beneficial uses of AI, such as fundraising support.





Melissa Musser, CPA, CIA, CITP, CISA, Partner and Director, Risk & Advisory Services at GRF, emphasizes the pivotal role of nonprofit governance structures, particularly at the board level, in steering organizations through interconnected and fast-moving risks.

**“At the board level, discussions around these interconnected risks become paramount. Regular discussions on risks enable leaders to gain a comprehensive understanding of cross-cutting risks, to align on priorities, and to collaboratively develop strategies to address interconnected risks. To facilitate these discussions, we recommend nonprofits establish management-level risk committees that directly report risk information to boards of directors”**

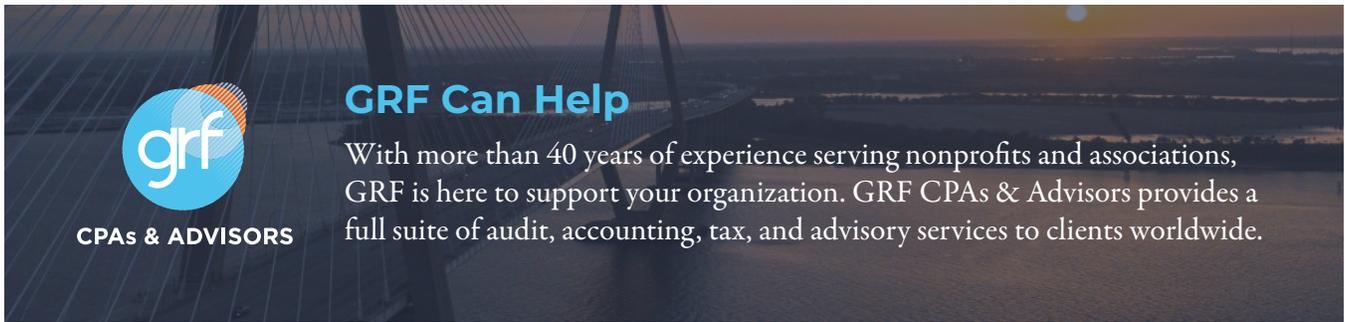
- MELISSA MUSSER, CPA, CIA, CITP, CISA, PARTNER AND DIRECTOR, RISK & ADVISORY SERVICES AT GRF

By contributing to strategic decision-making, this collaborative approach becomes the bedrock for building organizational resilience and strengthening nonprofits’ ability to achieve their mission and goals.

In the ever-evolving landscape of risks, the focus on nonprofit governance structures, open communication, and collaborative risk management is instrumental. It not only strengthens nonprofits’ ability to achieve their mission and goals but also ensures a proactive stance in navigating the complexities of the current era. GRF stands as a trusted partner, offering insights and solutions to guide organizations through the intricacies of risk management and governance. Together, we forge a path towards organizational resilience and success.

The risk committee is a dedicated body that plays a pivotal role in keeping leadership teams vigilant and responsive to evolving and emerging risks.





**Our risk & advisory experts can help you address today’s emerging risks:**

**ERM & ESG Advisory**



Enterprise risk management (ERM) integrates strategic planning and risk management to improve responses to uncertainty, strengthen organizational resilience, and support mission fulfillment. ERM provides a framework for determining an organization’s most critical risks and developing plans to monitor and manage these risks. GRF’s approach to enterprise risk management merges technical expertise and pragmatism. Our ERM solutions are right-sized for your organization and we deliver actionable recommendations that organizations can implement immediately. Our clients range from organizations just beginning ERM to those with sophisticated programs seeking to further enhance their risk management activities.

**Internal Audit and Investigations**



GRF has seen a sizable increase in fraud among our nonprofit and association clients. A fraud risk assessment can help your organization prevent and detect fraudulent activity. This assessment identifies the processes that could be exploited (for example, due to lack of controls or staffing constraints) and focuses on these and other high-risk processes, such as accounts payable and expense reimbursement. This enables your organization to allocate resources to mitigating the most significant risks and develop a monitoring plan for less significant risks. A fraud risk assessment feeds into an internal audit plan to mitigate risks and identify opportunities for process improvements. If you suspect fraud has occurred, GRF’s certified fraud examiners can investigate allegations and recommend remedial actions.

**Business Continuity Planning**



Organizational resiliency relies on proactive planning to tackle threats to your organization before they occur. Unplanned events can adversely affect the operations of organization of all sizes, putting them and their stakeholders at significant risk. Business continuity plans (BCP) are an important element of risk management and prepare your organization for major risk events such as public health emergencies, government shutdowns, natural disasters, and cyberattacks. The advisors at GRF bring industry knowledge combined with cybersecurity expertise to help clients anticipate and mitigate potential disruptions to their operations.

**Cybersecurity Audits and Assessments**



GRF is dedicated to safeguarding the integrity of our clients’ information technology systems. Our CISA-certified auditors and certified ethical hackers use their in-depth understanding of the cyber risk landscape, regulatory requirements, and recommended frameworks to provide practical, right-sized solutions. Our Cybersecurity Scorecard takes a hacker’s perspective into your organization to identify vulnerabilities in 19 security related categories and one informational category with results presented in an easy-to-read scorecard. The report details risks, remediation steps, and best practices to increase your score. In addition to reducing your vulnerability to cyber threats, implementing the Cybersecurity Scorecard’s monitoring and remediation activities can reduce the cost of cyber insurance.

# CONTACT US

*Our Risk & Advisory Services team is here to help. We take a pragmatic approach that combines expertise with cutting edge technology, enabling our clients to achieve the best possible results.*



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# Appendix: Sources

2024 Top Risks for Nonprofits and Associations  
[www.grfcpa.com](http://www.grfcpa.com)

## Survey-Based Reports

### NC State University and Protiviti’s Executive Perspectives on Top Risks 2024 and a Decade Later

<https://erm.ncsu.edu/az/erm/i/chan/library/nc-state-protiviti-survey-top-risks-2024-2034-report.pdf>

The Enterprise Risk Management (ERM) Initiative at NC State University’s Poole College of Management provides thought leadership about ERM practices and integration with strategy and corporate governance; Protiviti is a global consulting firm. *Executive Perspectives on Top Risks* provides the results of a survey of 1,143 directors and senior executives in corporate, nonprofit, and government sectors throughout the world. The survey was conducted online in September and October 2023.

### World Economic Forum’s Global Risks Report 2024

[https://www3.weforum.org/docs/WEF\\_The\\_Global\\_Risks\\_Report\\_2024.pdf](https://www3.weforum.org/docs/WEF_The_Global_Risks_Report_2024.pdf)

The World Economic Forum is an international organization that engages political, business, and other leaders of society to shape global, regional, and industry agenda. The *Global Risks Report* draws on survey input from 1,490 experts across academic, business, government, the international community and civil society. The responses were collected from September 4 to October 9, 2023.

### Top Risks for 2024

1. Economic conditions, including inflationary pressures
2. Ability to attract, develop and retain top talent, manage shifts in labor expectations, and address succession challenges
3. Cyber threats
4. Third-party risks
5. Heightened regulatory changes and scrutiny
6. Adoption of digital technologies requiring new skills in short supply
7. Existing operations and legacy IT infrastructure unable to meet performance expectations as well as “born digital” competitors
8. Change in current interest rate environment
9. Increases in labor costs
10. Ensuring privacy and compliance with growing identity protection expectations

### Top Global Risks

1. Misinformation and disinformation
2. Extreme weather events
3. Societal polarization
4. Cyber insecurity
5. Interstate armed conflict
6. Lack of economic opportunity
7. Inflation
8. Involuntary migration
9. Economic downturn
10. Pollution



## Internal Audit Foundation *Risk in Focus 2024: North America*

<https://www.theiia.org/en/internal-audit-foundation/latest-research-and-products/risk-in-focus/>

The Internal Audit Foundation, part of the Institute of Internal Auditors, conducts research and funds initiatives to support the internal audit profession. Risk in Focus 2024: North America combines input from a survey of 442 chief audit executives and directors in the United States and Canada, 4 roundtable events with 28 participants, and 9 in-depth interviews. The research was conducted in the first half of 2023.

## AuditBoard’s 2024 Focus on the Future Report

<https://www.auditboard.com/resources/ebook/2024-focus-on-the-future-report-widening-risk-exposure-gap-demands-internal-audit-transformation/>

AuditBoard is an audit, risk, and compliance software provider. The *Focus on the Future Report* presents results from a global survey of 453 chief audit executives and internal audit directors conducted online in September and October 2023.

### Top 10 Risks

1. Cybersecurity and data security
2. Human capital, diversity, and talent management and retention
3. Changes in laws and regulations
4. Market changes/competition and customer behavior
5. Business continuity, operational resilience, crisis management, and disaster response
6. Digital disruption, new technology, and AI
7. Supply chain, outsourcing, and 'nth' party risk
8. Macroeconomic and geopolitical uncertainty
9. Financial, liquidity, and insolvency risks
10. Communications, reputation, and stakeholder relationships

### Top 7 Risks

1. Cybersecurity and data security
2. Changing economic conditions
3. Ability to attract and retain talent
4. Regulatory and legislative changes
5. IT (not covered in other choices)
6. Third-party management
7. Disruption due to digitalization and/or new business models



## AXA’s Future Risks Report 2023

<https://www.axa.com/en/press/publications/future-risks-report-2023-report>

AXA is large global insurance provider. Its *Future Risks Report* is based on survey responses from a panel of 3,226 risk experts from 50 countries and a representative sample of 19,016 people from 15 countries conducted May 10 – June 16, 2023.

## Aon’s Global Risk Management Survey

<https://www.aon.com/en/insights/reports/global-risk-management-survey>

Aon is a multinational financial services firm that sells a range of risk-mitigation products. Aon surveyed 2,842 decision makers including risk managers, C-suite leaders, treasurers, HR, and talent professionals from 16 industry clusters, which include small, medium and large companies in 61 countries and territories. The survey was conducted from June to July 2023.

## Global Top 10 Emerging Risks

1. Climate change
2. Cybersecurity risks
3. Geopolitical instability
4. Risks related to AI and big data
5. Energy risks
6. Natural resources and biodiversity risks
7. Financial stability risks
8. Social tensions and movements
9. Pandemics and infectious diseases
10. Macro-economic risks

## Top 10 Current Risks

1. Cyberattacks/data breach
2. Business interruption
3. Economic slowdown/slow recovery
4. Failure to attract or retain top talent
5. Regulatory/legislative changes
6. Supply chain or distribution failure
7. Commodity price risk/scarcity of materials
8. Damage to reputation/brand
9. Failure to innovate/meet customer needs
10. Increasing competition



## Allianz Risk Barometer 2024

<https://commercial.allianz.com/news-and-insights/reports/allianz-risk-barometer.html>

Allianz is a large provider of insurance and asset management products and services. The *Risk Barometer* provides the results of a survey of 3,069 global businesses, brokers, industry trade organizations, and risk management professionals in 92 countries and territories. The survey was conducted during October and November 2023.

### Expert Analysis

## S&P Global Ratings' *Global Credit Outlook 2024*

[https://www.spglobal.com/\\_assets/documents/ratings/research/101590414.pdf](https://www.spglobal.com/_assets/documents/ratings/research/101590414.pdf)

S&P Global Ratings is a credit rating agency and publishes financial research and analysis.

## Global Risks in Focus

1. Cyber incidents
2. Business interruption
3. Natural catastrophes
4. Changes in legislation and regulation
5. Macroeconomic developments
6. Fire, explosion
7. Climate change
8. Political risks and violence
9. Market developments
10. Shortage of skilled workforce

## Top Global Risks

1. An extended period of high real-interest-rate levels further strains the weakest borrowers
2. An economic hard landing leads to greater credit stress
3. Stresses in global real estate markets result in materially higher credit losses and spillovers to broader economies and markets
4. China's economic growth challenges cause ripple effects globally
5. Geopolitical tensions threaten market and business confidence, trade, and a renewal of inflation
6. Increased financial, business, and human implications from climate physical and transition risks
7. Cyberattacks and the potential for rapid technological change threaten global business and government infrastructure



## Economist Intelligence Unit’s Risk Outlook 2024

<https://www.eiu.com/n/campaigns/oct-23-risk-outlook-2024/>

The Economist Intelligence Unit is the research and analysis division of The Economist Group, the sister company to The Economist newspaper.

## Ten Critical Risk Scenarios Facing the Global Economy

1. Monetary policy tightening extends deep into 2024, leading to a global recession and financial volatility
2. A green technology subsidy race becomes a global trade war
3. Extreme weather events caused by climate change disrupt global supply chains
4. Industrial action spreads, disrupting global productivity
5. China moves to annex Taiwan, forcing a sudden global decoupling
6. A change in the US administration leads to abrupt foreign policy shifts, straining alliances
7. Stimulus policy failures in China lead to increased state controls and diminished growth prospects
8. The Israel-Hamas war escalates into a regional conflict
9. Artificial intelligence disrupts elections and undermines trust in political institutions
10. The Ukraine-Russia war spirals into a global conflict

## Forbes 8 Biggest Risks and Threats That Companies Will Face in 2024

<https://www.forbes.com/sites/edwardsegal/2023/12/03/the-8-biggest-risks-and-threats-that-companies-will-face-in-2024>

Forbes is an American business magazine.

## Eight Biggest Risks and Threats That Companies Will Face in 2024

1. Geopolitical uncertainty
2. Elevated inflation
3. Failure to invest
4. Talent shortages
5. Cyber attacks
6. Climate change
7. Complacency and confusion
8. Inability to connect with others



## International SOS Risk Outlook 2024

<https://www.internationalsos.com/risk-outlook>

International SOS is an international health and security risk management firm.

## Eurasia Group's Top Risks 2024

<https://www.eurasiagroup.net/issues/top-risks-2024#whitepaper>

The Eurasia Group is a political risk advisory and consulting company.

## Five Predictions for 2024

1. Storm Warning: Climate change comes home
2. Running on Empty: The permacrisis takes its toll
3. A Different Planet: Global instability deepens
4. All Grown Up: AI brings new risks and opportunities
5. Contract Changes: Navigating the new employment relationship

## Top Risks 2024

1. The 2024 election will test American democracy to a degree the nation hasn't experienced in 150 years
2. The number of incendiary players in the Middle East raises the risk of escalation
3. Ukraine will be de facto partitioned this year, an unacceptable outcome for Ukraine and the West that will nevertheless become reality
4. Breakthroughs in artificial intelligence will move much faster than governance efforts
5. Deeper alignment and mutual support between Russia, Iran, and North Korea may threaten global stability
6. Any green shoots in the Chinese economy will only raise false hopes of a recovery as economic constraints and political dynamics prevent a durable growth rebound
7. The scramble for critical minerals will heat up as importers and exporters intensify their use of industrial policies and trade restrictions
8. The global inflation shock that began in 2021 will continue to exert an economic and political drag in 2024
9. A powerful El Nino climate pattern will bring extreme weather events that cause food insecurity, increase water stress, disrupt logistics, spread disease, and fuel migration and political instability
10. Companies caught in the crossfire of US culture wars will see their decision-making autonomy limited and their cost of doing business rise

