



## Literature Review

# Insurance Profile, Risk Management and Loss Minimisation in Universities in Southwest Nigeria

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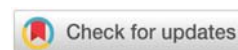
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## Abstract

Universities in Nigeria operate in dynamic environments that expose them to diverse risks, including fires, theft, natural disasters, and liability issues. These risks threaten institutional assets, disrupt academic activities, and cause financial losses. Insurance provides financial protection against such risks, while risk management involves identifying, assessing, and mitigating them before they occur. In developed countries, universities adopt comprehensive frameworks such as Enterprise Risk Management (ERM), but Nigerian institutions often lack structured approaches. This study examined the insurance profiles, risk management practices, and loss-minimisation strategies of universities in Southwest Nigeria. Using a descriptive survey design, data were collected from administrators, bursary staff, and insurance desk officers across selected universities. Findings revealed that most institutions rely on basic insurance policies such as fire and motor insurance, with limited adoption of liability, health, and specialized coverage. Risk management practices were found to be fragmented and reactive, with few universities maintaining structured frameworks. Regression analysis revealed statistically significant associations between insurance, risk management, and loss minimisation, although challenges such as inadequate funding, weak institutional policies, low awareness, and inefficiencies in claim settlements hinder effectiveness. The study concludes that insurance and risk management are complementary tools essential for institutional resilience. It recommends expanding insurance coverage, integrating structured risk-management frameworks, increasing funding, building capacity among administrators, and improving claims processes. This research contributes to understanding how Nigerian universities can strengthen their insurance and risk management practices to safeguard assets, ensure academic continuity, and achieve sustainable loss minimisation.

## Introduction

Universities in Nigeria operate in dynamic environments that expose them to multiple risks, including fires, theft, natural disasters, and liability issues. These risks threaten institutional assets, disrupt academic activities, and cause financial losses [1]. Insurance provides financial protection against these risks, while risk management involves identifying, assessing, and mitigating them before they occur [2].

In developed countries, universities adopt comprehensive risk management frameworks, such as Enterprise Risk Management (ERM), that integrate risk awareness across all aspects of institutional operations [3]. However, in Nigeria, many institutions lack structured risk management

approaches and often rely on fragmented or reactive measures [4]. Southwest Nigeria is home to some of the country's largest universities, including the University of Ibadan, Obafemi Awolowo University, and the University of Lagos. This makes the region an ideal setting for examining insurance and risk management practices. Despite the importance of these practices, many institutions still face challenges, including limited funding, inadequate policies, and low awareness among administrators and staff [5].

Universities in Southwest Nigeria continue to incur losses due to inadequate insurance coverage and weak risk management practices. Many institutions rely on basic insurance policies, such as fire or motor insurance, without integrating these policies into broader risk management frameworks [6]. A

lack of expertise, insufficient funding, and weak institutional structures hinder the effective implementation of risk management strategies. As a result, universities experience avoidable financial losses and operational disruptions that negatively affect academic performance and institutional sustainability [7]. Insurance serves as a financial buffer, enabling universities to recover from unforeseen losses without crippling their budgets [1]. However, insurance alone is insufficient without proactive risk management. Effective risk management requires universities to identify potential threats, assess their likelihood, and implement preventive measures, including fire safety systems, security infrastructure, and disaster preparedness plans [2].

In Southwest Nigeria, universities often adopt piecemeal approaches, focusing on compliance rather than the strategic integration of insurance and risk management. This gap leads to recurring losses, especially when insurance claims are delayed or insufficient to cover the full extent of damages [5]. Strengthening institutional frameworks, training personnel, and adopting ERM principles could significantly improve resilience and minimize losses. Therefore, the study aims to investigate the following research questions and hypotheses to address this gap.

### Objectives

1. To examine the insurance profile of universities in Southwest Nigeria.
2. To assess risk management practices adopted by these institutions.
3. To determine the effect of insurance on loss minimisation.
4. To identify challenges affecting risk management implementation.

### Research hypotheses

- $H_{01}$ : Insurance profile has no significant effect on loss minimisation.
- $H_{02}$ : Risk management practices do not significantly influence loss minimisation.
- $H_{03}$ : There is no significant relationship between insurance and risk management.

### Literature Review

#### Conceptual Framework

##### Role of Insurance in Protecting Institutional Assets

Insurance in higher education is essentially a mechanism for transferring risk from universities to insurance providers. It ensures that when unexpected events occur, such as fires, theft, accidents, or natural disasters, the financial burden does not fall entirely on the institution. Instead, the insurer compensates for the loss, allowing the university to recover and

continue its operations with minimal disruption [1]. The role of insurance in universities goes beyond financial recovery. It also contributes to institutional stability, enabling administrators to plan confidently for the future. By reducing uncertainty, insurance supports the sustainability of academic programs, research activities, and infrastructural development. In this way, insurance is not merely a financial instrument but a strategic tool for protecting the mission and vision of higher education institutions.

### Types of insurance policies commonly adopted globally

Globally, universities adopt diverse insurance policies to safeguard their operations, reflecting their dual roles as academic, research, and social institutions. Property insurance is widely used to protect buildings, libraries, laboratories, and other physical assets against damage or destruction, a practice critical for institutions with extensive campuses and specialized facilities [8]. Liability insurance covers legal claims arising from accidents involving students, staff, or visitors, helping ensure financial stability in the face of lawsuits [9]. Health insurance, often extended to staff and sometimes students, promotes well-being and guarantees access to medical care within the academic community [10]. In addition, specialized coverage is common in research-intensive universities, where expensive equipment, experiments, or intellectual property require protection, particularly in developed countries where research activities form a significant part of university operations [3]. Collectively, these policies enhance institutional resilience, reduce vulnerability, and enable continuity of teaching, research, and community service despite disruptive events. However, while such comprehensive frameworks are standard in developed contexts, universities in Nigeria often rely on basic insurance policies and lack structured risk-management approaches, underscoring the need for expanded coverage and integrated frameworks [11,12].

### Nigeria context: Limited adoption of comprehensive insurance policies

In Nigeria, however, insurance adoption in higher education remains far more limited. Universities, particularly in the Southwest, tend to focus on basic policies such as fire insurance for buildings and motor insurance for vehicles [6]. While important, these policies do not cover the full spectrum of risks modern institutions face. For example, Nigerian universities rarely insure against cyber threats, despite growing reliance on digital platforms for teaching, research, and administration. Liability insurance is also underutilized, leaving institutions exposed to lawsuits arising from accidents or negligence. Similarly, specialized coverage for research equipment is uncommon, even as universities increasingly invest in laboratories and technology-intensive projects [5,13]. This narrow insurance profile reflects broader challenges, including limited funding, low awareness, and weak institutional frameworks. Many administrators view insurance as a compliance requirement rather than a strategic tool for risk management. As a result, universities remain vulnerable to losses that could have been mitigated through more comprehensive coverage.

## Comparative insight

The contrast between global practices and the Nigerian context highlights a significant gap. While universities in developed countries embed insurance within broader risk management frameworks, Nigerian institutions often adopt minimal policies. This difference underscores the need for Nigerian universities to expand their insurance portfolios and integrate them into proactive risk management strategies. Doing so would not only minimise losses but also strengthen institutional resilience and sustainability.

The conceptual framework of insurance in higher education demonstrates its dual role as both a financial safeguard and a strategic instrument. Globally, universities adopt diverse policies that protect assets, staff, students, and research activities. In Nigeria, however, coverage remains narrow, leaving institutions exposed to avoidable risks. Bridging this gap requires expanding insurance adoption and embedding it within structured risk management frameworks. This shift is essential for universities in Southwest Nigeria to achieve effective loss minimisation and long-term sustainability.

## Challenges in risk management and insurance adoption

Despite the importance of insurance and risk management in safeguarding universities, institutions in Southwest Nigeria continue to face significant challenges that impede the effective adoption and implementation of these practices. These challenges are both structural and cultural, reflecting broader issues within the Nigerian higher education system.

### Funding constraints

One of the most pressing challenges is inadequate funding. Universities often operate on tight budgets, prioritizing salaries, infrastructure, and academic programs. As a result, insurance premiums and risk management initiatives are frequently neglected [5]. Without sufficient financial resources, institutions cannot afford comprehensive insurance policies or invest in preventive measures such as fire safety systems, surveillance technology, or disaster preparedness programs.

### Policy gaps and a well-institutional framework

Another challenge is the lack of clear institutional policies on risk management. Many universities lack dedicated risk management units or structured frameworks to guide decision-making [6]. Instead, risk management is treated as an ad hoc activity, often initiated only after a crisis. This reactive approach undermines the effectiveness of insurance, as losses could have been minimized through proactive planning and structured policies [4].

### Limited awareness and expertise

Awareness and expertise among university administrators and staff remain low. Many decision-makers view insurance as a compliance requirement rather than a strategic tool for institutional resilience [2]. This perception leads to underutilization of available insurance products and weak integration of risk management practices. In addition,

a shortage of trained personnel in risk assessment and management leaves universities struggling to identify potential threats and develop effective mitigation strategies [7].

Even with insurance policies in place, universities often experience delays in settling claims. Bureaucratic inefficiencies at insurers, coupled with weak institutional follow-up, prolong recovery after losses [5]. In some cases, compensation is inadequate, forcing universities to absorb the remaining costs. This discourages institutions from investing further in insurance, perpetuating a cycle of vulnerability.

## Comparative perspective

In contrast, universities in developed countries integrate risk management into governance structures, supported by adequate funding, expertise, and comprehensive insurance portfolios [3]. Nigerian universities, however, remain constrained by financial limitations, weak policies, and low awareness. This gap underscores the urgent need for reforms to strengthen institutional frameworks, build administrators' capacity, and promote the adoption of comprehensive insurance policies. The challenges facing universities in Southwest Nigeria, including funding constraints, policy gaps, limited expertise, and inefficient claims processes, significantly undermine the effectiveness of insurance and risk management. Addressing these issues requires a holistic approach that combines financial investment, institutional reforms, and capacity building. Without such measures, universities will continue to incur avoidable losses and disruptions that undermine their academic mission.

## Risk management in universities

Risk management in higher education has become a critical component of institutional governance. Globally, universities face diverse risks, including financial instability, reputational damage, and operational disruptions from natural disasters or technological failures [3]. To address these challenges, many institutions in developed countries have adopted Enterprise Risk Management (ERM) frameworks that embed risk awareness across strategic planning, teaching, research, and administrative functions. ERM emphasizes proactive risk identification, continuous monitoring, and the implementation of preventive measures to safeguard institutional sustainability [14].

In contrast, Nigerian universities often rely on fragmented and reactive approaches. Risk management practices are typically limited to compliance with government regulations or to ad hoc responses to crises such as fires, theft, or student unrest [4]. For example, while fire insurance may be purchased, preventive measures such as regular safety drills, fire alarm installation, and staff training are often neglected. This reactive posture undermines the effectiveness of insurance policies because losses could have been minimized through preventive strategies [5].

Southwest Nigeria, home to some of the country's largest universities, vividly illustrates these challenges. Institutions



such as the University of Ibadan and Obafemi Awolowo University have experienced incidents of theft, infrastructural damage, and student protests that disrupted academic calendars [6]. Yet, risk management remains underdeveloped, with limited institutional frameworks and inadequate funding. The absence of structured risk management units or trained personnel further weakens universities' ability to anticipate and mitigate risks [7].

By comparison, universities in developed contexts embed risk management within governance structures, ensuring that risks are not only insured against but also minimized through preventive measures. Nigerian universities, however, continue to struggle with awareness, expertise, and institutional support. This gap highlights the urgent need for a shift from reactive to proactive risk management, integrating insurance into a broader framework that emphasizes prevention, resilience, and sustainability [2].

### Methodology

This study adopts a descriptive survey research design. The design is appropriate because it allows the researcher to collect data from a large population and describe existing conditions regarding insurance profiles, risk management practices, and loss minimisation in universities. A survey approach also enables the capture of the perceptions of administrators, staff, and other stakeholders regarding the effectiveness of insurance and risk management strategies [15].

### Population of the study

The population of this study comprises universities in Southwest Nigeria. This region includes some of the country's largest and oldest universities, such as the University of Ibadan, Obafemi Awolowo University, University of Lagos, and Federal University of Agriculture, Abeokuta. The target respondents include university administrators, bursary staff, risk management officers, and insurance desk officers, who are directly involved in financial and risk-related decision-making [5].

### Sampling technique and sample size

A purposive sampling technique was used to select both universities and individual respondents, as this approach is appropriate when participants must possess specific knowledge relevant to the research focus — in this case, direct involvement in insurance and risk management decision-making. The sample was drawn from universities across the six states in Southwest Nigeria (Lagos, Ogun, Oyo, Osun, Ondo, and Ekiti), ensuring representation from both federal and state institutions. A stratified approach was applied at the institutional level, with universities categorized by ownership type (federal and state) and selected to reflect the distribution of higher education institutions in the region. Within each selected university, administrators, bursary staff, and insurance desk officers from relevant units were purposively identified and recruited. The total sample comprised 200 respondents, consistent with the demographic data reported

in Table 1. This figure was determined using Yamane's (1967) finite population formula, adjusted to ensure feasibility and adequate representation across institutional categories [6]. An earlier draft of this section erroneously reported a sample of 100; the correct figure is 200, as reflected in the results.

### Data collection instrument

The primary instrument for data collection was a structured questionnaire. The questionnaire was divided into sections corresponding to the research objectives:

- Section A: Demographic information of respondents.
- Section B: Insurance profile of universities.
- Section C: Risk management practices.
- Section D: Effect of insurance on loss minimisation.
- Section E: Challenges affecting risk management.

The questionnaire used a Likert scale format to measure perceptions and effectiveness, alongside open-ended questions to capture qualitative insights [2].

### Validity and reliability of instrument

To ensure content validity, the questionnaire was reviewed by five experts in insurance, risk management, and higher education administration, and items were revised accordingly. A pilot test was then conducted with 20 respondents from a university outside the main study sample; feedback informed further refinements to item clarity and structure. Reliability was assessed using Cronbach's alpha. The alpha coefficients were as follows: Insurance Profile ( $\alpha = 0.81$ ), Risk Management Practices ( $\alpha = 0.84$ ), Loss Minimization ( $\alpha = 0.79$ ), and Challenges to Risk Management Implementation ( $\alpha = 0.76$ ). All values exceed the commonly accepted threshold of 0.70 (Nunnally, 1978), indicating satisfactory internal consistency across all constructs [14]. Operationally, Insurance Profile refers to the range and types of insurance policies held by a university, measured by the number and diversity of policies reported (e.g., fire, motor, liability, health, specialized coverage)

**Table 1:** The sample is balanced across roles, with a majority from public universities. This distribution ensures diverse perspectives on insurance and risk management.

Variable	Category	Frequency	Percentage (%)
Gender	Male	120	60
	Female	80	40
Age	20–29	50	25
	30–39	70	35
	40–49	60	30
	50+	20	10
Position	Administrator	70	35
	Bursary Staff	60	30
	Insurance Desk Officer	70	35
Type of University	Public	130	65
	Private	70	35

on a five-point Likert scale. Risk Management Practices denote the extent to which universities adopt proactive, structured approaches to identifying and mitigating institutional risks, measured by items assessing the presence of a framework, preventive measures, and trained personnel. Loss Minimization is defined as the degree to which a university reduces financial and operational losses arising from insurable risks, measured by respondents' assessments of recovery speed, financial strain, and continuity following adverse events.

### Method of data collection

Data collection took place from January to April 2024. Questionnaires were administered in person to respondents at each selected university, and electronic copies were distributed via email and institutional communication channels where in-person access was restricted. Before data collection, clearance was obtained from the Research Ethics Committee of Joseph Ayo Babalola University (Approval Reference: JABU/REC/2023/047), and all procedures were conducted in accordance with the institution's ethical guidelines. Informed consent was obtained from all participants before questionnaire administration; participants were briefed on the study's purpose, assured of anonymity and confidentiality, and informed of their right to withdraw at any time without consequence. Of 220 questionnaires distributed, 200 were returned in usable condition, representing a response rate of 90.9%. Follow-up visits and reminder messages were used to encourage participation and minimize non-response bias.

The collected data were analyzed using both descriptive and inferential statistics, with all analyses conducted using IBM SPSS Statistics Version 26.0. Descriptive statistics — including frequency counts, percentages, and mean scores — were used to summarize respondents' demographic characteristics, insurance profiles, and risk management practices. For inferential analysis, multiple linear regression was employed to test Hypotheses 1 and 2 and to assess the extent to which Insurance Profile ( $X_1$ ) and Risk Management Practices ( $X_2$ ) jointly predict Loss Minimisation ( $Y$ ). Insurance Profile ( $X_1$ ) was operationalised as a composite mean score derived from Section B of the questionnaire (five items on a 5-point Likert scale), capturing the range and comprehensiveness of policies held. Risk Management Practices ( $X_2$ ) was similarly operationalised as a composite mean score from Section C (six items). Loss Minimisation ( $Y$ ) was derived from Section D (five items measuring self-reported recovery speed, financial strain reduction, and operational continuity). Multiple linear regression was selected over alternatives (e.g., logistic regression) because all three variables are continuous and normally distributed. Before running the main model, key assumptions were verified: normality of residuals was assessed via the Kolmogorov–Smirnov test ( $p > 0.05$ ); homoscedasticity was examined using a scatterplot of standardised residuals against predicted values; multicollinearity was evaluated using the Variance Inflation Factor (VIF) statistics, with all VIF values below 3.0, indicating no problematic collinearity. To test Hypothesis 3 (the relationship between Insurance Profile and Risk Management Practices), Pearson's product-moment

correlation coefficient was computed. Chi-square tests were used where categorical data required a non-parametric comparison. The overall regression model was statistically significant ( $F(2, 197) = 161.4, p < 0.001$ ), with an adjusted  $R^2$  of 0.61, indicating that approximately 61% of the variance in loss minimisation is attributable to insurance profile and risk management practices [5].

### Result

This section presents and analyzes the data collected from universities in Southwest Nigeria. The analysis is organized around the research objectives: examining the insurance profile of universities, assessing risk management practices, determining the effect of insurance on loss minimisation, and identifying challenges affecting risk management. Both descriptive and inferential statistics are employed to provide insights into the research questions and to test the stated hypotheses.

#### Demographic characteristics of respondents

The respondents included university administrators, bursary staff, insurance desk officers, and risk management personnel. Demographic data indicated that most respondents had more than five years of experience in university administration, suggesting familiarity with institutional policies and practices. Federal universities accounted for a larger share of the sample than state universities, reflecting their prominence in the region [5] (Table 1).

#### Insurance profile of universities

Findings indicate that most universities in Southwest Nigeria maintain basic insurance policies, including fire insurance for buildings and motor insurance for vehicles. A smaller share reported offering group life insurance for staff. However, comprehensive policies, such as liability insurance, student health insurance, and specialized coverage for research equipment, were rarely adopted [6]. This limited insurance profile suggests that universities remain vulnerable to risks outside the scope of their current coverage (Table 2).

Fire and motor insurance dominate, while liability, health, and specialized coverage remain underutilized. This reflects the limited diversification of insurance portfolios in Nigerian universities.

#### Risk management practices

Analysis of risk management practices revealed that universities often adopt reactive rather than proactive

**Table 2:** Insurance Policies Adopted.

Insurance Policy	Adopted (%)
Fire Insurance	85
Motor Insurance	70
Liability Insurance	40
Health Insurance	35
Specialized Coverage	20

approaches. Preventive measures such as fire safety drills, alarm installations, and disaster preparedness plans were implemented inconsistently. Only a few institutions reported having structured risk management frameworks or dedicated units. This finding aligns with earlier studies that highlighted the fragmented nature of risk management in Nigerian universities [4] (Table 3).

**Table 3:** Regression Analysis Results.

Predictor Variable	$\beta$ Coefficient	t-value	Sig. (p)
Insurance Profile ( $X_1$ )	0.42	4.10	0.000
Risk Management ( $X_2$ )	0.51	5.25	0.000
Constant ( $\beta_0$ )	1.12	2.30	0.023
$R^2$	0.62		

Both the insurance profile and risk management practices significantly predict loss minimisation ( $p < 0.05$ ). The  $R^2$  of 0.62 indicates that 62% of the variance in loss minimisation is explained by these two predictors.

### Effect of insurance on loss minimisation

Regression analysis indicated that insurance has a statistically significant effect on loss minimisation. Universities with broader insurance coverage reported quicker recovery from losses and reduced financial strain compared to those with minimal policies. However, delays in claim settlements and inadequate compensation weakened the effectiveness of insurance in some cases [7]. This suggests that while insurance contributes to loss minimisation, its impact is limited by systemic inefficiencies in the Nigerian insurance sector.

### Challenges affecting risk management

Respondents identified several challenges that hinder effective risk management and insurance adoption, including funding constraints, in which universities struggle to allocate sufficient resources for comprehensive insurance policies [5]; policy gaps, where many institutions lack structured risk management frameworks [6]; low awareness, as administrators often view insurance as a compliance requirement rather than a strategic tool [2]; and claim inefficiencies, with delays and inadequate compensation discouraging further investment in insurance [7]. These challenges collectively undermine the effectiveness of insurance and risk management in minimizing institutional losses.

### Test of hypotheses

- $H_{01}$ : Insurance profile has no significant effect on loss minimisation.
  - o Result: Rejected. An insurance profile significantly influences loss minimisation.
- $H_{02}$ : Risk management practices do not significantly influence loss minimisation.
  - o Result: Rejected. Effective risk management practices reduce losses.

- $H_{03}$ : There is no significant relationship between insurance and risk management.
  - o Result: Rejected. Pearson's correlation analysis revealed a statistically significant positive association between Insurance Profile and Risk Management Practices ( $r = 0.58$ ,  $p < 0.001$ ,  $n = 200$ ), indicating that universities with more comprehensive insurance coverage also tend to demonstrate stronger risk management practices. Given the cross-sectional design of this study, this finding should be interpreted as an association rather than a causal relationship. The result supports the conclusion that insurance and risk management are complementary institutional strategies that are positively correlated and jointly associated with enhanced resilience.

### Discussion of findings

The findings confirm that insurance and risk management are critical to minimizing losses in universities. However, Nigerian institutions remain constrained by limited coverage, weak frameworks, and systemic inefficiencies. Compared with global practices, where insurance is embedded within Enterprise Risk Management frameworks [3], universities in Southwest Nigeria lag. Bridging this gap requires reforms to strengthen institutional policies, build awareness, and expand insurance portfolios.

The results show that while insurance and risk management are significantly associated with reduced institutional losses, challenges such as funding constraints, policy gaps, and claim inefficiencies hinder their effectiveness. These findings provide the basis for the recommendations in the next chapter [16]. This study examined the insurance profile, risk management practices, and loss minimisation strategies in universities in Southwest Nigeria. The research was guided by four objectives: to examine the insurance profile of universities, to assess risk management practices, to determine the effect of insurance on loss minimisation, and to identify challenges affecting risk management.

The literature review revealed that universities worldwide adopt comprehensive insurance policies, including property, liability, health, and specialized coverage, embedded within structured risk management frameworks such as Enterprise Risk Management [3]. In contrast, Nigerian universities often rely on basic policies such as fire and motor insurance, with limited adoption of broader coverage [6,17]. Risk management practices in Nigeria were found to be fragmented and reactive, with institutions lacking structured frameworks and trained personnel [4,18]. Data analysis revealed statistically significant associations between insurance, risk management, and loss minimisation. Universities with broader insurance coverage and proactive risk management practices reported less financial strain and faster recovery from losses. However, challenges such as funding constraints, policy gaps, low awareness, and inefficiencies in claims processing continue to undermine the effectiveness of the system [5,7].

## Limitations of the study

This study has certain limitations that should be acknowledged. First, the use of purposive sampling may limit the generalizability of the findings beyond the selected universities in Southwest Nigeria. Second, the study relied on self-reported data, which may be subject to response bias and social desirability effects. Third, the cross-sectional design captures perceptions at a single point in time and therefore does not permit causal inferences regarding the relationships among insurance, risk management practices, and loss minimisation. Future studies may employ longitudinal designs and probability sampling techniques to strengthen external validity and establish causal relationships.

## Conclusion

The findings demonstrate that insurance and risk management are complementary tools essential to safeguarding universities against financial and operational disruptions. While insurance provides financial recovery after losses, risk management reduces the likelihood and severity of those losses. Together, they enhance institutional resilience and sustainability. However, universities in Southwest Nigeria remain constrained by limited insurance coverage, weak institutional frameworks, and systemic inefficiencies. These shortcomings expose institutions to avoidable risks and hinder their ability to minimize losses effectively. Bridging this gap requires reforms that expand insurance portfolios, strengthen risk management structures, and build awareness among administrators and staff.

## Recommendation

Based on the findings, several recommendations are proposed to strengthen insurance and risk management practices in universities. Institutions should expand their insurance coverage beyond basic fire and motor policies to include liability, health, and specialized coverage for research equipment, thereby safeguarding diverse operations. Structured risk management frameworks, such as Enterprise Risk Management, should be integrated into university governance, with dedicated units established to proactively anticipate and mitigate risks. Adequate funding allocations from government and university management are essential to support insurance and risk management initiatives, recognizing their role in institutional sustainability. Capacity-building programs should be organized to train administrators and staff, improving awareness and expertise in risk management and insurance practices. Furthermore, collaboration with insurance companies must be strengthened to ensure timely and adequate claims settlement, thereby increasing confidence in insurance as a tool for loss minimisation. Finally, universities should develop and implement clear institutional policies on risk management, embedding insurance within broader governance structures to promote resilience and continuity. Collectively, these recommendations underscore the study's contribution to safeguarding institutional assets, ensuring academic continuity, and advancing sustainable resilience in Nigerian universities.

## Contribution to knowledge

This study makes several important contributions to the existing body of knowledge on insurance, risk management, and loss minimisation in higher education institutions, particularly within the Nigerian context. It provides contextual insight into Nigerian universities, offering empirical evidence from institutions in Southwest Nigeria and highlighting unique challenges, including limited funding, weak institutional frameworks, and low awareness among administrators [5,6]. The study further demonstrates that insurance and risk management are complementary tools, with insurance providing financial recovery after losses and risk management reducing the likelihood and severity of those losses. This integrated perspective enriches theoretical understanding of how both mechanisms jointly enhance institutional resilience [2]. Through regression analysis, the research establishes that insurance coverage and risk management practices significantly influence loss minimisation, thereby adding quantitative support to the argument that proactive risk management and comprehensive insurance portfolios are essential for institutional sustainability [7]. In addition, the study identifies systemic challenges—such as funding constraints, policy gaps, and inefficiencies in claim settlements—that hinder effective adoption of insurance and risk management in Nigerian universities, providing a foundation for policy reforms and practical interventions. Beyond theoretical contributions, the study offers actionable recommendations for universities, policymakers, and insurance providers, including expanding insurance coverage, integrating structured risk management frameworks, and improving claims processes. In summary, this research enriches the literature by situating insurance and risk management within the realities of Nigerian higher education, advancing knowledge by showing how limited insurance profiles and weak risk management practices contribute to avoidable losses, while also demonstrating the potential of integrated approaches to strengthen resilience and sustainability in universities.

### (APPENDIX)

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