

5 Actions Universities Can Take Now to Position Themselves for Success in the New Era of College Athletics

By Tim Walsh and Tom Nevala

Leaders in the field are taking these steps while also contributing to the national discussions on the future direction of the system as a whole.

A major national report on the state of college athletics critically asks: "The question is not so much whether athletics in their present form should be fostered by the university, but how fully can a university that fosters professional athletics discharge its primary function?"

It is a sentiment that could be from today's headlines, but the year was 1929. Today, the changes roiling intercollegiate athletics would astonish the authors of the famous <u>Carnegie Report</u>: name, image, and likeness (NIL); antitrust concerns; student-athlete wellness; program reductions; conference realignments; and diversity, equity, and inclusion, to name just a few. University athletics programs that do not rapidly adapt face dire consequences with long-term implications.

A close look at what is happening at many elite programs around the country offers reasons for optimism. Here are five actions universities are taking now to position themselves for success in this dynamic and uncertain environment while also contributing to shaping the new system that will emerge in the coming years.

Financial Strategy

A <u>recent study by ESPN</u> reported that Football Bowl Subdivision (FBS) programs spent more than \$533.6 million in "dead money" in an 11-year time span from Jan. 1, 2010, to Jan. 31, 2021. That is cash those colleges and universities owed coaches in football and basketball who were terminated without cause with time left on their agreements. Not only does this type of spending contribute to an atmosphere of scrutiny and criticism of college athletics as an institution, but it is also increasingly unsustainable.

Before the <u>Alston decision</u> and the dawning of the NIL era of college athletics, many university athletics programs already were struggling with a host of financial challenges, including downward pressure on ticket sales, conference realignments, and the increasing costs of doing business. The COVID-19 pandemic brought new challenges, including new cuts to state funding, reduced international enrollments, and increased oncampus costs. Leaders at colleges and universities have cut numerous athletic programs in response to the financial pressures of the pandemic.

With *Alston* resulting in the NCAA allowing institutions to fund additional academic and education-related benefits, the "cost" of athlete recruitment and enrollment could increase for many institutions. The *Alston* decision and the NIL era influenced the additional costs of compliance, academic performance payments, NIL-related educational programming, and unintended consequences impacting recruitment.

In order to thrive, much less simply survive, colleges and universities must strategically reassess their complete financial picture, think creatively, and in some cases have the courage to make complex decisions.

Here are some of the financial steps successful institutions are taking:

- Strategically prioritize and <u>manage the athletics</u> portfolio, considering each program holistically and understanding its strategic benefits to grasp the full value it brings to the institution.
- Reevaluate the <u>budgetary model</u> in the context of the broader institution, considering how reductions may impact the financial health and diversity of the entire institution, beyond just the athletics department.
- Proactively <u>explore potential new strategic</u> <u>partnerships</u>, joint ventures, and other commercial opportunities. Institutions that think, plan, and act proactively will be rewarded. In fact, there may be costs to not being proactive, even for resilient institutions.

Student-Athlete Wellness

There is at least one thing more important than your institution's finances — the well-being of your student-athletes. A recent heartbreaking series of student-athlete deaths has brought much-needed attention to the ongoing crisis related to mental health.

After engagement and advocacy by the Knight Commission on Intercollegiate Athletics, the U.S. Council for Athletes' Health, and others, the newly adopted NCAA constitution made needed changes to further prioritize the health and wellness of student-athletes. A recent NCAA survey of student-athletes confirms the wisdom and necessity of this renewed emphasis. Prioritizing student wellness is the right thing to do. It is also critical for success in the new era of increased recruitment competition. In the NCAA <u>Constitution Committee Survey</u> in September 2021, student-athletes listed health and safety as their number one concern (94%), more than academics, student aid, and competitive fairness.

This means schools must prioritize health and wellness in the budgetary process, more robustly involve student-athletes in decision making, and consider health and wellness in every facet of the administration of their programs. The best programs are built around and with student-athletes and former student-athletes.

Title IX

The celebration of the <u>50th anniversary of the</u> <u>enactment of Title IX</u> brings hope and renewed challenge. On the one hand, there are more female student-athletes competing in more sports than ever before and the number continues to rise, <u>according</u> to a recent report from the NCAA, which is feeding into a growing professional women's sports economy.

However, some of the same dynamics driving change and uncertainty broadly in college sports are presenting new challenges for Title IX.

The same recent NCAA report found that a stark funding gap remains between men's and women's sports. In a <u>poll by the Associated Press</u>, 94% of respondents said "it would be somewhat or much more difficult to comply with Title IX gender equity rules if their school were to compensate athletes in the biggest money-making sports." Over 70% said specific sports would lose financing or be cut entirely if their school offered extra non scholarship payments.

The regulatory environment continues to evolve, requiring schools to remain updated and prepared to adapt. Recently, the Department of Education announced proposed amendments to the law, some of which are new and some of which reinstated previous regulations. Among other provisions, the proposed changes would expand protections against sexual assault and harassment, and for the first time the rules would formally protect LGBTQ students under Title IX.

In this context of changing regulations and new challenges, schools must <u>recommit to advancing</u> <u>the core tenets of Title IX</u> and work to encourage the broader intercollegiate athletics community to join in this recommitment. Developing approaches to maintain Title IX compliance will be most effective if all stakeholders coordinate to achieve the solution.

Big Data, Analytics, AI, and Deep Learning

Whether it is rethinking budgets, supporting student health and wellness, recommitting to Title IX, or meeting any goal or challenge, the institutions that succeed are increasingly turning to data analytics to inform decision making. The world now produces vast amounts of data, but it is only as good as the sound human analysis that is applied to each unique situation.

Best practices in data analytics adopted by universities, in general, are helping athletics departments to plan for the future during this time of uncertainty.

Working with your university's chief data officer, consider assigning a member of the athletics staff to serve as the chief steward of the data collected and how it is analyzed in concert with institutional planners. In addition, consider the implementation of an integrated data dashboard. A dashboard consolidates diverse and disparate data sources and metrics into one place for data officers to assist athletics directors (ADs), budget planners, compliance officers, student success, fan engagement leaders, and others to facilitate data-informed, strategic decisions today while also shaping institutional behavior for the future.

Institutional Alignment

The pandemic has been a generational challenge for every college and university athletics department, with many lessons learned. Perhaps chief among these: the critical need for alignment between the department of athletics and the university as a whole. Fordham University's Athletic Director Edward Kull recently wrote, "Leadership begins with creating alignment in our teams and organizations when the seas are calm so that we can seamlessly shift our sails when the storm arrives." The emerging challenges in the broader system of intercollegiate athletics only make the need for institutional alignment more critical.

The universities positioned for success in this new era are consciously, deliberately, and strategically working every day to maintain alignment between institutional leadership and their athletics organization. A few examples include:

- Engage university leaders about expectations and boundaries that can serve as a guide for coaches and administrators related to NIL.
- Clarify the implications of decisions or scenarios to enable proactive planning about the use of financial resources.
- Reinforce messaging about the "positives" derived from intercollegiate athletics: enrollment, experience, engagement.
- Review and harness athletics contributions to the diversity, equity, and inclusion environment and culture at the institution.

As institutions continue to navigate these challenging times for college athletics, it is helpful to note that this is not the first and surely will not be the last transformative moment for higher education. The 1929 Carnegie Report referenced above offers a hopeful outlook, predicting something that we can have faith in today, that we need only lead our athletics programs "with sincerity and clear vision, and in the course of years our college sport will largely take care of itself."

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