

FROM PANDEMIC TO TRANSFORMATION: HIGHER EDUCATION LEADERSHIP DURING COVID-19

Amid the global response to the COVID-19 pandemic, U.S. colleges and universities are confronting unprecedented change. Many have transitioned to an almost-universal distance learning model, shifted to remote work for most employees and cancelled collegiate athletics events. Other significant developments include suspension of clinical rotations, transition to “pass/fail” grading, waivers of standardized testing for admissions requirements and systematic closures of residence halls. And many seniors and their families find themselves dismayed at the postponement or cancellation of one of the primary rites of spring — annual commencement ceremonies.

In this unfamiliar environment, institutional leaders will need to swiftly shift to a future-oriented focus on transformational change to sustain and advance their core missions. These realities require the immediate and dedicated attention of senior leadership and boards and will force American higher education to undergo a three-phase process:

- A **triage period**, in which leaders react promptly, thoughtfully and with clear communications to a rapidly changing landscape to ensure the safety of their constituents — students, faculty and staff — and the continuation of critical mission-focused activities (education, research and clinical).
- A temporary, midterm **stabilization period**, in which leaders assess the financial and cultural realities of COVID-19 and shift resources to prepare their institutions for the coming fall term with an emphasis on financial stability, academic quality, student support services and overall risk reduction.
- A **transformation period**, in which leaders use a more informed lens as to how the environment has unfolded to develop and implement their visions for mission-driven institutional change that will ensure the long-term success, and in some cases survival, of their institutions. Strategic planning, margin improvement and mergers and acquisitions (M&A) will be the hallmark activities of this period.



Rather than distinct stages, however, most institutions — particularly those that will emerge stronger and more resilient — will engage in overlapping efforts in all three phases. Specific areas of concentration will vary by institutional type; academic health centers will have different needs across the educational, research and clinical missions than liberal arts institutions that are primarily focused on teaching and learning. State appropriation-dependent public institutions will differ from private institutions, and research-focused institutions will have experiences that contrast with comprehensive colleges and universities. Yet most will encounter a similar set of challenges, opportunities and needs within this paradigm — to triage, stabilize and transform their institutions.

The following table provides a representative list of key focus areas that should be considered in each phase, but does not constitute an exhaustive list.

Triage

- Emergency response
- Crisis communication
- Safety-focused planning
- Maintenance of existing business/services
- Virtual work/learning transitions

Stabilize

- Financial management
- Improving liquidity
- Academic quality assurance
- Student support services
- Enterprise risk reduction

Transform

- Refreshed vision/strategic plan
- Agile educational and service delivery models
- Updated organizational design
- Incentive-based budget and faculty compensation models
- Mergers and acquisitions (M&A)

The Path Forward

As institutions soon emerge from the triage period, executive leadership and boards of trustees have a responsibility to engage in an intentional transition of their institutions through stabilization and on to transformation in short order. Enacting change at universities often presents challenges, but COVID-19 can and will act as a catalyst for necessary innovation. The efforts of some institutions will fall short here, leaving them with the option to close or seek M&A opportunities. Inaction, though desirable for some institutions, will not be a feasible option for many.

Time will be of the essence for many universities, and four primary actions will best position them for sustainable success:

- **Move Swiftly to Stabilization and Transformation:** Executive leaders — specifically presidents, provosts, chief financial officers, administrative officers and other senior staff — should initiate conversations among their institutional peers and boards to focus more attention on the future and less attention on triage. They should also begin to delegate responsibility to further operationalize their triage period decisions. Many senior leaders will be tempted to overcommit additional time to triage, but they should charge focused, tactical work teams to develop and execute plans for implementation. Delegation of short-term management decisions will free leaders to engage in the important future planning necessary for long-term success.
- **Embrace Data-Driven Decision Making:** As the urgency to make specific announcements wanes, leaders should increasingly rely on data to support additional critical decisions. By necessity, institutions have based many recent decisions on limited or nonexistent information and forecasting. Decisions made in the coming weeks and months will have long-term ramifications, and leaders should weigh those projected impacts — both quantitative and qualitative — during their deliberations about new student recruitment, fall enrollment, revised financial policies and other topics.
- **Fund Strategic Resource and Infrastructure Investment:** The successful execution of stabilization and transformation may require substantive investment. Financial leaders should immediately begin to earmark funds from reserves, redirect currently planned investments or commit to securing funding during stabilization activities to invest in the strengthening of infrastructure, effectiveness of operations and development of innovative strategy during transformation.
- **Engage the Campus Around Change:** As institutions move from triage to stabilization and transformation, the most important focus for senior leaders is to become active sponsors for transformational change. Leaders should now begin interacting with their campus constituents to express the need for change through spoken and written words, model commitment to change by allocating human and financial resources toward future-oriented change efforts, and reinforce desirable behaviors by delivering rewards and consequences.

Higher education will face once-in-a-generation challenges in the coming months and years. With board support, institutional leaders should advocate to realign their focus from triage to stabilization and transformation. The futures and brands of many universities will depend on it.

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