

BLOG

Coronavirus: A Turning Point for Higher Education

By Bret Murray

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The coronavirus has acutely impacted colleges and universities. Schools sent students home mid-year to complete coursework remotely and many are already opting not to hold in-person classes this fall. Necessary decisions for the safety and wellbeing of their students, faculty and staff, will nonetheless have a devastating financial impact.

In a recent *Forbes* article, Richard Vedder, Professor of Economics Emeritus at Ohio University, predicts, "...we are going to see more colleges and universities close in the next couple of years or so than any other time in American history."



Instead of a doomsday moment, we need to see this as a turning point in the evolution of American higher education. If colleges are going to survive, they must embrace the COVID-19 impacts and adapt, rather than fighting against them. Leadership should be asking themselves, "What must we do differently to still be here 10 years from now?"

Similar to retail giants adapting to ecommerce when it offered consumers unlimited options, schools that continue to do the same thing without innovating will go out of business.

Every college and university addressed the immediate impact of COVID-19 with short-term solutions to navigate the current pandemic. Some institutions are continuing with only online classes in the fall, some are opening with smaller class sizes, some are limiting in-person classes to graduate or research students, some will reopen only to close after Thanksgiving break, and some are taking a hybrid approach. To thrive in a post-COVID era, institutions should simultaneously incorporate long-term strategy into their reopening assessment processes.

Many schools were already on precarious financial footing, which coronavirus has only accelerated. Declining enrollment, the outpaced rise in tuition and fees, and competition from cheaper online options already posed existential threats. Even for colleges that can weather current financial storm and return to normal, there will be other disruptors in the near future.

So what can they do now to adapt now? How can they embrace this moment and potentially make sweeping changes? What are the new risks of doing so?

Remote learning options is just one option. Hybrid programs where students do a year of online classes or

live at home before moving on campus is another. Flexibility in credit hours and three-year programs are other models.

College and university presidents who turn their focus inward to re-evaluate agendas will also have to consider the risks and exposures these new educational models bring.

- **Liability from internships/externships:** Offering more options for volunteer and work programs is a practical solution that gives students more real-world experience. Partnering with third parties for hybrid programs also increases their liability footprint. However, schools won't necessarily be able to vet every work program and indemnify all risks.
- **Cyber liability:** Obviously, more online options expose institutions to more cyber risks. Cyber insurance policies will need to be scrutinized to account for third-party IT services and exposure for personal data breaches, beyond basic cyber security.
- **Malpractice Liability:** With students and faculty working in more non-traditional academic environments, increases in telemedicine, for instance, will expand and so will the risk exposures to the schools.

The post-COVID environment will be a new world for higher education with new risk exposures, and we will have to think differently about how to operate, what to offer and how attract students.

Institutions can't change all on their own. They'll need the whole ecosystem to work together, including students, parents, accreditation bureaus, government agencies, creditors and funding sources to ensure the survival of colleges and universities.

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