

The Effect of COVID-19 on Digital Transformation in Higher Ed



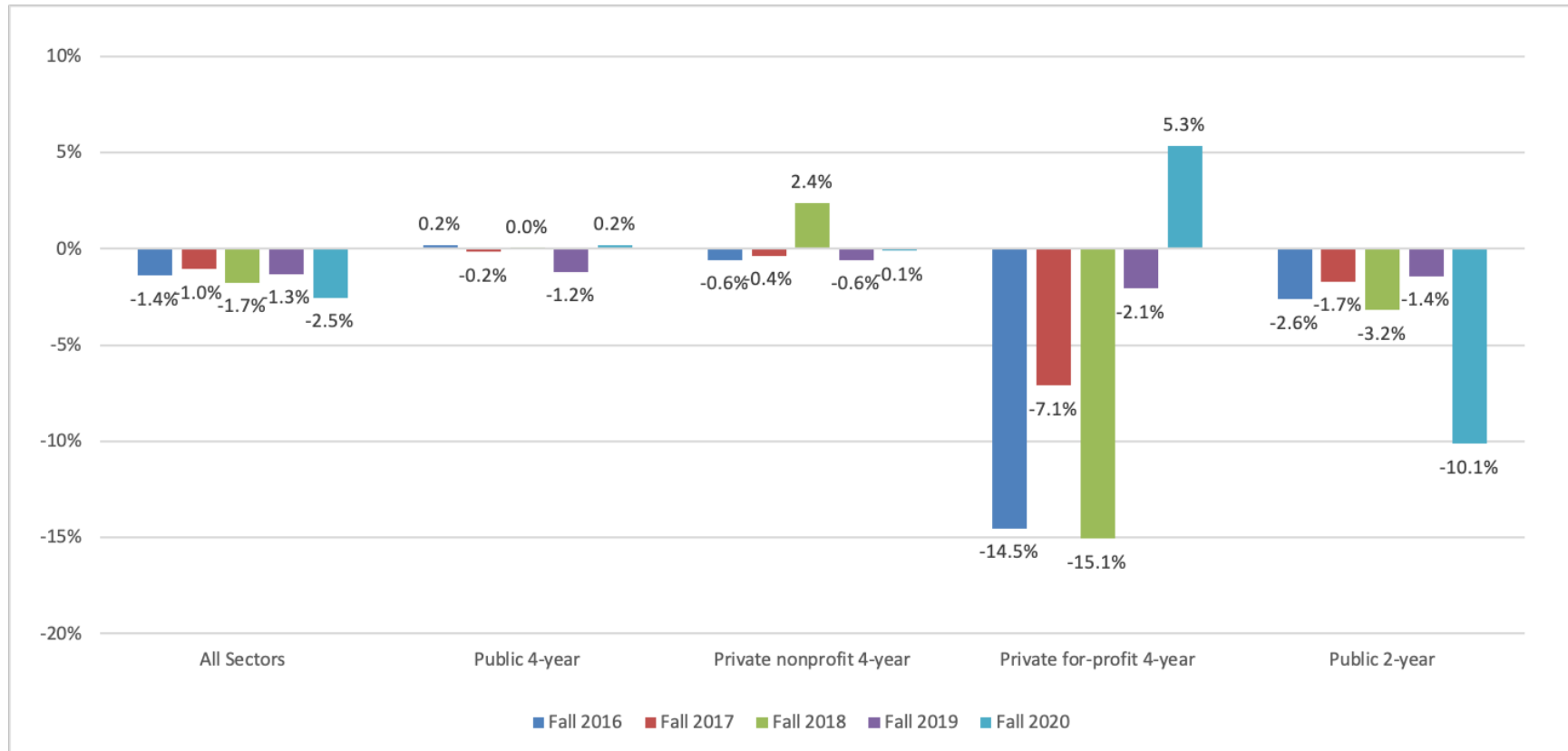
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Background: Enrollment trending downward

Higher education enrollment overall has been declining since its peak in 2011, while COVID-19 further accelerated the trend. Fall of 2020 saw a decline of 2.5%, or 400,000 students. (*National Student Clearinghouse Research Center*)



Background: Digital Transformation

Digital upgrade: improving or increasing efficiency or effectiveness of what your institution is already doing

vs.

Digital transformation: using modern digital technologies to fundamentally change how the institution operates, optimizes resources, and delivers value to students

*“Digital transformation is a series of deep and coordinated **workforce, culture, and technology** shifts that enable **new educational and operating models** and transform an institution's **operations, strategic directions, and value proposition.**”*

-EDUCAUSE

Background: Digital Transformation

Digital transformation in higher ed over the past decade has included:

- Advanced **data analytics** in enrollment, student success, retention efforts
 - **Digital marketing** to differentiate the institution from competitors
- Creating **data-driven cultures** for decision making across all departments
 - **Optimizing resources** and efficiency
 - Breaking down **information siloes** around campus
 - **Improving efficiency** of business and finance operations
 - Improving **data security**
 - Enabling **online teaching and learning**
 - Becoming more **student-focused**
- Making institutions nimbler and able to adapt to changing conditions more quickly

...but these have tended to occur at the most innovative leading institutions, while the field overall has been slow to change.

Background: Digital Transformation

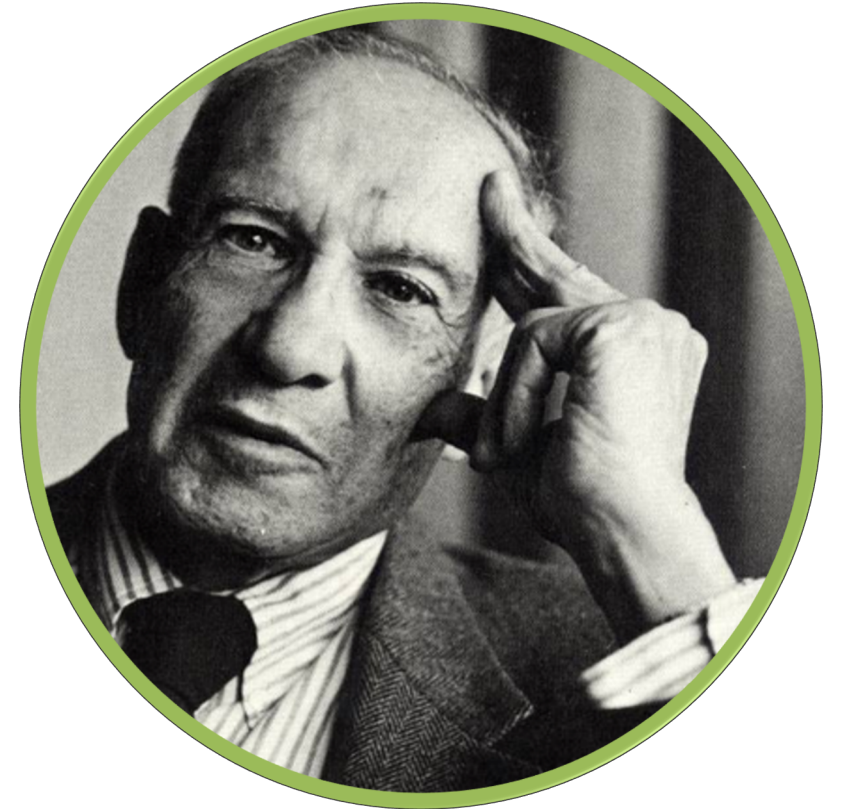
Top IT Priorities in Higher Education, 2017, Gartner Research

23% BI/Analytics
15% ERP
12% CRM
11% E-learning/LMS
11% Infrastructure/Data center
10% Cloud services/solutions
6% Student information systems (SIS)
5% Digital marketing
4% Security
4% Networking

“Higher education is among the least digitized industries. The average higher education institution has a large backlog of digital enablement before it can even think about digital transformation.”

-Jan-Martin Lowendahl, Gartner Research, 2017

“Universities won’t survive... higher education is in deep crisis. Already we are beginning to deliver more lectures and off-campus courses via satellite or two-way video at a fraction of the cost [of traditional courses]. The college campus won’t survive as a residential institution. Today’s [college] buildings are hopeless, unsuited, and totally unneeded.”



- Peter Drucker
Forbes Magazine, 1997

Background: Digital Transformation

“Higher education has significantly lagged behind other industries in moving to a more digitally-driven, outcomes-focused business model. One measure of this is that less than 5% of college budgets are dedicated to IT spending. Education is one of the least digitized and most people-intensive economic sectors — suggesting that the opportunity for and risk of technology-driven disruption is strong.”

-Harvard Business Review

“Digital transformation is imperative for long-term survival...Moving to the cloud helps you become agile in a dynamic, fast-changing, and unpredictable market as well as become more engaged and responsive to students.”

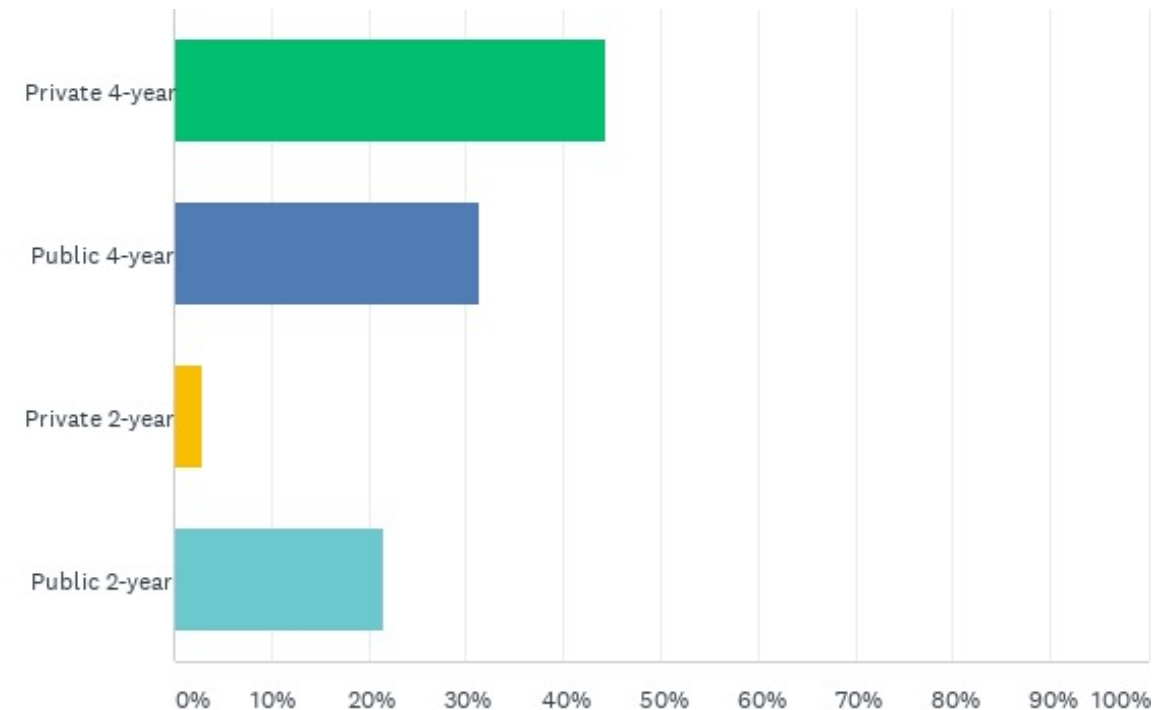
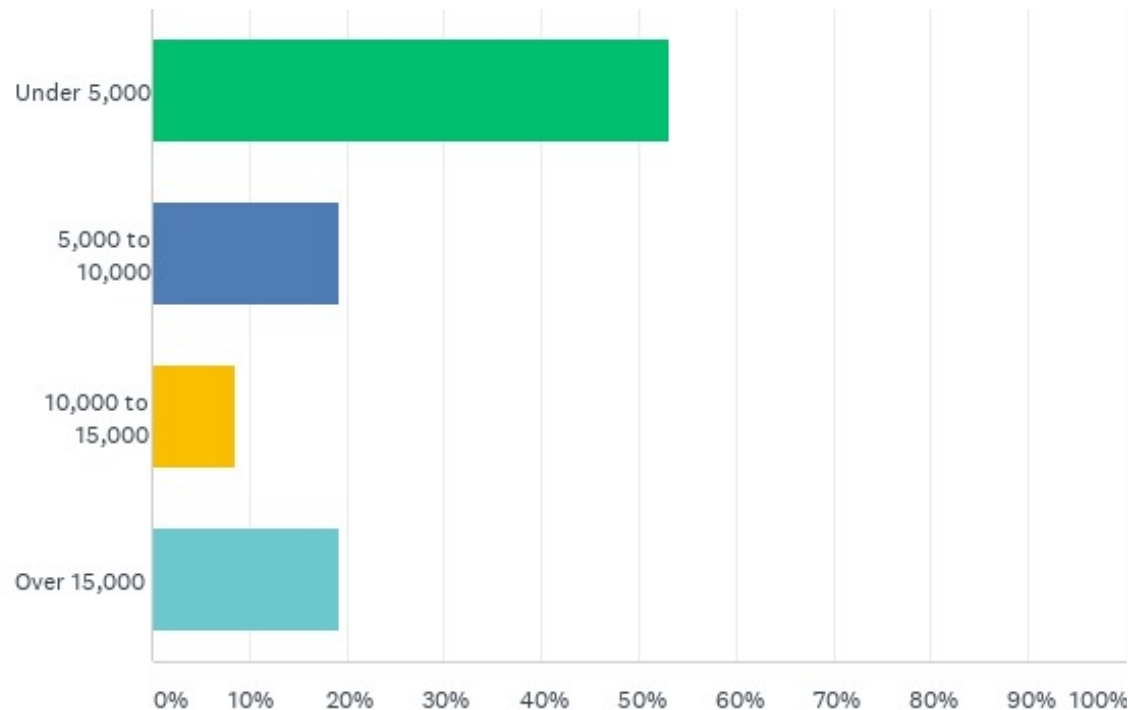
-Digital Transformation in Higher Education: The Path to the Cloud, Jenzabar

About our survey

Amid the unprecedented campus closures during COVID-19, University Business and Jenzabar partnered to develop and deploy a survey of higher ed leaders in January 2021 that explored the impact of the pandemic on their institutions' use of technology.

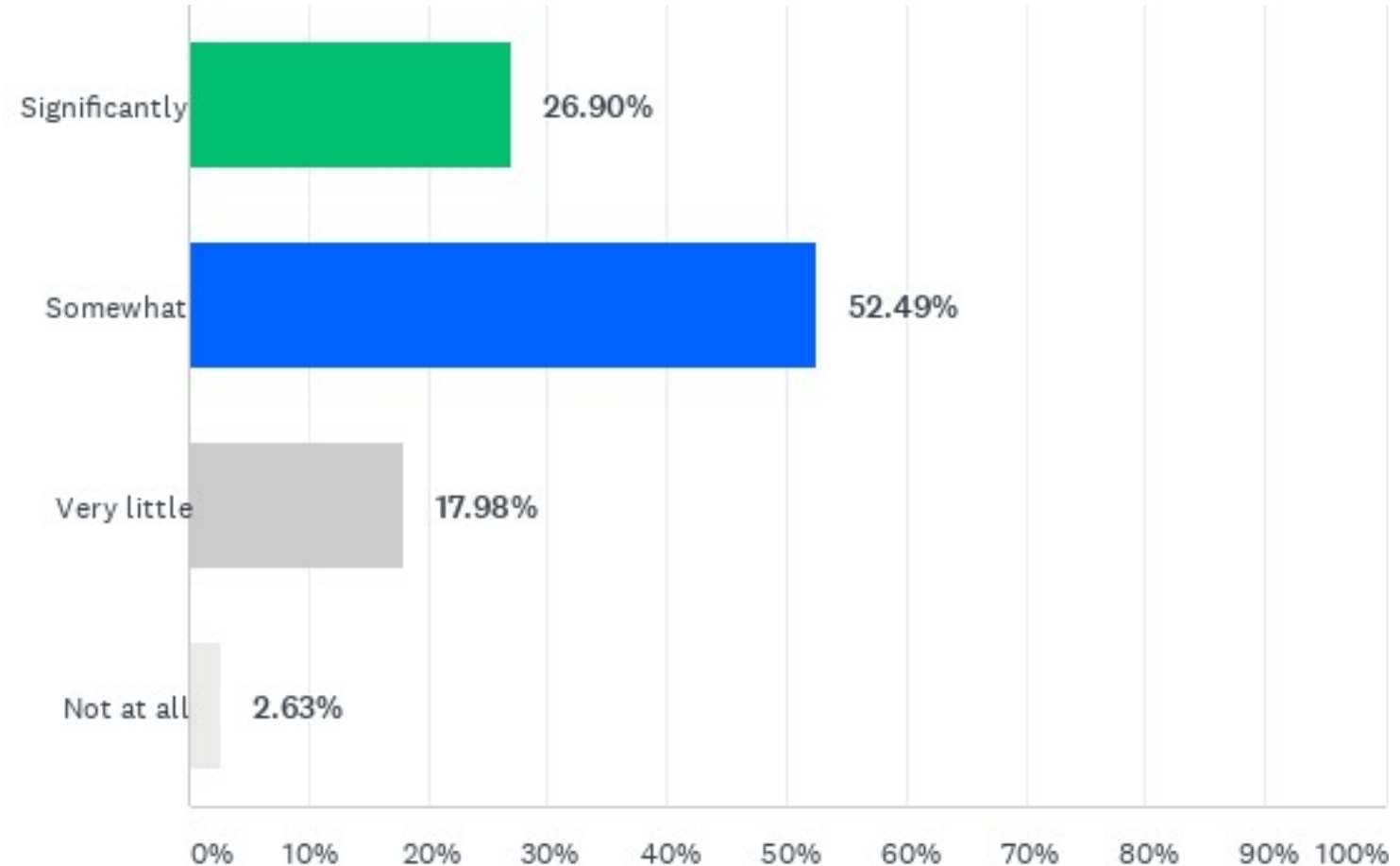
About our respondents

686 respondents from the UB audience participated, self-identifying more than 17 job titles or departments, from a variety of sizes and types of institution.



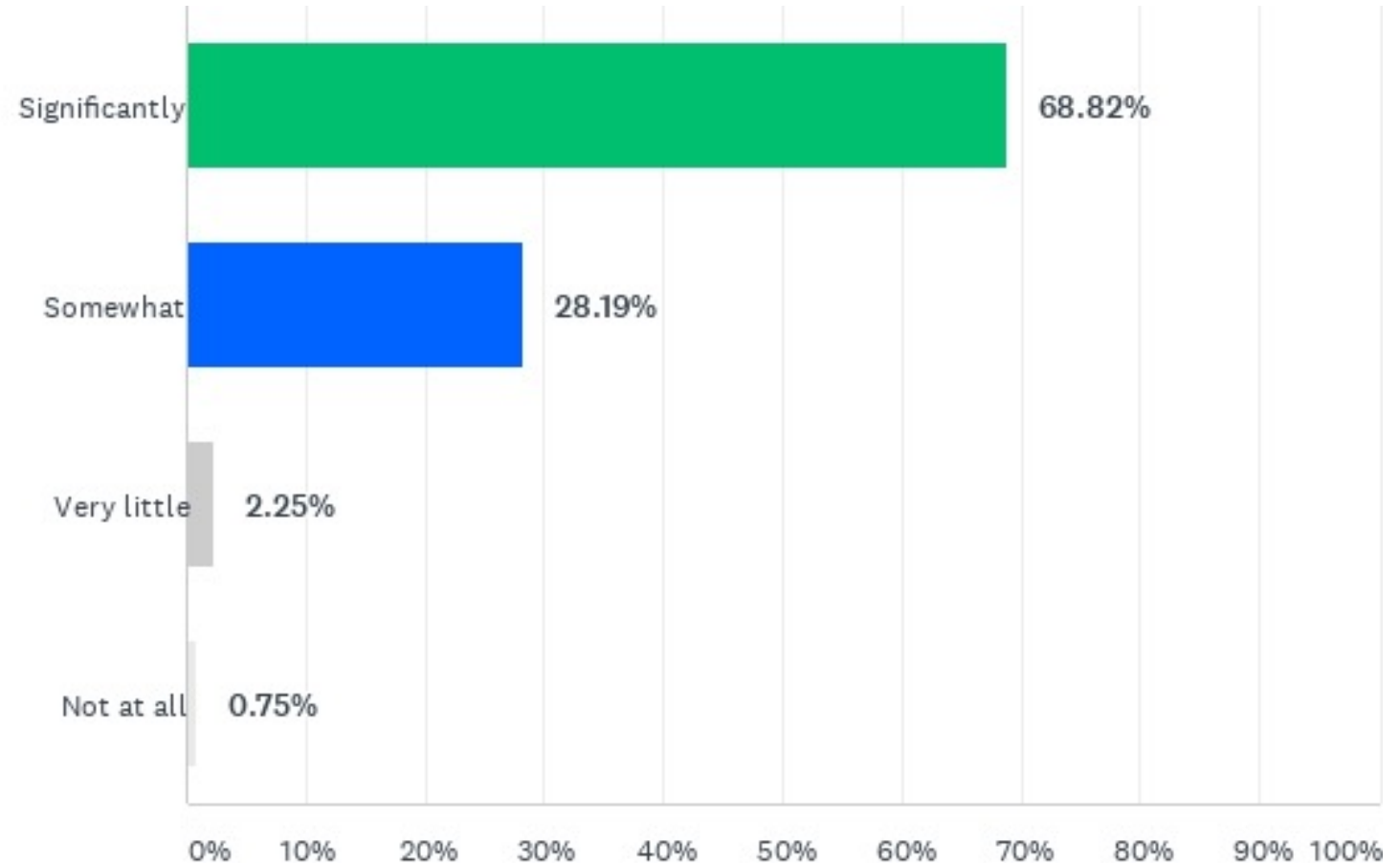
Driving Digital Transformation

Prior to COVID-19, had your institution been engaged in some level of digital transformation?



Driving Digital Transformation

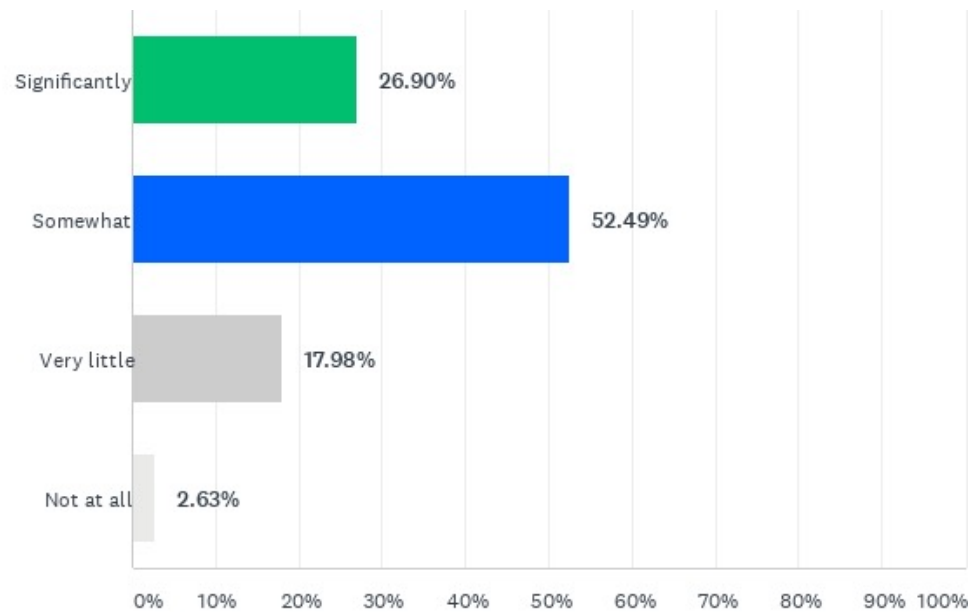
Because of COVID-19, is your institution currently engaged in some level of digital transformation?



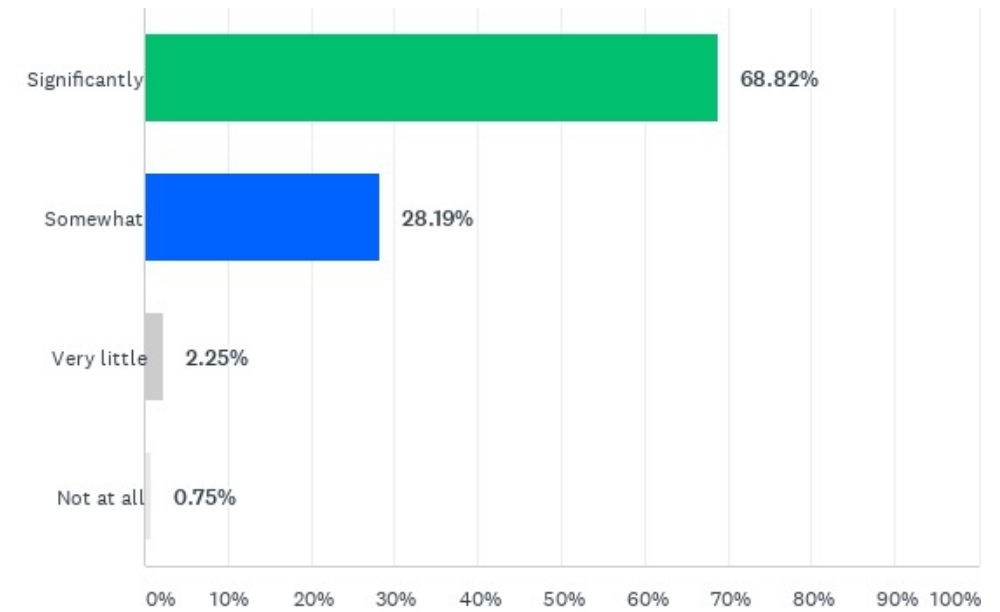
Driving Digital Transformation

97% of respondents said COVID-19 is driving some level of digital transformation at their institution.

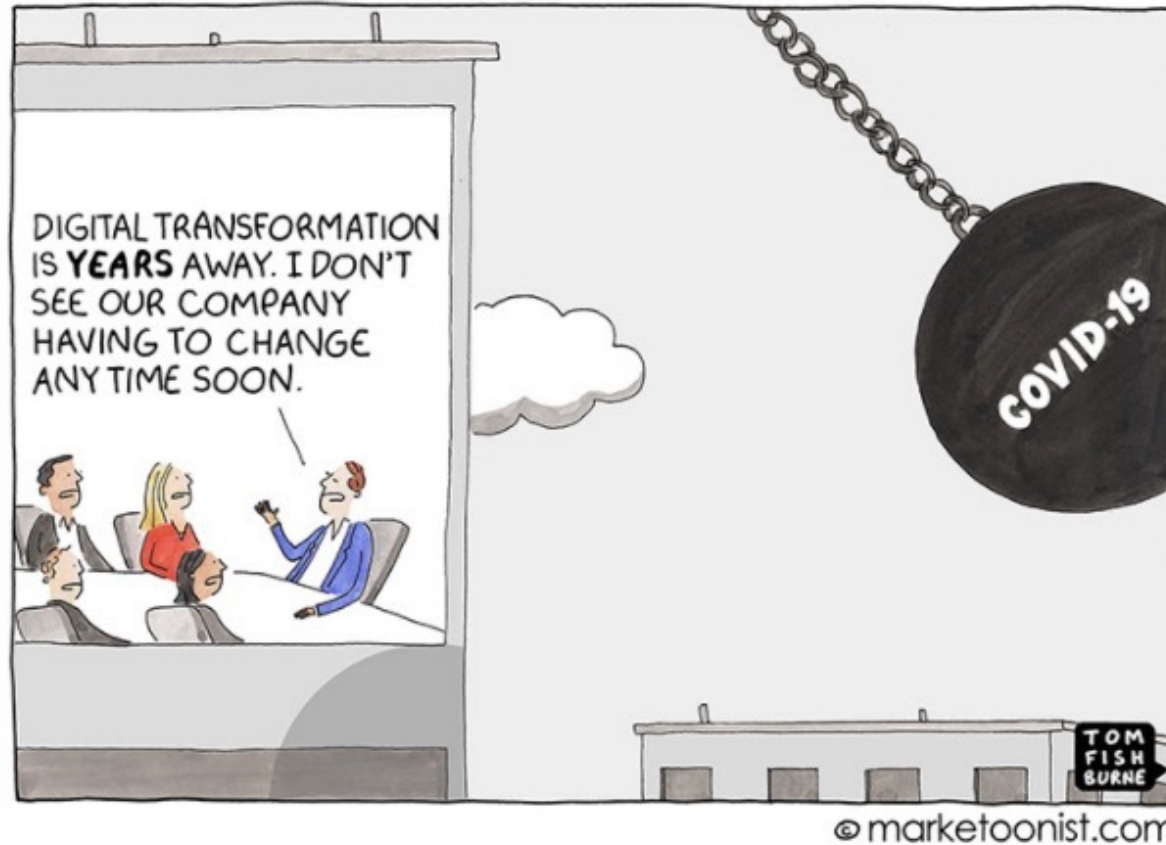
Prior to COVID-19



Because of COVID-19

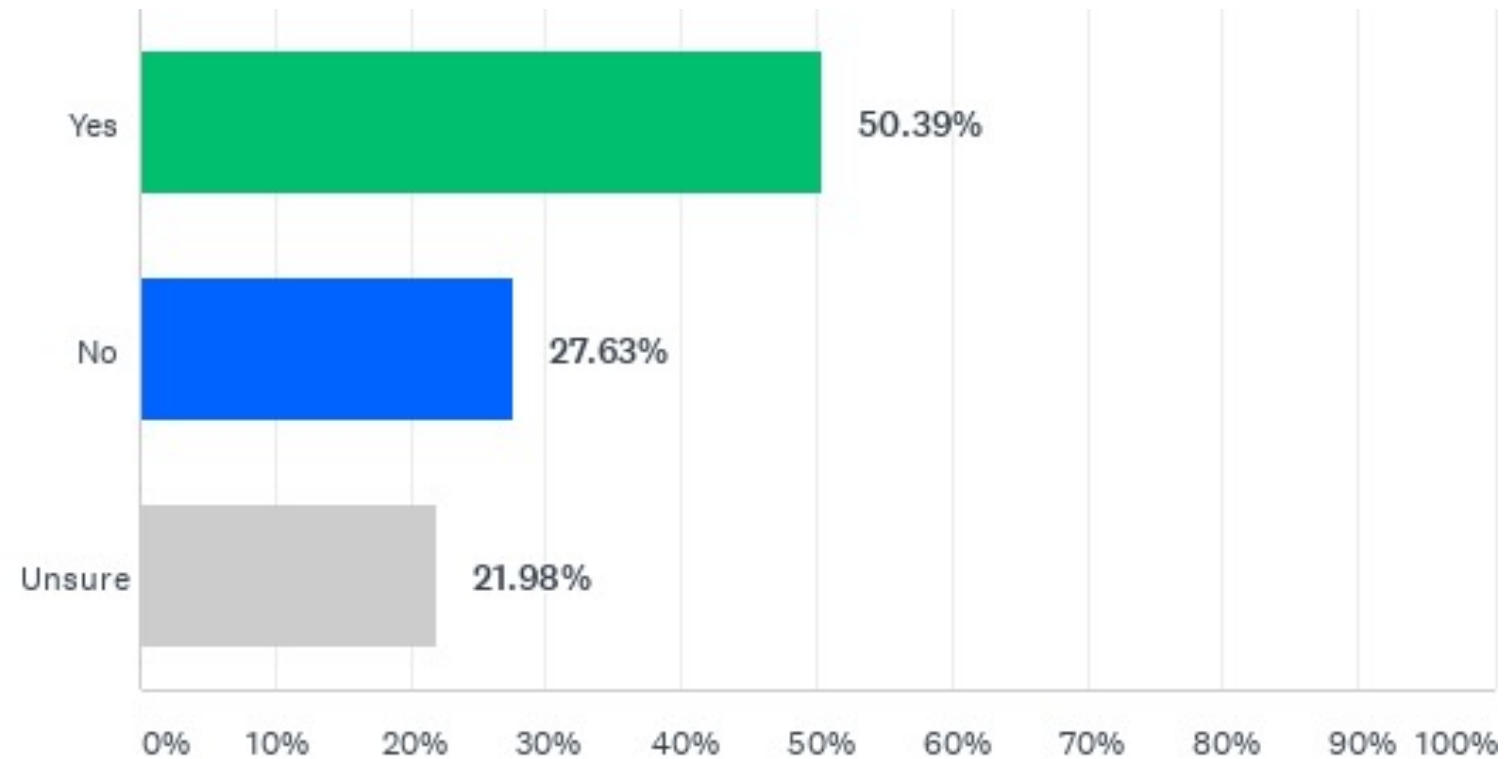


COVID is a Catalyst for MAJOR (long-delayed) change



Focus on Student Information Systems (SIS)

Does your institution currently use a modern, cloud-based student information system (SIS)?



Focus on Student Information Systems (SIS)

How would you rate the quality, reliability and effectiveness of your SIS?

Those with a modern, cloud-based SIS:

68%

rating it as “Very good” or “Excellent”

Those without a modern, cloud-based SIS

29%

rating it as “Very good” or “Excellent”

Focus on Student Information Systems (SIS)

How confident are you that your SIS will be able to meet the changing needs of your institution and students in the future?

Those with a modern, cloud-based SIS:

94%

“Somewhat” or “Extremely” confident

Those without a modern, cloud-based SIS

74%

“Somewhat” or “Extremely” confident

25%

“Low level” or “No” confidence

A Technology Infrastructure Audit



Focus on Student Information Systems (SIS)

16% of all respondents said that their institution had invested in a new SIS, because of their experience during COVID-19.

20% of all respondents said that their institution was planning on investing in a new SIS, because of their experience during COVID-19.

22% of those without a modern, cloud-based SIS said that their institution would now be investing in such a system, because of their experience during COVID-19.

Despite its many challenges and negative impacts, COVID-19 has been an unprecedented disruptive event that has also driven innovation and given many colleges and universities new urgency to modernize.

“The pandemic has had a transformative effect on higher education, accelerating trends and challenges we already knew were reshaping our industry... COVID-19 also proved that education can be much more personalized, flexible and technology-driven than many had realized.”

-Farnam Jahanian, President, Carnegie Mellon University

“There are very few silver linings in this crisis, but the digital transformation of higher ed could end up being one of them.”

-John Katzman and Stephen M. Kosslyn, “Will higher ed’s digital transformation save it?”, *University Business*

To see more of the results, watch for an upcoming email from UB making the white paper infographic available for download.

Survey finds COVID-19 is driving digital transformation in higher ed

Amid the unprecedented campus closures caused by the COVID-19 pandemic, *University Business* and Jenzabar partnered to develop and deploy a survey of higher ed leaders in January 2021 that explored the impact of the pandemic on their institutions' use of technology. Some 686 respondents participated, with a wide variety of job titles and responsibilities and from a diversity of sizes and types of institutions across the country.

When asked if their institution had been engaged in some level of digital transformation **prior to** the COVID-19 pandemic, 53% of respondents selected "Somewhat" and 27% said "Significantly," while 18% said "Very little" and just 2% said "Not at all."

However, when asked if their institution was now engaged in digital transformation **because of** the COVID-19 pandemic, some 69% said "Significantly" and 28% said "Somewhat," for a total of **97% saying the pandemic had caused their institution to engage in some level of digital transformation.**

Was your institution engaged in some level of digital transformation, prior to COVID-19?

27% Significantly 18% Very little
53% Somewhat 2% Not at all



Is your institution now engaged in some level of digital transformation, because of COVID-19?

69% Significantly 2% Very little
28% Somewhat 1% Not at all

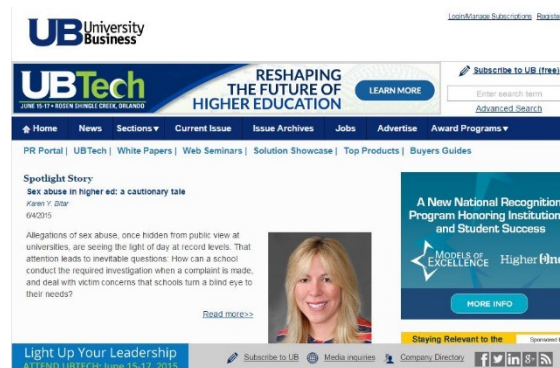


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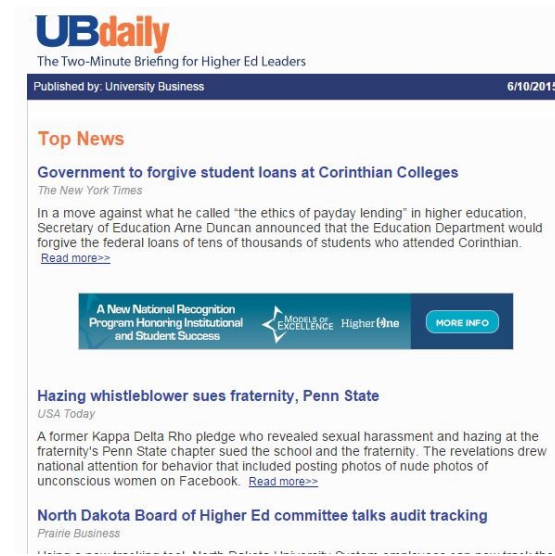
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