



COVID-19: Looking Ahead to the Next Few Months

Findings
May 1, 2020

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welcome to brighter



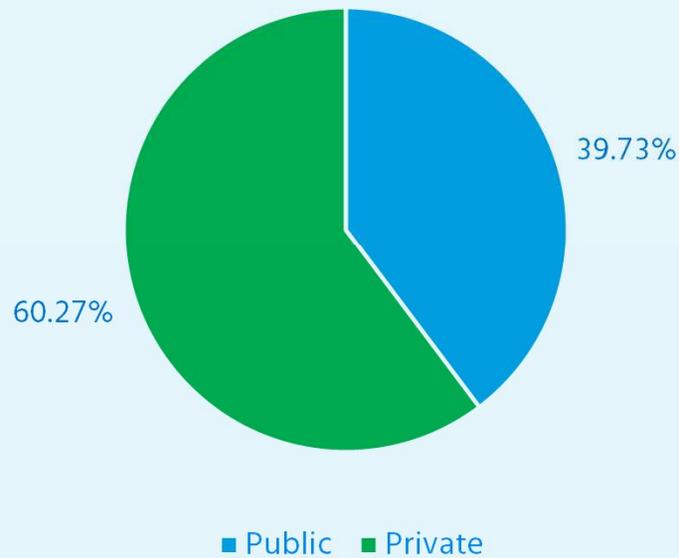
Introduction

- Mercer is pleased to present the results of our second research study focused on higher education's response to the COVID-19 pandemic. The survey was conducted between April 22nd and 28th.
- The first survey was conducted in mid-March, when the harsh reality of the pandemic was just setting in. Just a few weeks later, the world is in a very different place. We've included results from the prior survey whenever possible as a point of comparison.

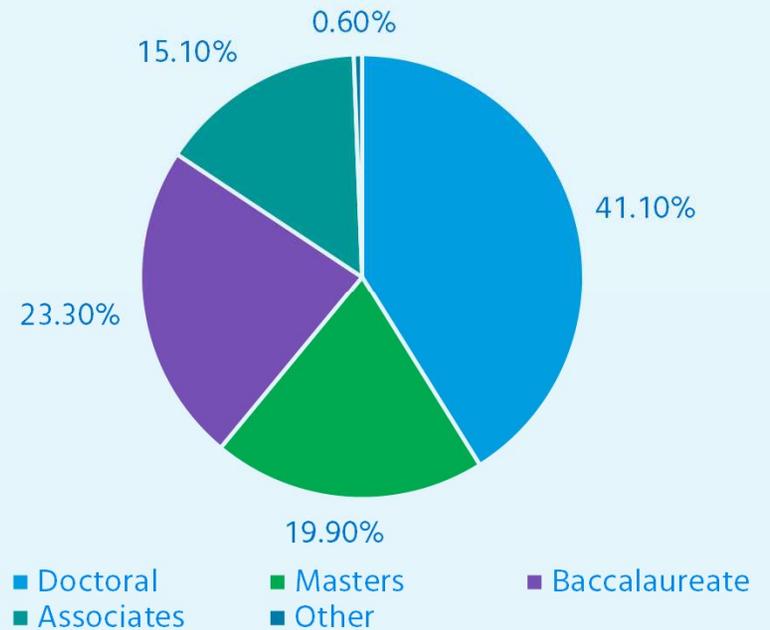
Participant Overview

Total Participants: 145

Institution Funding



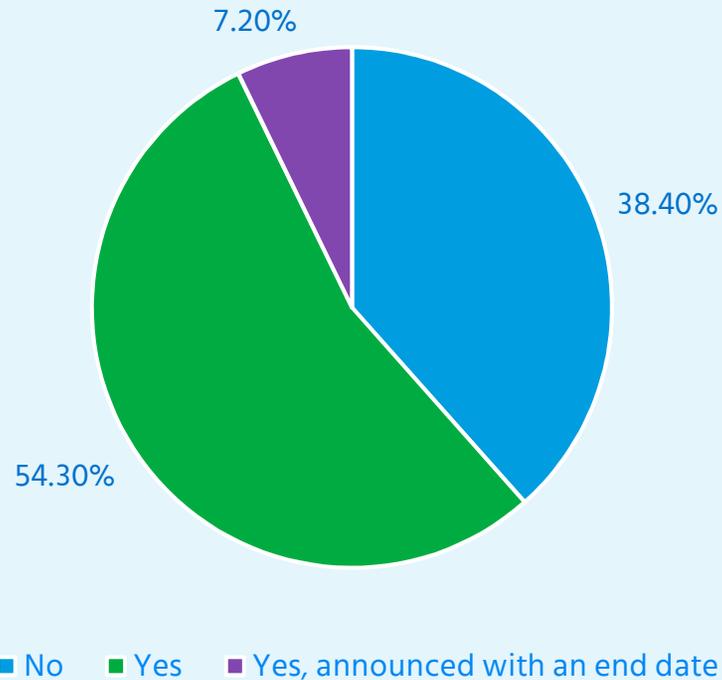
Carnegie Classification



The distribution of Carnegie class among public and privates is similar – with slightly more public Doctoral and Masters institutions (65%) – most of the Baccalaureate institutions are private (77%)

Hiring Freezes

Q: Has your institution instituted a hiring freeze?



Prior Survey Results

Yes: 30%

Considering: 33%

Not Considering: 36%

Nine institutions indicated end dates:

3 – June 30, 2020

1 – September 30, 2020

1 – January, 2021

3 – June, 2021

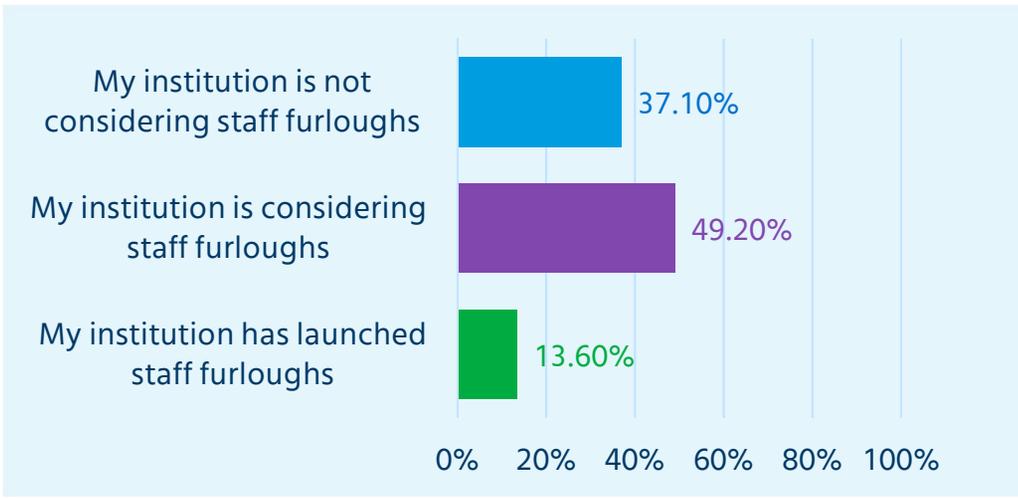
1 – August, 2021

One institution described implementing a targeted, strategic approach to filling only critical positions

Segmentation

- 61% of public institutions have not instated a hiring freeze versus only 26% of private institutions
- 70% of Associate institutions have not instituted a hiring freeze whereas only 26% of Doctoral institutions have not instituted a freeze

Furloughs - Staff



Prior Survey Results

Not Considering: 64%

Considering for non-essential jobs: 10%

Considering for entire workforce: 5%

Other: 22% (move to part time; voluntary; exploring other options)

Segmentation

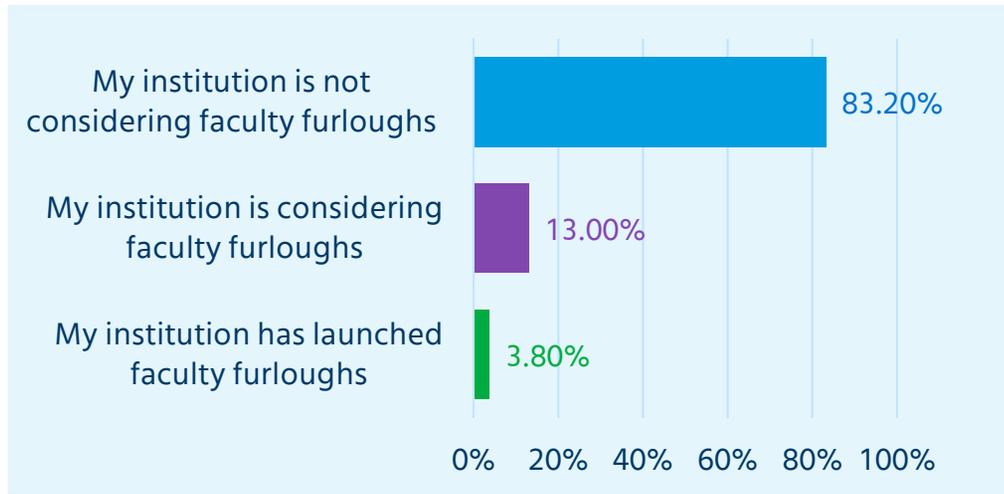
64% of public institutions are not considering staff furloughs whereas only 22% of private institutions are not considering furloughs

Public institutions are much less likely to have launched furloughs (4%) than private institutions (19.5%)

78% of Associates institutions have are not considering staff furloughs

Over 20% of Masters institutions have launched furloughs

Furloughs - Faculty



Segmentation

- Very few institutions are considering furloughs for faculty (13%) compared to staff (49%)
- 80% of those that have instituted furloughs are private – however the total number of institutions that have furloughed is very small

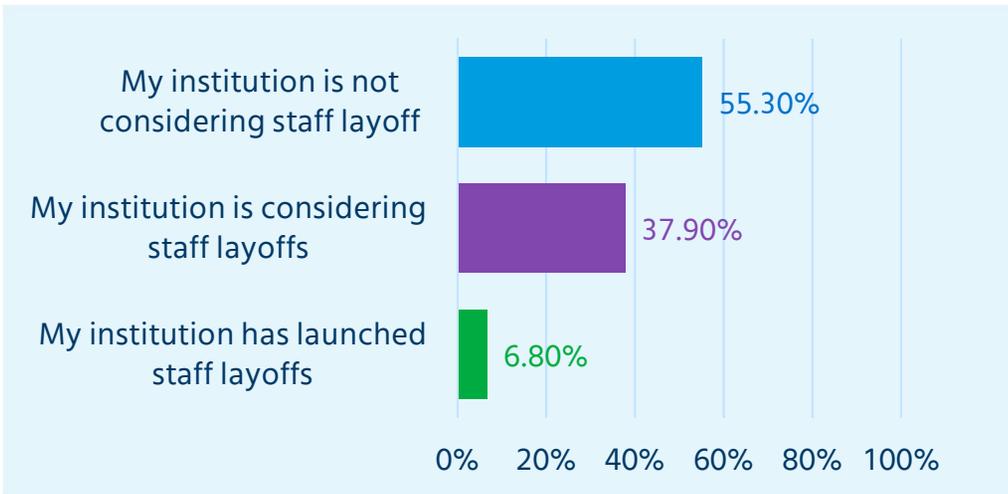
Of the institutions considering furloughs



Of the institutions launching furloughs



Layoffs - Staff



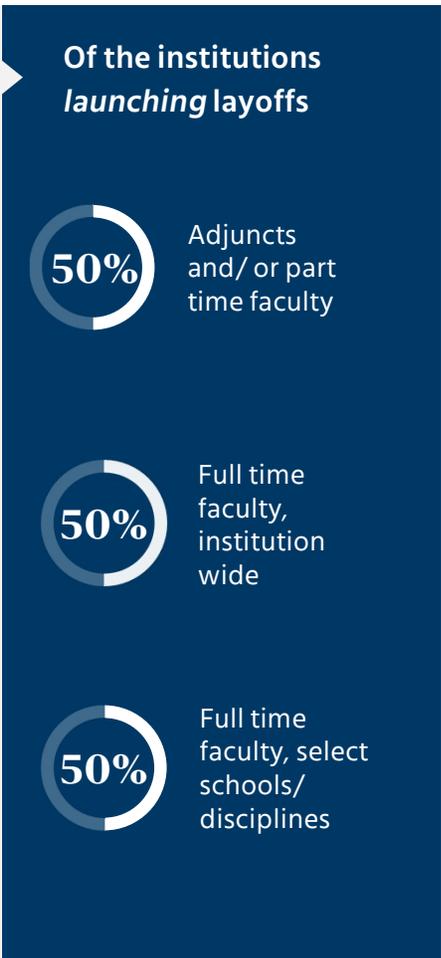
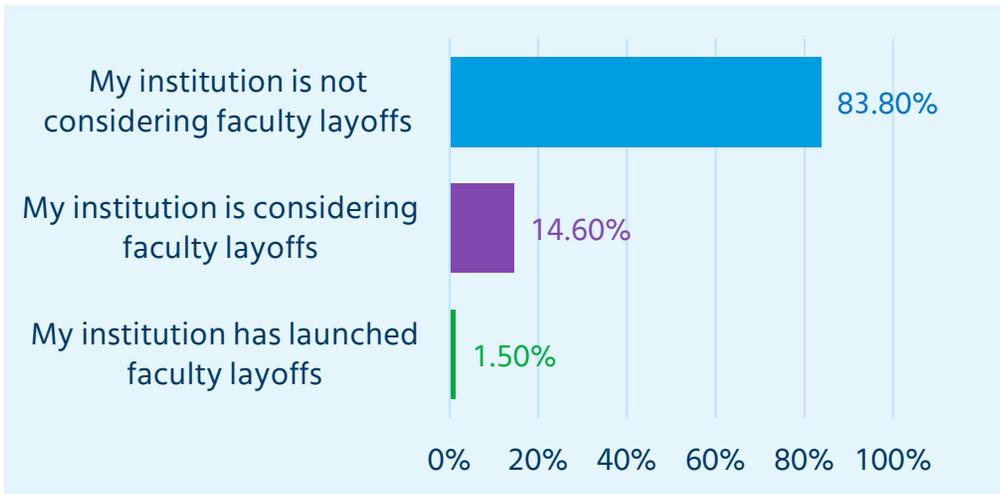
Prior Survey Results

- Not Considering: 53%
- Eliminate/reduce contractors: 23%
- Considering for non-essential jobs: 5%
- Considering for entire workforce: 4%

Segmentation

- Most public universities are not considering layoffs (64%)
- 72% of Associates institutions and 60% of Masters institutions are not considering staff layoffs
- 9% of Doctoral Institutions and 8% of Masters institutions have launched staff layoffs, whereas only 3% of Baccalaureate institutions and 0% of Associates institutions have launched staff layoffs

Layoffs - Faculty



Segmentation

- Only private universities have reported layoffs of faculty (2.5%)
- Masters institutions are much more likely to be considering faculty layoffs (24%) than other classes. Only 6% of Baccalaureate institutions are considering faculty layoffs
- 24% of Masters institutions and 16% of Doctoral institutions are considering faculty layoffs where only 6% of Baccalaureate institutions are considering faculty layoffs

Reductions in Force - Staff



Segmentation

- Private institutions are more likely to have eliminated staff positions (7%) versus public institutions (2%)
- Baccalaureate institutions are the least likely to have already eliminated staff positions (3%) versus almost 9% of Doctoral institutions have already eliminated staff positions
- 60% of Masters institutions are considering eliminating staff whereas only 16% of Associates institutions are considering eliminating staff
- 7 – 8% of Doctoral and Baccalaureate institutions have eliminated staff positions.

Reductions in Force - Faculty

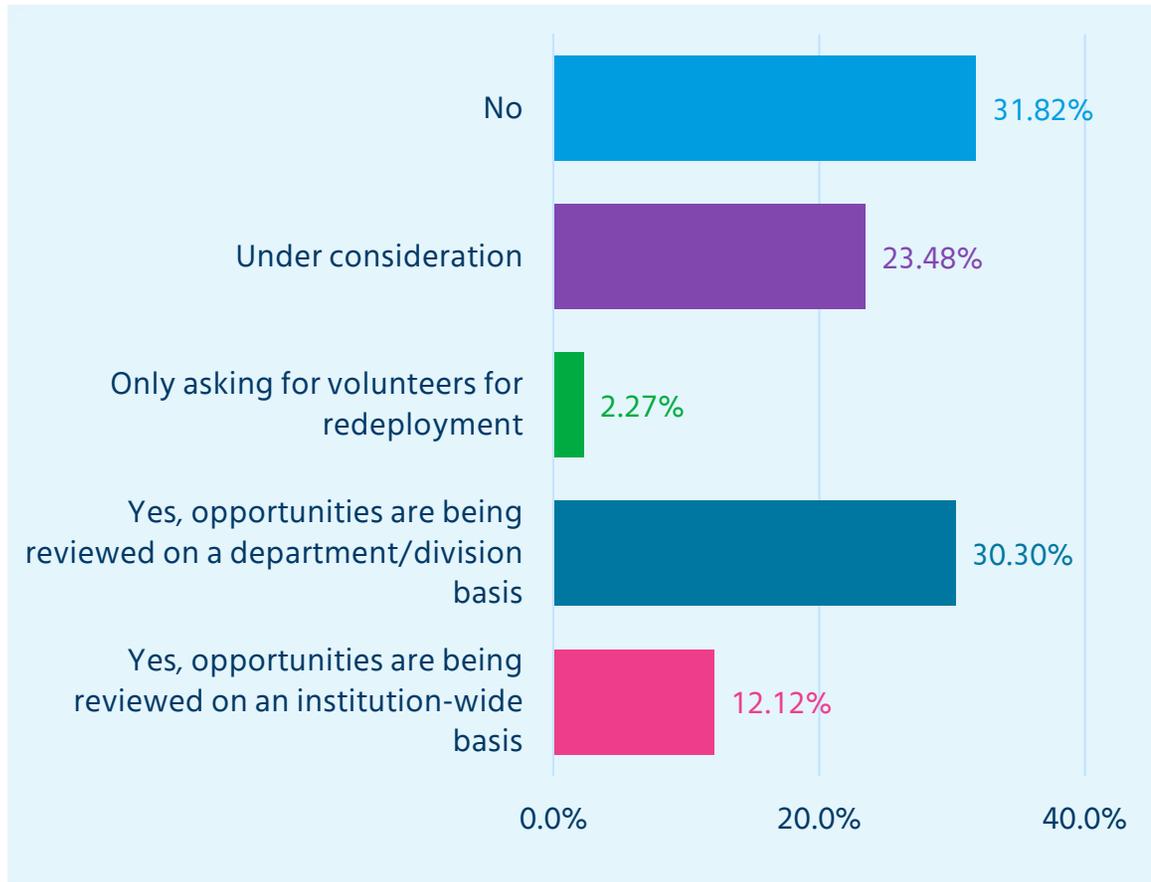


Segmentation

- Very few have actually eliminated faculty positions, however 24% of Masters institutions are considering versus less than 6% of Baccalaureate institutions.
- 24% of Doctoral and 20% of Masters institutions are considering eliminating faculty positions. 90% of Associates institutions are not considering eliminating faculty positions.
- 5.6% of Associates institutions have eliminated faculty positions.

Redeploying Staff

Q: Is your institution redeploying staff who are in jobs that cannot be performed remotely?



Prior Survey Results

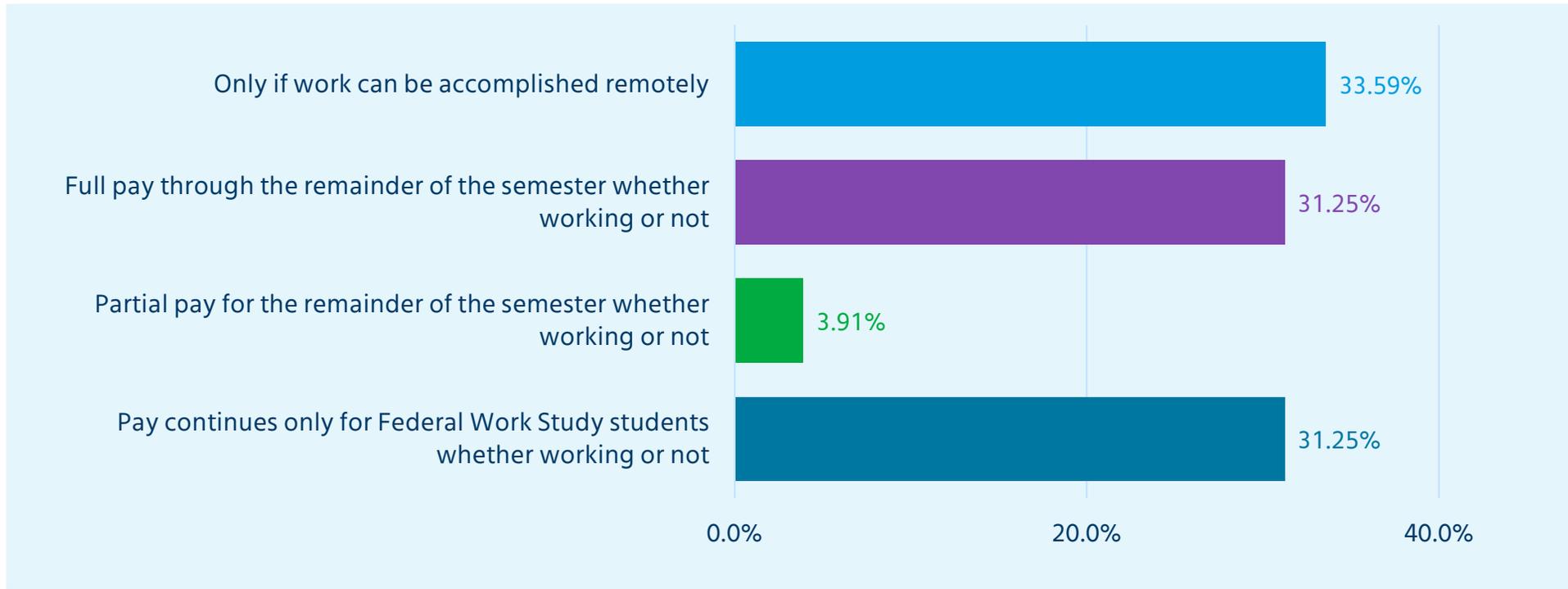
Topic was structured as an open-text question. Most respondents indicated that redeployments were not being considered. Where redeployment was occurring it was either voluntary or on a case by case basis.

Segmentation

- 48% of Masters and 41% of Baccalaureate institutions are not redeploying staff, whereas 18% of Doctoral institutions reported no redeployment of staff
- 16-17% of Masters and Baccalaureate institutions are considering redeployment
- 4% of Masters and 6% of Baccalaureate institutions are asking for volunteers for redeployment

Student Workers

Q: Are you continuing to pay student workers?

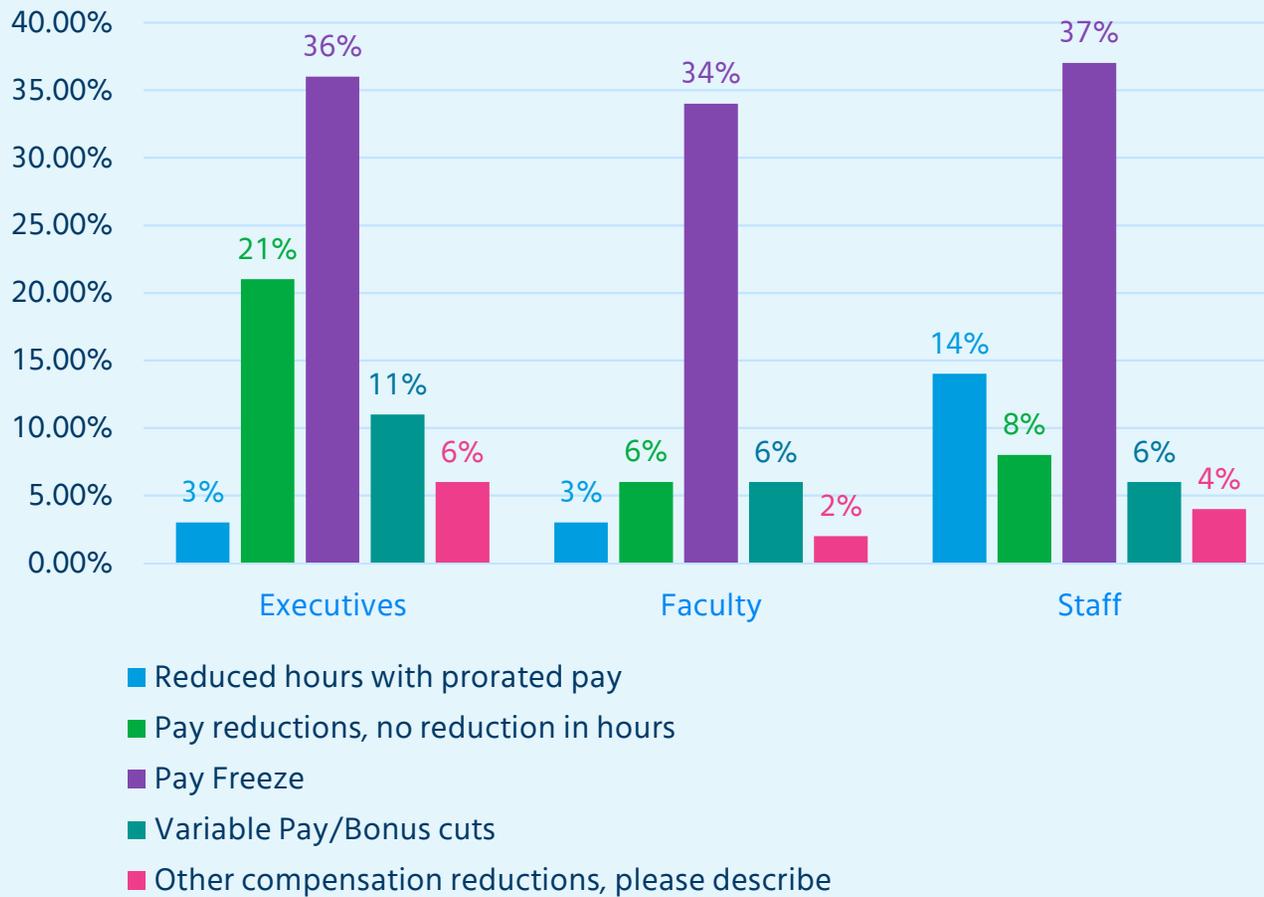


Prior Survey Results

Yes: 47%

No: 39%

Compensation Strategies



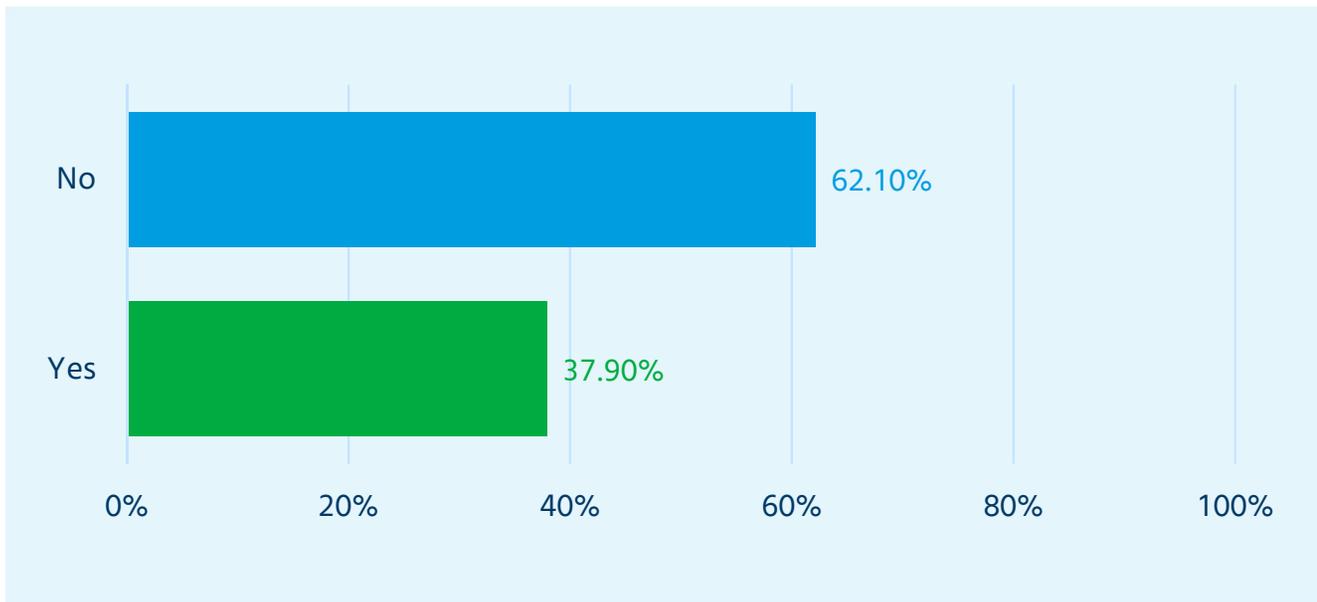
Executive pay cut percentage at the mean is 16%
 Executive bonus/variable pay reduction is 67%

Segmentation

- Only 17% of public executives have received pay reductions and only 3% had bonus/variable pay cuts whereas 24% of private institution executives have received a pay cut and 16% have instituted bonus/variable pay cuts
- 32% of Doctoral institutions have instituted executive pay reductions, while only 9% of Baccalaureate and Associate institutions have instituted pay reductions
- +/- 47% of private institutions have had pay freezes for all employees whereas only 19% have instituted pay freezes in public institutions.
- +/- 47% of Doctoral institutions have instituted a pay freeze whereas only 5% of Associates institutions have instituted a pay freeze.
- 17% of private institutions have reduced hour/prorated pay for staff
- 31% of Masters institutions have reduced hours and pay for staff

Supplemental Pay

Q: Has your institution implemented supplemental payments to hourly workers who cannot perform their jobs?

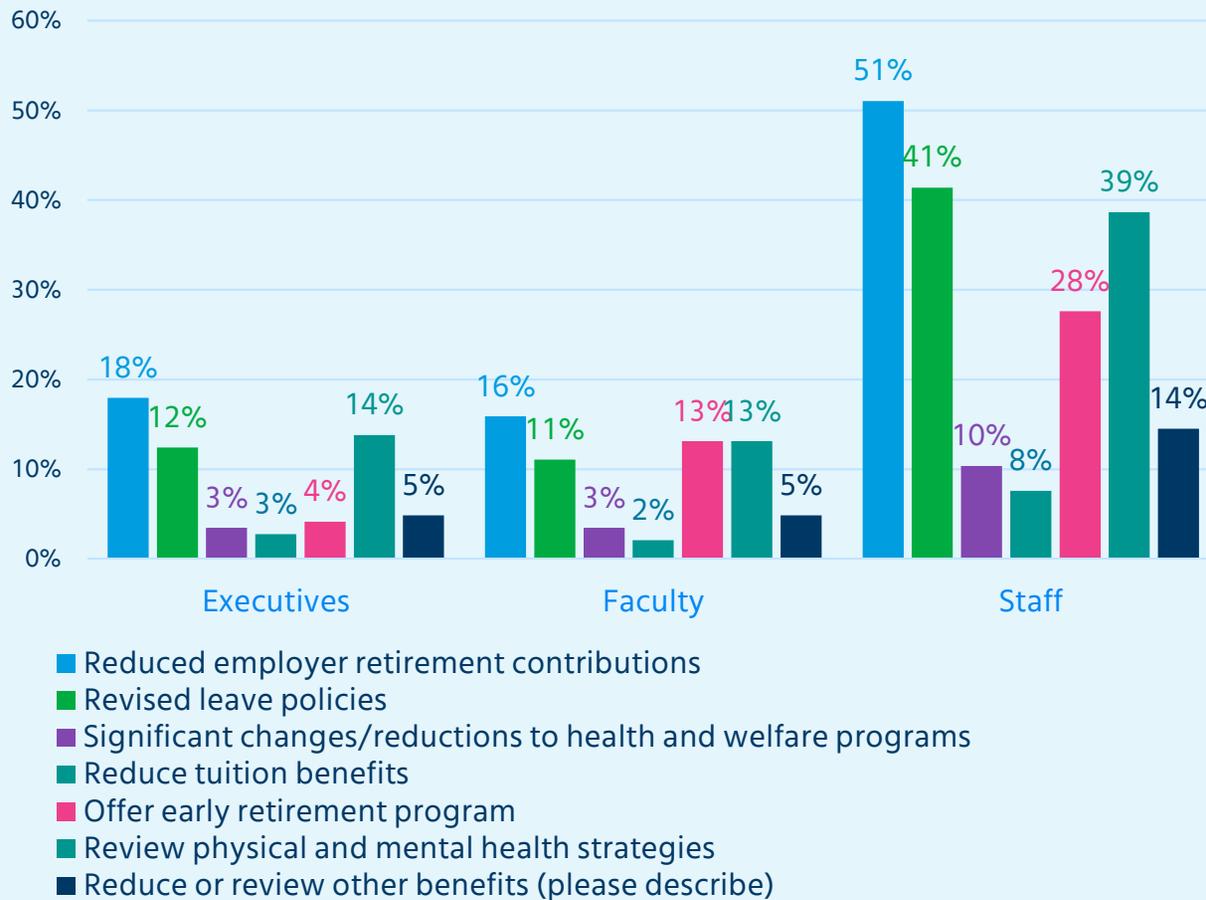


Prior Survey Results
Yes: 40%
No: 56%

When paid, amounts are determined by

- 2% Seniority
- 64% Prior Hours Worked
- 34% Other, such as regular schedule, full pay through foreseeable future, on-call pay

Benefits Strategies

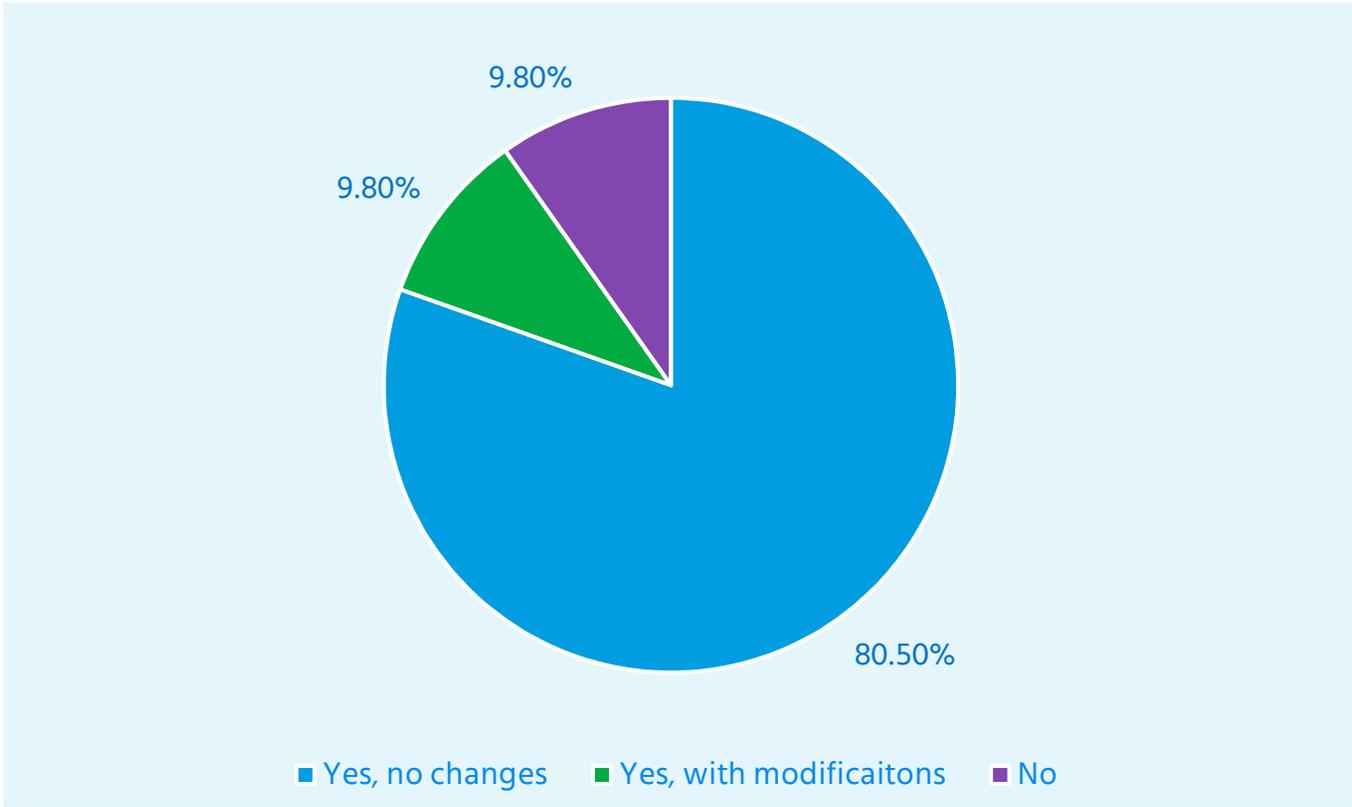


Generally speaking, the survey shows there will be increased activity to reduce overall benefit spend across all aspects of your employee benefit programs. Some of these benefit changes could be temporary, such as reduced employer contributions to retirement programs. However, we anticipate more significant changes to typically rich employee health and welfare programs including but not limited to:

- Higher copays, deductibles and out of pocket charges
- Increases in employee contributions
- Narrow networks
- Increase in care management programs and point solutions
- Reductions in tuitions benefits
- Increased pressure to encourage retirement in retirement aged workforce – including staff and faculty

Benefits

Q: Are furloughed employees able to continue their benefits?

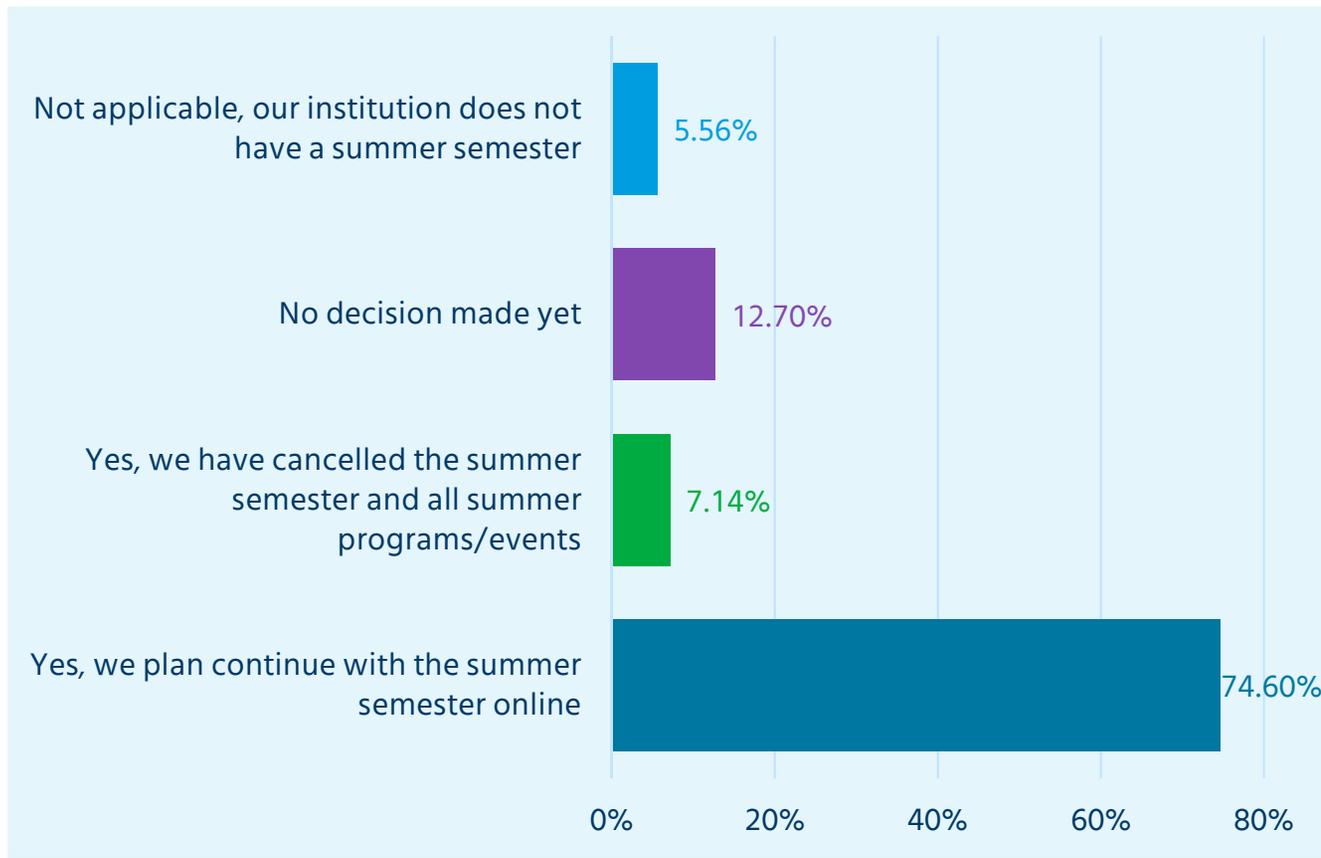


If your institution is continuing health and welfare benefit programs, how are you managing employee contributions?

- 76%** No Changes
- 2%** Forgiving health and welfare employees contributions for hourly employees
- 1%** Forgiving health and welfare employees contributions for salaried employees
- 22%** Other

Summer Semester

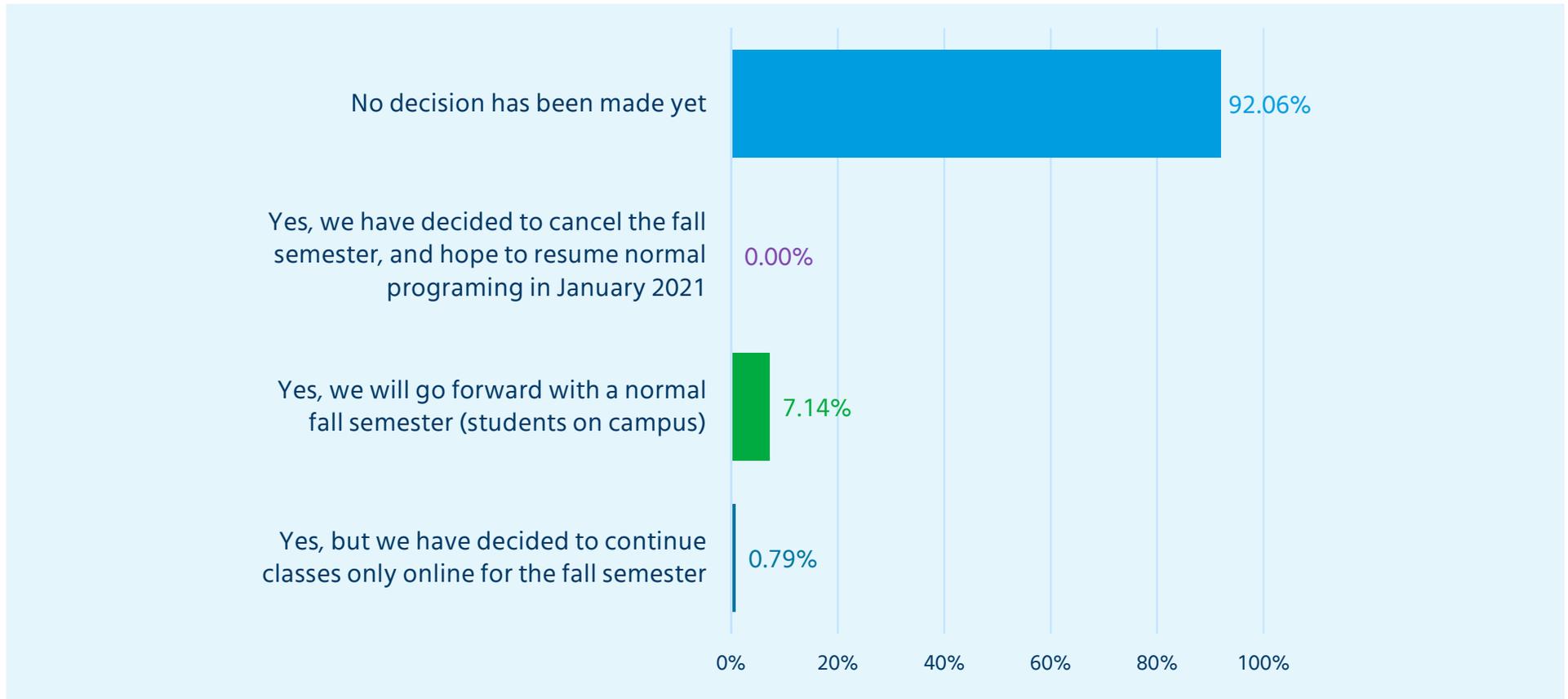
Q: Has your institution made a decision about the summer semester?



91% of public institutions plan to continue with summer semester online

Fall Semester

Q: Has your institution made a decision about the fall semester?



Future Initiatives

Q: Once this challenging time is behind us, which of the following do you expect will be undertaken by your institution (check all that apply):



Many institutions have already been considering or working on these initiatives, to address seismic changes in the higher education landscape.

We expect, however, that the pandemic has created a greater sense of urgency.

Participating Institutions

- Adelphi University
- Amherst College
- Anabaptist Mennonite Biblical Seminary
- Arizona State University
- Auburn University
- Babson College
- Ball State University
- Belmont College
- Bentley University
- Blue Ridge Community and Technical College
- Bowdoin College
- Central Piedmont
- Chipola College
- Claremont McKenna College
- Coe College
- College of the Holy Cross
- Columbus State
- Concord University
- Connecticut College
- Cornell University
- Central Ohio Technical College
- Dartmouth College
- Denison University
- Dominican College
- Drew University
- Eastern WV Community & Technical College
- Elizabethtown College
- Emory University
- Fairfield University
- Fairmont State University
- Florida SouthWestern State College
- Fordham University
- Fox Valley Technical College
- George Mason University
- Georgetown University
- Goshen College
- Governors State University
- Harvey Mudd College
- Hesston College
- Howard University
- ICUBA
- Illinois Wesleyan University
- Indiana University
- Iona College
- John Wood Community College
- Johns Hopkins University
- Johnson & Wales University
- Lakeland Community College
- Loyola Marymount University
- Luther College
- Manhattan College
- Manhattan School of Music
- Marshall University
- Massachusetts Institute of Technology
- Massachusetts Maritime Academy
- Miami University
- Monroe Community College
- Moraine Park Technical College
- Mount St. Mary's University
- Nazareth College
- Niagara University
- North Idaho College
- Northeastern Illinois University
- Northeastern University
- Northern Illinois University
- Northland College
- Northwest Florida State College
- Northwestern University
- NY Institute of Technology
- Oakland University
- Occidental College
- Ohio University
- Pace University
- Pasco-Hernando State College
- Point Loma Nazarene University
- Princeton University
- Rensselaer Polytechnic Institute
- Rhodes State College
- Rice University
- Rider University
- Ripon College
- RISD
- RSA Government Universities
- Rutgers University
- Sacred Heart University
- Saginaw Valley State University
- Saint Joseph's University
- Santa Fe College
- Sarah Lawrence College
- Simmons University
- Southern Illinois University
- Southern West Virginia Community & Technical College
- St. John Fisher College
- Stanford University
- State College of Florida
- Stevenson University
- Stonehill College
- Suffolk University
- Teachers College, Columbia University
- Terra State Community College
- Texas Christian University
- The Catholic University of America
- The College of St. Scholastica
- The College of the Florida Keys
- The New School
- The Ohio State University
- The University of Akron
- Tulane University
- University of Alabama Birmingham
- Union College
- University of Arizona
- University of Dayton
- University of Delaware
- University of Illinois
- University of Mary
- University of Maryland, Baltimore
- University of Notre Dame
- University of San Diego
- University of Virginia
- Vassar College
- Villanova University
- Virginia Tech
- Viterbo University
- Wagner College
- Wartburg College
- Washington and Lee University
- Washington University in St. Louis
- Waubensee Community College
- Wentworth Institute of Technology
- Wesleyan University
- West Liberty University
- Western Illinois University
- Whittier College
- Widener University
- Wilmington University
- Wright State University
- WV Northern Community College
- Yale University
- York College of PA



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