What does tomorrow look like for your institution?

RESILIENCY ROUNDTABLE HELD JUNE 2, 2022

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A commentary on the future of flexible work, diversity, equity and inclusion, today's multigenerational workforce, and mental health.

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INTRODUCTION

Leaders in higher education were selected to participate in a roundtable discussion, hosted by Gallagher's Higher Education practice. The target audience consisted of HR decision-makers. The discussion explored a number of hot topics in higher education, while addressing today's current state and tomorrow's priorities and challenges. We asked: **What does tomorrow look like for your institution?**

The topics selected for this roundtable were based on trends in the industry, client feedback and survey data. According to the *Inside Higher Ed's* "2022 Survey of College and University Presidents", 89% of presidents agree (44% strongly) that they were able to implement some positive, long-lasting institutional changes during the pandemic.[1] We wanted to capture what that change was. What does tomorrow look like?

This 2022 Resiliency Roundtable was held in person at the Gallagher global headquarters, on June 2, 2022. We used the forum to create this whitepaper with the feedback and solutions discussed.

We asked our roundtable participants a series of questions throughout the roundtable. Their responses and data will be intertwined throughout this report.

Roundtable Participants

MODERATOR

- Dave Torri, Area Senior Vice President

GALLAGHER'S HIGHER EDUCATION PRACTICE ATTENDEES

Employee Benefits Brokerage and Consulting

- Nichole Johnson, Area Vice President
- Casey Kemerling, Associate Client Development

INSTITUTIONS REPRESENTED

1. Joliet Junior College
2. National Louis University
3. Oakton Community College
4. Rosalind Franklin University
5. The University of Illinois

AGENDA

1 **The future of flexible work**

2 **Diversity, equity and inclusion**

3 **Today's multigenerational workforce**

4 **Mental health and emotional wellbeing**

THE FUTURE OF FLEXIBLE WORK

The last two years have completely changed how employees and employers view the relationship between work and life. The implications of the pandemic for higher education, stretched far past employees because it effected the student experience. We transitioned staff to working remote, faculty to teaching online, and students to logging into class from their computers.

Now, we're entering a new era and our campuses are back open. Yet, things aren't the same. We knew they wouldn't be. But what is the new norm?

THE STUDENT PERSPECTIVE

There is a fine balance of flexible work in higher education. From an employee retention and attraction stand-point, institutions that offer more flexibility to work from home are seeing decreased turnover and increased job applicants. On the flip side, students want their campuses to provide the in-person experience.

Fewer prospective students and parents are willing to pay the same price for virtual as for in-person learning, with 79% of presidents agreeing. Presidents report that 36% of undergraduate courses are being taught in online or hybrid formats for fall 2022, vs 29% pre-pandemic.[2]

THE INSTITUTION PERSPECTIVE

Policies are changing and evolving with these considerations. All of our panel members indicated revised policies are set but are up for review and "fluid" to account for necessary adjustments. There is also a need to review current "intermittent policies" such as weather related and short-term flex schedules. Again, flexibility will be key to all these considerations.

Campus culture is key. The need for a vibrant campus is important to attract students, and engagement/interactions are critical to retain students. We rely heavily on the engagement of faculty and student to create this optimal experience for students. The public's view of the value of a college degree is declining, so we must do everything we can to retain our students while making great efforts to increase future enrollment.

According to Gallagher's 2022 Workforce Trends Pulse Survey #2, from January to June of 2022, 72% of organizations experienced an increase in open positions. We're facing workforce shortages, a war on talent, and record inflation.[2] Employers are grappling with how to handle issues coming from every angle. From the same Workforce Trends Pulse Survey, we learned that 31% of employers changed the composition for their workforce to make up for the shortages.

THE EMPLOYEE PERSPECTIVE

How do we support the needs of our students, while surviving this war on talent? Employees want more flexibly to work from home. Once we got a taste of flexibility during the pandemic, it is harder for some individuals to go back to in-person.

> 47% of institutions have altered their employment policies in ways that will give employees more latitude to work remotely after the pandemic ends. Another 34% are considering altering their policies. Yet, less than 25% of staff are working remotely for Spring 2022.[3]

Institutions are revisiting their flexible work arrangements, to prevent burnout, attract new talent, increase retention, and mitigate the loss of institutional knowledge. Some institutions are offering more flexibility in the summer, with summer hours, remote Fridays, or even closing on summer Fridays.

[2]U.S. Q3 2022 Gallagher Better Works Insights report
[3]2022 *Inside Higher Ed's* 'Survey of College and University Presidents'

ROUNDTABLE POLL #1:
WHAT IS YOUR CURRENT STATE FOR FACULTY/STAFF?

The answers are not that simple, as it can vary by position and department.

- **Hybrid pre-pandemic** — One institution has had a hybrid arrangement with flexible days for the last 15 years, with some positions already fully remote. Another institution has a faculty union that has always allowed 50% remote work.

- **Hybrid with selected days** — One institution is now offering a hybrid work arrangement with selected days. The number of days and which day of the week, are determined by the administrator.

- **Hybrid for certain roles** — An institution has implemented a flexible work process, by going through each job description to see if it qualifies as fully in-person, agile, or fully remote. If a job is identified as flexible, then a conversation is to be had between the department chair and the employee.

- **Hybrid for staff, in-person for faculty** — Two institutions have faculty in-person with business as usual, as they come on campus when they have to teach. Then, staff and administration have three days in the office and two days working from home.

Regardless of the in-person/remote dynamic, decisions are being shifted to department chairs, vice presidents and administrative leads. One institution is giving managers the right to approve 1-5 days remote, depending on the job.

When assessing flexible work, expand your assessment to include flexible hours, days and locations. Flexible work arrangements need to align with job functions. What works for one role, may not support another. For example, it's not possible for a groundskeeper to work from home one day a week. We must view our efforts as being equitable, not equal. Whatever we put in place, must be fluid and evolve with the needs of our students and employees.

WAYS TO SUPPORT A DIVERSE WORKFORCE

What is Diversity, Equity and Inclusion (DEI)?

DIVERSITY
VARIATION OF CHARACTERISTICS

EQUITY
FAIR ACCESS FOR ALL

INCLUSION
SENSE OF BELONGING

The business case for DEI is clear. Organizations that embrace diversity, equity and inclusion perform better. Additionally, a sense of belonging can help drive connectedness which helps build resiliency and trust, and can reduce the risk of burnout which negatively impacts engagement, productivity, retention, public perception and healthcare costs.

Today's diverse student population would like to see diversity represented in their institution's faculty and staff. To assess today's DEI climate on campus, we looked to the *Inside Higher Ed's* "2022 Survey of College and University Presidents". Questions were posed on the state of race relations. College and university presidents are more optimistic of their own campus when it comes to race relations than the higher education industry as a whole.

WHAT IS THE STATE OF RACE RELATIONS ON YOUR CAMPUS?

63% Good

26% Fair

10% Excellent

1% Poor
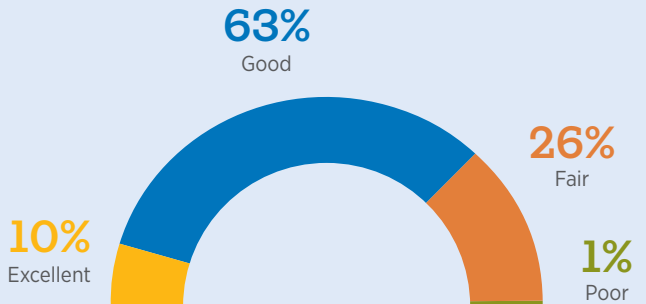
Source: 2022 *Inside Higher Ed's* 'Survey of College & University Presidents'

WHAT IS THE STATE OF RACE RELATIONS IN HIGHER ED?

64% Fair

28% Good

0% Excellent

7% Poor
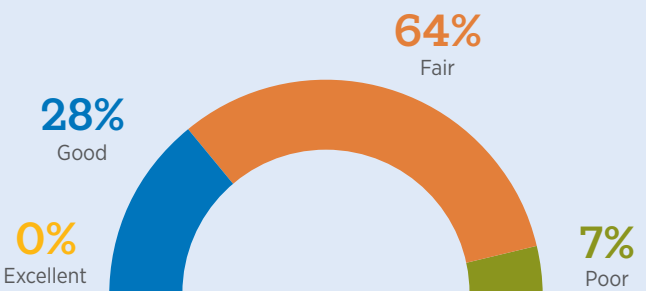
Source: 2022 *Inside Higher Ed's* 'Survey of College & University Presidents'

According to Gallagher's 2022 Workforce Trends Pulse Survey #2 in June 2022, 34% of employers believe their current level of commitment to DEI will continue through 2024, while 66% think it will increase. No employers expect a decrease.[4]

Integration of DEI into the organization has already been achieved to some extent by 83% of employers. For 45%, the main focus is on compliance, but there is some leadership involvement and grassroots diversity networks may exist. Where it's significantly integrated, by 31%, leaders understand and appreciate the business case, and have communicated a DEI vision and strategy to employees. Also, the strategy includes dimensions beyond race, age, gender and disabilities.

That leaves 7% whose C-suite treats DEI integration as a top priority. Leaders are accountable to objectives, and principles and practices are integrated into all talent strategies and business systems. Appreciating different employee perspectives, while remaining sensitive to societal issues and historical contexts, supports better HR interactions with employees and guides better decisions.

By listening first, HR leaders and other team members can improve the thoughtful development of DEI programs and messaging, so they land with the intended tone and deliver targeted outcomes.

An analytic workforce assessment adds another dimension, potentially providing direction on engagement, benefits and retention strategies, and helping to identify any misalignment of current HR practices and policies.

EXTENT OF DEI INTEGRATION INTO THE ORGANIZATION[4]

45% Some

31% Significant

18% None

7% Complete
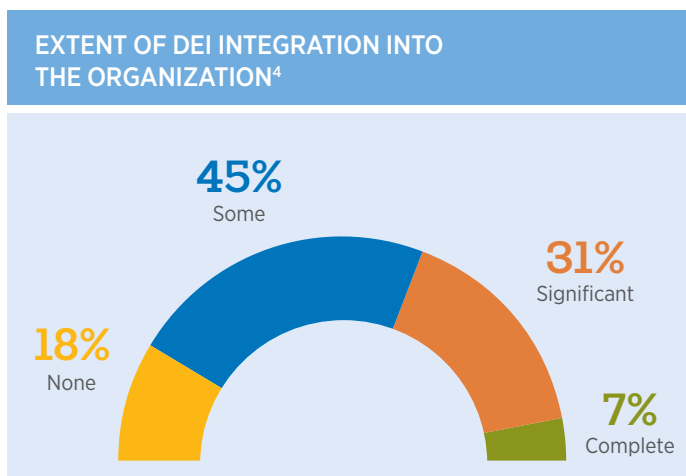
ROUNDTABLE POLL #2:
DO YOU HAVE SOMEONE ON STAFF DEVOTED TO YOUR DIVERSITY, EQUITY AND INCLUSION (DEI) EFFORTS?

All roundtable participants had a full-time VP or director role dedicated to DEI. For institutions with multiple campuses, we're seeing DEI positions at each campus. Many institutions are also including an advocate or inclusionist in search committees to ensure the hiring process takes DEI into account and mitigate bias creep.

These individuals are tasked with enacting institutional change. It's not just the job of the director of DEI or a DEI committee to transform a campus culture. Encourage your employees to speak up if they see something that needs to be addressed and improved upon. Change the culture, one small improvement and training at a time.

What can we do to improve race relations on our campus? Here is a list of ideas from our roundtable participants:

- Offer a DEI certificate program
- Make DEI efforts a part of your performance review process
- Introduce ally-ship programs and interest-based groups to encourage conversation
- Assess your recruitment practices to ensure that the interviewer pool doesn't have hidden biases in the interview process
- Interview your BIPOC and LGBTQ+ employees on their employee experience
- Award efforts towards advancing diversity
- Require cultural competency and bias training

There are key areas of physical and emotional wellbeing resources that keep inclusivity in mind. Those include: telemedicine and provider access, LGBTQ+ benefits, pharmacy coverage, elective benefits, voluntary coverages, and an employee assistance program (EAP).

Leaders can demonstrate an ongoing commitment to the organization's diversity strategy in several important ways:[5]

- Owning and celebrating DEI successes and progress, while acknowledging missed opportunities and correcting errors.

- Not tolerating individual or small group actions and communications that are not aligned with the organizational strategy, goals, mission and vision.

- Promoting periodic look-back communications highlighting the changing face and social fabric of the organization.

- Creating a collaborative group of change agents.

- Setting measurable goals for diversity and inclusion, and consistently measuring performance in these areas.

- Modeling inclusive behaviors and practicing inclusive leadership.

What are the outcomes for a well-managed DEI strategy?

- Improved employer brand

- Better candidate pools

- More engaged employees

- Lower employment risk

- Increased compliance confidence

- Organizational performance

- Talent outcomes

For more resources and our full Workplace Diversity, Equity and Inclusion (DEI) resource center, click here.

[5]Driving Diversity, Equity and Inclusion (DE&I) for Organizational Transformation, Gallagher News & Insight

WHAT DOES TOMORROW LOOK LIKE FOR YOUR INSTITUTION?

ATTRACTING AND RETAINING A MULTIGENERATIONAL WORKFORCE

Annually, Gallagher conducts a Benefits Strategy & Benchmarking Survey. Year-over-year the top HR priority is always attracting and retaining talent. Each year, this seems to be more difficult. Now we're facing a war on talent, with increasing compensation, hybrid or remote work options, the great resignation, and the "silver tsunami."

In order to both attract and retain talent, we must understand what our employees need out of an employee benefits plan and employer. The first step to understanding your workforce, is to lean on the data. Below is information from the Gallagher Better Works[SM] Insights Q2 2022 Issue[6], that shows the breakdown of today's workforce by five life/career stages.

Career Stages	Exploration (Under age 25)	Establishment (25-34)	Mid-Career (35-44)	Late Career (45-54)	Pre-Retirement (55+)
Higher Education	13%	22%	20%	19%	26%
National	12%	23%	21%	20%	24%

The higher education benchmark is very close to the national workforce distribution. Both benchmarks have a close division of the workforce between the established, mid-career, late career and pre-retirement stages. Only a small portion of our workforce is under the age of 25.

One of the institutions at the roundtable has already taken this approach to their total rewards strategy. For early stage faculty, they're focusing on professional development and mentoring. For mid-career staff, they're focusing on career ladders, flexible work, and child care benefits. For late career, they're focusing on pre-retirement resources and workshops.

Workforce Distribution

- ● Higher Education
- ● National
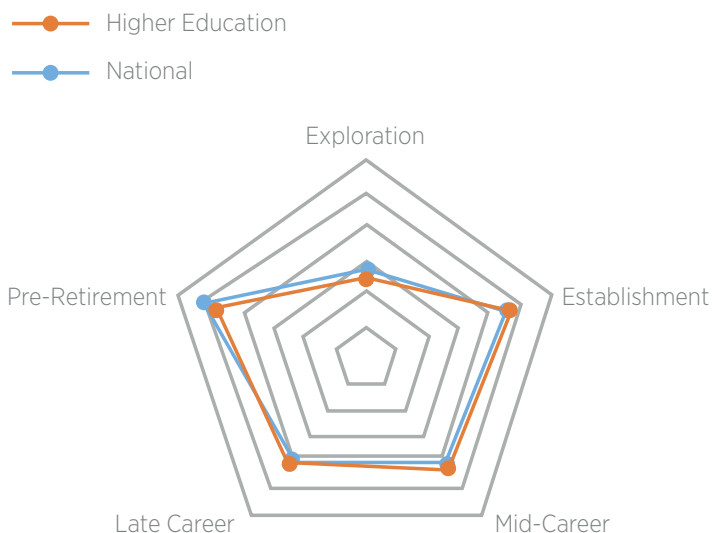
With one-fourth (¼) of our workforce being pre-retirement, we must address succession planning. Assess all departments to see what percentage is late career and pre-retirement. Succession planning will be key to prevent the loss of institutional knowledge.

But it's not just the retirees that are leaving. Employees under the age of 45 hold a lot of institutional knowledge, and must pass that knowledge/information to the rest of their team or a successor.

A common theme amongst the college is that the retiree doesn't want to retire. Working at an institution provides a sense of purpose and is a social opportunity for many. Retiring is a significant change for employees and some are more hesitant to do so. In order to encourage retirement, many of the colleges have one to three year retirement phase out to slowly reduce the work and pay over two years. To support the reduced capacity of faculty, some are leaning on adjuncts to supplement the remaining work.

To support the retirement process, it's important for the retiree to be involved in the transition to his/her successor. Training programs — both-role based and leadership-based — are great tools to train the next generation. The development of "Professor Emeritus" status to encourage retirement and make room for advancement while maintaining the retirees sense of purpose and social interaction has been successful strategy at some institutions on our panel.

It's important to assess your employee benefits package and assess that it covers the wants and needs of each life/career stage. See the chart below for more information on what employees tend to want and desire at each life/career stage.

	Exploration (Under 25) Gen Z	Established (25-34) Millennials/Gen Y	Mid-Career (35-44) Gen Y to Gen X	Late Career (45-54) Gen X	Pre-Retiree (55+) Boomers
Life Stage Characteristics	More likely to be single and without dependents	Single or recently married	Potential child dependent needs	Potential child and adult dependent needs	Family obligations lessened
Career	Work environment and corporate culture are important	Job advancement with clear career path options	Work/life balance is important	Professional leadership and mentorship opportunities are important	Preparing for transition into retirement
Engagement Needs	Needs guidance, structure and feedback	Seeks mentorship aligned with career goals	Prefers summarized and visually appealing information	Prefers practical and factual information targeted to their lifestyle	Prefers peer advice
Learning Style	• Tech and multi-media based learning • Need structure, reinforcement, guidance	Tech and multi-media based learning	• Group learning • Get advice from peers	• Individual based learning • Practical and factual information	• Classroom-style learning • Seek-out peer advice • Information on paper
Financial	Limited/no savings	Debt or learning to manage bills	Focusing on first home purchase	Potential disruption due to dependent education costs	Focus on steady income during retirement
Benefits	Lighter benefit use	Light to moderate use of benefits	• Moderate to heavy benefit use • Likes options	• Moderate benefit use • Want planning advice	Benefits important, especially life and disability
Age Specific Health Concerns	Injuries	Pregnancy	Chronic Condition: • Cancer	Chronic Conditions: • Arthritis • Cancer • Cardiovascular Disease • Diabetes	Chronic Conditions: • Arthritis • Cancer • Cardiovascular Disease • Diabetes • Stroke

MENTAL HEALTH AND EMOTIONAL WELLBEING

As mental health and wellbeing continue to be great concerns coming out of the pandemic, it is important that institutions show their staff and faculty how much they care and are in tune with their needs. Almost all (89%) presidents report that they are somewhat or very aware of the state of mental health as it relates to staff, undergraduate students and faculty, according to the *Inside Higher Ed's* "2022 Survey of College and University Presidents".

Fourteen percent (14%) of students left college and nearly a third of student's did not finish their degree due to mental health challenges.[6] Success in higher education required access to mental health support. Mental health resources need to be easy to access, and communicated regularly.

Over the last few years, we've seen an increased investment in mental health and emotional wellbeing services. Some of these investments are for on-campus resources, (i.e., counseling services) while others are virtual (i.e., telehealth). Fifty-five percent (55%) of presidents somewhat or strongly agree that their institution has sufficient capacity to meet the mental health needs of faculty and staff.[7] And 74% of presidents plan on increasing their institution's capacity to meet mental health needs of students, staff and/or faculty.

Many of the topics that we discussed at the roundtable are intertwined. For example, the climate of diversity on campus can effect ones mental health. It's important to create an inclusive culture for BIPOC and LGBTQ+ students, faculty and staff. One institution had members of the LGBTQ+ community present to faculty and staff on what its' like to be a student at that institution. This was a part of the allied training, and was a very eye opening experience and great learning opportunity.

Here is a list of mental health resources and programs from our roundtable participants:

- Create a website to coordinate care, including urgent hotlines, medical resources, mental health, food and housing resources, and self-help.
- Leverage the employee assistance program's mental health, and critical response resources and webinars.
- Promote monthly mental health trainings and events.
- Create a Mental Health Champions certification program to certify employees that can talk to students and coworkers.
- Sponsor meditation apps like Calm and Insight Timer.
- Host social activities, including picnics/BBQs for employees, students and their families to have more fun!
- Understand how financial health can affect one's emotional wellbeing and offer financial wellbeing resources, like a loan forgiveness seminar with your retirement vendor.
- Host vendor fairs for students, faculty and staff to promote resources.

One idea that stuck out in particular was mental health days. Many employers offered mental health days in May, which is mental health month. Some employers are leading the charge and expanding their time-off policies to allow for mental health days all year long.

[6]*Sallie Mae '*How America Completes College 2022'
[7]2022 *Inside Higher Ed's* 'Survey of College and University Presidents'

CLOSING REMARKS

We are pleased to bring you the insights and resources in this 2022 resiliency whitepaper.

In this whitepaper, we have talked about the future of flexible work, DEI, today's multigenerational workforce, and mental health. Organizations that have proper strategies to support each of these areas will see more engaged employees, lower employee risk, increased organizational performance, and improved institutional brand.

These topics are intertwined and effect one another. Should an employer not support diversity, equity and inclusion, that can have a negative impact on one's mental health and hinder their efforts to attract a multigenerational workforce. By not offering flexible work options, we may see a negative impact on recruitment efforts, turnover with younger generations in the workforce, and an increase in employee burnout due to open positions. Each of these topics can drive positive and negative impacts on your institution. The right strategy in each of these areas is critical to attract and retain your workforce, while providing your students with the optimal college experience they're looking for.

There is no single solution for attracting and retaining employees that works equally well for all institutions. Coordinated changes in the employee wellbeing investment portfolio, including the physical, emotional, financial and career dimensions, can help resolve current challenges and promote the growth of the entire institution. These investments are essential to remaining relevant and gaining ground in the markets for both the institution and talent. And they need the support of strong HR technologies, solid compliance frameworks and effectively targeted communications.

We hope that this report has provided you with thought leadership and resources, while also providing you with actionable steps to improve upon those areas that are straying. From any starting point, any institution can drive progress toward better total rewards outcomes by promoting innovative, aligned programs.