

# COVID-19 and Beyond: The Role of Schools in a Changing World

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**COVID-19 has significantly disrupted the operations of schools – most importantly, the manner in which they deliver quality education.**

For students, there has been a short-term impact on how and where, they receive their learning. Beyond that, the pandemic will have a long lasting impact on the economy, with substantial changes in the long-term employment outlook and accelerated changes to the future of work.

In this paper, we explore the immediate challenges faced by schools and the longer-term considerations and opportunities that the pandemic presents for their leaders.

## Immediate Challenges

As an immediate result of the pandemic, schools have had to navigate the implications of:

- the effect on the health and wellbeing of students, teachers and staff;
- the impact of remote learning on the teaching experience and student engagement;
- the ability to manage sensitive and difficult parent conversations as some parents start to experience financial hardship;
- commencing/accelerating online capability;
- managing business operations and impacts to ancillary incomes (e.g. fundraising, canteen, venue hire, events etc);
- delaying important elements of master plans and other strategic projects; and
- the potential for falling enrolments, which will occur if unemployment continues to rise and household budgeting becomes more difficult. Most schools have hardship provisions in place, but sustainable business models are critical.

With the move to remote learning, the issue of equity has arisen. School Councils and Leaders have had to consider important questions such as:

- how do we know if families have the home infrastructure to undertake remote learning?
- how do we support families with several children?
- how can families utilise school IT applications with limited resources?
- how do we support children with additional learning needs?

There was rightly a strong focus on the academic implications of students sitting their final exams last year. But there were other significant impacts; things like the lack of a Leaving Assembly, no year-end Formals and no normal 'rights-of-passage' events which bring to life the educational experience for 17 and 18-year-olds about to leave school. The psychological impact on some students has been significant.

It's not just financial stress which has made it difficult for families. The rapidly-changing landscape for families in isolation or those in remote regional areas, meant that more families looked to schools to fill a social void in their children's lives. As a result, the frequency of parent interaction with some schools increased.

For some working parents, having their children learn from home placed an even greater responsibility on them for adequate child protection mechanisms.

1. With contributions from Peter Roach (Director – Family Advisory) and Shamal Dass (Head of Family Advisory and Philanthropic Services)

## Community and Family Support

The pandemic has undoubtedly heightened our sense of community and our place within it. In many districts across Australia, schools sit at the centre of each community and some have taken a co-ordinated approach in dealing with the effects of COVID-19, either by geographical location or based on the same faith-based ownership.

“ Schools sit at the centre of communities in many Australian districts. Some have taken a co-ordinated approach in dealing with the effects of COVID-19. ”

For example, some have taken a collaborative approach in the timing of return-to-school, in parent communications and in sporting calendars. Some are offering psychological support to students and families through their counselling services or school chaplains.

School Boards and Councils are also starting to work through the financial impacts of COVID-19. Initiatives to assist families include a pro-rating of boarding fees, refunds of co-curricular activities that have been prepaid and the establishment of financial arrangements for families unable to pay fees in the foreseeable future. Some schools are offering a reduction in fees.

School Boards and Councils are also considering the role of their Foundations in supporting the school during this period of financial stress. Most trust deeds do not allow individual students (or families) to be supported through the Foundation, however some Boards are considering a subsidy to the school entity to augment income. Trustees of Foundations are also looking to actively fundraise through the ex-student community as a means of providing financial support to the schools.

Research undertaken by several schools over the past few years indicate that a significant percentage of fees (32–35%) are paid by grandparents. The financial impacts of COVID-19 upon this demographic is currently being considered (especially considering volatile equity markets and low interest rates).

Cashflow impacts are anticipated to be more prominent in 2021 due to an expected decline in levels of enrolments as some parents experience financial distress. Some schools (with the support of their Boards) have established new liquidity facilities through their bank, to ensure they're in a strong financial position as COVID-19 rolls through and the vaccine is rolled out.

## The Future

To date, many schools have made significant changes, but the future is still uncertain.

The pandemic has accelerated many of the longer-term changes that were predicted in employment, technology and education and some School Boards and Councils are now reviewing their strategic plans to provide their students with a better chance of success in this changed world.

Even before the pandemic, it was estimated that by 2030, more than half of the world's children and young people would not have the skills or qualifications necessary to participate in the emerging global workforce.<sup>2</sup>

The Fourth Industrial Revolution is where the use of smart technology will be used to automate traditional manufacturing and industrial practices. This revolution is predicted to cause widespread disruption to labour markets and significant changes in the skill sets needed to thrive.<sup>3</sup>

With the advance of automation and the Internet of Things, skills in technology, data literacy and coding will be valued, but rated just as highly will be adaptivity, flexibility and innovation. In a world of remote working, leadership, emotional intelligence and critical thinking will also be essential.

In the post COVID world and an increasingly competitive job market, it is these broader skills that will set the leaders of the future apart.

“ Adaptivity, flexibility and innovation will be rated just as high as skills in technology, data literacy and coding. ”

2. [http://educationcommission.org/wp-content/uploads/2018/05/EC\\_IFFEEd\\_Prospectus-1.pdf](http://educationcommission.org/wp-content/uploads/2018/05/EC_IFFEEd_Prospectus-1.pdf)

3. <https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond>

4. [https://www.ey.com/en\\_au/public-policy/driver-or-passenger-how-recessions-impact-young-australian-workers](https://www.ey.com/en_au/public-policy/driver-or-passenger-how-recessions-impact-young-australian-workers)

## Employment outlook

The pandemic has had a devastating effect on the labour market in Australia and young workers have been disproportionately affected by the decline in available employment and hours worked. There is consensus that the economic downturn will be lasting and recent modelling shows that entering the workforce for the first time during a recession can impact income for 10 years.<sup>4</sup>

These pressures on the labour market will be compounded by other factors; for some organisations, investment in technology is now seen as less risky than investment in humans. Technology doesn't get as many bugs, it doesn't need an enterprise bargaining agreement, it can work 24/7 and it doesn't have personal leave or holidays.

One thing is for certain, the ways that companies operate and work has already changed and the competition for meaningful roles will increase. For someone to succeed in a post-coronavirus-world, they will need to be able to adapt to ever-evolving workplaces as well as continuously update and refresh their skills.

The future workforce will need to commit to a lifetime of learning and our educational facilities have a key role to play in recognising these changes and delivering the services to support them.

## Digitisation

The pandemic has also significantly disrupted the global education system with the resulting move out of the physical classroom to online learning. Even before COVID-19, there was high growth and adoption in education technology, with the overall market for online education projected to reach USD \$350 Billion by 2025.<sup>5</sup>

“ Could online learning be the catalyst to create a new, more effective method of educating students and provide the space to introduce a broader suite of learning? ”

Whether it's virtual tutoring, video conferencing tools, real time co-editing of project work, smart calendar scheduling or online learning software, there has been a significant surge in usage during the crisis.

Could the move to online learning be the catalyst to create a new, more effective method of educating students and provide the space to introduce a broader suite of learning?

There is evidence that learning online can be more effective in several ways. Some research shows that on average, students retain 25–60% more material when learning online compared to only 8–10% in a classroom.<sup>6</sup>

This is primarily due to students being able to learn at their own pace, going back and re-reading, skipping, or fast-tracking through concepts as they choose.

Many educational facilities are taking the opportunity that the crisis has presented to modernise their systems for this new approach to learning and reimagine how they can equip their students with the skills they need to be productive, life-long learners.

## Funding

The issues that have arisen with COVID-19 bring with them a multitude of uncertainties.

Revisiting the strategic plans in the face of these challenges and ensuring that the governance and funding models are aligned to the strategy will be key to the long-term success of each school.

- What changes to service delivery can we adapt to enhance students learning?
- How does our Reserves policy and level of Reserves support the different scenarios that could play out?
- How will the economic downturn effect the demands on our students' families and potentially therefore our Scholarship Fund over the coming years?
- When seeking philanthropic support, will a Building Fund still be relevant in the future?
- Should we focus on funding the Foundation or the Library Fund to support the purchase of IT equipment?
- How does our investment strategy and approach support all of this?

With interest rates at all-time lows in Australia and overall investment returns expected to be muted for a significant period of time, for any School Board, it is essential to review the interplay of the strategic plans, funding sources and risk appetite.

5. <https://www.globenewswire.com/news-release/2019/12/17/1961785/0/en/Online-Education-Market-Study-2019-World-Market-Projected-to-Reach-350-Billion-by-2025-Dominated-by-the-United-States-and-China.html>

6. <https://www.shiftelearning.com/blog/bid/301248/15-facts-and-stats-that-reveal-the-power-of-elearning>

4. <https://www.parryfield.com/tomorrows-board-diversity-the-role-of-creatives/>

## Governance and Strategy

The decisions that are being debated by School Boards and Councils now could prove pivotal in empowering or hampering a generation of young people – from securing fulfilling employment, to having the skills and creativity that they will need to solve the many future challenges that our world will face.

Overwhelmingly the organisations that have shown most resilience during the pandemic are those that have the ability to adapt and be agile.

Not everyone can pivot, but as Leaders, we need to consider how we can evolve our own skills and those of the Board and Executive to adapt to the new future for our beneficiaries.

- How do we equip our students with creativity, resilience and adaptability and an appetite for lifelong learning?
- How do we reflect the future of work in the strategic plans that we have for our school?
- How does this translate into the skills that we need to embrace at a Leadership and Executive level?

It has been argued that creativity is the key competency all Board Members and Leaders need now to imagine new paradigms and unshackle the restraints of the past and old ways of doing things.<sup>7</sup>

The future of work suggests that we all need to become comfortable with agility and imperfection. If we are to foster creativity, innovation and critical thinking in our students, then we need to reflect this in the evolution of our leadership and governance.

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We are the leading provider of philanthropic services in Australia and New Zealand and serve a broad range of purpose-driven organisations, institutions, corporations, families and individuals (currently entrusted with more than \$9bn of funds, for purpose-driven organisations across Australia and New Zealand).

We partner with our clients to support them in delivering on their mission, and fulfil our own, through:

- best practice governance;
- research, education and insights;
- strategic advice; and
- tailored investment mandates.

Our strength lies in our ability to understand the goals and ambitions for your school, and help guide your strategic thinking accordingly. We design bespoke investment solutions so your assets are managed effectively to support your strategic plans and so that you can continue to deliver the critical services that your students need and deserve.

5. <https://www.globenewswire.com/news-release/2019/12/17/1961785/0/en/Online-Education-Market-Study-2019-World-Market-Projected-to-Reach-350-Billion-by-2025-Dominated-by-the-United-States-and-China.html>

6. <https://www.shiftelearning.com/blog/bid/301248/15-facts-and-stats-that-reveal-the-power-of-elearning>

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## About The Authors



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Wendy joined the team in 2018 to provide specialist advice and strategic reviews for private families and for-purpose organisations. Wendy also works closely with JBWere advisers to develop best practice governance and investment management solutions, enabling clients to achieve their goals.

Wendy is a Certified Financial Planner and a Graduate of the AICD and brings a depth of proven experience and capability including, investment governance, asset allocation and business strategy.

Wendy is passionate about micro-finance and has volunteered extensively throughout South-East Asia



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Josephine joined JBWere in 2008, managing a number of teams within the Client Services department before moving into Private Wealth Management. In 2012, she joined the Philanthropic Services team to provide specialist advice including strategic reviews for non-profit organisations, philanthropic and

private clients. Josephine works closely with JBWere advisers to develop investment management solutions, enabling clients and non-profit organisations to achieve their mission.

In addition, Josephine co-ordinates all of the wider Philanthropic Services teams insights and activities giving her a broad coverage and understanding of the sector. Josephine is a member of the JBWere Diversity and Inclusion Council and the Mercy Health Foundation's Distributions Advisory Committee.

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