

Transforming Tertiary Education in 2026: Navigating Disruption, Deepening Innovation, and Redefining Inclusivity

Georges Maalouf^{1*}, Elie Maalouf²

¹American International University, AlJahraa, Kuwait

²Doctoral School of Law, Political, Administrative and Economic Sciences at the Lebanese University, Beirut, Lebanon

✉ *Corresponding author:

georgesmaalouf@live.com



This work is licensed under CC BY-NC-ND 4.0.
To view a copy of this license, visit
<https://creativecommons.org/licenses/by-nc-nd/4.0>

ABSTRACT: This paper examines the transformation of tertiary education in 2026, analysing how institutions navigate disruption through innovation, inclusivity, and sustainability. Drawing on recent research and case studies from 2025-2026, this study explores the integration of artificial intelligence, the challenges to diversity and equity initiatives, the imperative of sustainability, and the critical importance of learner and faculty well-being. The findings reveal that successful institutions embrace adaptive leadership, prioritise human connections alongside technology, and maintain commitment to equity and sustainability despite external pressures. The research demonstrates that financial resilience requires diversified revenue streams, strategic re-enrollment initiatives, and a clear demonstration of return on investment. This study provides evidence-based recommendations for institutional leaders to transform tertiary education into a more adaptive, human-centred system that meets the complex demands of our interconnected world.

KEYWORDS: tertiary education, innovation, artificial intelligence, inclusivity, equity, sustainability, well-being, digital transformation, higher education transformation, career readiness.

How to cite: Maalouf, G. & Maalouf, E. (2026). Transforming Tertiary Education in 2026: Navigating Disruption, Deepening Innovation, and Redefining Inclusivity. *International Multidisciplinary Conference on Innovation, Technology and Sustainability*. Futurity Research Publishing. <https://doi.org/10.5281/zenodo.18802566>

Introduction

The transformation of tertiary education shifted from an opportunity to an existential necessity, driven by advancements in artificial intelligence, sustainability initiatives, and rapidly changing global ecosystems (Maalouf, 2024). The past year has witnessed significant disruptions, including federal policy shifts, funding cuts, and ongoing challenges to diversity, equity, and inclusion (DEI) efforts (Higher Ed Dive, 2026). However, this turbulence also presents an opportunity to redefine tertiary education as more adaptive and human-centred, thereby meeting the complex demands of an interconnected world. This paper builds upon the 2024 IntechOpen chapter 'Transforming Tertiary Education: Navigating the Future through Innovation and Inclusivity,' providing an updated analysis of key transformation dimensions: innovation in the age of AI, the evolving landscape of inclusivity and equity, the urgent imperative of sustainability, and the paramount importance of well-being for both educators and learners.

Research Aim and Research Questions

This study aims to analyse how tertiary education institutions navigate unprecedented disruptions in 2026 while advancing innovation, inclusivity, and sustainability. This study addresses the following research questions: (1) How has artificial intelligence integration transformed teaching, learning, and institutional operations? (2) What strategies are institutions employing to maintain equity and inclusion despite political challenges to DEI initiatives? (3) How are universities integrating sustainability into their missions and operations? (4) Which approaches are most effective in supporting learner and faculty well-being during periods of significant institutional stress?

Analysis of Recent Research and Publications

Recent research indicates that by 2025, 86% of educational organisations had adopted generative AI, representing the highest adoption rate of any industry (Microsoft Education Team, 2025). However, concerns about data security (59%) and academic integrity (78%) highlight the need for responsible AI deployment (WTW, 2026). The 2026 IT Strategic Landscape in Higher Education report demonstrates that digital transformation has transitioned from a future goal to a permanent operational reality, with nearly two-thirds of learners demanding digital-first options.

Regarding inclusivity, research shows that the Trump administration's 2025 executive order eliminating federal DEI programs has significantly impacted institutions, with 74% of affected faculty experiencing negative mental health effects. Despite these challenges, successful institutions are committed to equity through universal design, personalised support systems, and holistic learner services. Studies have demonstrated that hyper-personalisation strategies significantly improve retention and completion rates, as evidenced by Salt Lake Community College's re-enrollment rate, which is five times the national average (InsideTrack, 2026).

Sustainability research indicates that universities are increasingly positioning themselves as climate leaders. The Times Higher Education Impact Rankings for 2025 assessed 1,089 universities from 105 countries on SDG 13 (Climate Action), revealing significant progress in mitigation, adaptation, and sustainability education. The establishment of Kuwait's Ministry of Sustainability and Development on February 1, 2026, exemplifies the government's recognition of the critical importance of sustainability.

Well-being research reveals a crisis: 49% of learners report considering stopping out due to emotional stress, and 41% cite mental health reasons (InsideTrack, 2026). Faculty burnout is equally concerning, with 63% of Ivy League and private R1 institutions implementing hiring freezes and merit pools shrinking to a median of 3% (WTW, 2026). The American Psychological Association's June 2025 health advisory warned that AI tools prioritising speed over well-being can exacerbate learner anxiety.

Research Results

The AI Revolution: Promise and Peril. By 2026, AI integration will have become essential rather than optional in tertiary education. Successful institutions view AI as a means of enhancing human connection, creating 'hybrid spaces' in which technology manages routine tasks while educators provide essential support, thereby fostering learner success. This approach requires clear policies, ethical frameworks, and transparent communications. However, institutions must maintain human oversight in critical learners' decisions to preserve the human heart of education. The research reveals that effective AI deployment focuses on augmenting rather than replacing human interaction, with time saved through automation redirected toward deepening one-on-one learner relationships.

Digital Transformation as Permanent Reality. Digital transformation has become a daily operational necessity, extending beyond infrastructure to require intentional design of online learning environments that combat isolation and foster community. Research has demonstrated that online learners are at greater risk of loneliness in the absence of physical campus touchpoints. Institutions that provide specialised support services—dedicated coaching, virtual community building, and accessible mental health resources—achieve significantly higher retention and completion rates. This evolution reflects a holistic skill-development framework that emphasises emotional, social, cognitive, and metacognitive competencies essential for success in the 2030 job market.

The DEI Crisis and Strategic Responses. The 2025-2026 period witnessed unprecedented challenges to diversity, equity, and inclusion in higher education. Following the federal DEI program elimination, many institutions scaled back initiatives under funding threats, negatively impacting faculty mental health and learners' belonging, particularly among marginalised groups. However, resilient institutions continue promoting equity through accessible curricula, holistic support systems, diverse hiring practices, and inclusive communication. Hyper-personalisation has emerged as a critical equity strategy, with diverse learner populations, including adult, first-generation, and international learners, demanding individualised support to address their specific challenges and goals.

Sustainability Leadership. Universities worldwide are acting as climate leaders, with many joining the Association for the Advancement of Sustainability in Higher Education's Campus Decarbonization Academy. Effective sustainability integration encompasses teaching, curriculum design, campus operations, administration, and stakeholder involvement. Essential elements include mapping sustainability across disciplines, integrating assessment tools, providing training, establishing environmental certifications, and implementing initiatives to reduce carbon footprints. Institutions such as Stanford University are finalising comprehensive Climate Action Plans, while Columbia University has introduced mandatory sustainability coursework beginning in Fall 2025. This comprehensive approach cultivates a culture of sustainability within tertiary institutions, inspiring graduates to carry these values into their future careers.

Well-Being Crisis and Holistic Solutions. By 2026, learner and faculty well-being will have reached crisis levels. Research indicates that 49% of learners consider dropping out due to emotional stress, while faculty burnout is exacerbated by technological change, increasing pressures, and the aftermath of the pandemic. Successful institutions implement holistic wellness strategies, including proactive coaching, early recognition of signs of mental health challenges, emergency microgrant programs that address sudden financial crises, integrated wellness services that collaborate with community partners, and digital well-being initiatives that guide healthy technological habits. These comprehensive approaches recognise that learner success is inseparable from well-being; when mental health is supported, learners are more likely to persist, complete degrees, and thrive post-graduation.

Financial Resilience Strategies. The One Big Beautiful Bill Act (OBBA), effective July 2026, introduces sweeping changes, including the elimination of Grad PLUS loans, learner borrowing caps, and tiered endowment tax structures. Institutions face challenging financial climates amid declining international enrollment and demographic shifts. Moody's Ratings projects 3.5% revenue growth in 2026 with 4.4% cost increases. Despite pressures, institutions achieve financial sustainability through diversified revenue streams (continuing education, micro-credentials, employer partnerships, online programs), data-driven ROI demonstrations, holistic re-enrollment initiatives, and strategic change management. These adaptive approaches maintain fiscal discipline while fulfilling educational missions.

Re-enrollment and Career Readiness. The 2026 shift recognises that re-enrollment initiatives must be holistic, sustained, and strategically integrated rather than occasional campaigns. Successful programs address complex systemic obstacles—rigid transfer policies, financial aid holds, work-family responsibilities, academic burnout—through coaching-based approaches. The UNCF network brought 300+ formerly stopped-out learners back to HBCUs and PBIs, exceeding its goals, whereas California Reconnect achieved a 12.7% re-enrollment rate. Regarding career readiness, institutions respond to demands for evidence that degrees lead to meaningful careers by aligning programs with workforce demands, tracking and publishing career outcomes, offering career-focused credentials, and providing career coaching. This emphasis builds trust, attracts enrollment, and promotes economic and social mobility.

Conclusions

This research demonstrates that the transformation of tertiary education in 2026 represents an ongoing process of adaptation, learning, and renewal rather than a destination. Institutions that thrive maintain a steadfast commitment to innovation, inclusivity, sustainability, and well-being despite external pressures threatening these values. Key findings reveal that successful transformation requires: (1) adaptive leadership capable of rapid pivoting, transparent communication, and collaborative stakeholder engagement; (2) prioritization of human connection alongside AI and automation, recognizing that belonging, empathy, mentorship, and advocacy remain irreplaceable; (3) commitment to equity principles through universal design and personalized support even when explicit DEI language faces political opposition; (4) comprehensive sustainability integration across curricula, research, operations, and community partnerships; (5) holistic, proactive well-being approaches for both learners and faculty; and (6) clear, data-driven demonstration of value, ROI, and community

impact.

The research reveals that today's reality demands institutions that are not only innovative but profoundly human-centred, not only inclusive but actively anti-oppressive, not only sustainable but regenerative, and not only supportive of well-being but healing in a fractured world. By embracing transformation as an ongoing commitment rather than a one-time project, tertiary education can fulfil its highest calling: educating, empowering, and inspiring business leaders, innovators, and change-makers who will shape the future of our interconnected world. Future research should examine longitudinal impacts of AI integration on learning outcomes, the effectiveness of alternative equity approaches in politically restrictive environments, and the long-term sustainability of diverse revenue models under continued fiscal pressure.

References

- American Psychological Association. (2025). *Artificial intelligence and adolescent well-being: An APA health advisory*. <https://medialiteracynow.org/wp-content/uploads/2025/06/health-advisory-ai-adolescent-well-being.pdf>
- Higher Ed Dive. (2026). *6 higher education trends to watch in 2026*. <https://www.highereddive.com/news/6-higher-education-trends-to-watch-in-2026/809045/>
- InsideTrack. (2026). *10 higher education trends to watch in 2026*. <https://www.insidetrack.org/blog/10-higher-education-trends-to-watch-in-2026>
- Maalouf, G. (2024). *Transforming tertiary education: Navigating the future through innovation and inclusivity*. IntechOpen. <https://doi.org/10.5772/intechopen.1005913>
- Microsoft Education Team. (2025). *AI in education report: Insights to support teaching and learning*. Microsoft. <https://www.microsoft.com/en-us/education/blog/2025/08/ai-in-education-report-insights-to-support-teaching-and-learning/>
- NAFSA: Association of International Educators. (2025). *Fall 2025 international student enrollment snapshot & economic impact*. <https://www.nafsa.org/fall-2025-international-student-enrollment-snapshot-economic-impact>
- WTW. (2026). *Higher education in 2026: 5 trends reshaping the landscape*. <https://www.wtwco.com/en-us/insights/2026/01/higher-education-in-2026-5-trends-reshaping-the-landscape>