

Attracting and retaining top talent by modernizing higher education technology

How to build a better people experience through technology modernization, as inspired by interviews with university leaders



Building a better
working world

Have you unlocked a human-centered approach to digital transformation for your people?

Emerging from a worldwide pandemic, and in the midst of a “Great Resignation,” universities are facing a faster-than-anticipated change in the needs of their workforce, creating **urgent demand for human-centric technology** platforms that enable new ways of working, more manageable operations and more enticing talent acquisition. In a hybrid world, the choice of technology will shape employee experience more than ever and in turn will impact student success.

Whether to enable more regular employee check-ins or to make it easier to complete required tasks at critical moments in the employee journey, more personalized, intuitive technology can positively **transform the experience** of faculty and staff located anywhere. And in a world where significant power has shifted from employers to employees, university technology that is **engaging, enabling and aligned to meaningful “moments that matter”** along the employee journey could very well make all the difference in **attracting, engaging and retaining top talent** – the lifeblood of any institution.

The EY People Advisory Services (PAS) practice recently sat down with **11 HR and IT executives from 10 leading higher education institutions***. The eye-opening insights we gleaned during these interviews reveal **key successes and challenges relative to digital transformation**, with implications for those serving in higher education.

Following is a high-level summary of technology successes and gaps shared with us during the interviews, each of which align to one of these six technology questions:

How might ...

- 1 Incorporating automation and AI impact the employee experience at universities?
- 2 A change management focus help secure and sustain technology modernization?
- 3 Investment in the right technology compare to a heavy tech customization approach?
- 4 Talent management be improved with the right university technology?
- 5 Technology governance position institutions for technology modernization?
- 6 The approach to vendor selection impact the effectiveness of digital transformation?

*10 of the executive interviewees provide leadership at well-known US universities, while one is a leader at a prominent European university.



Interviews about higher education technology

	Successes cited	Gaps to address
Automation vs. manual	<ul style="list-style-type: none"> Decreased routine, transactional HR work by using robotic process automation (RPA) to input employment contracts Began leveraging an AI chatbot tool to improve the staff onboarding experience 	<ul style="list-style-type: none"> Need a futuristic, action-oriented approach to compete for talent with other universities and the private sector (e.g., transition to AI and the cloud)
Change management	<ul style="list-style-type: none"> Built buy-in for new technology by leveraging power users and “early adopters” to pilot and test solutions, crafting a clear “case for change” and mitigating change impacts 	<ul style="list-style-type: none"> Deliver a stronger business case to decision-makers about the urgency and importance of investing in the right tech, right now Need to focus on demonstrating HR’s ROI and strategic impact to get a full seat at the table with senior executives Lack the internal change management capacity and skill set needed to keep up with the rapid pace and volume of change and/or to achieve digital transformation over time Challenging to convince non-HR colleagues they should assume self-service duties previously owned by HR
Invest vs. customize	<ul style="list-style-type: none"> Improved tech “user experience” and decreased cost by reducing the number of sites to visit and investing limited funds into top-notch tech solutions (rather than hiring more people to customize old tech solutions) 	<ul style="list-style-type: none"> The university’s primary tech solution is immature in certain areas (e.g., talent acquisition, onboarding, learning, succession planning, performance management, candidate and alumni management) Combination of highly customized systems and heavy staff turnover translates to damaging loss of institutional memory Lack of a tech system that collects and reports on the human-centered metrics/KPIs important to HR and the university
Talent management	<ul style="list-style-type: none"> Reduced source-to-hire from 55 to 13 days as a result of leveraging new technology with streamlined processes Created a better “employee experience” and more efficient talent sourcing by establishing an online “talent marketplace” where employees can seek out – and project managers can advertise – internal “Gig Now”, job rotation opportunities Enabled better engagement (e.g., quarterly engagement surveys) to improve flexibility in a post-pandemic world 	<ul style="list-style-type: none"> Need technology-enabled improvement to employee (and job candidate) engagement during “moments that matter” (e.g., use technology for anonymous “stay” surveys) Personalized AI/“faceless technology” that makes employee tasks easier and faster while still maintaining a human touch
Tech governance	<ul style="list-style-type: none"> Accelerated technology decisions and tech implementation by reducing number of decision-makers (e.g., paired a central HR rep with one from local college/department) Aligned HR and IT teams by cross-training team members/liaisons Reinforced accountability by allotting future funding based on user experience results achieved Devoted a separate HR team to technology innovation 	<ul style="list-style-type: none"> Disconnect between HR, IT and/or Finance teams has contributed to rogue, disjointed systems; less strategic HR; and poor user experience, talent retention and attraction Limited staffing and funding require a creative approach to getting more out of university HR resources while avoiding burnout
Vendor selection	<ul style="list-style-type: none"> Saved valuable time by attending 2-3 multi-vendor conferences annually vs. receiving one demo at a time Found efficiencies and better addressed some employee “moments that matter” (e.g., talent acquisition process, performance management, learning) by augmenting the university’s primary tech solution with solutions from smaller, more specialized vendors 	<ul style="list-style-type: none"> Be careful, as some HR tech vendors don’t know HR well enough



The university technology landscape today

The interview results underscore the importance of not just modernizing university technology but also remembering the people side of strategy when doing so. In the case of the “talent marketplace” example shared with us, the prominent university that put that in place initially started out by only establishing employee job rotation opportunities and trying to socialize these “experience opportunities” through word of mouth. **In brief, that approach didn’t work.**

It was only when the university established a self-service talent marketplace on their primary tech platform that managers and non-managers felt fully empowered to begin advertising and seeking new staffing opportunities. This same interviewee shared with us that it also helped that their department leaders would reinforce this new cultural emphasis by essentially telling interested staff: “It’s okay that you’re interested in trying something new. There’s no need to ask HR or anyone else for permission. A conversation with your manager is encouraged to keep him/her in the loop, but that’s it.” This combination of leveraging interactive technology while promoting a flexible culture proved to be a powerful one for their employee experience.

The various interview observations from HR and IT executives also suggest the current landscape for higher education technology is a mixed bag when it comes to institutions being fully committed to human-centered technology modernization. While some organizations have begun to invest considerably in modern HR solutions and are experiencing significant benefits as a result (despite some initial growing pains), others continue to rely on antiquated and inefficient legacy systems and practices that further exacerbate their core issues. Even those institutions that are more advanced in their approach to technology modernization realize there are significant ways they can continue to build momentum. Two notable reasons interviewees gave for the slow adoption of new technologies were:

1 There are competing priorities at the institutional level that hinder the ability to quickly adapt to changing people, process and technology needs.

2 Significant organizational cost constraints cloud institutional commitment to transformation readiness.

Becoming fully committed to digital transformation requires looking beyond current university technology spending (e.g., license and contract expenses) to see opportunity costs associated with not transforming in a more human-centered, digital way. From outdated, manual processes that engender confusion to rogue systems that complicate cross-departmental collaboration and performance measurement, antiquated and cumbersome tech solutions promulgate inefficiencies that will be far more costly to the institution in the long run than for any costs associated with digital transformation. And it is only human-centered university technology that is agile enough to meet the new employee experience expectations of today. In a very real sense, surviving the existential threat that is the Great Resignation requires institutional leaders to get on board with digital transformation as soon as possible.

Despite the real-world costs of not transforming, according to a 2022 survey by Inside Higher Education and Hanover Research*, nearly two-thirds of Chief Information Officer (CIO) respondents admitted their institutions have not yet set specific goals for digital transformation. Additionally, fewer than half of CIO respondents indicated that digital transformation is a “high priority” or “essential” for leaders at their institution.

One higher education leader we interviewed indicated their organization recognizes digital transformation as an imperative but that the organization also feels the necessary resources to support transformation are not there. This sentiment aligns with the average response we received from HR and IT university interviewees, as

indicated below. Finding creative, human-centric ways to use limited resources to improve higher education technology – without burning out employees – will only render institutions more competitive in today’s uncertain environment.

Despite some feeling unprepared for technology transformation, holding on to outdated university technology isn’t much of an option since more modern IT solutions can unlock better data insights more quickly, boost engagement and productivity, and improve job satisfaction in a way that helps universities better meet their bottom-line objectives. But where do universities begin in terms of understanding and wisely incorporating the universe of digital possibilities?

Quantitative interview question no. 1

How important is HR technology transformation to your organization’s success?



Quantitative interview question no. 2

How prepared is your organization for HR technology transformation?



*2022 Survey of Campus Chief Technology/Information Officers (Inside Higher Ed and Hanover Research, 2022)

Generative AI and emerging digital tools will be vital to technology modernization

Results from **the recent EY Work Reimagined Survey*** shed some light on where universities can focus to differentiate themselves from their competitors and win the war for talent. For instance, one of the major takeaways was that reimagining digital ways of working depends on understanding new technology like generative AI (GenAI) while at the same time cultivating GenAI skills to realize its potential. In other words, the university that is committed enough to both learn about the latest technology and upskill/reskill their employees accordingly is best positioned to realize the efficiencies, cultural satisfaction and bottom-line results that await those who pursue a human-centered path. From being able to quickly analyze employee data and sentiment in a way that improves future engagement, succession planning and performance reviews to easier skill gap identification, training customization and automation of mundane tasks (e.g., payroll, benefits, compliance, talent acquisition), the benefits for committed universities are very real.**

Several quotes taken from our recent interviews (see below) underscore the importance of technology modernization and the specific implementation approach chosen.

"The time spent looking after our [cumbersome] administrative systems and technology has these folks one step removed from our mission."

"It's easy to overshoot on the strategy, underprepare on the change."

"We must ask: Which procedures can we streamline - with the right speed to achieve a benefit in time to make the change worth it - and which can we not streamline? Some processes can't be streamlined."

"To get the best talent, you need to use new levers. It's not about us (the leaders), it's about them. The technology should be in place to enable engagement."

"Some may recognize digital transformation is imperative, but they don't feel they have the funds. That said, digital transformation might be the very thing to actually support their institution's future and release capacity internally and help solve external problems; for example, [those that are] enrollment-related."

"If there are still places that don't think digital transformation for HR is important, they will wake up soon."

"If faculty and staff at the university don't have experience with something new, how do they see it as a need? That's an inherent challenge."

"Technology is always advancing, time and time again, but it's never really 'just' about the technology ... it's about the people."

"We are a traditional institution rooted in excellence; change can be seen as scary and unproven."

"The choice of [university technology] system has a ripple effect (for good or bad) for years to come."

"People are looking for a relationship with their organization, not just a job."

"We need to continue to look forward and innovate, never stop!"

*The survey was conducted in September 2023 with over 17,000 employees and 1,500 employers across 22 countries/regions. [Click here](#) to learn more.

**Dr. Schmeichel, Christian, "How AI is Already Impacting the Employee Lifecycle," *Human Resource Executive*, August 14, 2023.

A people focus for successful technology modernization

A 2022 joint study between the EY organization and Oxford University revealed that organizational transformations are more than twice as successful when the people aspect is given the same level of focus as the technology and process aspects. A thorough understanding of the university employee experience of today – and how technology can be leveraged to improve on that experience – will position higher education institutions for making the type of technology investment that reverberates for years to come. As the figure to the right indicates, lever #3 for placing humans at the center is **purposeful technology**, underscoring the vital role a human-centered, modernized platform can play in successful transformations.

Success rates for transformations double when we place humans at the center

Oxford Saïd Business School and the **EY organization** recently conducted ground-breaking research identifying the following **six key levers** which, when combined, help prepare for and **manage the emotional journey of change**:

1. Purposeful vision
2. Psychological safety
3. Purposeful technology
4. Disciplined freedom
5. Adaptable leaders
6. Radical interdependence

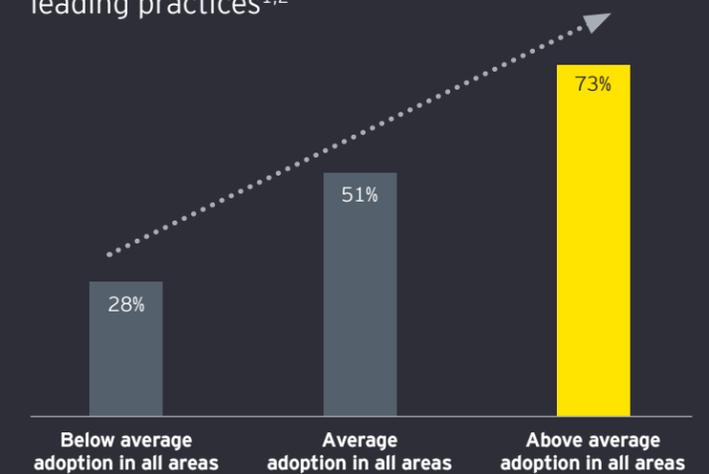
[Click here](#) for the full report.



Organizations that put **Humans@Center** of their transformations are

2.6x more likely to be successful than those that do not.

Estimated likelihood a transformation will succeed is based on adoption of six key leading practices^{1,2}



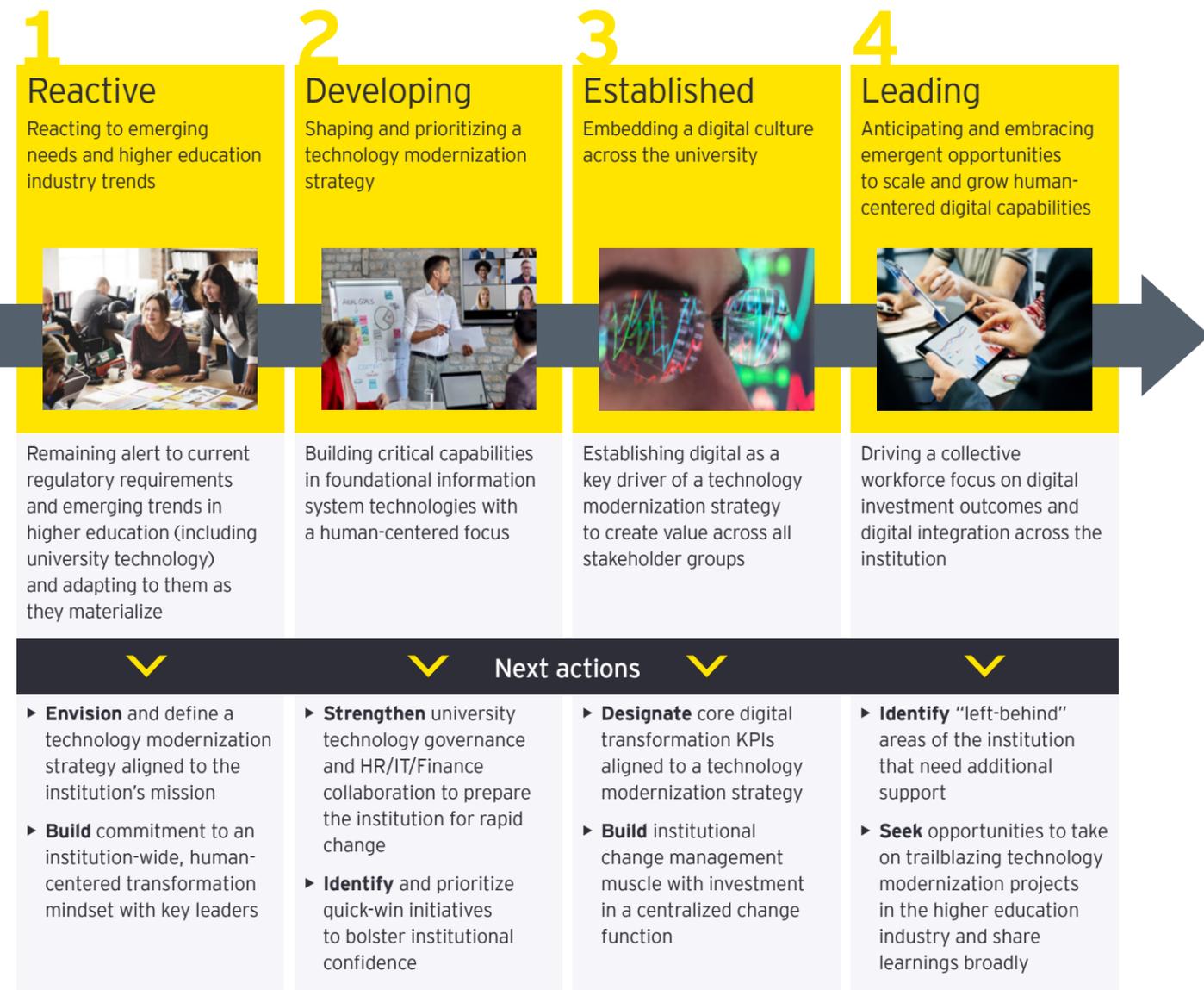
¹ Logistic regression using maximum likelihood estimates; n=2,050.
² Above or below average refers to one standard deviation increase or decrease, respectively, in average leading-practice adoption across all areas.
 Source: Transformation Leadership Study 2022; EY Knowledge analysis

Activating your technology modernization strategy starts with evaluating where you stand today

How might your university assess the state of its technology modernization today as well as devise an approach for attaining new levels of maturity?

Reaching an ideal state of human-centered technology modernization won't occur overnight. As with most institutional goals, patience will be needed as your university works to reach new levels of maturity. To help in making demonstrable progress, though, we have crafted a maturity model.

Following is a maturity model snapshot, including steps to accelerate the digital transformation journey at your institution.



Key takeaways for improving higher education technology

Our discussions with higher education leaders underscored how important continuous, human-centered technology modernization is to the overall health and vitality of higher education institutions today. Sadly, some institutions are falling further and further behind, inhibiting their ability to meet organizational objectives and compete in the talent marketplace when being competitive is more important than ever.

As the maturity model outlines, it IS possible to make meaningful progress by focusing on key steps in the journey to technology modernization - when the human-centered, technology-enabled mindset is fully embedded within the university, old barriers that may have once seemed insurmountable will no longer be in your way. Many institutions that have significantly modernized their university technology are already looking into how tools like automation and AI can provide the next big leap for them.

No matter how entrenched or enticing a university technology platform may be, if it doesn't improve "moments that matter" for employees and others, it won't be worth the resource investment. Successful transformation today is multifaceted and complex.

Applying the right approach will keep humans at the center of a transformation while the institution creates a change-ready environment to deliver sustainable organizational value and a superior workforce experience. Institutions can successfully navigate technology modernization with an employee experience approach that focuses on being purposeful, insightful, personalized and interactive.

Modernized higher education technology is no longer a nice-to-have; it is an essential component for meeting expectations relative to recruitment, engagement and retention in an increasingly constrained, competitive environment.

Read more about the EY approach to technology transformation at [Humans at the Center | EY - US](#)





Continuing conversations

We welcome the opportunity to continue this important dialogue with you. To request a follow-up conversation or discuss current use cases in the higher education space, please connect with one of our education team members listed here.



Ram Venkatraman

Executive Director
People Advisory Services
Ernst & Young LLP

ram.venkatraman@ey.com



Ben Mack

Manager
People Advisory Services
Ernst & Young LLP

benjamin.mack@ey.com



Heather Fletcher

Senior
People Advisory Services
Ernst & Young LLP

heather.fletcher@ey.com

EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2023 Ernst & Young LLP.
All Rights Reserved.

US SCORE no. 21247-231US
2304-4245770

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

ey.com