



Digital transformation in higher education

**Supporting universities
to thrive in a digital future**

A TechnologyOne discussion paper on the Social
Market Foundation 'Byte the Budget' research

technology¹



Nick Hillman OBE
Director of the Higher Education
Policy Institute

I am very pleased to see the excellent new discussion paper from TechnologyOne based on the Social Market Foundation's (SMF) 'Byte the Budget' research on digital transformation in universities.

For too long, discussion on technology in UK higher education has been disjointed, tending to focus on the implementation challenges, benefits for students or the upfront costs. This paper takes a different approach by looking at all of these issues, and more, together.

The conclusions are compelling and useful, reminding us of three things above all:

1. The need for governors and managers to secure proper buy-in from staff for the technological journey to come (for example via better training);
2. The potentially huge benefits for students from smarter use of new technologies at a time when so many of them say they currently lack a clear sense of belonging at their institution; and
3. The potential for real savings at a time of enormous financial pressures.

The holy grail of public policy is any initiative that improves the lives of the users of a service while also saving money. In this case, there are additional spillover benefits too, such as the better cybersecurity on offer from Software as a Service solutions compared to trying to do everything on campus. So it really could be win:win.

I commend both the SMF for their thorough independent analysis and TechnologyOne for their continued willingness to fund pieces of genuinely original and important thought leadership with the potential to improve UK higher education for the benefit of all.

Nick Hillman OBE

DIRECTOR

Higher Education Policy Institute

Supporting universities to thrive in a digital future

UK higher education institutions are facing a period of unprecedented financial and operational pressure. Tuition fee freezes, inflationary cost pressures, and shifts in international student recruitment are creating a challenging environment – one that reflects a sector under strain, but also one with extraordinary opportunity.

TechnologyOne believes that adaptable, integrated digital systems will be central to universities that navigate these pressures successfully. For institutions willing to rethink, redesign, and recentre around the students of the future, bold moves today can create real change for the decade ahead.

[Recent sector conversations, facilitated by TechnologyOne](#) in partnership with Wonkhe, have highlighted how financial governance, data use, and scenario planning are increasingly critical to institutional resilience. Senior leaders across UK higher education emphasised that while structural pressures such as funding and

demographics are complex, weaknesses in governance and fragmented data can exacerbate risk and slow decision-making. These discussions reinforce the value of integrated digital platforms that enable real-time insight, reduce manual reporting, and support evidence-based decisions across academic and corporate operations.

To provide a robust evidence base, this discussion paper draws on independent research conducted by the Social Market Foundation (SMF), sponsored by TechnologyOne, which explores the challenges, strategies, and benefits of digital transformation across UK higher education.

The 'Byte the Budget' research reflects perspectives from senior university leaders, financial officers, and digital experts highlighting how universities can strengthen resilience, improve efficiency, and enhance the student experience through thoughtful digital transformation.

Building on these insights, this paper sets out TechnologyOne's perspective as a long-term partner to universities, demonstrating how modern digital systems, particularly Software as a Service (SaaS) solutions, can improve operational efficiency, enable data-driven decision making, and support strategic agility.

TechnologyOne thank the SMF and all contributors for the valuable insights in the SMF's recent report, which continues to inform our approach to supporting universities with integrated digital platforms, strong governance frameworks, and transformational outcomes.

Digital transformation as a strategic imperative

Universities across the UK are under increasing pressure to do more with fewer resources. More than 40% of institutions are currently facing financial deficits*, with many implementing restructuring programmes, reviewing course portfolios, or seeking new operational efficiencies.

We recognise that this is a challenging environment for the sector. Making significant changes, particularly around core systems and long-standing processes, can feel like a big ask when teams are already stretched. The reality is that every institution is starting from a different place, and our role is to help universities navigate this complexity, identify practical pathways forward, and find solutions that work within their unique constraints.

At a recent TechnologyOne higher education panel, Claire Taylor, Principal Consultant at SUMS Consulting, emphasised the need for genuine

transformation amid policy change, evolving business models, and the shift toward student-centred design.

“Bold doesn’t mean tweaking. Bold means asking: What kind of institution do we want to be? Where do we deliver value? What are we willing to stop doing?”

This perspective is reinforced by research from the Social Market Foundation (SMF), which identifies digital transformation as a critical lever for improving efficiency, strengthening resilience, and enabling long-term strategic capability.

One of the most significant opportunities lies in modernising core enterprise systems. Transitioning functions such as finance, human resources, curriculum management, timetabling, and student information systems to SaaS models could collectively save UK universities an estimated

£386 million per year.

In addition to cost efficiencies, this shift enables better data visibility, improved collaboration, and more responsive, insight-driven decision-making.

At the same time, sector-wide experience suggests that more than half of UK universities continue to operate with a mix of legacy, siloed, and manual systems. This is not uncommon but rather reflects the complexity and scale of transformation within higher education environments. It also highlights an opportunity to evolve systems and processes in a way that is both manageable and strategically aligned.

Importantly, digital transformation is about far more than cost reduction. When implemented effectively, it provides a foundation for delivering broader institutional benefits.



Enhancing the student experience

Improving the student experience now demands a rethink of how universities deliver value. Modern digital solutions enable seamless interactions from admissions to alumni engagement, boosting both satisfaction and engagement.

This mirrors trends identified in recent sector discussions, '[Bold moves and real change](#)', where institutions are challenged to redesign core processes around student needs.

Royal Holloway's Caroline Beck highlighted returning to first principles, noting that "student experience" has often been shaped by institutional convenience rather than genuine need. With AI reshaping assessment, new pedagogies emerging, and a growing population of commuting students, Royal Holloway is rethinking its approach.

Instead of asking "How do we deliver what we currently do, better?", we're asking "What do students actually need and how should we deliver that?"



Enabling strategic decision-making

Integrated systems provide consistent, high-quality data across faculties, departments, and administrative functions. This enables leadership teams to make more informed decisions and respond more quickly to emerging challenges or opportunities.

A consistent message that emerged from [recent reflections](#) on TechnologyOne's conversations with the higher education sector, in partnership with Wonkhe, was the growing burden of manual processes. Even where systems are in place, reporting is often labour-intensive, fragmented, and reliant on individual expertise rather than institutional capability.

This matters because the cost of "doing nothing" is rising. Manual reporting limits effective scenario planning and consumes capacity that could otherwise be spent on insight and strategy. In a volatile environment, delayed or unclear information can directly undermine good governance.



Improving Staff Productivity

Streamlined digital processes reduce administrative burdens on academic and professional services staff. Automation and integration free up valuable time that can be redirected towards teaching, research, and innovation.

Digital maturity continues to vary across the sector. While some institutions have progressed towards cloud-first strategies, others remain earlier in their journey, working with legacy systems and on-premise infrastructure. Both positions represent valid starting points within a broader transformation landscape.

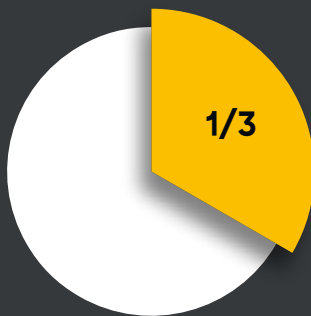
TechnologyOne supports universities at every stage of this journey, helping identify practical next steps, reduce complexity, and develop a clear pathway towards more connected, scalable digital environments that deliver value over time.

Key Takeaways from the Social Market Foundation research

From a TechnologyOne perspective, the Social Marketing Foundation (SMF) 'Byte the Budget' research report highlights several important trends shaping digital transformation in UK higher education.

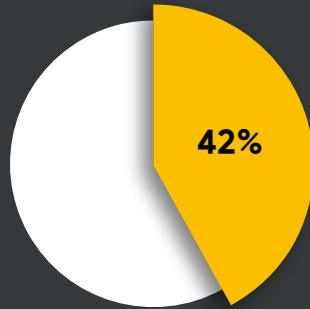
1. Digital readiness is uneven across the sector

While progress has been made, many institutions still rely on outdated infrastructure.



One third of universities continue to rely heavily on on-premise servers

—
**Only 42% report that
most core operations
run on SaaS platforms**



This uneven digital maturity can create barriers to innovation, integration, and efficiency.

“Every university is trying to raise the digital bar so that we can remain competitive. Students come into a university and they expect a level of digital which is in line with what they’re getting in their personal lives. We’re having to play catch up, continuously raising the bar.”

Chief Digital Officer of a UK university



THE UNIVERSITY OF BUCKINGHAM



Like many UK institutions, The University of Buckingham faced mounting operational pressures while supporting a growing student population with outdated and fragmented systems. Years of limited investment had left a patchwork of disconnected technologies, managed in isolation, with limited data visibility and heavy reliance on manual processes.

"This created a degree of localised processes rather than a cohesive, university-wide view of how we should operate," explained Chris Payne, Registrar and Chief Administrative Officer at The University of Buckingham.

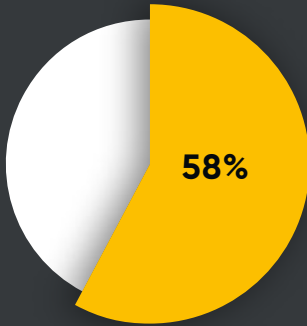
To address these challenges, Buckingham embarked on a multi-year digital transformation with TechnologyOne, selecting Financials and the OneEducation solution delivered via SaaS+ to unify finance, HR, and student management. The solution enables seamless data flow across departments, real-time insights, and more efficient workflows.

David Cole, Chief Financial Officer, highlighted the impact: "It's a product designed for the higher education sector, connected and fit for purpose, and that really sets it apart from the other vendors we looked at."

[Read the full case study](#)

2.

Capacity and skill gaps are a critical challenge



58% of decision-makers identify insufficient digital literacy among staff as a major barrier to transformation

Technology implementation alone does not guarantee successful transformation. Institutions must also develop the skills and capabilities needed to fully leverage digital systems.

Successful initiatives depend on leadership alignment, strong governance, ongoing staff development, and well-designed change management programmes.

LIPA

THE LIVERPOOL INSTITUTE
FOR PERFORMING ARTS



The Liverpool Institute for Performing Arts (LIPA) provides a clear example of how addressing capacity and skills gaps supports transformation.

In just 11 months, LIPA replaced fragmented legacy IT systems with TechnologyOne's OneEducation solution, delivered via SaaS+. The integrated solution consolidates student services and core operations, providing staff with actionable insights while freeing up capacity previously consumed by manual processes.

Michael Mercer, Director of Students at LIPA, reflected: "TechnologyOne's experience in higher education meant they spoke our language from day one, which made workshops, configuration, and decision-making much more straightforward. Their structured approach and clear guidance helped simplify complex tasks, and their team was always on hand to offer support and reassurance."

The transformation has streamlined workflows, improved data visibility, and laid the foundation to further enhance operational efficiency and strategic planning.

[Read the full case study](#)

3.

Digital transformation is ultimately a people challenge

Cultural factors remain one of the most significant barriers to progress. Concerns about academic autonomy, competing institutional priorities, and resistance to change can slow

transformation programmes. This point was underscored by Jo Coward, Academic Registrar at the University of Hertfordshire, at a TechnologyOne [panel](#):

“Modernising a student-records system is 80% change, 20% technology. Real change means challenging long-held practices, job roles, and structures. And it must be driven from the top: boards and executive teams must be explicit, unified, and persistent in their expectations.”

Institutions that succeed tend to prioritise staff engagement, clear communication of benefits, and early involvement of

academic and professional staff in transformation initiatives.

“People’s roles will change. Some roles may no longer exist. But we must keep our eyes on the long-term institutional vision.”

4.

The strategic opportunity for the sector

Despite challenges, there are substantial opportunities. SaaS systems can deliver operational efficiencies, reduce costs, and improve resilience and scalability.

SMF modelling suggests that if UK higher education institutions shifted predominantly to SaaS, potential annual savings could reach approximately

£386 million, through both direct cost reductions and productivity gains in core university functions.

Of course, achieving these benefits is not automatic. Transformation requires a robust business case, strong leadership, and careful change management.

TechnologyOne customer story



University of
Chester

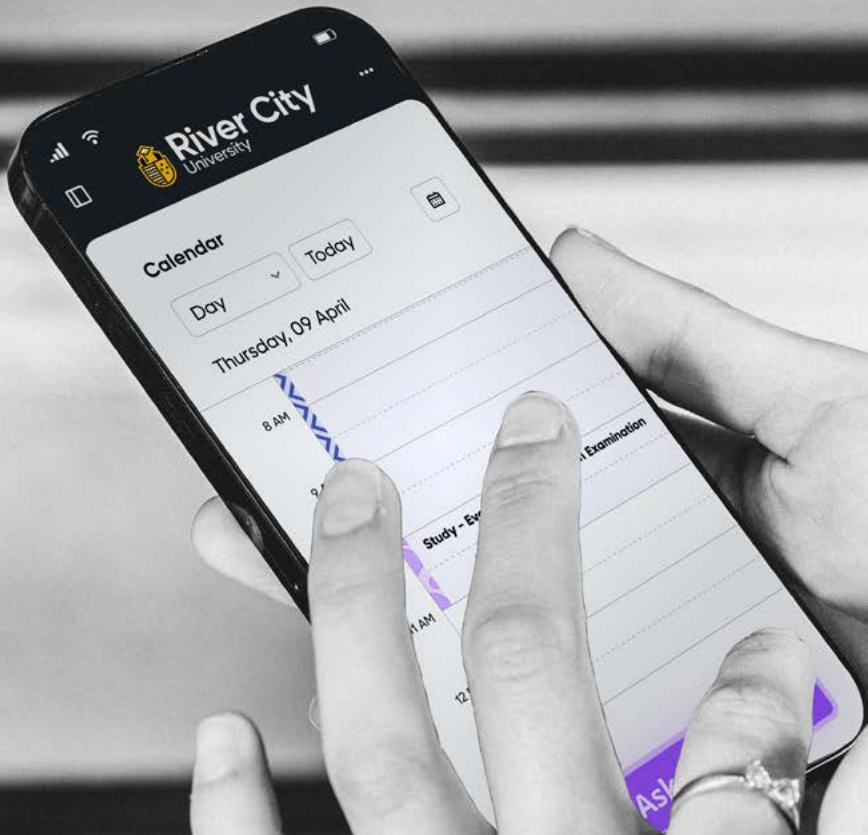
The University of Chester replaced legacy systems with TechnologyOne's fully integrated OneEducation SaaS solution, giving the university a single, connected view of student data from application to graduation. This consolidation streamlined administrative workflows, reduced manual processes, and freed staff capacity for more strategic and student-focused work.

Vice-Chancellor Professor Eunice Simmons said:

"We are taking a further step in our digital transformation to better meet the needs of our students and support our future growth. Student Management will help reduce administrative burden for our team, allowing them to provide more personalised and responsive support to students. It will also give us access to dashboards and insights to empower administrators to make early interventions if a student is struggling through a particular course, for example."

This transformation strengthened operational efficiency, supported flexible learning models, and created a foundation for ongoing innovation and an improved student experience.

[Read more](#)



A practical pathway to digital transformation

Digital transformation can appear complex, but the research highlights a number of practical steps institutions can take to realise its benefits.

Across the sector, there is a clear trend away from disparate, best-of-breed systems towards modern, integrated ERP solutions that simplify operations, improve data quality, and reduce long-term cost and risk. Institutions are increasingly recognising that fragmented technology estates constrain agility, while unified solutions create a stronger foundation for sustainable transformation.



TechnologyOne views digital transformation not as a disruption to universities' core mission, but as a strategic enabler of improved staff and student experience, academic excellence, and long-term institutional resilience. As the pace of technological change continues to accelerate, universities require interconnected, modern technology estates that can adapt without increasing complexity or cost. A unified approach supports consistent and intuitive user experiences, enables trusted data to flow across academic and administrative domains, and provides the agility required to adopt new capabilities as needs evolve. In this way, institutions are better positioned to enhance productivity, improve student outcomes, and respond confidently to ongoing sector and technology change.



Adopt, don't adapt

Rather than heavily customising legacy systems, universities can benefit from adopting modern SaaS solutions that are designed to deliver sector best practice out of the box. This approach reduces complexity, accelerates implementation, and lowers long-term maintenance costs. It standardises and simplifies core business processes, reduces technical complexity, and enables institutions to adopt new functionality as it becomes available. By minimising bespoke development, universities can respond more quickly to changing regulatory, operational, and student expectations while lowering implementation risk and ongoing maintenance costs.



Collaborate where it adds value

Strategic collaboration between institutions can help unlock efficiencies in areas such as administrative services, procurement, and digital infrastructure. There is growing scope for collaboration to evolve further over time, including future consideration of shared service models where appropriate. When underpinned by standardised, modern systems, collaboration can reduce duplication, improve service consistency, and free up capacity to focus investment on core academic and student outcomes.



Invest in people and leadership

Digital transformation requires strong leadership sponsorship and investment in staff capability. Training, digital literacy initiatives, and clear governance structures are essential to ensuring systems are adopted effectively.



Measure and demonstrate impact

Institutions should track the impact of transformation programmes across multiple dimensions, including operational efficiency, student outcomes, and staff productivity. Clear evidence of impact helps maintain momentum and support continued investment.

By following these principles, universities can position themselves not only to manage current financial pressures, but also to strengthen their long-term competitiveness and resilience.

UCISA roundtable: Practical lessons for effective digital transformation

As part of a TechnologyOne executive roundtable chaired by UCISA, senior higher education leaders, including CIOs, COOs, and senior technology executives, explored how digital strategy can better connect institutional vision with measurable outcomes.

The discussion highlighted practical approaches for turning digital ambition into actionable results while addressing common challenges such as legacy systems, fragmented processes, and data management.

Key insights from the roundtable included:

- **Putting students and their data at the centre.** Design processes around student needs and insights, not around existing systems.
- **Strengthening core systems and processes first.** Build a solid, sustainable foundation before layering on innovation.
- **Embracing sector-wide collaboration.** Transformation is a shared endeavour; clear governance, aligned priorities, and inter-institution collaboration unlock efficiency and consistency.

Bottom line: Universities that succeed will combine operational discipline with smart investment, leveraging data and technology to enhance the student experience, improve staff productivity, and strengthen long-term institutional resilience.





Partner insight: Digital transformation is a people investment



Amanda Owen-Meehan

**Managing Consultant,
AHEP Consulting**

Technology implementation alone does not guarantee successful transformation, as this research makes clear. What often determines whether digital investment delivers its objectives is the capability and involvement of the staff who operate institutional systems day to day.

A recurring pattern is visible across the sector. Investment flows into new platforms, but not into the process redesign and workforce development required to make them effective. The consequence is that institutions carry the cost of both the new system and the manual workarounds that persist because staff were not equipped or involved in the transition. This is not a failure of technology. It is a failure to treat workforce readiness as part of the overall investment.

Research conducted by AHEP Consulting and supported by TechnologyOne, examines how the professional and support workforce is changing and what the evidence suggests institutions should consider. A consistent finding is that workforce development is among the first areas to face cuts under financial pressure, even as digital systems place growing demands on the staff expected to use them.

Addressing the digital skills gap this research identifies means involving operational staff in system design and procurement, sustaining their development beyond initial rollout, and recognising that digital capability and workforce capability are not competing claims on diminishing resources. They are the same investment.

Partnering with Universities for Digital Success

TechnologyOne partners with universities to translate research insights into practical, sustainable outcomes.

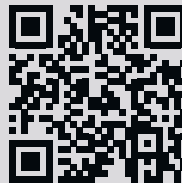
Our approach combines sector expertise, integrated SaaS solutions, and proven implementation methodologies to support institutions in achieving efficiency, resilience, and improved student experiences.

By embedding integration, strong data governance, and continuous improvement from the outset, universities can move beyond the limitations of legacy systems and focus on delivering high-impact education and research.

TechnologyOne's OneEducation, built specifically for universities, supports the day-to-day operations, strategic and academic requirements of higher education in a single integrated SaaS ERP solution.

Developing ERP software since 1987, our experience partnering with leading education providers means we're best placed to help institutions adapt to the evolving landscape and reduce the administrative burden.

**Learn more about
how TechnologyOne
supports higher education
digital transformation**







technology¹

About TechnologyOne

TechnologyOne (ASX:TNE) is a global Software as a Service (SaaS) company. Founded in Australia, we have offices across six countries. Our enterprise SaaS solution transforms business and makes life simple for our customers by providing powerful, deeply integrated enterprise software that is incredibly easy to use. Over 1,300 leading corporations, government departments and statutory authorities are powered by our software.

For UK local government and higher education, we invest heavily in R&D, providing complete responsibility for marketing, selling, implementing, supporting, and running our solutions. This reduces time, cost, and risk while enabling councils to deliver tangible public value.

Ready to learn more?

Technology¹.co.uk