



CFO AND CIO INDICATOR STUDY

Building a digital finance function to power higher education.

A perfect storm for finance transformation in higher education.

During the past few years of pandemic-related disruption, many higher education institutions have operated in survival mode. But now these organizations are looking to the future, and are ready to seize the opportunities presented by digital finance transformation.

By investing in innovative technologies, and aligning with IT, higher education finance leaders will gain better insights to make intelligent, faster decisions for their institution. [Our latest global survey](#) of senior finance and IT leaders shows that higher education institutions are grappling with a number of competing challenges and barriers when it comes to their finance transformation:

1. **A lack of finance-IT alignment**
2. **A deficit of IT and finance skills, which further impedes alignment**
3. **Insufficient data and insights to drive strategic growth**

A critical barrier that is impacting the confidence of institutions is the shortage of skilled talent. Only 57% of higher education industry leaders believe their organization's workforce has the skills required to keep pace with new and emerging finance technologies.



The need to improve decision-making by enabling secure and timely access to reliable data is the biggest driver of technology modernization within organizations.”

Barbara Larson,
CFO, Workday

What does digital finance transformation look like for higher education?

Acceleration toward digital transformation is a top priority for higher education institutions, and IT and finance leaders have three goals:

Cultivate skills and invest in talent.

Higher education institutions need to nurture talent in both finance and IT, in addition to developing skills and knowledge that spans across strategic initiatives.

Improve finance and IT alignment.

Increasing financial literacy within IT teams while simultaneously increasing technical knowledge among finance staff will drive alignment and innovation, powering digital transformation.

Make data the most strategic asset.

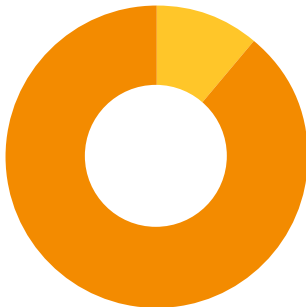
Improved, accurate data in a trusted unified system will improve real-time reporting and alignment across the institution, and accelerate planning processes.

Higher education organizations struggle in some areas.

Among higher education leaders:

Only 9%

say that IT and finance are always aligned



56%

are only “somewhat” or “not at all” confident about whether their finance technology is agile enough to support organizational pivots during a crisis



52%

of IT leaders believe that future IT talent must have financial literacy skills to deliver on future transformation goals



Where should higher education institutions begin?

Higher education institutions that want to accelerate digital transformation should take the following steps:

1. Evolve roles to cross-staff IT and finance.

Strategically position IT roles in finance and finance roles in IT. This will create a new model designed to consistently drive alignment versus ad hoc collaboration.

2. Identify and develop the skills needed for the digital future.

Which skills are needed now and into the future, and do you have programs in place to help upskill the team? Invest in learning and development programs to better manage risk within your workforce and create leaders who will spearhead change.

3. Assess current and future finance needs.

Examine whether your current systems are up to the transformation task, and determine what you need in order to flex as things change. Prioritize investment in a unified HR and finance system that offers compliance and a single source for trusted data. Also look for systems that provide insights and are more usable for your finance and HR teams so IT can focus on more strategic initiatives.



The foundational infrastructure that we put in place with our Workday system is what we need to drive our strategic business planning initiatives.”

Stacy Pearson,
Chief Financial Officer
and Vice President for Finance
and Administration,
Washington State University



About the research.

The data in this report comes from a global survey commissioned by Workday and conducted by FT Longitude in March and April 2022. The survey of 1,060 senior finance and IT leaders (C-suite or their direct reports) sought to understand the state of digital finance transformation in today's organizations and how it is impacting the relationship between finance and IT. There were 105 respondents from higher education organizations.

Learn more: workday.com/highereducation



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