



# Digital transformation in higher education – the challenges



## A KPMG and Forrester study

### The UK higher education sector must enhance its digital transformation efforts

As the digital landscape evolves, higher education organisations face a pivotal moment for self-reflection and change. A strategic evaluation of current digital transformation activities and how to improve them becomes imperative.

Higher education organisations increasingly want to adopt industry-specific solutions to speed up digital transformation and focus scarce resources on student-centric programmes over costly legacy technology debt.

### Key Findings

**The education sector has a significantly low level of digital maturity.** Only 12% of UK higher education decision makers consider their digital transformation completely successful. This is 5% lower than the wider public sector result of 17%.

**The education sector is facing severe obstacles to success.** Decision makers in the sector admit lack technology specific skills or knowledge (58%), lack of technology strategy (42%), and complex software and technology (58%) as main challenges.

**UK education organisations have experienced some impact from digital transformation success.** Decision makers in the sector have experienced a positive effect on customer journey mapping (34%) and improving agility in process (59%) from implementing digital practices.

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## Challenges preventing departments from achieving successful digital transformation

<b>1.</b> Technology	<b>42%</b> Lack of technology strategy	<b>58%</b> Complex software and technology	<b>25%</b> Sharing data or drawing insights across departments
<b>2.</b> Process	<b>33%</b> Security	<b>17%</b> Disconnect between political timescales and project delivery timescales	<b>25%</b> Lack of agility to adapt to new processes and capabilities
<b>3.</b> People	<b>58%</b> Lack of technology-specific skills or knowledge	<b>33%</b> Lack of training	<b>33%</b> Reactive/risk-averse organisational culture blocking change
<b>4.</b> Governance	<b>42%</b> Budget constraints	<b>42%</b> Lack of a formal system to prioritise digital transformation activities	<b>8%</b> Lack of metrics to measure success of digital

Base: 33 decision-makers in the UK public sector involved in digital transformation decisions Source: A commissioned study conducted by Forrester Consulting on behalf of KPMG, October 2023

## The status of digital transformation

- **There is still a long way to go.** Only a few decision makers are completely satisfied with their digital transformation journey. Many will increase efforts to meet their digital priorities.
- **The UK public sector still struggles with the basics.** Organisations face beginner-level challenges such as a lack of technology strategy, budgets, and skills.
- **Decision makers recognize they need help.** Many respondents will increase the budget to work with third-party service providers and expect them to be able to meet their evolving needs.