Why Texas Southern University Should Move to Workday

An executive narrative for the Board of Regents — prepared to support the CFO's presentation

1. The Moment for Change

Texas Southern University stands at a decision point. For nearly two decades, the University's core financial and human capital operations have run on Ellucian Banner — a system designed for a different era of higher education administration. As TSU works to strengthen financial stewardship, pass state audits with confidence, and give every employee a modern place to work, the University's own finance and HR leaders have been direct about what Banner can no longer deliver. Moving HR, Payroll, and Finance to Workday is not a lateral technology swap — it is a foundational change in how the University runs its business, and it deserves the Board's support.

2. What Our Own Teams Told Us: The Cost of Staying on Banner

Over multiple discovery sessions with TSU's Finance, HR, and Payroll teams, a consistent and candid picture emerged of an institution working harder than it should have to, simply to keep the lights on:

- **No real planning, budgeting, or expense infrastructure.** TSU has no planning and budgeting system and no expense system today — both are entirely manual, making forward-looking financial management and state-appropriation monitoring far harder than they should be.
- **Disconnected, duplicate reporting for state compliance.** Staff maintain Banner data and separately re-key the same information into the state's USAS reporting system by hand, because there is no connection between the two — a pure duplication of effort that consumes staff hours every reporting cycle, at a time the University is, in its own words, "under the gun" with state auditors.
- **Fixed assets tracked on spreadsheets.** Asset lifecycle tracking — from PO to receipt to disposal — is managed through a mix of Banner and spreadsheets that staff describe as not doing "a great job" of the job.
- **Procurement and payables that don't talk to each other.** Feedback between the University's accounts payable processes and Banner frequently breaks down, with information flowing in but not flowing back — exactly the kind of integration gap that erodes confidence in the numbers.
- **Payroll and HR built on manual entry, spreadsheets, and paper.** Direct deposit setup, tax deductions, off-cycle and retroactive pay, compensation plans, leave service-date calculations, and employee relations recordkeeping are all handled manually today — much of it on Excel

spreadsheets, paper forms, or, as one TSU HR leader put it, filing systems that are simply "antiquated."

- **A direct admission that the data can't be fully trusted.** Getting a basic HR or payroll report requires routing through a third-party Banner consultant, and TSU leadership has said plainly that it has no confidence the reports that come back are accurate, duplicate-free, or uncorrupted — the single most serious risk a finance organization can carry.
- **Risk sitting in the system itself.** Offboarded employees have been found to retain system access longer than they should — an access-control and audit risk that modern cloud systems are built to close automatically.

None of this reflects poorly on TSU's people — it reflects the ceiling that a 20-plus-year-old administrative system imposes on even the most capable team. The University's own staff raised every one of these issues unprompted.

3. Why Workday Is a Genuinely Different Kind of System

The Board should understand that Workday is not simply a newer version of Banner — it is built on a fundamentally different model, and that difference is what produces the operational and financial benefits below.

- **One system, not a patchwork of modules.** Banner traditionally separates Finance from HR, Payroll, and Student, each requiring its own integrations to stay in sync. Workday runs Finance, HR, and Payroll as one connected system with one source of truth, updated in real time — eliminating the reconciliation work and integration gaps TSU staff described with procurement, USAS, and asset tracking.
- **Configuration, not customization.** In Banner, any new report, workflow, or business-process change requires IT involvement and custom code. Workday has no customizations at all — every change is a configuration made in plain language, which means the finance and HR teams who understand the business can make most changes themselves, in days rather than months, without waiting on a third-party consultant.
- **Trustworthy, real-time reporting and a full audit trail.** Because there is no custom code sitting between a transaction and a report, and every change in the system is automatically logged, Workday directly answers TSU's most serious stated concern: confidence that the numbers reported to leadership and to state auditors are accurate, current, and traceable.
- **Self-service that removes manual entry and paper from the process.** Employees can manage their own direct deposit, tax elections, and benefits changes; approvals route electronically instead of on paper. This removes exactly the categories of manual, error-prone work TSU payroll and HR staff flagged — direct deposit entry, off-cycle pay, benefits enrollment, and leave calculations.
- **Built-in AI that actively improves how the University runs.** Workday includes AI agents as a native part of the platform — including a Business Process Optimization agent that analyzes the University's own active business processes and recommends where they can be streamlined. This is a capability Banner, as a legacy on-premise-style system, cannot offer.

- **Automatic compliance and tax updates.** Tax tables, compliance rules, and regulatory changes update automatically on a routine cycle, removing a manual maintenance burden the University currently carries itself inside Banner.
- **One version, always current — and a true peer community.** Every Workday customer runs the same version at the same time, so institutions spend their energy on their mission rather than on upgrades and patches. TSU would join a network of more than 650 higher-education institutions on Workday — including a number of R1 research universities — that actively share best practices with one another, something no legacy, customized system of record can replicate.

4. Advancing TSU's R1 Ambitions: Workday Grants Management

TSU's own leadership has been explicit about where the institution wants to go: TSU is currently an R2 research institution and has stated the goal of becoming R1. Achieving that classification depends on faculty winning higher levels of extramural funding and producing more sponsored research — and TSU's finance team has already flagged, in discovery conversations, that research contracts and grants are an area where today's systems fall short and where a modern platform "can also be used for that, too."

Workday Grants Management is built to close exactly that gap, by running sponsored research on the same unified platform as the University's core HR and Finance operations rather than as a bolt-on system:

- **End-to-end grant lifecycle, on one platform.** Pre-award budgeting and proposal setup, award setup, post-award financial management, and closeout all run natively alongside TSU's general ledger, HR, and payroll data — instead of in a separate system that has to be reconciled back to Banner the way procurement and asset data are today.
- **Real-time visibility for principal investigators and research administration.** Faculty researchers and the sponsored-programs office can see award balances, burn rates, and compliance status in real time, rather than waiting on manually produced reports from a third-party consultant — removing the same kind of reporting lag and trust gap TSU described for its current HR and finance reporting.
- **Built-in effort certification and payroll accuracy for grant-funded staff.** Because Grants Management sits on the same platform as Payroll, effort reporting and labor costing for grant-funded faculty and staff are tied directly to actual payroll data — eliminating the manual, error-prone retroactive pay adjustments TSU payroll staff described handling for grant-related work today.
- **Automated compliance with federal and sponsor requirements.** Uniform Guidance (2 CFR 200) and sponsor-specific rules are configured into the system's controls, giving TSU the same kind of automatic, audit-ready compliance that Workday brings to state reporting.

- **A foundation that scales as research volume grows.** As TSU pursues the extramural funding growth needed to move from R2 to R1, Grants Management is designed to scale with increasing award volume and complexity without the custom coding or added third-party systems that a Banner-based environment would require.

In short: the same unified, configuration-based platform that fixes TSU's HR and Finance pain points today is the platform that can give TSU's research enterprise the real-time financial visibility and compliance rigor it will need to credibly compete for R1 status.

5. What This Means for Texas Southern University

- **Stronger financial stewardship and audit confidence.** Real-time, auditable financial data replaces manual reconciliation between Banner and state systems like USAS, directly supporting TSU's obligations to state auditors and the Board.
- **Staff time redirected from data entry to strategy.** Hours currently spent re-keying data, chasing third-party consultants for reports, or managing spreadsheets can be redirected to the forecasting, capital planning, and compensation strategy work TSU leaders said they want but don't have time for today.
- **Lower institutional risk.** Automatic access controls close the offboarding/security gap identified by TSU staff; a full audit trail answers the data-integrity concerns raised about current reporting.
- **A better day-to-day experience for every employee.** Faculty and staff gain mobile, self-service access for the HR and pay transactions that are manual and paper-based today.
- **A research enterprise built for R1.** Unified Grants Management gives faculty, research administration, and finance leadership the real-time visibility and compliance controls needed to grow extramural funding in support of TSU's R1 goal.
- **A platform that scales with the University's ambitions.** As TSU pursues capital projects, new state funding, and operational growth, Workday's single, configurable platform is built to extend with the institution — without the custom code and IT bottlenecks that constrain Banner today.