

THE SIS MIRAGE:

Why Replacing Banner, PeopleSoft, or Jenzabar in The Next 2–5 Years Is One of the Most Expensive and Least Strategic Decisions You Can Make

→ **A NOTE
BEFORE
YOU READ**

If you have already purchased a new cloud Student Information System, this paper is not written for you. You made the best decision you could with the information available to you at the time.

This paper is written for Presidents, Boards, and executive leaders who are currently being courted to make a cloud SIS purchasing decision

At a moment when the technology landscape for higher education has not just evolved, but fundamentally and permanently changed. Across the global economy, AI and automation are rewriting what organizations can do, dismantling traditional business models, and shifting enterprises away from monolithic, system-centric designs toward flexible, capability-driven architectures. Higher education now sits squarely inside this macro transformation.

If you find yourself in the buying cycle, consider this a friendly warning. What follows is not an argument against modernization. It is a warning about the very real risks of following yesterday's playbook at a time when the rules have changed.

For decades, the prevailing assumption in our sector has been that modernization = SIS replacement, innovation = a new cloud platform, and strategy = whatever the vendor roadmap dictates.

But assumptions shape the questions we ask — and the questions shape the decisions we make.

The most strategic institutions today are reframing their inquiry. Instead of asking, "Which SIS should we buy next?" they are asking, "How do we use what we already have to enable an intelligent, adaptable operating model for the future-ready institution?"

Seen through this lens, an AI-native transformation is not something institutions need to wait five or ten years for. It is available today, and in most cases, it represents a far safer, more strategic, and more fiscally responsible path than replacing your Student Information System with a new monolithic platform. **Modernization is no longer achieved through demolition, but through orchestration — strengthening and connecting the systems you already own, modernizing workflows, integrating capabilities, and layering intelligence where it drives outcomes.** This paper aims to provide a clear picture of what that path looks like in practice.

Executive Summary

Higher education is being sold a lie — that modernization requires ripping out the Student Information System and replacing it with a shiny cloud platform. **It doesn't.**

In fact, doing so in 2026 is one of the most financially dangerous, operationally disruptive, and strategically shortsighted decisions an institution can make. Institutions are being pushed into massive SIS replacements not because they are necessary, but because HR and Finance vendors have perfected the art of bundling, pressure, and inevitability theater — creating the illusion that a student system change is both logical and unavoidable.

The truth is simple: **there is no cloud SIS platform on the market today** — not Workday Student, Oracle Student Cloud, Ellucian SaaS, or others — that delivers the flexibility, customization depth, institutional fit, agentic workflows, AI readiness, or measurable return on investment required for the next decade.

Meanwhile, AI is fundamentally rewriting the rules of engagement.

Take a moment to consider how AI already shapes your daily life — how you work, how you learn, how you interact with complex systems. Then ask yourself whether it makes strategic sense to invest \$10–\$100 million in technology that was architected more than 10–35 years ago (depending on the brand), built on software paradigms already showing their age, and delivered through experiences that reflect that reality.

Now add the full picture: a three- to eight-year implementation journey, the consumption of your most valuable staff, years of organizational disruption, and a delayed ability to innovate meaningfully.

Is that truly a strategy that positions your institution to remain relevant to learners in 2035 — or to compete effectively for their attendance?

This paper is a care-filled warning to Presidents, Boards, and executive leaders who deserve the full truth before walking into a preventable disaster called SIS replacement — and a clear-eyed look at a far more intelligent, AI-native path forward.

A Train Barreling Down the Track

If you spend enough time inside institutions lately, you start to see it — the quiet beginnings of a major disaster.

It starts as a harmless idea: “We need a new HR or Finance system.”

A vendor shows up with a polished deck. The CFO and CHRO nod vigorously. IT raises concerns about aging staff and early retirements. And almost no one notices the small sentence buried deep in the presentation:

“...and over time, institutions naturally extend this modernization to Student.”

Before anyone realizes what just happened, the institution is on a conveyor belt toward a \$20M–\$100M SIS replacement nobody actually asked for. This paper exists to stop that conveyor belt.

The SIS Mirage

Cloud vendors love to repeat the same line:

“Your legacy SIS is outdated. To modernize, you must replace it.”

It sounds plausible — until you actually examine it. The fact is, Banner, PeopleSoft, and Jenzabar are not the problem. These systems function. They are highly customizable. They integrate with virtually any technology.

And they support thousands of mission-critical workflows across higher education every day.

What most institutions are really experiencing is not a broken system — but the long-term consequences of how that system was implemented, governed, and evolved.

In many cases, the original implementation simply replicated old legacy processes. Consultants copied and pasted bureaucracy into code, locking in inefficiencies instead of rethinking them. Change management was treated as a one-time event rather than an ongoing discipline. Over time, institutional knowledge eroded, new staff were never fully onboarded into how the system actually worked, and confidence declined.

As understanding faded, workarounds emerged.

Shadow systems proliferated. Spreadsheets filled the gaps. Staff began operating around the SIS rather than through it. What once felt like a powerful backbone slowly came to be viewed as an obstacle.

Meanwhile, IT organizations — often understaffed, facing an aging workforce, and lacking a clear optimization roadmap — are left to maintain complexity without the resources or mandate to modernize intelligently. Eventually, everyone throws up their hands and declares, “The SIS doesn’t work.”

But that conclusion is almost always wrong. What is missing is not a new system. What is missing is a **tune-up** — a deliberate effort to optimize what already exists, modernize the surrounding system-of-systems, retire accumulated technical debt, and articulate a clear, realistic path forward.

In the absence of that vision, the cloud vendor’s promise of a fresh start sounds compelling. A new interface. A clean slate. A sense of momentum.

And that is exactly what the vendors are counting on.

Cloud SIS sales depend on institutions lacking a coherent modernization strategy and the conviction to steward resources wisely. **Without an aligned vision, replacement feels like progress — even when it isn’t.**

The real problems institutions face are data fragmentation and, as a result, unintelligent data. Siloed systems produce disconnected information that cannot be acted on in real time. Replacing the SIS does nothing to solve that problem. In many cases, it makes it worse.

In short:

Modernization does not equal SIS replacement.

Replacing the SIS (in most cases) is not a step forward — it is a step backward.

News Flash: Student Systems Are Exponentially More Complex Than HR or Finance

One of the most dangerous assumptions being made in higher education today is that replacing a student system is comparable (and a natural follow-on) to replacing an HR or Finance system.

Both of those assumptions are flawed.

While HR and Finance implementations are certainly complex, experts with deep experience across ERP

and SIS transformations consistently estimate that replacing a student system is 3–8 times more complex — and the associated risk is not additive, it is exponential.

HR and Finance systems are inward-facing and largely standardized. Student systems, by contrast, sit at the center of the institutional mission. They govern recruitment, admissions, financial aid, academic policy, registration logic, degree audits, billing, compliance, advising, faculty workflows, and dozens of integrations — all in real time and with near-zero tolerance for failure.

The fragility of financial aid systems is just one area to zoom in on. Federal review of recent large-scale aid system failures demonstrates how technology missteps can rapidly translate into student harm, regulatory exposure, and reputational damage (U.S. Government Accountability Office, 2024).

When payroll breaks, it is painful. When a student system breaks, students cannot enroll, can experience financial aid mishaps, lose their pathway to graduation, and immediately lose trust.

This interdependence, layered over decades of customizations and undocumented institutional knowledge, is why SIS replacements fail more often, take longer to implement, cost more, and leave deeper scars than any HR or Finance implementation ever will.

What Goes Wrong — And Usually Does

Recent ERP and SIS cloud implementations illustrate that the risks are not theoretical. Multiple institutions adopting Workday have experienced significant cost overruns, timeline delays, and operational disruption, including delayed grant payments and student registration challenges (The Register, 2024–2025; Miami University, 2025; Fairfield University, 2024).

Yet every major SIS replacement is sold with the same promise: this time will be different.

The implementation plan is cleaner. The governance model is stronger. The vendor has matured. The consulting firm has learned from past mistakes.

And yet, across higher education, the outcomes remain remarkably consistent. Over 75% of student system implementations in the last 15 years have gone significantly over budget, experienced multi-term delays, and in some cases stalled — or even completely shut down.

The reason is simple: institutions systematically underestimate the operational complexity of student systems and overestimate their capacity to absorb multi-year disruption.

When an SIS replacement begins, the first cracks usually appear quietly.

Business rules that worked reliably for decades suddenly fail under the constraints of a new platform. Edge cases that were once handled invisibly—through custom logic, institutional knowledge, or informal process—surface as errors.

What had been stable and repeatable — becomes fragile.

Customizations that allowed for key business processes to take place seamlessly, disappear overnight — and often not to be discovered till weeks after “go-live”.

Institutions are told that these customizations are no longer necessary because the cloud platform represents “best practice.” In reality, many of those customizations exist because higher education is not a best-practice industry. It is a policy-driven, exception-heavy environment shaped by governance, accreditation, labor agreements, and student needs.

As those customizations vanish due to cloud standardization, staff are forced to invent workarounds.

Spreadsheets proliferate. Shadow systems emerge. Manual processes creep back into workflows that were

once automated. The institution quietly accumulates technical and operational debt in new places, even as it congratulates itself on having “modernized.”

Financial aid is often the first area where real damage becomes visible.

Aid packaging slows. Disbursement timelines slip. Regulatory risk increases. Students feel the impact immediately, and trust erodes quickly—especially among the populations institutions can least afford to lose.

Registration and degree audit issues tend to follow.

Students encounter confusing errors. Advisors lose confidence in the system’s accuracy. Faculty grow frustrated. Exceptions multiply. Staff spend hours resolving problems that did not exist before the migration began.

Throughout all of this, the burden on people intensifies.

The institution’s most knowledgeable staff are fully consumed by the implementation. They stop innovating. They stop improving services. They stop focusing on students. Their roles become reactive and exhausting.

Burnout is not a side effect of SIS replacement. It is a predictable outcome.

As fatigue sets in, turnover increases. Institutional memory walks out the door. New staff are onboarded into an environment defined by instability, half-finished processes, and constant workarounds.

Leadership often does not see the full picture until much later.

From the executive level, the project appears to be “progressing.” Milestones are technically met. Status reports remain optimistic. The consulting firm reassures leadership that what they are experiencing is normal.

And in one sense, it is.

These failures are not anomalies. They are patterns.

By the time the institution reaches go-live—or the prolonged stabilization phase that follows—it has already paid the highest price: lost momentum, exhausted staff, degraded student experience, and years of opportunity cost that will never appear on a budget spreadsheet.

That’s **before** the implementation partner provides a bid to do millions of dollars’ worth of “post production” work. That’s code for “stuff we put off during the implementation that was mission-critical, but easy to kick down the road and bill you for all over again.”

This is not a failure of execution. It is a failure of judgment at the moment the decision to purchase was made.

Recognizing what goes wrong—and usually does—is not pessimism. It sets the minimum standard of due diligence that Presidents and Boards owe their institutions before approving one of the most consequential technology decisions they will ever make.

A Word To R1 Institutions

If SIS replacement is risky for all institutions, it is exponentially more dangerous for R1s.

R1 institutions operate with decentralized governance models, complex academic authority structures, extensive research compliance overlays, massive data volumes, and sprawling integration ecosystems. A monolithic student platform simply cannot reflect this operational reality.

What is lost in a cloud SIS migration at an R1 is not technical elegance, but institutional nuance. The result is rigidity where flexibility is required, and constraint where innovation should occur. You simply cannot afford these missteps. Or maybe you can – like the recent article about Washington University suggests. There appears to be no remorse that a project that should have taken ½ the time and a fraction of the cost is now ballooning past \$250M.

Research this R1 story for yourself and ask if that is what you want your institution being made famous for. They

are one of the first to go to Student Cloud. Should you be #2 or even #5? Or is it wiser to wait out the turmoil?

Is it best to consider other, safer options?

But What About Community Colleges?

Community colleges sit at the epicenter of higher education's most pressing challenges: funding pressure, outcome accountability, workforce alignment, food insecurity for students, and the realities of serving first-generation students balancing work and family.

Most community colleges operate with underfunded IT organizations, unfilled staff positions, and significant technical debt. Against that backdrop, proposing a multi-year SIS replacement feels detached from reality.

Community colleges do not fail their mission objectives because of their Banner or PeopleSoft system. They fail because the dozens of student-facing technologies do not talk to each other. As a result, there is no single source of truth. No integration of data, and no seamless experience for students. Staff are overwhelmed with context-switching between systems to provide service, and students feel uncared for, somewhat lost in the mix, and wonder if they made the right decision to go to college in the first place.

A new SIS will solve none of these issues.

So why invest in one when there are many better places to deploy the money and talent?

The Existential Risk for Small Private Institutions

Small private institutions face a uniquely unforgiving reality.

Most lack large endowments to absorb financial setbacks. They are highly tuition-dependent, often operating on thin margins—or at a deficit—while fighting for enrollment every cycle. There is little room

for error, and even modest miscalculations can have outsized consequences.

In that context, a \$10–\$30 million SIS replacement is not a technology decision.

It is an existential bet.

Compounding that risk is a constraint that is rarely acknowledged: bench depth. Most small colleges simply do not have the capacity to backfill multiple staff members from Admissions, Financial Aid, the Registrar's Office, and Academic Affairs for years at a time—yet that is exactly what a multi-year SIS implementation requires.

This is not a hypothetical concern. Multi-million-dollar budget overruns are common. Go-live delays measured in months—or even years—are routine. During those delays, institutions often find themselves paying two SIS vendors simultaneously while absorbing the operational strain of prolonged transition.

For a small private institution, that combination of financial exposure, staff depletion, and extended uncertainty can be destabilizing.

Given these realities, SIS replacement should not be framed as modernization. It is far more accurately described as risk accumulation. And for some small private liberal arts and faith-based institutions, it represents a completely unnecessary threat to institutional survival.

There Are Times When SIS Replacement Makes Sense

There is only one defensible window for SIS replacement – and that is when your existing SIS has already lost vendor support and/or has been sunset, or is within two to three years of the same. That day may come for your on-prem Banner system or PeopleSoft system. But it's not in the next 5+ years.

So why jump prematurely when you can get future-ready now?

The Post-SIS Era: AI and the Cognitive Layer

So what does the future actually look like if it isn't a cloud SIS?

What does it mean to modernize without ripping out Banner, Jenzabar, or PeopleSoft and racing into another decade-long implementation cycle?

The answer is far simpler — and far more powerful — than most institutions realize.

Instead of replacing the Student Information System, institutions should modernize around it. Stop treating the SIS as the center of the universe and start treating it as one component within a broader, smarter ecosystem.

This shift begins with a **system-of-systems mindset**.

In a system-of-systems model, best-in-class platforms for recruitment, advising, financial aid, degree planning, student success, CRM, LMS, ERP, and SIS are allowed to do what they do best — without forcing any single system to pretend it can do everything well. Most institutions already own many of these tools. The problem has never been availability. The problem has been **fragmentation**.

The future is not fewer systems. The future is systems that finally work **together**.

That collaboration is made possible by the second shift: **making data intelligent**.

Institutions are sitting on decades of valuable student, academic, and operational data locked inside siloed platforms. When that data is brought together, contextualized, and modeled correctly, it stops being "data" and starts becoming insight. This is not exotic or experimental work. It is practical, achievable today, and remarkably inexpensive — often costing only pennies per student.

When data becomes intelligent, the experience changes entirely.

Students and staff no longer have to log in and out of five or six systems to accomplish a single task. Instead, institutions can deliver a single-pane-of-glass experience — one interface that feels intuitive, conversational, and responsive.

Think less "portal" and more "ChatGPT."

Students already expect this. They experience it every day in the consumer world. If hundreds of systems can work invisibly together to let someone request, track, and complete an Uber ride in real time, there is no technical reason higher education cannot deliver the same clarity and ease.

And this vision must serve **staff as much as students**.

For years, institutions have layered new front-end tools on top of already overburdened administrative processes, quietly increasing complexity and technical debt behind the scenes. No amount of student-facing polish can compensate for staff buried in outdated policies, brittle systems, and manual workarounds.

My 10,000+ hours in the trenches with institutions of every shape and size have confirmed that staff experience *is* student experience.

When data from siloed systems is woven together and enriched with context — and when technologies like data fabric and higher-education-trained AI models are applied — institutions unlock entirely new capabilities.

An institution can build its own advising, early-alert, and student support tools tailored to its mission and student population — sunset overpriced eyesores like EAB/Navigate. They can empower staff and faculty to create AI use cases inside secure, governed environments where every data element is protected, auditable, and policy-aware — thereby fostering true innovation. They can shift from reactive reporting to proactive intervention and nudges for decision-makers, students, and faculty.

Most importantly, leaders can focus institutional energy where it matters most: enrollment, retention, completion, student success, and long-term sustainability.

All of this is real.

All of it is available today.

And it costs a small fraction of what a new SIS replacement demands.

Instead of consuming five years of institutional capacity in implementation hell, this approach unleashes the next five years of ideation, experimentation, and innovation. Staff move from survival mode to creative problem-solving. Students experience a modern institution that meets them where they are — not where technology was a decade ago.

This is what real modernization looks like.

Not demolition.

Not disruption.

Not vendor lock-in.

Just good systems, working together, guided by intelligence. And that is the opportunity in front of higher education right now.

A Final Thought for Leaders Who Will Be Judged by What Comes Next

Higher education is approaching one of those moments that only becomes obvious in hindsight.

Five or ten years from now, institutions will look back and ask a simple question:

Did we respond to a changing world with courage and clarity — or did we follow the same playbook long after it stopped working?

Replacing your Student Information System is the old playbook.

It is a familiar response to uncertainty.

A visible action that feels decisive.

A costly gesture that creates the illusion of progress.

But history will not be kind to institutions that confuse movement with leadership.

True modernization does not require demolition. It requires discernment.

For the first time in decades, higher education has an alternative that does not demand sacrificing people, momentum, or financial stability in exchange for hope. AI makes it possible to modernize experiences, unlock intelligence, and radically improve outcomes without tearing out the systems that already run the institution.

Leaders who recognize this moment will do something rare: they will resist pressure to follow the herd and instead choose a path grounded in stewardship, strategy, and long-term relevance.

They will protect their staff rather than burn them out.

They will invest in intelligence rather than infrastructure churn.

They will modernize how the institution thinks and acts — not just what software it runs.

This paper is a call to move forward **intelligently**.

The institutions that thrive in the next decade will not be the ones that spent the most money on new systems. They will be the ones that asked better questions, challenge old assumptions, and embrace a future that rewards clarity over convention.

If this perspective resonates, it's because you're already sensing what's coming.

And if it gives you pause, that's not doubt — it's discernment.

Either way, this is a conversation worth having now — before momentum turns into regret.



About the Author

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Appendix A

A President's Guide to Navigating SIS Decisions in the AI Era

Presidents are often placed in an unfair position when it comes to Student Information System decisions.

By the time the issue reaches your desk, momentum has usually already formed. HR and Finance leaders are advocating for modernization. Vendors are framing timelines as inevitable. Consultants are warning that delay equals risk. And somewhere along the way, a decision about student systems begins to feel preordained rather than deliberate.

It is not.

An SIS replacement is not a delegated technology decision. It is one of the most consequential leadership choices a President can make, because it touches every student, every staff member, institutional capacity for years, and the credibility of the administration itself.

The first responsibility of the President at this moment is to reclaim ownership of the decision.

That does not mean slowing modernization. It means reframing it.

Presidents must separate two conversations that vendors work hard to conflate:

- Modernizing HR and Finance systems, and
- Replacing the Student Information System.

These are fundamentally different undertakings with radically different risk profiles. Allowing success in one to dictate inevitability in the other is how institutions stumble into multi-year disruptions they never intended to take on.

Equally important is recognizing the human cost of SIS replacement.

Your most capable staff — in Admissions, Financial Aid, the Registrar's Office, Academic Affairs, and IT — will be consumed for years. Their focus will shift from improving outcomes to managing exceptions, stabilizing workflows, and surviving implementation. Innovation pauses. Morale erodes. Burnout rises. And institutional memory becomes fragile.

Presidents should ask a simple but powerful question early:

What does this decision do to our people — not just our systems?

In the AI era, leadership requires resisting the false binary between “doing nothing” and “ripping and replacing.” There is now a third path: modernizing intelligence, experience, and orchestration on top of existing systems.

Presidents who lead successfully through this transition do three things well:

1. They interrupt momentum without appearing resistant to change. By insisting on a clear articulation of outcomes — not platforms — they reset the conversation around what the institution is actually trying to achieve.
2. They protect staff capacity as a strategic asset. Rather than consuming institutional talent in years of implementation, they redirect that capacity toward innovation, experimentation, and student impact.
3. They frame AI-native modernization as leadership, not avoidance. By grounding the conversation in outcomes, timing, and stewardship, they demonstrate decisiveness — not hesitation.

Presidents who take this approach do not slow progress. They accelerate the right kind of progress.

And in doing so, they preserve something far more valuable than a technology roadmap: institutional trust, momentum, and the ability to embrace the real future.

Appendix B

A Board Perspective on SIS Risk, Stewardship, and Timing

Boards are stewards of institutional longevity.

That role demands more than approving ambitious initiatives. It requires distinguishing between necessary investment and preventable risk — especially when decisions carry multi-year financial, operational, and reputational consequences.

Student Information System replacement falls squarely into that category.

Unlike most technology investments, SIS replacement introduces compounding risk. Financial exposure, staff depletion, operational disruption, and opportunity cost accumulate simultaneously — often over five to eight years. These costs rarely appear fully in approval materials, yet they are borne by the institution all the same.

For Boards, the most important realization is this:

SIS replacement risk is different in kind, not just degree.

Budget projections typically understate total cost. Talent impact is almost never quantified. Opportunity cost — what the institution cannot pursue while consumed by a multi-year implementation — is rarely discussed at all.

Good governance requires asking questions that go beyond vendor assurances and implementation plans.

Before approving any SIS replacement, Boards should insist on clear, evidence-based answers to the following:

- What is the true all-in cost, including staffing backfill, turnover, consulting extensions, and delayed initiatives?
- Who are the 10 schools we interviewed (without vendor referral) who are live on this SIS to understand all their issues, pain points, and lessons learned? (Note: at minimum the executive sponsor, PMO lead, and every workstream lead should be interviewed).
- What happens if the project is delayed by 12, 24, or 36 months?
- What institutional functions degrade during that period — and who owns the risk?
- How does this decision delay or constrain AI adoption across the enterprise?
- What alternatives were considered that deliver outcomes without comparable disruption?

Timing discipline is equally important.

There are circumstances where SIS replacement is justified — most notably when a platform is approaching end-of-support or formal sunset. Outside of those conditions, replacement should be treated as an extraordinary measure, not a default modernization step.

Boards also play a critical role in supporting Presidents who choose a more disciplined path.

In the current environment, resisting vendor momentum can be misinterpreted as reluctance to modernize. Boards that understand the difference between replacement and transformation provide Presidents with the cover needed to lead responsibly.

The institutions that thrive in the coming decade will not be those that moved fastest to the cloud. They will be those that governed with clarity, asked harder questions, and aligned investment with outcomes rather than convention.

That is the standard of stewardship this moment requires.