

Strategic Assessment Discussion
with
UT Rio Grande Valley

Tony Cucolo
February 2016

Thoughts

- Healthy tension between setting a strategic direction and seeking buy-in for a strategic direction with folks consumed in current challenges.
- “Among the ranks” there is a natural fear of change – and dealing with that fear is a leader’s responsibility; requires repetitive communication, removal of ambiguity wherever possible, and absorbing risk
- A vision is aspirational, the way you want things to be; it is not a statement of current status
- Seek repeatable, memorable brevity in language in the final product
- Hierarchy of impactful plans: strategic, operational, and tactical (classic “what v. how”)
 - A strategic assessment is strategic; ***fight the desire to go tactical***
 - Use operational level of detail in an initial product only when necessary to kick-start immediate change in an area
- The leader who “owns the assessment” must be involved in process as early and as often as possible

Tackling a Complex Problem

First **Understand** all aspects of the problem...

Then, **Visualize** and **Describe** the problem in the context of your understanding...

And **only** after achieving a level of comfort in those three things, **Direct** action to solve the problem.

(Sample of guidance to the team)

As a team, we're not being tasked to solve a complex problem.

Our task is to help the Chancellor understand, visualize and describe how the UT System's mission fits in a complex environment to help focus his leadership of the System.

Crude Early Versions
of the Attempt to
Understand, Visualize and Describe
Our Complex Environment

Our Environment (1)

- Decades-old trends of globalization, urbanization, and population growth in size and diversity continue, but their impact is now accelerating at greater rates resulting in:
 - Growing and unanticipated global economic interdependence, creating volatility and uncertainty impacting current business models;
 - Fast-expanding urban populations, creating or expanding economic disparity, gaps in educational achievement and attainment and stressing physical, educational and health infrastructures;
 - The unrestricted flow of information and ideas and wide exposure to different cultural values combined with ever-increasing speed of human interaction, resulting in high complexity and greater assumption of risk for leaders' planning and decision making
- Population lifestyles and conditions now make chronic diseases the biggest health issue facing the world's populations.

Our Environment (2)

- Here in Texas, the population grows by more people each year than any other state, and will grow by 13 million people over the next 20 years (48% growth), three times the US growth rate. Age groupings herein are important:
 - Texans 65 years or older will more than double, creating intense demand for elderly health care.
 - People aged 25-44 will be the second-fastest growing age group, creating demand for new jobs.
 - Texas has the second largest number of 15-to-19 year olds in the Nation, and among the top 20 states with the highest numbers in that age group, Texas is the only one with a growing population of 15-to-19 year olds.
- Texas is a minority-majority state, with 58% of the population being members of minorities. In 20 years, this percentage will grow to 70%.

Our Environment (3)

- This population growth is good and necessary: Texas creates more jobs than any other state in the US; the fastest growing industries are in professional services, technology, and tourism.
- Texas' unemployment rate is low – particularly in major metros – a sign of the state's strong ability to create jobs for this fast-growing population.
- However, economic disparities remain high for minorities and under-educated populations.
 - Unemployment rates are more than twice as high for African-Americans (9.8%) than non-Hispanic Whites (4.7%).
 - Persons with only a High School diploma are twice as likely to be unemployed than people with a Bachelor's degree.
 - Income disparity in Texas is comparable to the US, but disparity is largest in Austin, Dallas, Houston, and Midland-Odessa. Income disparities among races remain stark, e.g., White (non-Hispanic) households earn 70% more than African-American households.
- Two-thirds of Texas children live in households that receive food stamps, which is worse than the US (53%). Among UT regions, Midland has the highest rate of food stamps for children, followed by Brownsville.

Our Environment (4)

- Level and quality of education has always been important to basic quality of life but is accelerating in importance to supply a changing workforce with talent.
- Middle skill jobs are rapidly disappearing; high school graduate wages are falling; the earnings gap between those with and those without college degrees is widening rapidly; and the number of entry level jobs requiring a master's degree is on the rise.
- Forecasts from the Texas Workforce Commission show strongest growth in jobs at higher education levels:
 - At the Bachelor's level: technical, financial, and health care fields: petroleum engineers, operations/supply chain analysts, biomedical engineers, actuaries, computer systems, civil engineers, and health administrators.
 - At the Master's level: educators, counselors, and occupational therapists.
- College graduate output in Texas has increased 43% over the last 10 years. Growth was fastest at the Associate's level (81%) and Master's level (44%).
 - The fastest-growing Bachelor's degrees (on a net basis) were in Health Care, Engineering, Government, Family Development, and Liberal Arts not assigned to a field group.
 - Master's degree growth was led by Health Care, Business, Education, Engineering, and Government.

Our Environment (5)

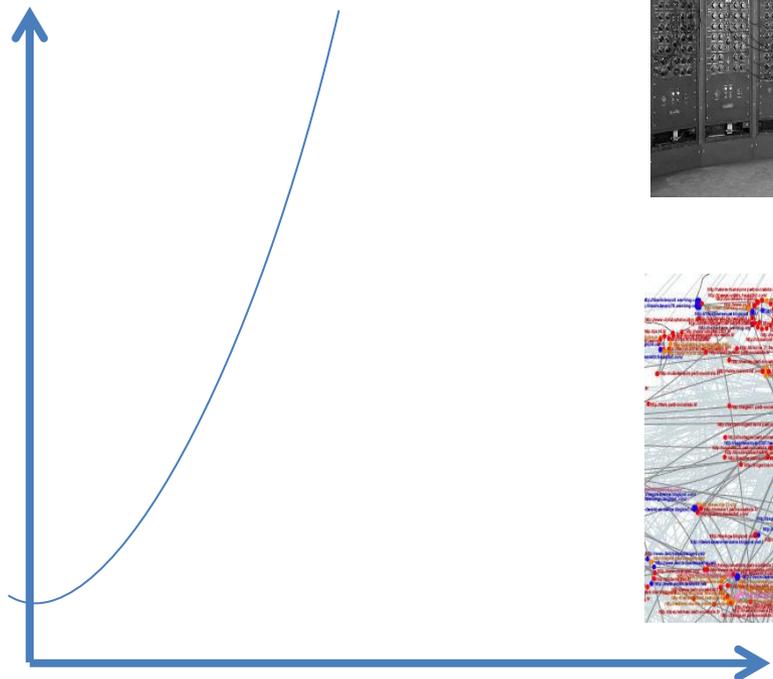
- Issues exist, however, in the education “pipeline” that readies the population to join the workforce:
 - Achievement gaps between minority and white students have narrowed but remain stark in reading and math at the elementary school level; e.g., only two thirds of fourth graders read at that level; almost half (47%) of Texas Hispanic students were considered below basic reading level in the 4th grade
 - Attrition rates, related to achievement and preparedness for the next level of education, are informative: out of 100 8th graders, 68 will get a high school diploma; 50 will enroll in college; 20 will graduate from college – in an average of 6 years.
- Lower than desired four-year graduation rates and attainment is impacted by a number of factors including a high number of lower division students performing poorly in STEM courses.

Another Cut in Prices
Carriages, Harness, Whips, Robes.
STOCK MUST SELL QUICK
 WE HAVEN'T ROOM for the Purse Or, Brood and our Factory, too, and the stock must go. Our inventory will this week. Trade will do, bring the line, special reductions in Turkey, Husbands and the...
 Early or Morning and other stock, for... \$56.76
 OTHER MARKETS JUST AS GOOD. COME AND SEE FOR YOURSELF.
AUTO VEHICLE CO.
 SUCCESSORS TO THE
PARROTT CARRIAGE MANUFACTURING CO.
 Cor. Tenth and Main Sts.

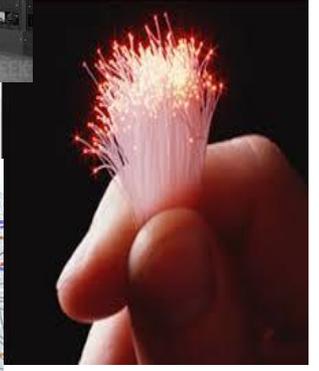
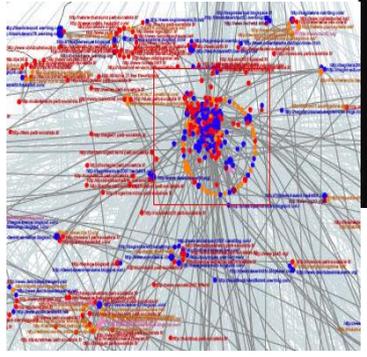
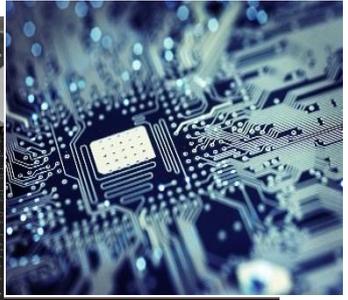
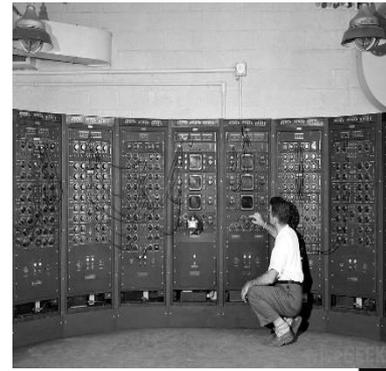


Placeholder for "Complexity"

Degree of Change



Time



Summary of the Assessment (PLACEHOLDER)

Texas' population is growing at a rapid rate and becoming more diverse with each passing year. Urban areas are growing at the fastest rates.

The economy is diverse and healthy (relative to the US) and jobs are growing to generally support this population growth.

However, economic disparity is on the rise with gaps expanding quickly. The level and quality of education is growing as a much greater discriminator for income, quality of life and health as well; if left unchecked, gaps in achievement and attainment among underrepresented populations will continue to widen disparity gaps and leaving the human capital needs of the workforce unmet.

Also negatively impacting the lives of individuals and the economic well-being of the state is the ever-increasing number of Texans who are contracting preventable chronic diseases.

Higher education, particularly large systems with diverse academic and medical capabilities has a role to play and a public responsibility to address these issues.

Strategic Assessment Team Process (A Way)

- Clarify the role of your organization (restate the mission)
- Identify the “domains” in which your organization (to approach understanding the environment)
- Assess those domains...current status and trends
- In the context of the organization’s mission, answer three questions for each domain:
 - Where are we in this domain?
 - Gather facts, follow the data
 - Where do we want to be in this domain?
 - Fact- and context-based recommendations for leadership with recommended objectives for the system
 - What is in the way of getting to where we want to be?
 - Facts, conditions and perceptions
- Then recommend focused actions to achieve desired objectives; “bin” objective oriented actions along lines of effort
 - Gain consensus on the objectives and the actions to achieve them; from these, set System priorities.
 - Determine what organization changes have to be made to be most effective
- Establish a disciplined process or “rhythm” to drive the organization towards the objectives along the lines of effort

“Binning” the Data Example: Task Organizing the Research Effort

- Domains in which the UT System Operates:
 - Education
 - Health
 - Economic
 - Research and Discovery
 - Human Capital
 - Public Policy
 - Community Engagement
- Additional and relevant: global population, health, and economic data

Word Pictures of the Domains (Sample)

Education Domain

("Pre-K through '16' and Beyond")

Activities, structure, people and processes involved in increasing knowledge and contributing to new knowledge for the betterment of society.

Economic Domain

Activities, structure, processes, and policy impacting the loss or gain of the financial resources of our institutions and system administration.

Health Domain

Conditions, activities, structure, processes, people, research and discovery, and professional expertise that impact providing and delivering health and well being to our society.

Research and Discovery Domain

Activities, structure, processes, people and policies involved in the generation of and the translation of ideas to enhanced knowledge, valued products and/or services.

Word Pictures of the Domains (Sample)

Human Capital Domain

Conditions, activities, structure, and processes impacting the capacity and the value of the workforce.

Community Engagement Domain

Conditions, activities, structure and people contributing to the actual and the perceived quality of life a designated region and well-being of its population.

Public Policy Domain

Activities and discourse by and among influencers and influential bodies impacting law, regulations, and directives that affect the human condition.

Develop a Proposed Deliverable/Product List Early

- Examples:
 - An executive summary of the assessment
 - A briefing for the Regents, stakeholders and internal audiences:
 - With main points of the assessment...that builds a logic trail from known/perceived “gaps” in the domains to the objectives as well as 3 to 5 “big ideas” or takeaways to fill those select gaps
 - From the logic trail, show modifications to be made to the organization that allow us to get after the big ideas/fill the gaps...followed by a description of...
- A published process of the “how” we will sustain a rhythm of decision-making that 1) allows the system as a whole to focus on priorities and rapidly seize opportunities and 2) reinforces a culture of communication and collaboration.

Consider Having “Rules of Engagement” for Your Planning Team

Sample:

1. This is a task in direct support to the Chancellor.
2. We will not sign Non-Disclosure Agreements; I implicitly trust you all, right now.
3. However, a condition of team membership is an appropriate level of confidentiality because this work is 1) specifically for the Chancellor (and not *our* immediate bosses) and, 2) it is all pre-decisional. The Chancellor decides what is shared, made public and when.
4. While your work can certainly be discussed with other colleagues and bosses – I expect that; there are good ideas out there – I ask that all draft products and all team internal conversations and collaboration be only shared outside this group with my permission (there may be a very good reason to do so).
5. With a few exceptions, this is your primary duty until released (expected run is for 90 days or less).
6. You have full access to me at any time – no appointment needed.

The background of the slide features a large, faint watermark of the University of Texas System seal. The seal includes the text 'UNIVERSITY OF TEXAS SYSTEM' at the top, 'PRÆSIDIUM' in a banner, an open book, a five-pointed star, and the motto 'SIGILLUM UNIVERSITATIS TEXENSIS' at the bottom.

THE UNIVERSITY OF TEXAS SYSTEM

LEADING IN A COMPLEX WORLD

A Strategic Approach, 2015 - 2020

“Quantum Leaps – Plus”

William H. McRaven, Chancellor

U. T. System Board of Regents' Meeting
November 2015

MISSION

UT SYSTEM MISSION STATEMENT

The mission of The University of Texas System is to improve the human condition in Texas, our nation and our world.

The System will use its size, diversity, and quality to advance education, push the bounds of discovery, enhance population health, build stronger communities, and shape public policy for the common good. Producing high quality human capital with a sense of service and the ability to lead, we will pursue solutions to the problems of our state, our nation and our world.

We are a state university system with global impact.

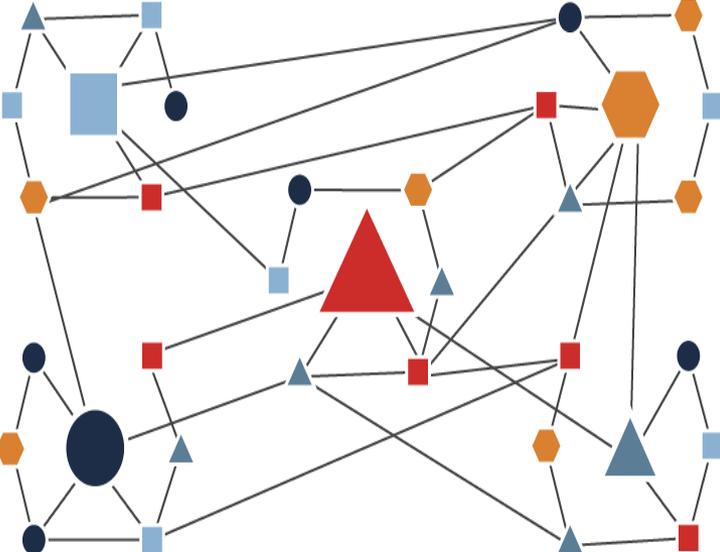
OPERATING CONCEPT

OPERATING CONCEPT

We will ensure that our **academic** and **health** care enterprises are **world leaders** in higher education, research and health care.

We will accomplish this task by establishing a **mutually supporting system** in climate, culture, and practice, where the strengths of one institution help reinforce the quality and competitiveness of the other members.

TEAM OF TEAMS



OPERATING CONCEPT

The System Administration will assist me in providing the **strategic direction** and **policy oversight** for our member institutions while ensuring that **each institution has the maximum latitude** to accomplish its academic, research and health care goals.

System Administration will add value by **focusing on the core competencies** of finance, development, marketing, construction, state and national level coordination, policy advice and security **to help ease the burden** on the individual institutions.

OPERATING CONCEPT

Collectively, we will orchestrate system wide progress to identify the critical components that encumber student success, high quality research, meaningful discovery, and excellence in patient care. We will then aggressively undertake steps to eliminate these barriers.

OPERATING CONCEPT

To facilitate system collaboration and coordination we will build staffing mechanisms to include **rigorous internal communications**, dedicated coordination meetings, and **robust leadership exchanges**.

OPERATING CONCEPT

Additionally, we will work to identify and implement **game-changing ideas** that will propel the University of Texas System into the national and international discussion on all facets of education, research, health care and leadership. These ideas will be **prioritized, funded** and then **brought to fruition** through a deliberate and **aggressive process of engagement.**

OPERATING CONCEPT

We will be known world-wide for developing **leaders** in all fields of endeavor, but we will never forget that **our responsibility** is, first and foremost, to the **people of Texas**.

We are a state system with global influence.

Adapting the System for Greater Complexity and Increasing Rates of Change:

An Agile Decision Process

PLANNING & EXECUTION PROCESS

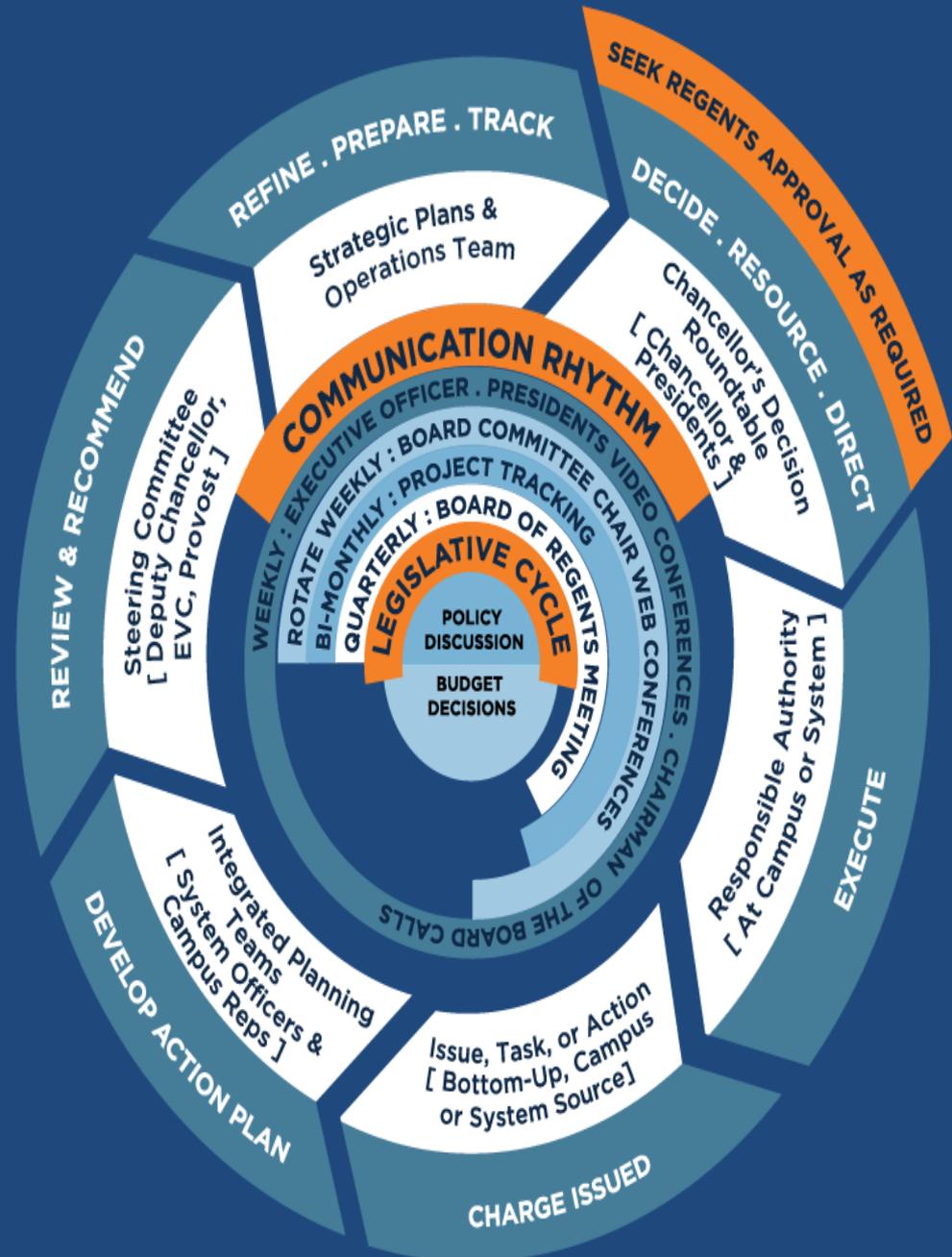
A Disciplined Process

With Prioritized Resource and Budget Alignment

Actions are Tracked and Measured

Accountable Leadership Responsible for Execution

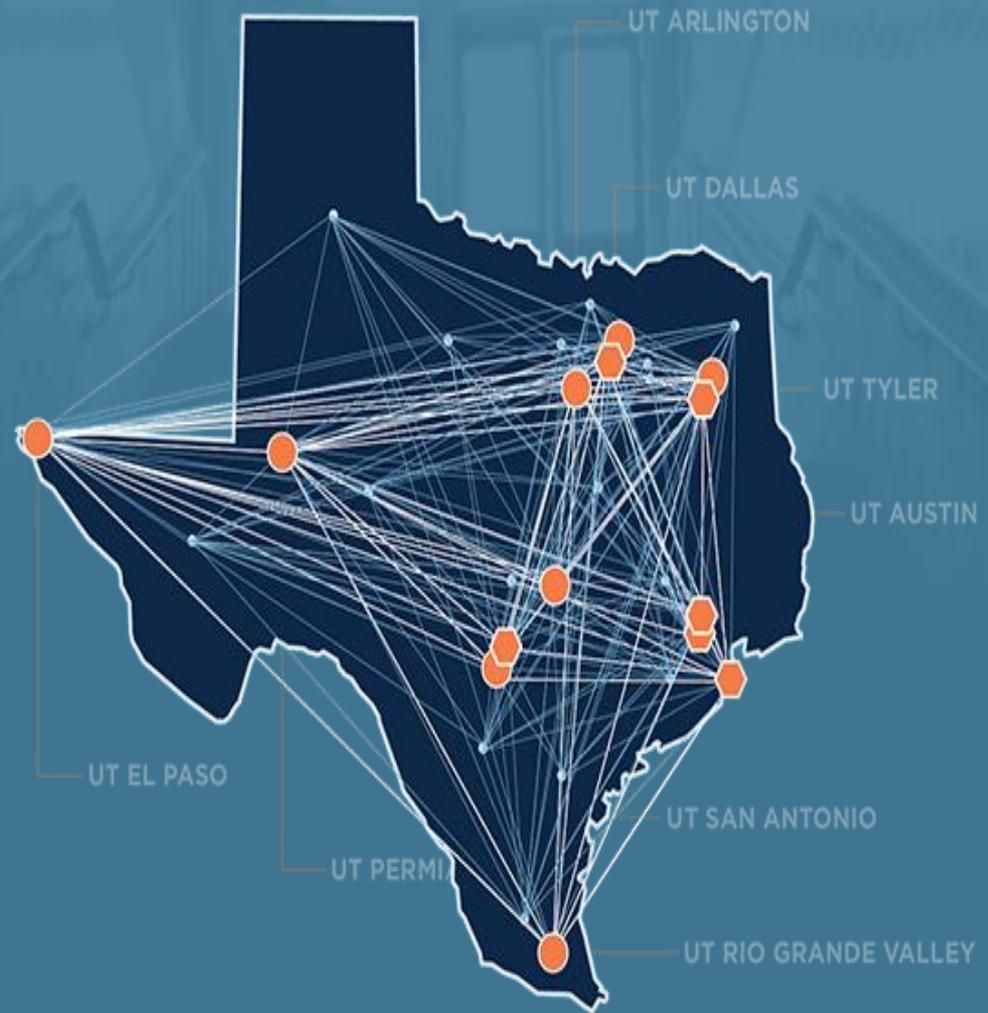
With a Common Operating Picture Achieved Through a *Rhythm of Communication*





THE TEXAS PROSPECT INITIATIVE

We will change higher education's relationship with pre-K through 12 education and engage in a way never done before to maximize opportunities and outcomes.





THE AMERICAN LEADERSHIP PROGRAM

We will implement a core curriculum of leadership on every campus in the UT System to build men and women of character and integrity who can lead our state, our nation and our world.





WIN THE TALENT WAR

We will make an unparalleled investment in pursuit of the next generation of outstanding faculty to ensure all our campuses have the world class scholars they need to meet the growing demands of our student population.



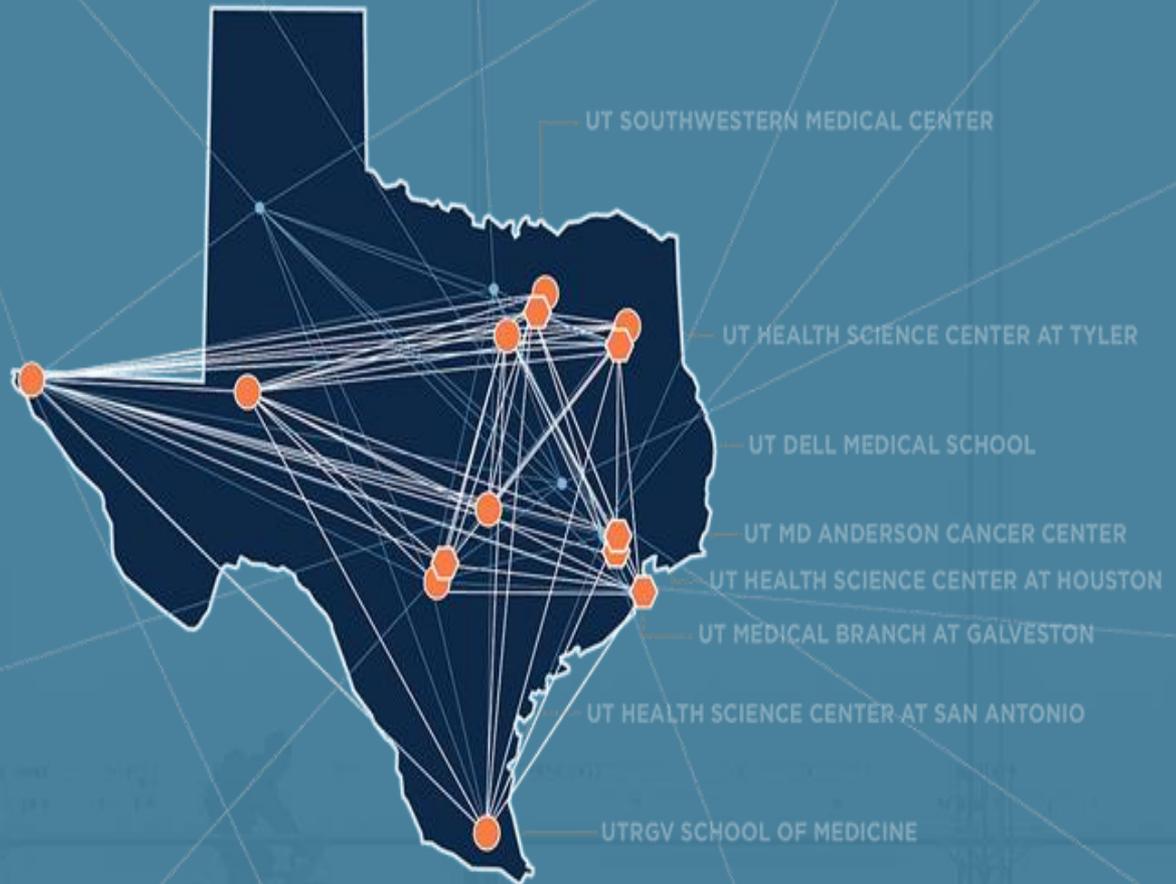
THE DRIVE FOR DIVERSITY AND FAIRNESS

We will ensure qualified women and minorities will be considered for every senior administrator position.



THE UT HEALTH CARE ENTERPRISE

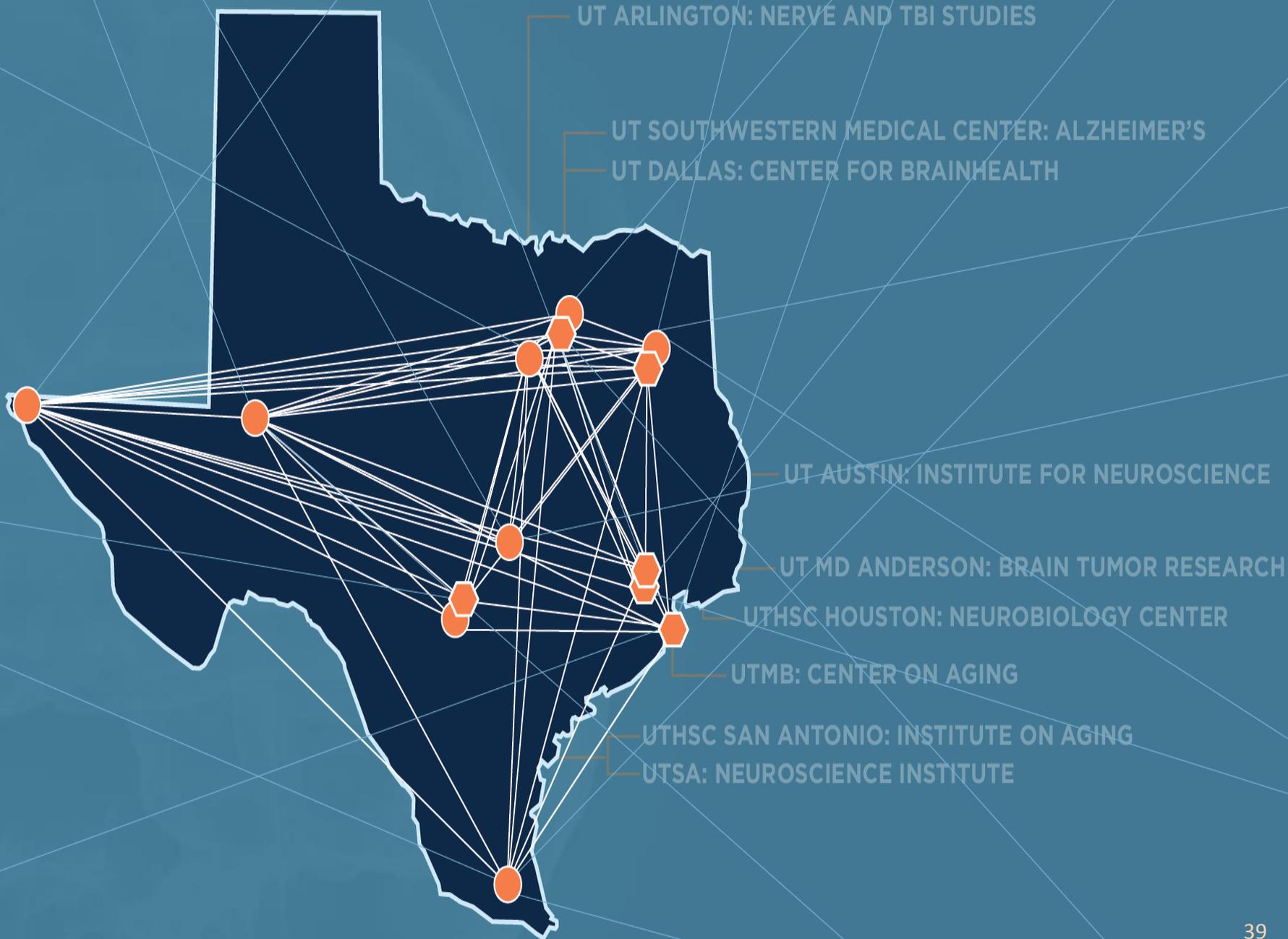
We will develop a collaborative health care enterprise that will leverage our size, our expertise, and connect our regional capabilities to ensure we provide Texas, the nation and the world with the finest health care possible.





A REVOLUTION IN BRAIN HEALTH

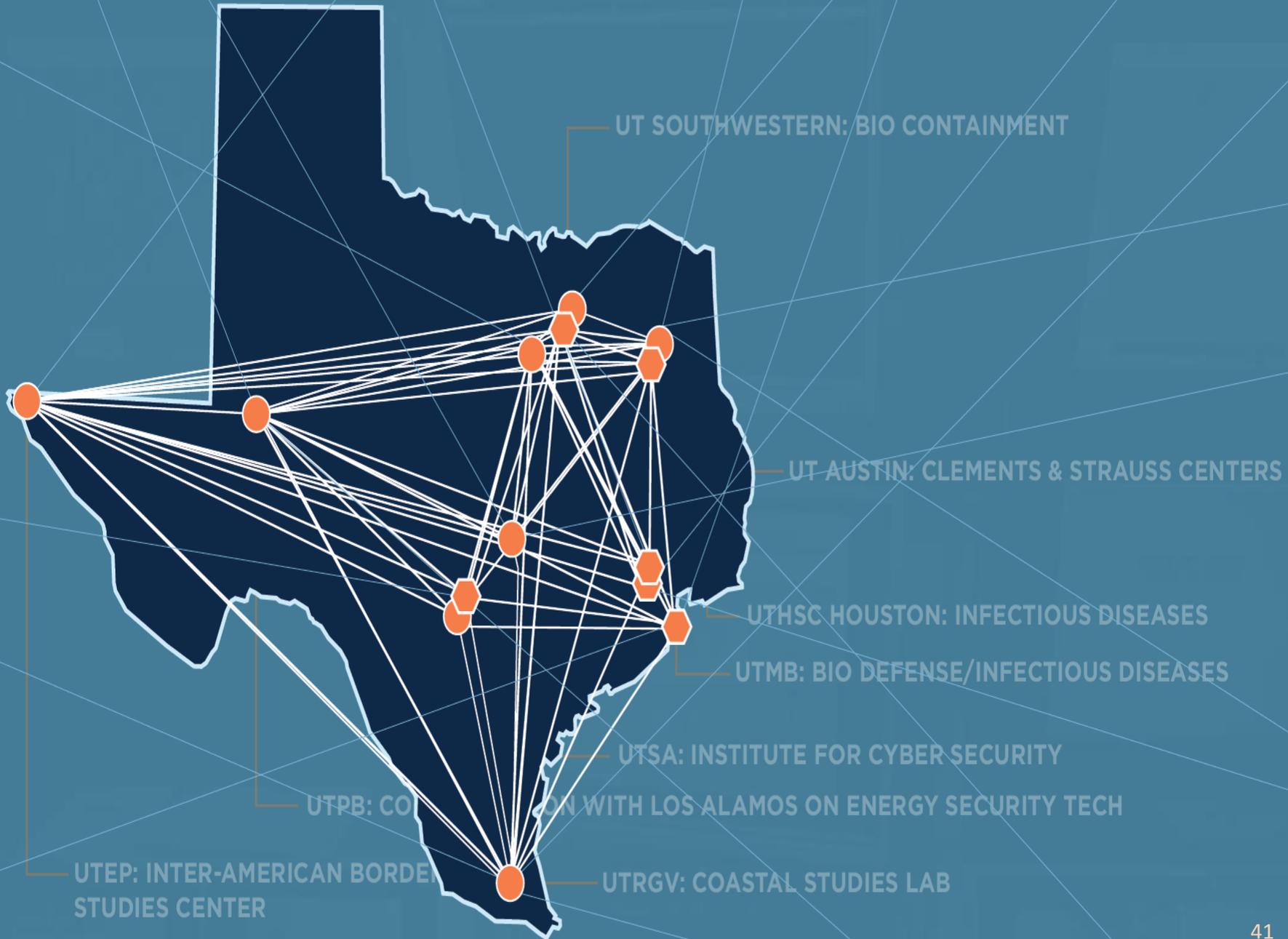
We will undertake an effort similar to the scale of the Manhattan Project to understand, prevent, treat, and cure the diseases of the brain.





THE UT NETWORK FOR NATIONAL SECURITY

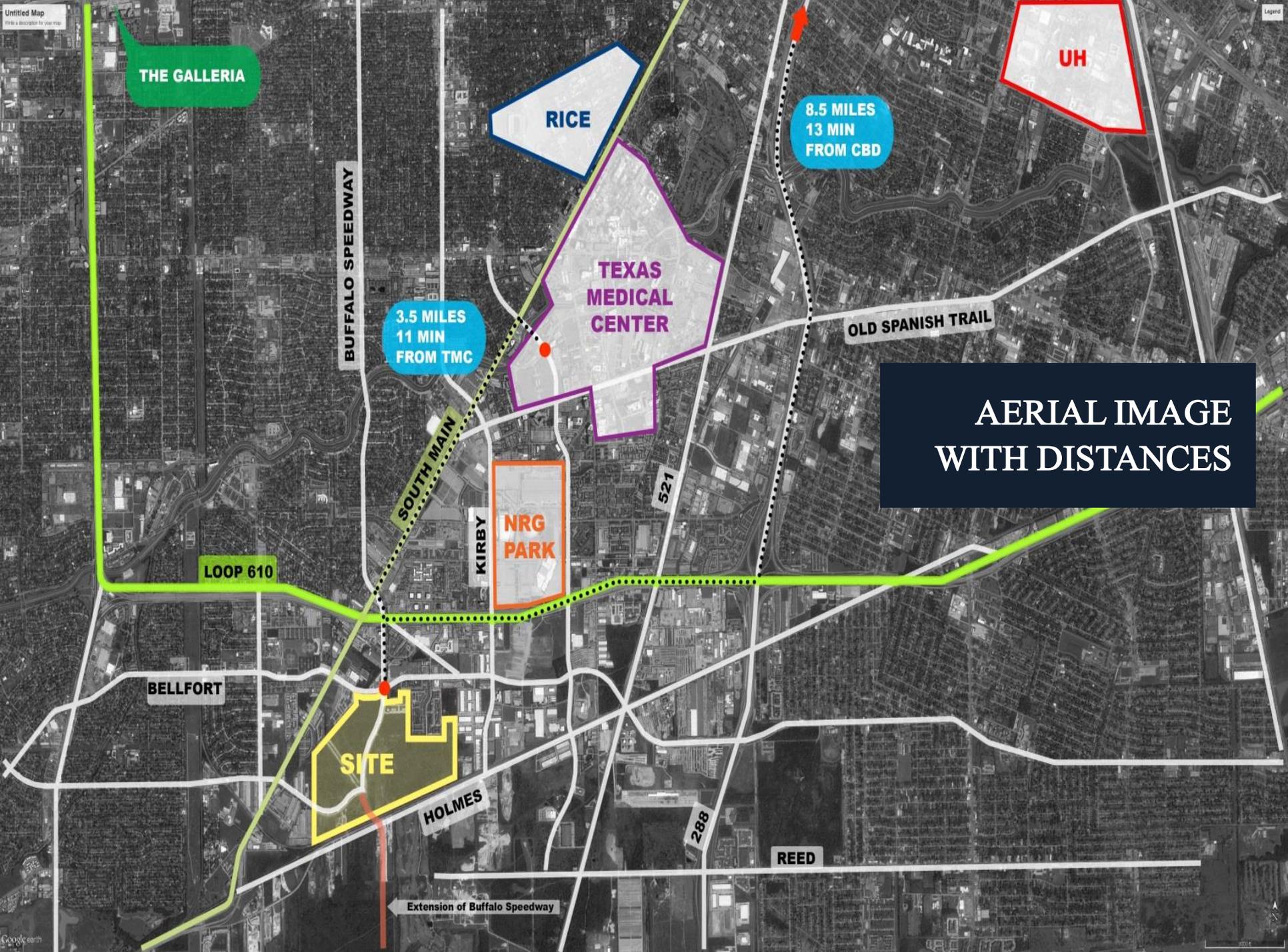
We will establish a Systemwide alliance of national security experts drawn from more than 40 centers and institutes to elevate Texas to a national authority on issues of critical importance facing the world today.





EXPAND THE SCALE OF OUR STRENGTH

We will broaden our footprint in the city of Houston to take advantage of its size, strength of institutions, and talent of the professionals in science, business, health care and the arts.



THE GALLERIA

RICE

UH

TEXAS
MEDICAL
CENTER

3.5 MILES
11 MIN
FROM TMC

8.5 MILES
13 MIN
FROM CBD

AERIAL IMAGE
WITH DISTANCES

NRG
PARK

LOOP 610

BELFORT

SITE

HOLMES

KIRBY

521

288

REED

Extension of Buffalo Speedway

ETHOS

We build and sustain Texas' finest institutions of higher education and health care.

Our priority is to the students and the patients in our care.

We are unyielding in our drive to advance student success, innovation and the well-being of the citizens of Texas.

We communicate in all directions and with the utmost transparency, so that the members of the System and those outside the organization see and understand all that we are doing.

We build trust through our actions – personal and professional; our credibility is our greatest asset.

Our actions are moral, legal and ethical and we hold ourselves accountable when we fail to achieve this standard.

We will be known as the most innovative,
responsive and dedicated public university system
in the nation.

Thoughts

- Healthy tension between setting a strategic direction and seeking buy-in for a strategic direction with folks consumed in current challenges.
- “Among the ranks” there is a natural fear of change – and dealing with that fear is a leader’s responsibility; requires repetitive communication, removal of ambiguity wherever possible, and absorbing risk
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