TO: TEAM Executive Members:
July 24, 2019

This note is to update you on two processes following up the TEAM report last month.

First, this week I met with the co-conveners and asked them to continue leading their respective working groups to prioritize and plan implementation of the recommendations which came from their groups. Several reported they are well into this process. We will have updates from each group in mid-August.

Secondly, we have engaged Deloitte to build out a business case for their "best practice" recommendations in the TEAM report. The consultant recommendations are high-level, theoretical, and goal-oriented. To be most useful, the best practices must be specifically adapted to the UT System and Institutions. This phase is focused on HR, IT, and procurement and contracting. The following describes the scope of work for Deloitte.

Deloitte will support this initiative by drafting operating model frameworks (inspired by industry best-practice and informed by the outputs of the previous engagement). Deloitte will also assist in developing the business case for the new operating models, focused on a high-level roadmap to attain the future state as well as quantification of both potential dollar savings (primarily from better managed spend) and the magnitude of the opportunity to reprioritize staff time to best meet the institutional and System missions. Deloitte will solicit perspectives and feedback from members of the Board of Trustees and representatives from HR, IT, and Procurement staff. Deloitte will work with the UT to draft wireframe operating models, a business case for, and an attendant implementation roadmap for each of the three areas.

Pre-Engagement Activities (Week 0) July 29
Deloitte will review all previously-submitted data and deliverables from the System Effectiveness Study in advance of the engagement start date. In addition, Deloitte will submit a data request for any other information on the current operations of the HR, IT, and Procurement functions. Deloitte will also begin to schedule meetings with identified stakeholders for the three in scope functions and members of the Board of Trustees to confirm operating model expectations.

Engagement Kick-off (Weeks 1-2) Aug. 5 & 12
Deloitte will convene meetings with stakeholders in HR, IT, and Procurement to review project goals and anticipated deliverables. These meetings will also serve as an opportunity to gather functional perspectives on best-practice operating models. Additionally, Deloitte will interview identified members of the Board of Trustees to ascertain views of the future state operating models for each of the functional areas. In these meetings, Deloitte hopes to understand the appetite for change, plans around attendant funding models, and long-term performance (operational and financial) expectations for the new operating models.

Operating Model Development (Weeks 2-6) Aug. 19 & 26, Sept. 2 & 9
Deloitte will draft wireframe operating models for each of HR, IT, and Procurement, and a business case for each. Operating model components are intended to outline sufficient information to enable the distributed leadership of the campuses to understand the future state, and build out the detailed content, specifically:

- Services provided through the new model
- Service model
- Organizational roles
- Organizational structure
- Governance model

The wireframe operating model will outline the core features of the future state organization but will leave room for campus and institute input on details. For example, the wireframe model will advise on reporting lines, roles, and high-level responsibilities, but may leave open the question of geography, detailed job descriptions, and placement processes. In addition, each operating model will include high-level implementation considerations and tactics to achieve outcomes.

Deloitte will also develop a business case for the proposed operating model of each function, based on existing data from Deloitte's previous work with UT. For the HR and IT operating models, Deloitte will use the data previously submitted identifying current HR and IT FTEs to estimate the future alignment of staff and identify where staff capacity may be redirected to support strategic and mission-focused activities required for the ongoing success of UT. For the Procurement area, Deloitte will identify potential souring savings resulting from better managing spend.

Operating Model Review and Roadmap Development (Weeks 7-8) Sept. 16 & 23
During weeks 7 and 8, Deloitte will review the draft operating models and business cases with system representatives for HR, IT, and Procurement for feedback and refinement. While all considerations will be documented, the final operating models may not be fully reflective of stakeholder perspectives, especially where they might contradict or limit the effectiveness of key best practices. During this phase, Deloitte will also draft a high-level implementation roadmap to identify and sequence major implementation activities to support next steps for UT in support of these transformations. While this roadmap will be software agnostic, the timeframe will account for inter-dependencies with the imagined ERP implementation timeline.

Operating Model and Roadmap Delivery (Week 9) Sept 30
During week 9, Deloitte will convene meetings with project leadership to share deliverables and discuss next steps.