Conversation with Regent, Chancellor and President
University of North Texas
Jan. 26, 2018
Summary

UNT President Neal Smatresk: Thank you. Well hello, everybody, how are you doing? Happy Mean Green Friday, and I'm just so proud. I almost need sunglasses to get rid of all the bright green in the room. It makes me feel like I'm back in the Emerald City in Oz. *(Laughter)* Oh no, System's Oz… never mind. That was a joke, Lesa.

UNT System Chancellor Lesa Roe: I'm laughing, I'm laughing inside.

President Smatresk: Today we're here with our first Town Hall that we've ever done like this and I just want to say thanks for coming. We really appreciate it. We hope you enjoy it. We hope we learn and we hope we can all get better by having these types of Town Halls. This format that we're using today — we actually had a very carefully prepared format that I think I've just completely thrown out. We were going to start with employee engagement questions and comments that were centering around how we can become a great place to work and then we were going to move on to System issues.

It's our belief that maybe the first thing we ought to do is move into some of the relationships that we have between System and the campuses, and discuss how we can improve by working together better and doing things to improve our services and delivery for all of you; so we're going to start with that. And after that, depending on kind of how much time we have, we'll move into some of the topics that we have put together around employee engagement. We solicited questions from all of you and asked you to identify issues that you wanted to hear from us about and we diligently did that. We have many and put a star by the questions that came up repeatedly so we knew that they were really popular. But we also want to make sure that we capture the spirit of the moment, and so what we're going to do, after a little warm-up, is we'll actually be engaging you directly in questions. And we want to hear from the audience so that you know we weren't scripting our own questions and giving you the answers we wanted. We're going to answer the questions that you really are interested in and that you want to ask and we're all very comfortable with that.

I'm going to begin by introducing my fellow panelists. Laura Wright is vice chair of the UNT System Board of Regents and is amazing and helpful in every single way. I consider her to be a model regent. She was the CFO of Southwest Airlines so she knows her way around finances and running larger, complicated organizations. She brings not just years of experience, but also years of understanding how successful organizations move, how they build great employee engagement and how to solve problems in an organization as dynamic as Southwest Airlines.
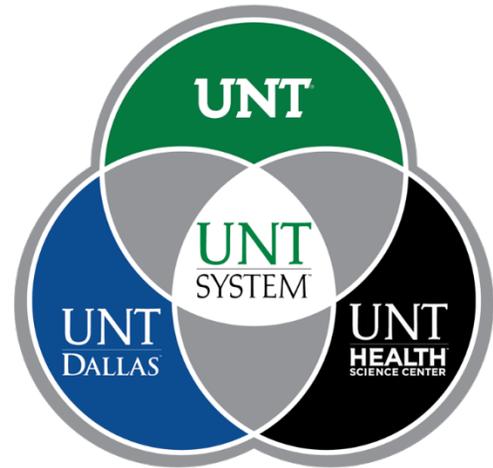
She's now graduated to doing a hundred other things, but most important to us is being a regent advocate for us which we really appreciate.

Of course we have our chancellor, and I don't know if I can call you our new chancellor any more. You know there comes a time…

Chancellor Roe: Don't call me old chancellor though. *(Laughter)*

President Smatresk: OK, our **new** chancellor *(laughter)*, new and young chancellor, Lesa Roe, who I think most of you have met or have seen or have heard from. We had a nice reception for her at UNT not long ago. Lesa has come in and she's really pulled the president and System cabinet team together in ways that I know the presidents are finding deeply gratifying. She's rolling everyone's shirtsleeves up to get ready to do the hard, but rewarding work of building a really effective system.

Today is an important day for Lesa because she needs to hear from us, hopefully in collegial tones, what is going on, how we feel and what we can do to make both UNT and our System better places from an operational perspective so that we can support our mission. I'm going to sit down and proffer up some initial comments from our panelists about what we're doing here. I'm going to start with the system role, if that's alright with you two. **So, I would like to start by just asking our chancellor to first comment briefly on what she feels is our System mission and what we hope we can achieve through working together.**

Chancellor Roe: We've had a lot of discussions. Initially, I would hear talk about "the System," typically in the tone of "those System people," and I would ask "who are they?" and say "we need to get 'em" because that was the tone I first heard when I joined the System. Then, I realized I was "the System."

The point is that we really did was some great work — with both the presidents and vice chancellors — by having conversations about what we think the System is and where we want it to go. First you must know what it is, before you figure out where you're going to take it, right? Those conversations resulted in the visual integration of all our universities, as you see on the screen, and the intersection of services provided by the System. Everything I do as chancellor is for one of our universities or for the integration of the whole. The whole purpose we're here for is to provide what our universities need and support our mission. Our students are our mission — really focusing on producing those students, changing the lives of those students, enabling those students to have a great future and also producing the workforce that we need in this rapidly growing North Texas region. Everything we do is around our mission.

President Smatresk: I love that you said the job of the System is to support the good work that each of the units are doing so that our students can thrive. I think that's why we're here.

I want to turn to Laura who has been on the board long enough, under different administrations, to know the history and various conversations about Shared Services. You've heard what the System should be, what it can do and the varied hopes and dreams and aspirations for the units. **Could you talk to me a little bit about your perspective as a regent on what the top**

priorities for the System should be and how the board of regents views the kinds of transformation we hope to make?

UNT System Regent Laura Wright: I think the board of regents is very aligned with the chancellor, President Smatresk and our other presidents, in terms of what we think the priorities are. Our campuses are the most important thing. Without the campuses there wouldn't be a System and that's what we exist for. Our campuses are about education and our students. We want our students to get a great education, to have marketable skills and to contribute to society. Our campuses also are home to research and artistic creativity.

The System is a support operation, not the front line. That is very similar to my role at Southwest Airlines where our focus was on our customers and running an airline. We all had roles in it, but it all came down to what was our real purpose.

I think the regents are 100 percent aligned in that we exist for the campuses. You may question why we have a System and that's because we have three different campuses. We have the medical center in Fort Worth. We have UNT Dallas with the new law school and, of course, we have our flagship here in Denton. We'll talk later about our Shared Services, but if you come from the private sector where I have, you'll see that the role the regents would like the System to serve will help to allow people like President Smatresk, Bob Mong, and all of you here to spend your time focusing on the core mission. You won't have to spend so much time in all of the administrative functions and so forth, if the System capitalizes on opportunities to be a customer service center and allow our campuses to be successful.

President Smatresk: So I've got a couple more questions for both of you before we move into double jeopardy and start getting questions from the field. What I'd like to ask Lesa is, you know, you've moved in now. You've had a pretty good period to hear from everybody. You haven't yet necessarily completely engaged the field, but you've certainly heard from your cabinet and the presidents. **So after integrating all that information, what are your top priorities now for the UNT System?**

Chancellor Roe: It's been a rapid four months and my priorities are the priorities that I was given by the board. Our students are our core mission. My other priorities focus around growing enrollment, growing our graduation rate, growing our research and development, growing our foundational assets, growing our top programs, being a "Best Place to Work" and having efficient and effective systems. Those were the key priorities the board gave me coming in and I think they are excellent priorities.

Within the first month of arriving, I met extensively with the presidents to talk about where we're headed and we all agreed that we really want to align around those board goals. We developed a strategy and defined key actions that each of our presidents have put in place to meet the goals given by the board. We presented those at the November board of regents meeting and it was — from what I've heard — one of the best board meetings that's ever taken place because we were really, really aligned with what they were thinking. We were focused on the students, had the students there with us at the meeting and I think they were really excited to hear what was happening at the universities based on the goals the board has set for us.

We looked at what's happening at each of our universities and where we're headed and set goals for 2020. Some of those goals include:

- Growing overall System enrollment by 10 percent to 48,000
- Increasing degrees awarded to more than 11,000, around 13 percent growth
- Growing research and development 37 percent to nearly $124 million
- Achieving a 44 percent growth in cultivation of foundational assets
- Becoming a "Best Place to Work"
- Establishing efficient and effective systems

Each president outlined key actions to achieve each goal and regularly reports on their progress. I can't cover all of those, but to give you a flavor of what each president is doing:

President Williams is very much focused on our new medical school at the Health Science Center. He's focused this year on getting that through the Texas Higher Education Coordinating Board. Also, he's focused on improving the productivity of the research faculty. The Health Science Center is not growing enrollment, but growing GME intern slots and President Williams is very much focused on partnerships with different hospitals to really secure and grow those GME slots. Lastly, they're focused on growing our foundation through endowments, naming gifts and alumni donors.

At UNT, President Smatresk talks very much about his recruiting plan, his marketing automation through Salesforce CRM, international recruiting, growth in Frisco, improving the community college transfer process by applying Toyota's lean process system. UNT also is very much focused on expanding college offerings for regional needs. Other projects include the addition of a new residence hall, the Eagle Visitors Center and a new wing at Discovery Park for biomedical engineering. UNT is focusing on the productivity of our principal investigators and building research capacity through high-impact hires, establishing a research institutes focused on autism-spectrum disorders, expanding doctoral funding, increased patents and licensing, seeking large-scale DOD funding and a corporate research strategy that I've been working closely to develop across all three of our universities. That's just a number of key things going on and I barely even scratched the surface.

At UNT Dallas, President Mong is very much focused on reaching his 5,000-person growth target by 2020. He's already achieved record enrollment this spring with an 11 percent growth from last spring and is well on the way there to achieving the key goals set in place that align with the board goals. They're also focused on growing the five priority programs— law, bilingual education, logistics, mental health and public health.

Those are our goals that are aligned with what the board is looking for and where we're headed through 2020.

President Smatresk: The strategic planning exercise was pretty easy because it was a series of goals and targets that our university has and we were able to express them in simple terms with action items around them. I think the presidents and regents all really appreciated the clarity that afforded us.

For those of you who don't know, Laura is an alum. Go Mean Green! I want to switch gears just a little because we can talk in strategic planning terms and in very antiseptic ways about our goals and numbers and metrics, but, **as an alum, what is it that you really want most for your alma mater? What is it that you look forward to seeing happen here and how do you think we're going to get there and how can the System help that happen?**

Regent Wright: When I get an opportunity to talk to people about myself, which is not my favorite thing to do, I always mention how I really consider myself one of the most lucky persons ever. So many events in my life, starting with being born to unbelievable parents, have made me lucky. But one of the things that I always look at, and saw as a turning point in my life, was my experience here at UNT. I had an incredible time here and I got a great education and I was well prepared. It wasn't just the education, but it was the work ethic, it was the ability to communicate and work with other folks. My best friends today are those that I made here because I kind of grew up here. So I'm very fond of UNT. And certainly I'm very excited about where we sit today. I think UNT, and I want to talk about the other campuses too, we have the best leaders that I've seen since I graduated. And that's huge. *(Applause)*

I think we are in a really envious situation. If you look at colleges and universities around the country, we're sitting in North Texas, which is on fire right now. We've got companies coming in and it's a great place to be in higher ed. I see us at a point where we can make such a difference in the community and such a difference in changing the lives of young folks like it did for me. And so, I'm pumped, whether it's athletics or growing advancement.

You heard Chancellor Roe talk about the priorities we have and those of you who have been to a board of regents meeting know it's pretty hard to get nine people, that are all type-A personalities, to see things the same way. But as we embarked on our search for a new chancellor and thought about what we wanted and set the priorities, we actually agreed pretty quickly in terms of what's important. Again, the top thing is students and we need a System that's focused on the reason we exist, which is our campuses. We want to grow advancement. We all think that we should be in a different spot than we are based on our size and the amount of alumni, but we have to give them something to be proud of for them to want to give money. We're Tier One research and we want to stay there. I'm so proud of this university, but I also think we have such an opportunity to take it to another level.

And again, to your first question, which I haven't really answered, I think it's all about the brand equity of your degree. We all want to feel really great that we have a degree from UNT and want to be proud to tell people you graduated from there or that you work for UNT.

President Smatresk: That's a great answer. It makes me incredibly happy that there's an alum — or a few alumni — on the Board, because I know that you care really deeply and personally about our future. I know you're involved and engaged in a positive way and trying to help us achieve our mission of changing lives and giving people opportunities to excel.

We now want to start moving into what I'm going to call the "tough questions." Now, let me give you a little setup. We solicited questions and we got a lot of questions. We got questions about virtually every component of Shared Services. And a lot of what we got focused on either

the perceived gaps in Shared Services, the promise of what Shared Services should become, or simply questions about, "What are we going to do to make them better?" I'm going to give you just a quick overview of that and then I'm going to ask Chancellor Roe for a quick assessment of our Shared Services. I think that's a fair start before we start asking more fine-grained kinds of questions.

We got a ton of questions around payroll and financial processing. We got questions around IT. I would say the largest number of questions we got concerned HR and the challenges voiced by folks in the field. We received specific questions about whether things were going to devolve back to the university and where you thought things best belonged — should services be centralized or will you move them back to the universities? We got questions about our ability to respond when there are problems and our perceived lack of nimbleness. There were a number of issues and some got very specific. I'm going to step back from those because there's a long list and I don't need to be talking about whether the phone numbers for System are right, OK? You've heard all of this from the presidents during a series of, what I call "good strategic planning meetings," around how we use Shared Services. **What's your initial assessment of Shared Services? What's on the table? And where do you think things are going here in the next few months?**

Chancellor Roe: Coming in, the first thing was to get my arms around what is happening here. I had a clear goal from the board, as I talked about previously, which was to run an efficient and effective System. What I've been doing as part of that is understanding.

I started by talking to the presidents and began with reviews in week one to understand what we had as a System. Then we moved into pulling together users of the System from all levels — subject matter experts that are actually in the System office, folks from the universities, the presidents and CFOs, and I've been wearing the CFOs out because they've been in all the sessions — to really understand where we are. The focus of all these conversations has been about really understanding what the issues are and trying to prioritize those issues, while remaining open and not being defensive. We've evaluated the structure and identified we have a lot of breaks in the structure which caused things to fragment.

I was given a key goal by the board to focus on de-layering, cost effectiveness, to improve customer service so we've been looking at all of that, including governance. We're working to define a simple structure for governance and seeking ways to make sure customer service is a part of that governance. Customer service is an area where I'm still rolling up my sleeves, trying to figure that out and pulling in folks to help me look at the issues. We're defining the true purpose and the key measures necessary and in what areas. You don't want to overwhelm yourself or wear people out, but the key things that matter the most need to be defined. It's also important we determine if the feedback is a result of quick change or is it something needed on an annual basis. We're working through this process system by system.

One of the first things I realized we really needed to put in place was a "Chancellor's Council" where the university presidents are there with me, the System CFO, the vice chancellor for academic affairs and legal all in the same room. The goal of that is so we can all discuss and

make decisions as a body. And that's really, fundamentally, what we're doing. What was loud and clear coming in is the presidents had not felt included in a lot of the things around our services so I wanted to change that immediately and that's what we did. I think it's been a really great team and we're figuring out which things we want to queue up for that Chancellor's Council and when. As we've reviewed each system, we've brainstormed, done some plotting on the board and when things are ready, will take them to the Chancellor's Council to make decisions and lay out an implementation plan for them. We need to think through implementation and make sure communication is a key part of every implementation plan. We need all of you guys to be informed and understand the impact when we decide to move forward with something. To some things, the Council said "Yeah, we want to do those right away," but others led us to say, "That's really important, but that's going to be kind of the phase two of this." We're prioritizing our goals.

HR probably is one of the things that was said the most. I heard that not only from the universities, but also from the vice chancellors as well during our retreat. They said, "Hey, one of the first things we need to really work on is onboarding." As a result, that's become a priority as well as our HR data, which has encountered some issues. We're really prioritizing many of these things and focusing on some of these things first, but we'll move through to others. There are going to be changes, I think, in each of the areas and it's going to be different levels of changes. Some of it's really more about communications and how we want to talk about our communications.

Everything we do is about driving efficiencies and effectiveness, so the need for some structural changes, for instance with approval thresholds, also was identified. There may be ways our student-facing organizations at our universities can drive some efficiencies by doing things a bit differently. If we start doing things different, say in student accounting, it's possible we could become more effective. We've got some things we're queuing up and getting ready to move on with that regard.

In reference to our core systems, we want to streamline them so every unit doesn't have to have one, which often gets very costly. Shared services doesn't mean everything is done at the System's Shared Services level, it may mean that one campus does it for all the campuses. With that mindset, we're looking at everything and making decisions about trying to get efficiencies where singular systems make sense. We are trying to look at interfaces and determine where it's important to keep that interface local and on the campus level, and where that isn't as necessary. Those are the kinds of things we've been working on laying them all out.

We'll bring forward our current progress to the board in February. This will include some of the key things we're laying out for finance, facilities, business services and other areas where we're ready to move. The areas of HR and IT are still a work in progress and we're still making some calls. We're also still working to redefine our governance and identify where we might want to clean sheet some of that. Of course, customer service is still in work, too. We're also looking at audit and legal, and have yet to sit down and have some discussions about those. That's how we've laid it out and by May, I think we'll be done kind of with the reviews of the individual systems and units. But, I want to be clear though when I say we'll be done, because I mean we'll

be done with this round of reviews. Yes, our mission is our students and, fundamentally, that's where we're going to be focused, but there is always going to be the pressure to be as efficient and effective as possible everywhere else. That is going to be constant and we're always going to want to do that. Continuously improving our Shared Services is always going to be a priority, so it's not "OK, we're done, we got it, we nailed it and we're not going to ever look at Shared Services again." If we say that, we're going to be a decaying and dying organization and we want to be one that's focusing on other ideas like: Where can we incorporate automation? Where can we incorporate improvements? How can we get more efficient? With all of these questions, the focus is on putting more money back into the mission of our students. That's a long winded answer but there's been a lot going on in these first four months around this. I can elaborate if there are more questions around this.

President Smatresk: If I had to summarize from a president's viewpoint, we sat down and Lesa said "everything is on the table and we're going to look at everything, at every solution and we're going to do what makes sense." I thought that was both incredibly refreshing and also really important. If all we were doing was saying "we'll look at Shared Services and we'll do a little tweak here and there and it's all gonna be called good," that wouldn't have delivered. I think we're poised to make deliberate and thoughtful changes that can be deeply substantive at times. I think it might be fair to say where that's going to happen, we may not broadcast every detail right off because a lot is involved and people are involved. You have to have some sensitivity around the speed of change and how you execute it. You said communication, which is key, so that's one part.

Regent Wright: Can I say something? I just want to say from a regent perspective, I will tell you that we know that the Shared Service has not been rough and rocky. And in a little bit of fairness to the System employees, they were probably given way too big a task to do in too short of a time with many competing priorities. We're very aware that the customer service hasn't been at the level that is expected, but it's not intentional. A lot of well-meaning people have worked very, very hard but we know the quality and the customer service isn't where it needs to be. We also know the costs haven't delivered as well and so we've had very frank conversations with our new chancellor about where we wanted that to go. These hurdles and challenges are not unusual in the private sector, where I came from. They're very hard, whether it's an IT project — such as my former employer's eight year, $500M reservations system project which has been all over the news this week because it's having lots of problems — but you learn along the way. You learn to be better at managing projects, defining requirements, making sure you have subject matter experts — which include you in the room as users of the system — and I know the chancellor and everybody's looking at these things. You know there were probably previous decisions made on what should move, that are going to change, and so, be patient. There is definitely a spirit of "everybody is working very hard to make it to get the service that you need and the quality that you need." We're very well aware of how important it is that customer service must become successful because, again, it goes back to the mission of supporting our universities.

President Smatresk: I loved hearing both of those because you know from our perspective, better services equals opportunities for us to do better with our students and that's what we're here for. It also means potentially releasing capital back to the campuses that we can reinvest in our growth and in the programs that we use to serve our students and to improve. And actually, despite some state governments' belief that we can offer better and better services on less and less money, money really matters so that's great hearing from both of you on that topic.

Chancellor Roe: It does and I should elaborate just a little because it's across the board, by the way. When you look at a service, we're often looking at all sides of that service. When we shared with the board in November, we talked about the goals for both "Best Place to Work" and an efficient and effective system. Each of the presidents had examples of efficient and effective shared systems within their own universities — things each university does that aren't really shared services but are a shared service across that individual university, if that makes sense. Each president agreed that there are things they could work on at their university that could improve, as well.

I want to be clear that it is not just one place or the other, we're looking at all of those and the presidents also have focus and goals. This is all of our Shared Services, so I hope everybody realizes we play a role in really improving and moving forward with those. I wanted to make sure everyone realizes there are opportunities to improve in multiple places.

President Smatresk: Process improvement is something we've talked about a lot over the past year and a half at UNT, and what we've been doing for the past four years. I'll just say — it'll never stop because we can always get better. We certainly recognize that many of the things or services that we offer, whether they're done in collaboration with the System or they're done by ourselves, need to get better. What I want to express to everyone in the audience is that there has to be a spirit of openness and non-defensiveness about how we do that. We have to be open to criticism and we have to know when things aren't going well. We have to have specific examples for how we can understand the gaps in service delivery or efficiency, so that we can break that down and do it better. Then we must get feedback from you to see if it's actually better. I think the presidents believe that, and I know Bob Brown, our CFO, and each of the vice presidents believes we can do better, and I know the board and our chancellor believe we can do better. I think that's a signal change because not every system can be non-defensive. It's a very hard thing to do, so I think that's one of the most hopeful things I see.

OK, the big moment. We have people with microphones, Megan, in the back you want to come forward? And, Laurea, you want to come forward so people can see you? What I'd like to ask is for your questions, and hopefully they'll be questions and not rants, or your solicitation for comments from any of us on things you believe we need to do better, could do better or questions about how we improve Shared Services so that we can support our mission better. And, so, let's let the games begin. Oh, come on don't be shy, you're not shy with me. And do introduce yourself.

V. Barbara Bush: My name is Barbara Bush and I'm representing the Faculty Senate in some way. I have a question that has something to do with our becoming one of the best places to work

and it's from a faculty perspective. **The Faculty Senate represents the faculty and we'd just like to know what your view is on the faculty role?** We've talked about teaching, research activity, creative activity and service, but the faculty role in the governance process in terms of not only campuses, but also systemwide.

Chancellor Roe: Like I said, I'm still working on the governance process and how to best get that feedback and have it play out. I probably am going to reach out to the Faculty Senate for input and to learn how that should be done.

I can tell you governance is one that I'm still learning and working through it. We just had a session where Bob Brown and I learned all kinds of different things around governance and the breakdown of that. I think governance can definitely be simplified but we have to figure out the right ways to get those voices into that and determine how it works. So how does the faculty voice get in there so that we know and you know that we are improving from a governance standpoint? There's a whole lot around "Best Place to Work" we'll probably get into more in little bit when we discuss engagement.

President Smatresk: We're going to focus on that in about fifteen minutes or so.

Chancellor Roe: From a customer service standpoint with Shared Service, we do need that voice and I've got to figure out the right way to plug that in, so that you know your voice is being heard. And I could use some help on that.

President Smatresk: And I might add that Barbara and the Faculty Senate are, I believe, really good partners. We have a lot of communication internally in the campus but I think there has never been a role or a seat at the table for them on anything more broadly than that. Yet faculty represent people that often have primary contact with our students and are empowered with mentoring and shepherding them along. I also want to mention that we have a Staff Senate and it's important that the Staff Senate, who are in many cases operationally-critical and play an important role in the supply chain of service delivery to our students, could be involved. I want to advocate for both groups.

Chancellor Roe: Yeah, good point. Really good point.

President Smatresk: And by the way anybody, any of us might answer a question, but if someone else wants to jump in, just go ahead and chime in.

Regent Wright: I just want to say when we get to "Best Place to Work," I'll throw in the faculty side.

President Smatresk: Other questions about Shared Services, comments, things that you want to see us work on? Come on, don't make me go to my list.

Dave Reynolds: Good afternoon Chancellor, Regent, President Smatresk. Dave Reynolds with facilities. More of an example of how Shared Service can work well. I think we can all come up with examples of how we had troubles, but one of the things we saw in the last year that worked well — maybe didn't start down the good path — was with the rollout of eLeave. As the university and System got ready to rollout eLeave, we, in facilities, became aware of it and

reached out to Abdul Mohammad and Aaron LeMay to express some concerns with things we had heard. They embraced us and came in so we were able to explain to them that there are certain power users out there that might be a good test bed before you implement universitywide. For instance, we've got diverse workforce — some work a standard eight hours a day, five days a week but others are on 10 hours a day, custodians who work in the middle of the night, or people who barely know how to use a computer. And I'm not kidding, I mean, we have to teach them how to use a mouse — right click, left click. They can tear up an apple iPhone up, but the right click, left click, thing kind of threw them. The System team actually worked with us very well to kind of use us as a test bed. And I think that was the good example of before rolling out a broad scale program, find some power users out there across the universities that you may be able to practice with and we're always willing to be that guinea pig and test bed.

President Smatresk: Yeah, I think one of the challenges we've had in the past few years is that often that something just happened and we were left post hoc, to interpret, figure it out, train, catch up, and fill in the gaps. Any time we can go through an iteration in an area like David just discussed where get really good user input, we tend to have a smoother rollout.

Chancellor Roe: I think that's an excellent idea. I find it interesting only because in my first week here, I heard about eLeave. Everybody knows about "exit" interviews which typically occurs when someone is leaving an organization, but that's kind of late to get their feedback. I do something called a "stay" interview, where you talk to people regularly about what makes them come to work? What are they passionate about? What do they get excited about? You know, and what makes them hit the snooze button? From that, you can kind of get into engagement and learn about why people come to work. In my first week, I asked some folks about that and eLeave was defined as one of the reasons they hit the snooze button because it was driving them crazy.

So I think that's interesting how you say it worked well from your perspective and others were kind of frustrated by it, but that could be attributed to the lack of understanding. I know Aaron LeMay heard some of that, took some lessons learned from that going forward, because I think even with best intentions, usually everything's best intentions, we have learned to think through some of those things and the implications before we roll out future systems. Some things we're going to learn from and then we'll course correct. We're not going to perfectly do it every time and all we can say is we're going to learn and improve the way we're doing it. I think that's really important.

Regent Wright: Shared Services is not a new concept and I kind of even hate to use the word. There is such an opportunity, if we do things correctly and well, with customer service. It'll make your lives so much easier and it's so efficient. This isn't rocket science, we're not the first one to do it. I know there were some questions about "Well, our campuses are different, it's not the same." You know, I'm a board of a multi-national company that's all over the globe and they have shared services. They have different languages and it can work, but it has to be done right and the customers have to be involved. So, be patient but also be helpful. And, if you have ideas, share them.

I'll tell you what we always found is when we went through and wanted to change and improve processes, the best ideas always came from our own employees, not consultants. Employees see the inefficiency and waste and can be so helpful to identify "if you did it this way." So instead of whining — and I'm really not trying to lecture — try to help be part of the solution, because in the end when we make some of this stuff better, I think you will find your life is so much easier. It will enable you to spend your time on things that are so much more rewarding and aimed at our core missions.

Chancellor Roe: That's exactly why I've approached the services the way I have with us — UNT System and university employees — in the room, no consultants. Like I've said, it's wearing Bob Brown out, but we are rolling up our sleeves and doing the work. It's me. I'm in every single one of these meetings where we're breaking down the general statements like "HR is broken" and saying, "OK, what's not working?" We've been dissecting and breaking it down and identifying the levels of importance. For example, onboarding and being able to get key people on board is pretty important. In all of this, we've really tried to get a good view of what is broken, the order in which we need to fix it and then start to figure out how to move ahead. In each exercise, we're getting good ideas on the things that we ought to improve and you're right — they're coming from within and we need more of those, too, as we go forward.

President Smatresk: Are there …there must be more questions? Anybody else?

Regent Wright: We have a couple.

President Smatresk: Back there, Wes.

Audience member: It's not about Shared Services. It's clear that we're having a lot of discussions among faculty and staff on retention and marketable skill sets for our students. **Can we get your thoughts as a chancellor, as a regent, on what are you thinking about with regard to retention, and I know that's likely to roll into graduation, and then your thoughts on marketable skill sets?**

Chancellor Roe: I think there's a lot of great things you're putting in place around student advisement and trying to really to help them. Also, those key internship programs and corporate engagements are helping to keep students on the degree plan. Both of those things are really essential from a retention standpoint.

President Smatresk: I would say retention and marketable skills are things that the regents and the chancellor should be interested in because they're part of our goal, our metrics, and they're part of our mission, but they're really university-based challenges. If you talk to Shannon Goodman, who's on the recruitment end, there's no point to have intake and fill the bucket full of water if you have a lot of leaks, because you're not being very efficient. We've got to fix the leaks. We have done better, generally, over the past few years as retention's improved and upticked in some areas by about a point or so a year. In some areas we've made some really big jumps in terms of graduation rates, going from like 30 to 36 percent or 31 to 37 percent in four-year graduation rate in one year as a result of a lot of things coming together.

But here's our challenge in retention, and I'm going to look over at folks like Michael Monticino and others: We need more and better data. Retention's tricky, it's not one thing. If there was one button I could push, I'd be up here pushing real hard right now. It's a host of nested issues. It has to do with engagement. It has to do with the students' individual situations. It has to do with academic success and qualifications. It has to do with a whole bunch of issues that we have no control over like familial issues, commuting, many other things fall into it. What we don't have, but there's a growing database on the national level of, is what the breakdown of those are, and then how personalized analytics and things like predictive analytics can help us to intervene with supportive advising and counseling. That's a goal of ours and if you get me wound up on the IT data and predictive analytics piece that will kill the rest of this session.

All I can say is, we just installed a really good database that's got the architecture we now need to begin big data, predictive analytics and personalized analytics. I think we're on the cusp of being able to start to address these issues. The first part is knowing what to do and the second part is having enough money to do it. And of course, I look to the right and I look to the left with my colleagues up here saying if we can get Shared Services improved and if we can get some dollars returned to the campus, then we can deliver more on the promise of those kinds of things.

With regard to marketable skills, so many of my conversations touch on the relationship between Texas employers' needs, the new economy, internships, career awareness, and creating an ecosystem where we're able to be nimble enough to make sure that the degrees that we're putting out have relevance in the marketplace and that the students have the base education and skills to have a robust, full career lifetime. On one hand, we need a suite of great skills that are the kinds of core things you'll hear about in a liberal education. On the other hand, we know that the companies are saying, we don't even care if you have a college degree if you have this X, Y, Z, in IT, we're going to hire you right now, today. We've got to thread that needle ourselves and that means we've got to come together and be collaborative and work with effectiveness to create degree programs that speak to the market. The key for me right now is we're listening to employers. I think there's almost nothing more important than gathering that feedback up. Not just in that trivial way where the CEO says, "Oh, they need to write better, they need to know how to send an email," but in deeper ways, where we're really looking at what their companies need and how people advance and evolve through the corporate structures. You're going to hear me talk a lot about our partnerships with businesses over the next year. We've already started with the Dallas Cowboys, Toyota, Fidelity, NetDragon and many others. The next phase of that is already occurring where we're talking about internships with them and what they need. And the next phase from there is how does that feedback inform us for positive curricular change? The provost is going to be squarely on point with these issues, working with the colleges and departments to make sure we're being effective. I'm sorry that was long-winded, but you just happened to hit a pet topic.

Regent Wright: I'll be pretty short and sweet because the president did such an amazing job. But again, from a regent perspective, we talk about the campus and the students, that's what matters. But if a student comes here and they don't graduate, we haven't been very successful. As a parent with two college graduates, it's very important to me. We we all know that there are

so many disruptors out there and higher education is not immune from that. There is a lot of concern about the cost of education and the value, particularly when students come out with a student debt load that they're going to be paying off for the rest of their lives. We care a lot and we do look at how long it takes to graduate and it's important that we're doing things to try to improve that. The things that Neal talked about, that's where we'd rather have a campus spend its time, not processing paperwork or whatever, because that's what really matters.

And then on the curriculum side, I've been very pleased to see what we've done and what we've approved in the last couple of years. You know, I read *The Dallas Morning News* every day when I'm in town, and we're getting in the news all the time. I was talking to Wren (Baker) earlier and there was an article about our new consumer merchandising program in the *Morning News*. It's important that we're saying we can't just offer all those traditional degree plans, because jobs are different today, then they were when I got out and they're going to continue to change. So again, with the provost and the president, we've got to stay focused on, and if we do all that, the students are going to want to come here, their parents are going to want them to come here because as a parent, you want to send your child somewhere where they're going to be equipped to be able to support themselves and succeed in life. That's what we have to do.

President Smatresk: Are there other questions about Shared Services, efficiencies? I've got a couple I can throw out if no one else has any. OK … it's coming …

Catherine Gould Cullivan: I have a comment more than a question. Catherine Gould Cullivan, College of Liberal Arts and Social Sciences. The people in the room who know me know I'm never short of opinions, and I would give you suggestions on how to improve Shared Services, except I don't know what to do about it. And that's because I see things and I'm told things, but I don't know what the underlying issue is. I could probably make you a list of underlying issues, but I don't know what the underlying issue really is so I can't make any specific suggestions.

I would say, simply thinking about moving anything back to the campuses is not necessarily the solution. People who have been here as long as I have will remember that one of the functions that is now in Shared Services used to be on our campus and we hired those people. Denton hired those people, Denton trained them, Denton paid them, and for years everyone on campus complained about how poor their customer service was and no one could figure out how to fix it. So simply moving it back doesn't fix it, either. You've got to address the underlying question, so I hope when you put your little user groups or focus groups together, that they will get to the core of the issue.

Chancellor Roe: Yeah, me too, me too, that will be the plan. Maybe we should talk — you and I can get together and talk some about some of the issues that you saw. You got an action out of that.

President Smatresk: An action item that they repeatedly asked for, and Catherine and others can tell you, we hosted some pretty straightforward meetings around financial transformation. And what I said was, "Don't tell me the system sucks." What you need to tell me is, "I tried to do this kind of a transaction and it was either really hard or I didn't understand it or it didn't go through," so that we can break it down and begin to address it using kind of a systems approach.

That's what I want to ask everyone in this audience to try to do. Tell us what the problem you encountered was. Be as specific as you can. We understand that you may have to generalize that problem, but by giving us the specifics we can all work better. Like, is it an input problem that the campus is having? Is it a processing or IT issue? Is it that the ball's being dropped because there's no communication across this particular boundary? Those are very complicated things that need something like our Toyota lean process group working on, because they make us go through all the steps to understand where the gaps might occur. I think it's been hard to do that, but I think it's going to get easier to do that. Really this communication between System and the campuses was pretty hostile, to be blunt. Everybody pointed fingers, as opposed to trying to solve the problems. We need to solve the problems.

I'm going to call this last call for questions. I'd might ask one or two off the list otherwise. I'm going to give you all this one, one of my personal favorites, and it has to do with, **at the end of the evaluation, do you anticipate there will be a reduction in Shared Services cost to the campus?**

(Laughter)

Regent Wright: I think we need to move to "Best Place to Work."

Chancellor Roe: Absolutely, I absolutely do. I think we're already seeing efficiencies in what we've been working through. We've already found some opportunities there. And, by the way, some of that is in priorities. Again, this is not about people not doing the very best jobs they can do. I think everybody is trying to do those things. It's just some of those things we might not need. They might not be our priority. So I want to be clear about that. This isn't about the people as much as it's about what is it we really need for our services to be and make sure that they're performing where we need them to be. So yes, I do see some cost efficiencies already in some of the things that we've been looking at and proposing. I found some inefficiencies in how I think things are and so we're going to be kind of moving on those.

President Smatresk: All right, I'm not going to repeat questions about HR, but I want to add a little exclamation point that it was the most frequently asked question. I think there's a general awareness of that, and have it fielded by our chancellor and the cabinet and Chancellor's Council will be working on that issue very hard.

Chancellor Roe: As I've said, that's popping as probably the top priority of the things that we're hearing, so we're very much focused on it.

President Smatresk: There was one question about phone numbers. And it may sound wildly trivial but I think it's a good example of communication. Let me give you an impression that I had when I got here. In order to get a problem solved, someone like Ruby in my office would know who to call. If you had a long-standing administrative assistant, you could get stuff done because the phone would get picked up, someone will get talked to, problem solved. If you had a brand new administrative assistant, who didn't know who to pick up the phone to call, God help you, because you could have a problem for a really long time until that person called the administrative assistant down the hall who says, "Oh, this is who you call."

Chancellor Roe: By the way, that's consistent in NASA. *(Laughter)* And, I imagine at Southwest.

President Smatresk: The world runs by administrative assistants would know who to call. The problem here, is that if you have a problem and you go through the channels, you call 5500. You then get sent on a circuitous path that may or may not lead you to the place you need to go, to the Promised Land. I actually think a huge number of the problems that we face could be solved by having better direct communication between customers.

How many of you have called your TV company or your cable company and gotten into the infinite phone tree with three wrong misdirected calls of people telling you "we don't fix it"? By the end, did you want to strangle them through the phone? The question here is, can we find out who is the best person to call so that we don't have to go through the wrong stuff and we have better direct communication, so we can get to where we can solve a problem when we do have a problem?

Chancellor Roe: That is definitely on the list. That is one of the list items.

President Smatresk: Great! The person who wrote this — and it was not me, because I've got Ruby — but the person who wrote this will be very gratified by that answer.

With that, we would like to move along now to Part B of this conversation, which is about understanding how we can do better with creating a place that you feel is a great place to work. We recognize, I think, that there's a lot of things we do to try to celebrate our employees, whether it's Staff Sack Lunches or Faculty Senate interactions or whether it's awards ceremonies where we give out recognitions, but at the end of the day, when you're coming to work every day, it's your colleagues, your supervisor and the work environment that you're presented with — and the services and care that you receive, the vacations you get — that really determine whether you like your job or not and if it's a great place to work. I think recognizing that, we've got some folks up here who have been involved in very big, complicated organizations where there certainly are probably every flavor of employee challenge or opportunity to create a great place to work, and I would love to get a sense from our guests on what workplace engagement means to them. So I'm going to open up a question both to Lesa and Laura — **what does workplace engagement mean to you? And, let's collapse that a little with, what made working at NASA and working at Southwest Airlines, when it was good, what made it a great place to work?** Let's start with Laura.

Regent Wright: Workplace engagement is my passion point, my hot button. First of all, what is workplace engagement? When I started working at Southwest over 30 years ago, we didn't talk about "Best Place to Work" or workplace engagement. It was one of those lucky points in my life where I took a risky opportunity and we were trendsetters in the area of engagement and organizational culture. We didn't know we were — and I'll kinda talk to you in a little bit about why, but let me first talk about what I think workplace engagement is. I think it's having an environment where employees understand and they are supported and they're committed to their organization's goals and mission. A place where they truly come to work every day thinking that they're going to make a difference and help their company, or their organization, achieve its

goals. An engaged workforce is people that take ownership and think of it as their company. They truly want their organization to be successful and are proud to work there. We can talk more about it, but it's kind of obvious why that's important. If you look at any research that's done, organizations that have engaged workforces are always more successful than organizations that have a disengaged workforce. On the other side, employees that are engaged are happier, have higher self-esteem and they're just more satisfied. What a win-win situation! Why would any organization not want that when people are your key to success? To me, it's so basic why you would want to have an engaged workforce. If you look across the private sector at every company I'm associated with, it is a strategic goal to be a "Best Place to Work." It doesn't necessarily mean *Dallas Morning News* ranked you a "Best Place to Work", but rather that it's in your company DNA and culture. A "Best Place to Work" is a place where you work as a team, you get rid of those silos and everybody works toward the same goals.

When I think about, "How did we get that at Southwest before people even talked about it?" it was kind of out of necessity. We were underdogs and in our early days nobody thought our organization would survive. We had some big airlines that were doing their best to make sure we went out of business and, really, it's pretty miraculous that we made it. When you're fighting for survival, the employees understood the importance and they worked together. The employees were committed to the organization and providing great customer service and went above and beyond. We were fortunate we had that culture along the way because we were under attack for a long time. You guys are in a higher education setting, so you know how many business and hospitality case studies have been done about the culture at Southwest Airlines and our ways of operating. It was just an incredible experience to be a part of Southwest early on and to see how other companies have embraced our culture and how important it is. I'll share some more examples after Lesa.

Chancellor Roe: NASA was "Best Place to Work" six years in a row in the federal government category. I think employee engagement is critical and being named a "Best Place to Work" is important. It's really about engaging employees because, as Regent Wright stated, employees that are engaged in the mission ultimately care about the mission and are happy to come to work there. They understand their role in every mission. It's an environment where leaders are leading and they're focused on developing employees, they're focusing on succession because the succession plan is important for the organization's future success. It's how leaders are able to create an environment for innovation. For a place like NASA to be successful you have to have an engaged workforce that's a team environment where everybody values each other's role. You don't do a mission to Mars or the kind of tough missions that occur there without everybody getting understanding each person has a critical role to play and that role must be valued because any break in that link can destroy a mission.

Engagement is everybody pitching together as a part of the same team and being excited about that team. Engagement is a sign of a high-performing organization and that's what we want to be. Being a "Best Place to Work" is important to me, because we're all going to be happier and produce more when we understand what we're doing, we love what we're doing and we're wanting to be successful as a whole.

Regent Wright: There are a lot of fun and exciting stories about Southwest. As I was looking at the questions and thinking about thousands of experiences, I wondered how do you pick one? This may illustrate how everyone, regardless of official role, can add value and might speak to the value of input, even from the faculty, Barbara. At one time, I think it was in the mid-90s, when most people buying air travel went through a travel agent. It was before the internet, so you couldn't go online and buy your tickets. When you traveled, you had a stack of paper, it was like six pieces of paper all stapled together, that was your ticket and you couldn't travel if you didn't have that physical ticket with you. They wouldn't let you on the plane.

At that time, the travel agent community used automated reservation systems to book and print tickets for their customers. At that point in time, those big GDS systems were owned by the big airlines — American Airlines owned one, United owned one, Eastern, owned one. At that point in time, Southwest had become successful and the larger airlines didn't like us because our costs were so much lower we could price our fares below theirs. We were a thorn in their side, so the large airlines kind of got together and decided to remove our inventory from their reservation systems. This meant the travel agent community, which for us at the time was 50 percent of our sales, was removed from the inventory. Think about what would happen if enrollment dropped off by 50 percent — it would be a crisis. At Southwest it was a crisis and we were left to answer the question "What are we going to do?" We had our own reservation systems and agents, and the travel agent community could call in, but it wasn't as convenient because they didn't have the ability to deliver the tickets that their customer had to have to fly.

We created a department called Ticket by Mail in our finance organization where I worked before I was CFO. We created a system where travel agents would call reservations in and they would go into a special queue where we printed all of them. Every ticket had to go out in individual Federal Express envelopes each night — tens of thousands of tickets that had to be mailed. We didn't have the staff or the infrastructure to do that, so literally, we had employees from across the system — pilots who didn't normally come into the office on their days off — come in and volunteer to help and stuff those Federal Express envelopes every night. This kept the operation going. It was a situation where people understood the goals and because they wanted the company to be successful, it didn't matter whether it was their job or not, they were going to get in there and pitch in. I think that gives you an example of how people think when you have engaged environment. It was rewarding — the employees were thrilled that they helped the company succeed.

In the end, Southwest ended up questioning "why do people have to have this six-thing piece of paper to travel? You don't have that when you check into a hotel" and led to the creation of ticketless travel. We were the first airline in the world to do that. Do you know what that did to our cost structure when we got rid of that paper? Also, we were more prepared to adapt as the internet came along and we created Southwest.com, the first airline website which now accounts for 95 percent of all the sales. That need to serve travel agencies was huge and it really led to innovation. Working through those problems, it wasn't one person with all the ideas for how to push through, it was ideas from our many employees about how can we prevent this problem again and what can we do to be better? The solutions we came up with ended up vaulting

Southwest into a far superior customer product than what we had before. It's an example of everybody working together, being proud of the organization they work for and wanting it to be successful.

President Smatresk: My sheet says I'm supposed to ask myself this question and thinking about some of the experiences we've been through at UNT. My answer is utterly parallel to the answers you both gave and I'll say it as simply as I can. I feel like the luckiest person in the world to have this job. We get to change people's lives. We get to make the world a better place. We get to discover things no one ever thought about, and try to make those translate into benefits for the society and the world around us. When I'm having a really bad day, a really bad day — which probably means I have meetings about things that make my head hurt — I will walk outside and sit down on a bench and I'll start talking with a student, and it fixes me up. Talking to the students reminds me about why I'm here. It reminds me of their hopes and dreams and makes me feel good about whatever it is. It centers me and allows me to go back and deal with whatever ridiculous situation might have occurred. So why am I here? I'm here for the students. I'm here for the simple joy of seeing them achieve at a high level.

Our mission is to give our students the skills, the knowledge and the training they need to have successful careers, to be satisfied citizens and to make this state and the world around us a better place. If you don't like that mission, you shouldn't be here. I'm not saying that in a mean spirited way, but it's what we do. It feels to me like liking that mission is as easy as falling off a log, but sometimes you can forget. Sometimes day-to-day things come to the fore and that can make you less engaged.

The first thing I want to say is we all need to remember what we are here for. I had a little revelation while you were talking and whenever you encounter any type of a challenge or have a tough day, go out and talk to a student. I think it would square you away and remind you how wonderful it is that we get to work in this place. I feel we're mission driven and it's my heart to do that. When we hire employees, we want to hire employees who have it in their hearts to help students. That doesn't mean you have to get up in the morning and immediately worry about how your students are doing, but it means looking for ways to aid students. I might be you are doing your research and your students will share in your research, and the world will share in your research. It can be a great passionate driver and that's what I think binds us and unites us. If you're a leader or imbedded in a group, hopefully we make you feel like a team member who's contributing to that goal and you feel linked to it. I can understand if for housekeeping employees that that might not be the first thing out of a supervisor's mouth, but maybe we need to figure out a way to help it be the first thing out of a supervisor's mouth. It's possibly challenging, but I think that will help us all. I think really believing in our mission and reminding ourselves of it, and in helping the different work groups feel like they are valuable members of the team contributing to it, is a great thing.

Now the anecdote part. UNT has had our share of challenges. One great way to build a team is during a challenge when you are bound together by something so much bigger than you are — something that could be an existential threat. I was without a CFO for a little while and when Bob Brown got here, lots of stuff had to happen quickly. When Bob stepped in, it's probably fair

to say that there was a war room mentality. We'd come in just about every other day and we'd be at the white board measuring the dollars and seeing where things went. That had a great effect on pulling the team together and a number of people in this room today were in the group working through those challenges. That built a team, makes you think out of the box and requires you to realize you've got to do things differently. Threats are a great driver of progress and change.

Another example is when Shannon Goodman came to UNT to help build our enrollment, recruiting and admissions apparatus. When he arrived, we were having some challenges processing FAFSA forms in a timely manner. For many reasons, it was taking six to eight weeks to process the form. I don't ever want to blame the people who are working to process a form. If you've ever tried to process a form like that, you'll know it's not the most gratifying single activity in the world. But, taking six to eight weeks had a negative effect on our recruiting. Schools that only took a few days to process and got offers out were also receiving acceptances back from students. Shannon's group faced a threat and he said "We're going to get 'er done." We knew that there were better and smoother paths utilizing newer technology that could get us through it, but initially, everybody on Shannon's team rolled up their shirt sleeves and worked many extra hours to get it done. They got it down from six to eight weeks to five days by just sheer, brute force, hard work. When that happens, you know you've got a team of committed people who care.

I hate to say a stress test is great, but we all encounter challenges in the workplace. Challenges are opportunities to improve. I hope that we work together through all levels of our organization to make sure that when it gets down to the functional humans, whether it's people who are doing their job or people who are supervising, we all remember we can face our challenges when we work as a team. As a team, we do better, perform at a higher level and become a high performing group. I hope you enjoy the benefits that that brings to you both personally in your satisfaction and in your happiness to be part of a workplace and to be engaged. There, there is my story and I'm sticking to it. I think we've got a ways to go, but when we better communicate our values down into our organization to make sure that people get that sense of worth and participation of the team, change happens. I hope we're able to bring continued change.

Now what's the narrator supposed to do? We have some more questions here but I think time is starting to get a little thin, so why don't we turn to the audience for a few questions or comments on how they feel we can do better to create a "Best Place to Work." By the way, I'm blessed to have what I consider to be the best leadership team I've ever worked with in my life. I like my workplace and I want to go to work. I want to work with people who I feel are working hard to get things done and working together every day to get it done. I've got a great team made up of a series of team leaders and I'm very lucky. I hope you all feel like you have great teams. If you don't then you've got to figure out what it is going to take to give you that team, because an engaged workforce has to penetrate the entire organization.

I saw people with questions, let's hear from them.

Audience member: We know culture trumps all of our goals and we know both at Southwest and NASA it was very clear what your mission was, who your customer was in the case of

Southwest and everyone could easily get focused on that. That's not really the case here, so just take the example of retention. I'm a department chair so I really see how that works. My faculty have no incentive. I can tell them that retention matters to the bureaucracy, but they have no real incentive. Everything that incents them, all their rewards is promotion, tenure, how they get raises and everything else is based on their individual performance and actually, if they drive the poor students that need more help out of their classroom, it doesn't even count against them the way we do the SPOT test. So we have to take a good look at the incentives cause there is no real incentive to care about the whole. It's easy when you were at Southwest to care about the whole because it was what the whole place was about. At NASA it was real clear what your mission was — get them up there bring them back safely. We don't have that here, that gets down to where the rubber really meets the road to our ultimate customer which is the students and the people who hire them. There is no incentive for the faculty to actually care. Yeah, a lot of them do, don't get me wrong. I have great faculty, but I have faculty that don't care and it's obvious they don't care because they are not rewarded to care. So this is huge, this is the real culture that fights all of those great objectives we have for the whole. Because they are not really part of the whole cause their rewards don't really match up to that. And it probably goes on in a lot of the stove pipes too. I know it from the faculty, having been one for almost 30 years here. It's more a challenge than a criticism but this is something that really needs to be considered.

President Smatresk: I'm going to jump right in and really respond strongly to that. First, I believe that the vast majority of our faculty really do care. Maybe I'm a Pollyanna. I understand that it's easier to pay attention to faculty members, who don't care and who are negatively disruptive. I understand that there are folks who have burned out and that they're protected by tenure. I understand all those things. I was a faculty member. I also understand that as a faculty member, I had colleagues who really cared if their leadership helped focus them on the issue. I understand that chairs revolve and that chairs are also tasked with a lot of challenges, but when a chair can build a team that believes in its mission, whether it's teaching applied anthropology or astrobiology or whatever it might be, the department faculty will be engaged. I believe the chair pulls people together and helps them to achieve at a high level. I happen to be a firm believer that that the chairs are a critical component in the educational area. I think that we haven't always given our chairs all the tools and all the communication that they might need to appreciate what we feel are critical objectives or to just sit down and be reflective and contemplative about why faculty are here. You talk about reward systems and I'm pretty sure when we pay faculty, we're not paying you just to do research. We generally are paying you to do service. We really are paying you to be wonderful educators, which I'm going to take a much broader context than to simply stand and deliver lecturing. So the opportunity to think, am I teaching so that people can learn? Do I have learning outcomes? Is what I'm doing relevant to the world and to the health of our students? Am I nurturing them? Am I a pump or am I a filter? And how I carry that out needs to be something that we promote and encourage at every opportunity. Otherwise, you are right. You'll fall into a series of fragmented, independent interpretations of what it means to be an educator and you won't have the team spirit to build from.

But I'll still say, I've been on a lot of campuses in my life. I've been a faculty member, a chair, a dean, a provost, a vice chancellor and a president twice. I've gotten to do a whole lot of different

roles on campuses and of all the campuses I've been on, I still believe that this campus cares more about its students and their education than any place I've been. When I hear your somewhat pessimistic note about reward, I have to say, if you think it's bad here, it's worse in a lot of other places. It's still something we should address by helping our dean and chair leaders have the tools they need to engage their faculty and to remind them of what *really* matters.

Maybe what you can do is the next time you have a faculty meeting, is — I promise you, it'll start with complaining, but that's OK, complaining is step one of getting to a good place — ask them why they're here and why they do this job and why they care and see how that goes. *(Applause)* You've brought up an incredibly important point. And I understand that that occurs, but I believe there's ways of reminding people why we're here and what we're here to do, and why that makes you feel good inside. So, sorry for jumping on that one, but it's definitely hit a hot button for me.

Jason?

Jason Simon: Good afternoon, Jason Simon from Data, Analytics and Institutional Research. I'm blessed to have a great team, it's also a multigenerational team, so that's the basis of my question. Freshmen and sophomores that are on our campus now, if one of us in this room has them as a work study student, you're in an environment now where we have four generations in the workplace all with competing interests, demands, needs and expectations. As we build a culture of engagement and excellence, I'm curious to hear your thoughts and perspectives on how there may not be one single silver bullet to do this given the diversity of the employees we have.

President Smatresk: Wow, that's an awesome question.

Chancellor Roe: I want to make clear the (Gallup) survey is a tool. Whether you like the survey or not, it's a tool to get input to see where we are and then requires a conversation afterward. Why do we score the way we score? We need each of our department heads, faculty and leaders to be having discussions on what it means to have an engaged workplace, to review the survey results and to get different perspectives. Our workplace varies for many reasons and it's not always multi-generational. Plus, you can't assume everybody in one generation feels the same or needs the same things either, quite frankly. When you think about "Best Place to Work" and the things that get people jazzed and the things that kind of frustrate them, you need to discuss all of those and then figure out what you can do about those things and how you can address them. I think it requires a conversation to understand everything, because I think people are different and it isn't always a generational thing.

President Smatresk: I was just thinking how ironic it was that we were asking this question in a place where we educate 17 year olds.

You know we have a gamut — even in the people we graduate — from age 17 to 70. You think we'd be good at working with multigenerational groups, but I'm not sure we are. So I think it's a great question that deserves deeper analysis. You know, I might just give that to our data guys to work on. *(Laughter)*

Regent Wright: There's no specific "You do this and you're a great place to work." You have to do a lot of things. A lot of them are not hard, but it's a combination of things, even regarding communication. We've got people spread out, in different roles and working different hours. You have to reach people in 10 different ways because certain employees are going to get information this way and others will get it that way. There's not a silver bullet, so when you get the results of the survey and you start addressing, "Ah, I don't really like how we're scoring here, let's figure out what's going on," improvement can happen. It takes a team of leaders, faculty, students and all constituents to talk about the situation to know what should be fixed. Again, there's not going to be one answer to the question "What are things we can do to be better?" There are going to be five or six different things to make change and a lot of it's related to communication. There's not a single way to do that, and it's getting more so that way as more generations are in the workplace. To Lesa's point, it's not just generational — there are so many factors that come into place.

President Smatresk: I would say the key is to always come back to hiring people and making sure people are focused on the shared mission, goals and objectives that we have. That's the key. It occurs to me when I bring folks in, it should be a whole lot less about some personal idiosyncratic goal that they have and much more about are they a fit to the organization? And I think that if we all love the fact that we're here in an educational environment changing students' lives, we'll each find a way to try to contribute. And maybe those ways are going to be pretty different generationally. But still, it comes back to we have to have a shared purpose to make a good team. Or maybe you need to fabricate a crisis. *(Laughter)* That was a joke. That was a joke.

Chancellor Roe: No, we had that same discussion at NASA, we do well in a crisis, so maybe we should always be in a crisis state.

President Smatresk: More questions about engagement or about what we can do better as a campus to really make people feel better about working here?

Gary Payne: Hi, I'm Gary Payne, chair of the Staff Senate. **Has there been a review or thought of how colleges, schools and departments can engage staff to include those staff members in the strategic planning of those areas?**

President Smatresk: To provide context for Laura and Lesa, schools really have a little bit of a divide. There's the VP areas, like enrollment management and student affairs and finance and administration and development that each have their own stakeholder groups but are occupied by staff individuals. Then under the provost's leadership, there's faculty and all the colleges. Yet, sometimes we kind of forget that faculty and all the colleges have a whole bunch of staff members working in them. I'm going to be the first to say there's a bit of caste system with faculty in one place and staff in another. In the academic side of the house, often it's the faculty issues and the educational issues, and perhaps rightly so, that rise to the top, forgetting in some cases that critical members of the team aren't faculty. So does that help the context a little, Gary?

Gary Payne: Yes sir. When everybody is on the same page about what their goals are in their department, that helps with engagement because many feel ownership of the goal that way.

Chancellor Roe: Yeah, I agree.

Regent Wright: For sure.

President Smatresk: Maybe at NASA it would be like engineers versus staff or pilots versus flight attendants, I don't know.

Chancellor Roe: It makes complete sense. That's part of inclusion to be able to understand where we're going and to be engaged in those goals and know you're part of that. You need to be included as part of that and what you said makes complete sense to me.

Regent Wright: Ultimately, when that happens — and again, it's a journey — it's going to be educational on both fronts. You'll see the value because it will be a higher-performing organization, which is good for both faculty and staff.

President Smatresk: It's going to take the leadership of chairs and deans to make sure that people view the team as being comprised of faculty and staff members. It's an issue we have to always work on, but I think in enlightened places that happens,

Again I come back to the fact chairs are pretty critical in the operation of a university and if chairs don't share and have that value, it's going to be a hard value to disseminate. We need to make sure we're working with chairs to make sure they understand teams are inclusive. I'm looking over at College of Liberal Arts and Social Sciences Dean David Holdeman and I ask, what is it that you all do to create that team feeling between staff and faculty members?

David Holdeman: Well, we include staff in the communication piece and make sure they know what we're doing and trying to achieve. We seek feedback.

President Smatresk: And they have to feel like their voice makes a difference. Yeah, that's really good David.

Regent Wright: To be a "Best Place to Work" and an inclusive environment, it's the tone from the top, and the leaders have to embrace that. That's the journey. There's not an organization that is a "Best Place to Work" if the leaders don't believe that.

President Smatresk: This is good. More questions? More observations?

Erin O'Toole: Good afternoon. I'm Erin O'Toole from the libraries. Regent Wright, I enjoyed your story about what happened at Southwest and I've seen that happen in the libraries again and again over the 14 years I've been here. But I also wanted to say it's my perception that when you tap people like that over and over again to go above and beyond their jobs, with extra hours, maybe taking on additional duties for the six to nine months when we have a position open, they are less excited about contributing. There's probably a tipping point where they think, "It's probably not worth my while to do this anymore." I think we have that happen in the libraries partly because we're understaffed — a couple of years ago, we were looking at our peer institutions and we have half the number of librarians that the University of Houston has. **I wanted to know if the System and the universities are considering, as part of making us a better place to work, hiring more faculty or staff?**

President Smatresk: I've got a really simple answer for that: As soon as we get some more money back, we can hire more faculty and staff. *(Laughter)* I'm only partly kidding. We're not resourced as the same level the University of Houston is, nor are we resourced at the same level Texas Tech is. We don't have as many faculty members — that's full, part-time, instructors, non-instructors, FTE faculty — as we should have to be competitive with median Tier One institutions. We know we have staff shortfalls, and we know we have staff shortfalls in critical areas. We've increased some of those areas that are frontline like advising — you know much of student satisfaction hinges around their level of interaction with the quality of their advisors who are in many ways the shepherds of their psyches and academic progress. But the truth is, we're understaffed in a lot of areas. You know that's true and the library is one of them. But I can point to some other functional areas that aren't in academics that are understaffed, too, like enrollment management.

Money fixes everything and so does efficiency. The answer is we have to figure out where we can cut costs. This is going to sound bad, but that generally means a reduction in force where we can be more efficient if we're getting great Shared Services or something like that, and then also looking for opportunities where we can grow revenues. However, when you grow revenues, you're growing your student population and that comes with attendant costs. We know we need more staff in certain critical areas and I don't think we've done a really comprehensive study of where the workload is most unbalanced. I'm not quite sure how to approach it. I think in academics we have maybe some better models because we know what the norms are with FTE faculty to student ratios. Maybe we need to take a look and do a comprehensive scan of staffing ratios to determine where the workload is. That's the best I've got. Money will help us — and we're spending down to the nubbins this year. I empathize and I would say we have to not just looked at libraries but we have to look across our entire System. Thanks. It's a valid comment; you don't want to burn people out. Appreciate it.

Asa Johnson: My name is Asa and I'm in Institutional Compliance. I hear a lot that we need more money. Of course, money helps all things. But have you looked at other things? I know you're looking at Shared Services to see how you can combine things to save money, but have you looked at other things as far as preventative measures as in to save money, like reducing turnover in certain areas? Or even looking at what services you have currently that you could make more effective or put resources into to ultimately get a return on your investment in that service to save more monies. Have you looked into that on that level?

President Smatresk: We're looking everywhere we can to improve a process to see if we can do better. I would actually think that a really good outcome of today would be if folks like you shared opportunities for us to have cost savings or to do some preventative work that would lead to cost savings. We have an internal process improvement group that's led Teri Day, Debbie Rohwer and Brandi Renton. We call them our "Talon Team" or our process improvement group. They're the funnel that takes in any suggestion someone has for how we can do better. I can't sit and look at an organizational chart and say, "Well, we don't need those five people but we need four more over here and if we added one person there it would make cost savings over here."

That takes our VPs and a whole lot of other folks. I know Bob looks at that on a regular basis, I'm sure others here do too.

Chancellor Roe: I think it's like Regent Wright said earlier, it's really kind of within. We know some of the best ideas will result from you, because you can see where the inefficiencies exist and where there are opportunities to get savings. You can identify that making an investment somewhere might yield a great return. We would love to get those, so please share your ideas with us whether it's systemwide or at the university level. Both are welcome, and we would love to hear from you.

Debbie Rohwer: If you have UNT-based recommendations for the Talon Team, just look up "Talon Team" on a web search for UNT and you will find the web page that has the link to submit any ideas that you want and we'll get back to you.

President Smatresk: We'd really love your ideas. I want to be as open to that and receive as many suggestions as possible for how we can do better. Thanks.

All right, I was going to entertain one more question if there was a pressing one, but I don't see any hands jumping up. I want to offer both our chancellor and Regent Wright an opportunity to summarize or conclude the conversation that we had today, both about Shared Services. How do you feel about how we've done today and what do you hope for when we have these kinds of meetings?

Chancellor Roe: As you talk about inclusion and engagement, this is part of it. It's understanding from all what's going on, where can we do better and how can we better engage? This town hall is one way to engage. Obviously, with 10,000 employees across the whole System, not everybody's here, so clearly, there may be other ways to engage, too. I would like to know from all of you if this was helpful and if it was an effective as we rollout some of these decisions and changes in the system. Town hall meetings are something I'm used to and did at NASA. I would go to all the NASA centers regularly, I would meet with branch heads, department heads and early career folks because perspectives are different. We'd work to kind of understand some of those and to understand what was happening and how we could make some changes. Hopefully this is helpful and effective, but please give us feedback. I really appreciate everybody coming out and please know we're going to work to communicate what we're doing and the changes taking place. I send regular communications now on all of the things I'm working on. If you see some opportunities that you think we're missing, please send them our way. I appreciate everybody being here today.

Regent Wright: Thanks to all of you for being here and thanks for everything you do every day. You have a great campus and it doesn't just happen by itself. Personally, I'm very excited about Chancellor Roe and excited about the Chancellor's Council. We are definitely working to have the campuses work with the System and it's a partnership. It's not going to be an us versus them. We're here for the success of this organization and the other universities in the System and it's a journey. I know we talked about, that to become a "Best Place to Work", the leaders are going to have to do some things and we're going to have to look at the results. We're going to have to make sure that we're addressing things that we have to. It's a two-way street and it's not a light

switch flipped. Change is going to take some time and you know we appreciate your patience. And I think it's exciting as we look to collaborate to make this the best university in the state of Texas. And beyond! In the world.

President Smatresk: I just want to say that it's never happened that we've had a regent and a chancellor come and take open-ended questions from an audience at this university that I know of — or at least is hasn't happened since I've been here, and probably for quite a while before that. I want to really express my appreciation to your openness, to your candor, and to the fact that this is part of a process. A process that is meant to surface our challenges and let us pull together to collectively deal with them. I want to thank all of you for coming. I hope you'll tell your friends that this was real, this wasn't just a dog-and-pony show, and that we will attempt as best we can to turn our conversation here into outcomes that matter. The other part you have to remember: It's not like we meet once and everything's fixed. It's a process, and it's going to take iterations, and we're going to have to come back and proof. We will have to evaluate the changes and hear your honest opinions about them so that we can work and improve together. I'd ask if all of you can give our two guests a great big round of applause.

(Applause)

And it's Friday night — Mean Green Friday! Tomorrow and Sunday we're playing basketball, men and women, so come cheer us on. Thank you. Have a great weekend everybody.