Workforce Transition Plan
This Workforce Transition Plan deliverable is an outline of the approach for managing the transition to shared services for employees.

The objective of the Workforce Transition Plan is to propose an overview of the key guiding principles and activities that need to be considered as part of any workforce transition activities.

- The workforce transition plan includes a high-level approach and timeline for addressing workforce transition at UT Austin.

- The workforce transition plan is not a design level document with role specific recommendations for shared services staffing activity.

Two considerations for the proposed workforce transition plan are:

- Be sensitive to employees during a time of significant change
- Maintain operational performance and quality services during the transition to shared services capabilities

This deliverable is a Plan Phase work product. Information in the final shared services recommendations may be different from what was in the deliverables, in response to stakeholder feedback.
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The Shared Services Project Team recommends a workforce transition approach that will support thoughtful management of people movement.

- Eight guiding principles have been identified for the workforce transition
- During the Shared Services Plan Phase, several administrative workforce characteristics were identified:*  
  - Total of ~12,000 staff and students (~8,500 Full-time Equivalents (FTEs))**  
  - Total administrative headcount supporting HR, Finance, Procurement, IT = 4,500 staff (~2,500 FTEs)  
  - Historical turnover rates suggest that the identified savings can largely be achieved over time through natural attrition
- It was determined that ~500 FTEs could be reduced with the implementation of shared services and the administrative systems replacement
- There are four key steps in the proposed workforce transition process:
  1. Identifying the “Skills We Need” in shared services as well as the Colleges, Schools, and Units (CSUs)
  2. Identifying “What We Have” by conducting a review to understand the current workforce
  3. “Make the Match” by applying processes that will help identify individuals for shared services
  4. “Align the Workforce” and determine the best means to transition individuals into shared services
- Workforce transition decision points and circumstances will be different for every employee
  - Shared services is expected to establish a flexible workforce transition approach that reflects UT Austin’s culture and provides more career opportunities and flexibility for employee transitions depending on the role and circumstances

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* Administrative workforce refers to non-faculty employees at UT Austin. Total administrative headcount and attrition ranges for HR, Finance, Procurement, and IT are estimates for initial planning purposes and will be updated over time.

** FTE = Full-time Equivalent and NOT Full-time Employee.
Eight principles will guide thoughtful management of people movement, while staffing shared services with the necessary skills to serve the UT campus.

Guiding Principles for Workforce Transition

Guiding Principles

1. Transparency
2. Consistency
3. Opportunity
4. Transition Support

What It Will Mean to Administrative Staff

1. Frequent and open communications with impacted administrative staff
2. Respectful approach to shared services staffing through well-defined recruitment practices
3. Expand potential for career development and growth
4. Role-based training for shared services and CSU staff to build the required skills and capabilities to support new ways of working

Guiding Principles

5. High Performance
6. Minimized Disruption
7. Clear Expectations
8. Retain Approval Authority

What It Will Mean to CSUs

5. Flexible recruitment approach staffs shared services with high performers with the necessary knowledge and skills
6. Knowledge transfer and people movement is managed to minimize disruption and mitigate operational risks for CSUs
7. Shared services roles are clearly defined, including skill requirements and performance expectations for individuals and teams
8. CSUs retain some administrative staff (realigned for efficiency) for analyses, escalations, and approvals
During the Shared Services Plan Phase, several administrative workforce characteristics were identified:

- Total of ~12,000 staff and students (~8,500 Full-time Equivalents (FTEs))
- Total administrative headcount supporting HR, Finance, Procurement, IT = 4,500 staff (~2,500 FTEs)

Historical attrition for UT Austin staff supporting HR, Finance, Procurement, IT ranges from 500-600 people per year

- Across all administrative staff, recent turnover attributed to layoffs ranges from 150-200 people per year
- Historical turnover rates suggest that the identified savings can largely be achieved over time through natural attrition

It was determined that ~500 FTEs could be reduced over 7 years with the implementation of shared services and administrative systems replacement

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** FTE = Full-time Equivalent and NOT Full-time Employee.
The historical turnover rates for the administrative workforce at UT Austin over the last seven years span 10-14%.* There is a high probability that the identified savings can largely be achieved over time through attrition.**

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** Overall Staff Turnover Rate data provided by Human Resource Services at UT Austin.
There are four key steps in the proposed workforce transition process for each grouping of activities and CSUs moving to shared services.

1. **Skills We Need**
   - Determine the competencies and skills required for success

2. **What We Have**
   - Conduct a review to understand the current workforce and where they are located

3. **Make the Match**
   - Apply processes that will help identify the individuals with the proper competencies and skills to make the new services successful

4. **Align the Workforce**
   - Determine the best means to transition the best matched individuals into shared services
The activities included in the proposed workforce transition will span the Design, Build and Deploy phases of shared services implementation, whether for the pilots or a broader implementation across the campus.

**Shared Services Implementation Phases**

**Implementation Phases**

- **Pilots/Analyze**
  - "Pilots" - Finalize scope of pilots
  - "Analyze" - Analyze what we have
  - Determine what we need

- **Design**
  - "Skills We Need" - Determine resource needs and skill requirements
  - "What We Have" - Identify impacted workforces
  - Identify skills by individual

- **Build**
  - "Make the Match" - Apply processes that will help identify the individuals with the required skills
  - Analyze skill assessment results
  - Plan transitions

- **Deploy**
  - "Align the Workforce" - Transition employees
  - Recruit as needed
  - Conduct training/re-skilling/knowledge transfer activities
  - Deploy employee support resources as needed

- **Support**
  - "Align the Workforce" - Conduct training/re-skilling/knowledge transfer activities going forward as needed
  - Recruit as needed
Recognizing that workforce transition decision points and circumstances will be different for every employee, a combination of two approaches will be used: transferring interested employees into new, open positions and providing employees the choice to apply for new, open positions.

Transfer interested employees into new role

Select individuals from the overall impacted workforces are moved into shared services at the point of need, based on roles and circumstances.

**Pro** – Ease transition for interested employees who already have the necessary skills

**Con** – Concern that the selected role is not open for all interested employees to pursue

• Joint decision making for transition activity
• May be appropriate for a specialized skillset
• Realignment managed across teams/groups

Employee choice to apply for new role

Positions are posted for interested staff to apply. Shared services staff are selected based on qualifications.

**Pro** - Allows individuals to pursue interests

**Con** - Perception of having to apply for existing job

• Joint decision making for transition activity
• Opportunity and flexibility
• Realignment managed for each individual
1. Finalize the scope and timing of the pilots.

2. Proceed with a more in-depth analysis of “What We Have” and begin an analysis of “What We Need” for the pilots.

3. Identify impacted job codes and proceed with a deeper analysis of attrition rates.