



Chancellor William H. McRaven's Remarks to the Board of Regents,  
Nov. 5, 2015  
*(As prepared)*

Thank you Chairman Foster.

Over a year ago, this Board took a gamble and hired me to lead the University of Texas System even though I had no experience in higher education, research or clinical care.

But I think you hired me because for the previous 37 years I have been leading men and women under some of the most challenging conditions in the world.

And, for most of the past 14 years, I have run large and exceptionally complex organizations fighting against a very determined global threat.

What that experience has taught me will—I believe—be of great benefit to the UT System.

First, I learned that today's environment is changing at an incredibly rapid pace. Unlike any time in our history the rate of change is no longer linear—it is exponential.

The enemy I faced in Iraq, Afghanistan, Africa, Asia and across the world adapted quickly to our methods of warfare.

Using technology, social media and global transportation, they presented tactical and operational problems that today's special operations forces had never seen before.

Consequently, my organizations had to adapt to a rapidly changing threat. We had to build a flat chain of command that empowered the leaders below us.

We had to reduce our own bureaucracy so we could make timely decisions.

We had to constantly communicate so everyone understood the commander's intent and the strategic direction in which we were heading.

We had to collaborate in way that had never been done in the history of special operations warfare.

As my old boss General Stan McChrystal has written, we had to build a “Team of Teams” so all of our organizations could derive strength from each other and could work together to be successful.

We had to break away from the hierarchical structure—the command structure—that had defined the American military for hundreds of years.

This concept of a “team of teams”—of a formal and informal network of subject matter experts bound together by a common mission, using technology to partner in ways that seemed inconceivable just years before, brought together through operational incentives, bottom up desire and top down support to solve the most complex problems facing our nation—was probably the single most valuable organizational change in the history of the modern military.

We used our size, our talent and our operational diversity to achieve an unparalleled level of collaboration.

The SEALs were working with the Army Special Forces. The Special Forces were working with the conventional infantry.

The infantry was working with the Naval aviators. The pilots and crews were working with the logisticians.

We were all working with the intelligence and law enforcement communities and the locals on the ground.

And every day we would talk. We would look at a problem, and we were finding solutions at a speed unheard of in the past.

We often looked at our networks as a reflection of Metcalfe’s Law.

Developed by Robert Metcalfe, the law demonstrates how the addition of one single node in a telecommunication network increases the power of that network—not by a factor of one—but each node increases the effect exponentially.

While the law was designed for telecommunications, we found that it applied equally well to human networks—as long as the additional person relayed as much information as they received.

In other words, you had to contribute your ideas—not just listen.

Interestingly enough, I assumed Robert Metcalfe was a historical figure who had likely passed away a hundred years ago—only to find out that Bob Metcalfe is alive and well and working at UT Austin.

But, in addition to using our size, our talent and our diversity to collaborate on difficult issues, we also learned that you had to prioritize your objectives so you didn't waste effort on inconsequential goals.

We had to apply our resources to those priorities and we had to cut away where we were not effective.

We had to constantly innovate to get ahead of the problem. And we had to be sure we never lost sight of our mission and our objectives.

With all this in mind, over the past 10 months we have begun to set the conditions for our future success.

We established direct lines of reporting from the Presidents to the Chancellor so that executive decisions and problems could move rapidly from the campus to the Chancellor—thereby flattening the organization.

We established a Deputy Chancellor position to act as the Chief Operating Officer. He will facilitate the daily actions necessary to run the System effectively.

We now have structured weekly video conferences between the Presidents and my staff as well as numerous other expanded means of collaborating.

We are conducting an extensive review of the UT System policies and the Regents Rules in order to reduce the bureaucracy that stands in the way of agile decision-making.

For the past six months we have been engaged with the campuses in one of the most significant organizational reviews in the history of the System.

Our goal is to ensure that the core competencies of System Administration are properly supporting the campuses we serve.

We have completed an extensive review of our System compliance structure to ensure we can properly execute our oversight responsibilities.

As we prepare to open two new medical schools, we have recognized the changing dynamics between health care and academia and consequently we are building internal management bridges to ensure easy transitions.

We have developed a Central Bank concept to leverage our size in the financial market to get the best and most stable rates for capital investment.

And we are changing the way we do construction management to apply more private sector practices to ensure we get the best rate and the best quality in the best time.

But in order to continue to advance this System and its magnificent academic and health institutions, we must take some bold steps forward while never losing sight of the great work that went before us.

So today, I come prepared to show you how the UT System will use our size, our talent and our diversity to solve the difficult problems that face us.

How a rigorous and disciplined process will help us prioritize our efforts.

How a system of communications and collaboration will drive change, and how the bold steps we intend to take will catapult us into the forefront of higher education, research and health care.

This will be the format I'll cover:

I'll begin with our draft mission statement—one we believe captures the essence of what a great university system should provide the people it serves.

From there I will discuss the Operating Concept—this is HOW we will function as a system in order to achieve our goals.

The Decision Process will provide the details of the HOW—the details of the disciplined approach to our daily, weekly, monthly collaboration—which is absolutely necessary to achieve our goals.

Then we will look at our strategic assessment—both the history and the trend lines that will help guide us toward our future goals.

Finally, based on what we learned from the strategic assessment and what we know from my predecessors' efforts, I will outline some bold initiatives.

Some "Quantum Leaps" in our ability to provide the citizens of Texas the very best in higher education, research and health care.

"Quantum Leaps" that will make us the envy of every system in the Nation.

This draft mission statement reflects what I believe is critical for any state institution of higher learning.

The mission statement clearly recognizes that our responsibility goes well beyond just higher education, research and health care.

We have an obligation to improve all aspects of the lives of our citizens—not just their knowledge base and their health needs, but the impact they have on their families, their communities and our nation.

We have an obligation to search and find answers to *every* question that confronts and confounds our society.

We have an obligation first and foremost to the State of Texas—but in meeting that obligation, we will affect the people of the world.

That is what great university systems do.

The next series of slides will outline our Operating Concept—this is the overarching framework in which the System will conduct its work.

First we will always strive to ensure we are world leaders in our three main areas of focus—education, research and health care.

You will notice a common theme throughout today’s briefing and that is our need to be collaborative—to have this mutually supporting system—where each institution helps reinforce the quality of the other institutions.

At System Administration, here in Austin, my staff and I will provide the strategic direction, oversight and certain core functions necessary to assist each individual institution.

But, equally important, is that we will give the individual institutions the maximum latitude to accomplish their missions.

In this regard, I view myself as a servant leader, helping the institutions achieve their goals.

*Collectively*—it’s an important word—once again, it denotes collaboration—collectively we will tackle the problems that impede success.

We will accomplish these tasks through a rigorous and disciplined staffing mechanism.

We will identify game-changing ideas and put the resources and talent against those problems and then aggressively pursue solutions—together.

These ideas will be prioritized, funded and then brought to fruition through a deliberate and aggressive process of engagement.

We will be known as a system that produces leaders.

From anthropologists to zoologists—from physicists to business men and women—we will develop citizen-leaders who can contribute in every field of endeavor.

And finally and most importantly—our responsibility is to the State of Texas and the great people we serve.

Now I want to talk about the specific process that we will use to accomplish many of these tasks. It's not as sexy as grand and glorious ideas—but it is essential to achieve our goals.

One of the first things you learn in the military is how to develop and implement a plan.

Every mission requires a detailed plan so you can ensure you have the right resources.

So that you understand the barriers to success.

So that you can measure your progress and so you can communicate with others on the team to ensure everyone is moving in the same direction.

So how does it work? Let me take you through it.

So let's say there is a major initiative that is identified by the academic campuses, or the health institutions, or by the regents, or the System.

We will quickly establish an integrated planning team made up of people from System as well as the campus and we will develop a preliminary action plan related to the issue.

That plan will be briefed to a steering committee, made up of the deputy chancellor, the executive vice chancellors, provosts (and other campus reps as needed), for their review and recommendations.

From there, the idea gets turned into a well defined—let me say that again—a well-defined plan of action and milestones from our strategic and operations team.

After that, it comes to the Chancellor's Roundtable, made up of the institution presidents and me.

We decide yes or no. If the idea gets the green light, but needs resources, we then go to the Regents with a request.

If the Regents provide the resources, I then direct the responsible institution or party to execute the plan.

Now while this is going on, we have a very robust and disciplined rhythm of communications going on at all times.

I have an alternating video teleconference with the presidents every week—academic presidents one week, health institution presidents the next.

Twice a month we have task tracker meetings, to make sure all the projects we're working on are progressing.

I've also, as you know, beefed up my communications with the Regents in a variety of ways.

And finally, all of this, of course, takes place in the context of the legislative cycle.

So at the end of the day, what we have is a disciplined, collaborative process that yields clear priorities, resource and budget alignment, metrics that make sure things stay on track, and a leadership team that is held accountable for execution.

And, very importantly, we have a Chief Operating Officer, in David Daniel, who is going to be running this process day in and day out.

I am confident that—just as it did during my time in the military—the process I laid out is going to help us tackle the complex challenges that will confront us now and in the future.

But I knew coming in that the first thing I needed was a firm grasp of what those current and future challenges are.

Consequently, I commissioned an internal Strategic Assessment, so my vision and plans would be informed by an understanding of the terrain—both as it exists today and as we think it will exist five, ten, twenty years from now.

At the same time, I knew that before we looked ahead, we had to look back.

I don't ever want to lose sight of the fact that as Chancellor of the UT System, I am standing on the shoulders of the great visionaries who came before me.

Chancellors Mark, Cunningham, Burck, Yudof, Shine, and Cigarroa all left their marks.

And they all left their own strategic plans. It would have been foolish of me not to take advantage of their wisdom and expertise.

So as we launch ourselves into the future, we do so—with gratitude and humility—informed and inspired by the great thinkers, and doers, who came before us.

We set out to understand our role as a public university system, our environment, and the impact of the environment on our role.

Under the leadership of Tony Cucolo, a retired two star general in the Army and our new Associate Vice Chancellor for Leadership and Veterans Affairs, we pulled together a Strategic Assessment Team, which gathered and analyzed volumes and volumes of data.

Tony and his team interviewed experts at the Texas Higher Education Coordinating Board, Texas Education Agency and other relevant agencies.

They also spoke with every President and Provost across the UT System.

The work done by the Strategic Assessment Team—combined, again, with the wisdom and insights we carry forward from previous chancellors—has given us a deep understanding of our environment.

Bearing in mind the wisdom of Casey Stengel, who said “never make predictions, especially about the future...”

The trends we have identified have sharpened our focus on where we think we ought to be concentrating our efforts and resources for maximum impact.

So, what is the environment telling us?

The number one thing it’s telling us is that the world isn’t just changing fast; the rate of change is accelerating rapidly.

Economic interdependence, globalization, urbanization, economic disparity, trends that have been with us for decades are now picking up speed.

The ways we consume and share information, the ways we organize and interact with one another—all these things are changing.

Our concept of diversity is changing. Gender equity is changing.

The point is not that we should chase, or even try to get out in front of all trends.

To the extent we can see around the next corner, that will certainly help.

But, the bigger point is, given the accelerating rate of change we’re seeing, we need to build an organization—a System—that is nimble and agile, that can move and change as fast as the world around us.

But we need to do this in a way that honors and is true to the core principles and common threads laid out by all the chancellors who came before me.

Let me spend a couple minutes on what we learned about how our state is doing.

First of all, no surprise here, Texas is growing fast—so fast that in twenty years we’re expected to be about half again as big as we are today.

That’s 13 million more Texans, many of them wanting a college education; all of them needing health care.

Our fastest-growing group is going to be our seniors, who we think will more than double by 2035.

Obviously, having twice as many folks who are over 65 will drive massive change in the health care arena.

Texans between 25 and 44 years old are going to be growing fast as well.

This group is going to be under pressure, not just to get a degree, but also to stay nimble, in body and mind, if they want to keep up with the ever-changing demands of the marketplace.

Now let's take a look at the younger population.

While the rate of growth is not quite as high, it's interesting and important to note that unlike other large states, our 15 to 19 year old population is growing.

Which means the demand, and the need, for higher education is only going to go up.

As you probably know, Texas is already a minority-majority state. And in twenty years, non-Anglos will represent over 70% of our fellow Texans.

Turning to the economy, it's no secret that over the last decade, the Texas economy has been the envy of the nation.

As you can see, our job growth over the past nine years has dwarfed our nearest rivals.

And even with recent struggles in the oil patch, the employment picture remains good, owing to the diversity of our state's economy.

Unlike twenty years ago, no one sector can sink us today.

Contributing to the economic health of the state is the steady stream of degreed men and women we send out into the workforce.

As we all know, higher education is not only a boon to the macro-economy; it is the absolute key to economic mobility, in Texas and throughout the nation.

The difference in expected lifetime earnings between someone with a bachelor's degree or higher and someone with just a high school diploma, is profound.

The stakes could not be higher.

*Yet economic disparity is on the rise*

Let's look at what likely awaits those who don't get a degree.

Economic disparity is nothing new, but like so many of today's trends, it is accelerating.

The numbers here are backward-looking, of course, but it seems reasonable to expect that, absent any change, the gap between those with and without degrees is only going to get wider.

Economic disparity, here and everywhere, is directly related to education.

The earnings gap is widening.

High school-only graduates are twice as likely to be unemployed.

The Texas Workforce Commission tells us the strongest job growth is at higher education levels.

And in fact, more and more entry-level jobs actually require a master's degree.

So the glass-half-empty view is: we've got a whole lot of Texans who, if they don't get a degree, are going to remain stuck in the lower rungs of the socioeconomic ladder.

But I prefer to focus on the opportunity in front of us.

The UT System, more than any other institution, has the capability, over the next ten years, to make a profound difference, to change the economic trajectory of millions of our fellow Texans, and for the state as a whole.

But we have a lot of work to do first. And I'll talk about that.

But first, let's shift gears and look at what the Strategic Assessment told us about the health of our state.

Suffice it to say we've got big challenges. And, again, big opportunities.

As you see here, six of the seven leading causes of death in Texas are chronic, largely preventable, diseases.

That's a fancy way of saying we have a lot of Texans, who could be living a lot longer, dying on our watch.

That ought to bother everybody in this room.

Part of the problem is we are an enormous state with not nearly enough doctors.

The doctors we produce tend to stay in Texas, and yet, as you can see, we are near the bottom of the nation when it comes to physicians per capita.

To rank 42<sup>nd</sup> in the nation in per capita physicians doesn't bode well for the health of our growing population.

And as you can see, at 47<sup>th</sup> we're practically at the bottom when it comes to primary care doctors per capita.

We also have a shortage of residency slots.

And as concerning as the per-capita numbers are, they actually understate the problem many parts of our state are facing.

The physicians of Texas are predominantly concentrated around large metropolitan areas.

So much so that today, 57% of our physicians practice in just five of our 254 counties.

I find these next couple of numbers to be stunning.

115 Texas counties have five or fewer practicing physicians.

And some counties have no OB/GYNs.

But I should note, it's not just doctors.

Texas is also in serious need of dentists, nurses, pharmacists, and physical therapists as well.

Our large and growing Hispanic population is woefully under-represented in the medical profession in Texas. The physician numbers here are just one example.

Again, seeing the glass half full, I know the opportunity to address this discrepancy is part of why we are all so excited about the new medical school opening next year at UT Rio Grande Valley.

Which is just one of many examples of the chancellors before me—in this case Francisco Cigarroa—understanding where Texas was headed and putting resources and effort where they could make the biggest difference.

So, a quick summary of what the environment is telling us:

Texas is growing fast. The economy is, especially relative to other states, in good shape.

But the rising tide is not lifting all boats. The gap between those at the top and those at the bottom continues to widen. And of course, where somebody falls on that spectrum is strongly correlated to their level of education.

At the same time, it's fair to say that our economic health is outpacing our physical health.

We have too many people dying of diseases that could have been prevented.

And that's a problem that's going to be hard to solve until we get a lot more medical professionals, and more, in particular, in the remote parts of our state where they are desperately needed.

The good news about those elements in red: We can do something about them. And we will.

Before I get to the elements and initiatives that are new, I want to make an important point.

We already have this great Framework for Advancing Excellence, authored by my friend and predecessor Francisco Cigarroa.

These are the nine points of the Framework.

I want everyone to understand that the fact that we are rolling out new initiatives does not mean we are taking our eyes off the ball when it comes to any of these points.

Just the opposite, in fact. My intent is to use the operating concept and the disciplined staffing process to enable us to accelerate progress in these areas.

Let me just mention some of these programs that I know are important to you.

How about Undergraduate Student Access and Success?

Well, everyone in this room knows we have an urgent need to improve our graduation rates, across the board.

The reasons our rates are low are well understood, so I have told the presidents that the time to explain the problem has passed.

It is now time to fix the problem. They are accountable to me, and I am accountable to the Board of Regents. So you can expect to see increased urgency, and increased activity on this front.

Research is and will remain an absolutely fundamental part of who we are at the UT System.

We currently rank second nationally among university systems in federal research spending, and third in industry-sponsored research spending.

Our offices of technology commercialization, on average, file a new patent every two days and launch a new company every nine days.

All across Texas, our researchers are contributing to discoveries that are going to enable us to live longer, healthier, more productive lives than ever before.

And that's to be celebrated. But, you can never rest on your laurels.

Research funding is always at a premium and we must continue to demonstrate that within the UT system we have the finest researchers in the world and both state and federal dollars will be well invested in UT.

With the rapid change in technology, we must stay ahead of the curve if we expect to be agile and effective in today's digital world.

I already mentioned UTRGV, and while I've said it before, I think it bears repeating here that the imminent launch of a new university with a medical school on the southern tip of the United States was the single biggest thing that attracted me to the UT System.

I've been down to the Valley more than any other region, and every time I leave, I can't wait to return.

Even more so, I can't wait to see the transformative effect we are going to have on one of my favorite places in the world.

So you can rest assured, there will be no loss of focus there.

My point is, all of the elements of the framework are still important. So don't think for a second we're going to forget about any of them.

And of course, all around the UT System, great things are happening.

From Public Health to the Performing Arts, Psychology to Cyber Security, Literature to Law, whether we're fighting cancer or unlocking the mysteries of the universe—we lead the state and the world in so many areas of research, education and health care.

But any organization that fails to adapt to the changing environment—will not serve its citizens well.

We must adapt.

Again, my experience in the military may have some value for today's higher education and health care institutions.

In the days of the cold war, the military used a very hierarchical structure—it was a rigid command relationship.

The orders came from the top down and people did as they were told.

If the UT System were to lead in that fashion, little would get done in today's environment because command from the top doesn't engender creativity, boldness or teamwork.

After the fall of the Soviet Union, the military began to understand the value of building tactical and operational teams that were more agile and maneuverable across a dynamic battlefield.

Unfortunately, thousands of years of military tradition made it hard to let go of command from on high.

This command of teams structure was better but still limited collaboration, creativity and agility in the organization.

The terrible tragedy of 9/11 and the ensuing conflict against an unconventional enemy showed us that we needed to adapt again.

On the battlefields of Iraq and Afghanistan, we needed to rely on the intellect, creativity and boldness of every soldier in our service. The threat was dispersed, complex, local, regional and global.

To be effective, we had to force relentless engagement, communication, and collaboration. There was no opting in or out, you were either a zealot or a martyr.

We had to force collaboration until it became muscle memory.

It didn't happen organically. But eventually, people got it. They bought in and as a result we became more nimble, more agile.

We had to build a Team of Teams that would tap into all the expertise we had across the special operations community, the conventional force, our civilian agencies and our allies.

Through this extensive network we found answers to problems more rapidly, we developed solutions more quickly, and we found that everyone in the enterprise could add value.

This is the structure we need to bring to the UT System. And, this is how we will approach some of the tough problems that confront Texas today.

This is how we will make Quantum Leaps in higher education, research and health care.

And one area, frankly, where we need a quantum leap is in the Texas educational pipeline.

Because today, far too few of our state's young people are able to make the leap to higher education.

If we start with 100 8<sup>th</sup> graders, only 68 will receive a high school diploma.

Of those 68 only 50 will enroll in college.

And of those, only 20 will graduate.

Let's take a look at 4<sup>th</sup> grade reading levels in Texas.

As you see, nearly half of Hispanic fourth graders are reading at below basic levels, compared to 19 percent of Anglo fourth graders.

This is not a reflection on the intellect of any ethnicity, but it is a reflection on the social conditions under which many of them have to learn.

This is particularly troubling because statistics show that if you are not reading up to level by fourth grade, you're going to be playing catch up the rest of your academic career, which in many cases, won't be very long.

So what are we going to do about it?

Every child entering Pre-K has the prospect for greatness and is a potential-filled prospect for the needs of our future workforce as well.

Working with our campus leadership, civic leaders, the legislature, community colleges, the school districts, and other primary and secondary education constituents we will, once again, use our size and our regional access to actively engage with leaders in pre-K through 12 in way never before envisioned in higher education.

We must remove the perception that exists in some corners of this state that those of us in public education are in different camps, that pre-K through 12, community college, and 4-year college and university professionals are somehow separate.

We must be teammates in the overall effort, support each other's programs, and partner for specific initiatives.

Our Texas Prospect Initiative will begin with four areas of focus:

We will work aggressively to ensure our college preparatory programs, those—dual-credits, early college high schools, math and science academies—meet the standards necessary to ensure their students can enter higher education.

We will develop a program to focus on dramatically improving elementary level literacy through a UT Literacy Institute—a reading version of the highly successful UTeach program, and offer this program first to the largest, urban, Independent School Districts.

We will work diligently to ensure the high school counselors in Texas have the resources they need to provide advice and direction to each potential college student.

And finally, knowing that the quality of education in Texas is only as good as the quality of its teachers, we will put a spotlight on OUR schools of education to ensure we are graduating the best teachers in the nation—creative, critical thinkers who are masters of content and armed with skills relevant to the needs of today’s classrooms.

Texas educates 10% of this country’s schoolchildren. Our future rests with pre-K through 12 education.

We must and we will establish a much closer relationship with our fellow professionals and do our part to strengthen the culture of education across Texas.

I believe that a critical part of any person’s education is teaching them to be a leader.

Remember, we’re not just educating kids; we’re preparing the future leaders of Texas.

It’s hard to pick up a newspaper or a business weekly without reading about a leadership crisis somewhere.

We must build men and women of character and uncompromising integrity, because they are going to lead the schools, towns, cities, businesses, churches, civic groups and for that matter, families of this great state.

A wise man said a leader’s job isn’t to create followers; it’s to create more leaders.

That’s what we intend to do.

We already have a number of marvelous efforts to train our students in leadership. But these only impact a small percentage of the total 217 thousand students that we educate every year.

We must reach everyone. Every single student who comes through our institutions must leave with an understanding of the basics of leadership—they must read about and discuss the great leaders in industry, public service, academia, civil rights and the military.

They must understand how to plan, how to build teams, how to communicate, and above all they must understand the necessity of ethical behavior.

Therefore, over the next several years we will begin to implement a one-hour upper and lower division course that will be required by all students attending a UT institution.

We will leverage the large veteran population, business and civic leaders and a host of others across our system to teach the men and women of our state. But, we will not stop there.

Our senior administrators across the system and across the state and the nation need leadership education as well.

In the future, we will look to build a brick and mortar leadership institute that can provide executive level leadership training to all those who desire to improve the skills necessary to run today's complex organizations.

We will be known nationwide for developing great leaders.

Of course, our leadership in any area depends on one precious resource – talent.

Here I must give credit to the regents, who have shown a willingness to invest in bringing world class scholars, teachers, and researchers to the UT System.

They made the investment because they understood something Larry Faulkner, President Emeritus of UT Austin, said a while back.

He said, “outstanding faculty come to places that have outstanding students, and outstanding students come to places that have outstanding faculty.”

The wisdom of investing in world-class talent is more than apparent.

Our \$100 million investment in STARS has yielded a phenomenal return: more than \$650 million to date.

But the reality is, we operate in an environment every bit as competitive as the private sector, and we can't afford to be complacent.

So our intent is to take our current momentum and double down on it.

So we are going to make an unparalleled investment in pursuit of the next generation of outstanding faculty.

Not just those faculty who have established reputations in the National Academies, but those who have the greatest potential for stardom—for excellence in their field—both rising faculty and post-doctoral candidates.

With the approval of the regents, we will increase the STARS investment and we will recommend a rising stars program that looks to hire clusters of great faculty—as well as an incentive program to retain our best post-doctoral candidates.

There is a war for talent, and we intend to win it

Now I want to talk about an issue that goes hand in hand with attracting the best and the brightest to UT System institutions – fairness and diversity.

This slide makes it very clear that we are not doing the job we ought to be doing in driving equal opportunity and fairness in our hiring and promotion processes.

This is particularly disappointing because education is all about opportunity.

Making sure our faculty and staff reflect the changing look of Texas is not just about fairness. It's also about effectiveness.

We need faculty, administrators, and campus leaders who understand the people they're serving, who come from the same kinds of places.

So we are going to implement a "Rooney Rule" similar to what exists in the NFL for hiring head coaches, except ours will be for higher education and health care.

This so-called, "Rooney Rule" will ensure that qualified women and minorities have an opportunity to be considered for every senior level position from Dean and above.

We will write it into UT policy that no senior position can be filled without allowing a qualified woman or minority candidate to be interviewed all the way to the last round of the process.

While this will not guarantee women or minority hires—nor should it if a candidate is not qualified—it will put more women and minorities in a position for the selection committee to recognize the great talents that may have heretofore gone unnoticed.

Additionally, to ensure fairness in faculty compensation, each institution will submit a plan to me that will close the gender gap in 5 years.

I should note that this is an area where we've already made some good progress. Our gender pay gap is significantly smaller than the national average, but it ought to be zero.

And I'm confident that it will be soon.

This is an opportunity to not only do the right thing, but to show the world that Texas is prepared to lead on every issue that matters.

But we can't lead unless we are at our best. Any fair assessment of the health of our state can only conclude that we are not as healthy as we ought to be.

Compared to other states, we rank very poorly in some very important health categories.

We're in the bottom 20 in, among other things, diabetes, obesity, and pre-term births.

We're in the bottom 10 in youth obesity and adult inactivity.

However, we have unquestionably, some of the finest health care institutions in the nation—and in the world.

I am convinced that there is nothing we can't conquer if we put the power of our institutions—the collective power—to work.

Consequently, we are going to develop a collaborative Health Care Enterprise that will leverage our size and expertise, and connect our regional capabilities to ensure we provide Texas, the nation and the world with the finest health care possible.

In practical terms, this means collaboration among our health institutions along all lines of major health care functions—such as shared clinical information, shared service lines, clinical trials and telehealth.

We will incentivize and, where necessary, drive partnering so that we take full advantage of the phenomenal talent and expertise that exists around the enterprise.

So that every doctor, every patient, every caregiver, knows that the quality care they give and the quality of care they receive is equal, regardless of their status or location.

Let me turn to another area where we intend to scale to our strengths, build a team of teams, and attack a problem that affects millions of people in Texas and around the world.

As you can see in this slide, neurological illnesses and mental disorders inflict a lot of human suffering every year.

And it's getting worse.

Certainly here in Texas, with our senior population being the fastest growing age group, the urgency to address Alzheimer's is clear.

The good news is that there is magnificent work going on in the neurosciences and we are already a big part of it.

We have many excellent programs, spread across of our institutions, focused in some form or fashion on brain health.

So we are going to launch an effort akin to the Manhattan Project to understand, prevent, treat, and cure the diseases of the brain.

The Manhattan Project, as you probably know, was the mother of all collaborative research projects, which resulted in hastening the end of World War II.

The comparison to what we want to achieve in brain health may seem hyperbolic, but it is apt, because the Manhattan Project tapped the greatest scientific minds working at geographically dispersed sites and doing their own unique work, but all contributing and collaborating in pursuit of a common goal.

That's precisely the approach we're going to take.

We will make an unprecedented investment in leveraging and connecting all the cutting edge science ongoing at UT institutions.

Once again, we will drive collaboration, incentivize partnerships and demand scientific and clinical cooperation.

Where possible, we will expand our efforts in brain health so that more talent can be applied against this growing demand.

There is a revolution in Brain Health underway—and UT is going to lead it.

At my Navy retirement ceremony 14 months ago, I said I thought we were in perilous times, that in my 37 years of military service I'd never seen the world in such chaos. Fourteen months later, I believe that even more strongly.

What's more, the national security threats confronting us today are so varied, so complex, and so serious, they are screaming for the brightest available minds to convene and collaborate in search of solutions.

I believe that we at the UT System are uniquely positioned to establish ourselves as national leaders in this space, because scattered among our institutions, we already have great minds thinking and working on our national security problems.

In fact, because of space constraints, the map you're looking at shows only a small subset of the more than 40 centers, institutes, and labs focusing on issues related to our national security.

Important programs that aren't up there include the Cyber Security Research and Education Institute at UT Dallas, the Border Biomedical Research Center at UT El Paso, and the Center for Petroleum Security Research at UT Tyler.

There are many others and the fact that we can't even fit them all on a slide underscores the opportunity we have to take the great work being done all around our system and leverage it into something of international value.

So our intent is to establish the UT Network for National Security, a system-wide alliance that will address the most vexing problems—raise them to national prominence, convene world forums, write, discuss, debate, and present solutions.

We should be leading the commentary on Sunday talk shows, C-SPAN, and in the Think-Tanks that deliberate on tough issues.

It will be a network with much stronger ties to leaders and organizations in Washington and across the international community.

I want world leaders everywhere to ask: What does Texas think?

So, with these Quantum Leaps we will play to our strengths in size, talent and diversity.

We will build the “Team of Teams” necessary to tackle the most difficult problems confronting us.

We will aggressively address the pipeline for student success.

We will give every student the skills necessary to lead in this complex world.

We will fight hard for the finest talent in the academy.

We will drive toward faculty diversity and ensure gender equity.

We will incentivize institutional collaboration throughout our healthcare enterprise to provide the best quality care for our citizens.

We will lead a revolution in brain health and we will be known worldwide for our views on issues that affect the security of our nation.

But there is one more “Quantum Leap” that we must take to elevate our status to the world’s finest university system.

What we know from our strategic assessment—what we know from the efforts of those that have gone before us—is the educational demands of Texans will continue to grow.

Additionally, what I have learned over the past 37 years in the military is that in order to make a system, an organization, as strong as possible means you must tap into all the resources available to you.

Recognizing these two basic points, it seems obvious that the UT System must broaden its access to more of Texas’ brightest students and at the same time take advantage of the incredible talent and expertise that exists in the states most populous and most international city and the 4<sup>th</sup> largest city in the Nation.

Consequently, we will expand the UT footprint into the city of Houston.

This will not be a University of Texas at Houston, rather it will be an “intellectual hub” for UT—an opportunity for all our campuses to take advantage of the Houston professionals in the fields of medicine, energy, engineering, business, aerospace, health care and the arts.

This effort will be decades in the making but will help drive our System to the very top tier in the nation.

While at the same time allowing us to build partnerships with industry and the other great academic institutions in the area to strengthen the quality of education, research and the economic vitality of all of Texas.

We are completing the acquisition of over 300 acres of real estate off Buffalo Point just 3.5 miles from the Texas Medical Center.

This will be a game changer, in a very positive way, for Houston, for the UT System, and for the state of Texas.

We have an opportunity to create something new and exciting to help make Texas even more competitive on the world stage.

Imagine the research dollars flowing to Texas, and particularly to Houston.

Imagine the impact on generations and generations of Texans who will have greater access to a world-class education.

At the beginning of the new year, I will convene a task force of civic leaders, legislators, academic and health presidents, faculty, students, regents and other constituents to begin planning for the development of this property.

But, here is what is the art of the possible.

Over one hundred years ago, men like Breckenridge, Littlefield and Pease, and the Smith family had an idea, a vision of the future.

70 years ago, men like Monroe D. Anderson and more presently the visionaries at Texas Instrument all believed that their contributions would become something worthwhile.

But not even in their wildest dreams could they have imagined what we have today.

But they were bold. They were risk takers. They knew that if they invested in land and had a dream that somehow, through the hard work, dedication and commitment of those in Texas, their dreams would become reality.

Today, this Board of Regents, this University System will dream big and we will act with unparalleled boldness.

No one knows exactly what the future will hold, but we are betting on the men and women of Texas to shape their future in way never before seen in higher education, research and health care.

And, betting on the people of Texas is always a good idea.

So, these are my eight Quantum Leaps. They are the ideas, the initiatives, the projects that will help guide the UT system into national prominence.

As we go forward, I will bring initiatives to the regents for their consideration.

In closing, every organization can only reach its full potential if it has a strong ethos, a culture of quality and dedication.

The next few slides represent our values as a system and commitment to this great state.

Our priority is to our students and our patients.

We will be unyielding in our drive for success.

We will collaborate, communicate and build this team of teams.

Nothing is more important than our credibility and all our actions will be moral, legal and ethical.

We will exceed all expectation and be the most responsive and dedicated university system in the nation.

But to meet those expectations we must communicate, collaborate and we must build a Team of Teams whose focus is on the people of Texas, and by extension, the world.

We will not only adapt to the changing world, we will lead the change.

To the BOR, thank you for your faith and confidence in me. I look forward to the years ahead and watching this vision unfold.

Thank you very much.