Financial Sustainability

Sustainable Value Office (SVO)

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Why is a Financial Sustainability Initiative required?

Since 2016, South African Higher Education institutions have faced increasing downward pressure on state subsidies and fees, alongside upward pressure on staffing and related costs. UCT is no different to the sector in this regard.

Given their relative size in university budgets, financial stability and the resultant key challenge stems from a fine balance between state subsidies, fees and costs (staffing in particular).

Some key pressures to contemplate:
- Quality in teaching and research
- Social responsibility and community engagement
- Transformation
- Access
- Capital Expansion/Expenditure
- Staff Demands (pay, working conditions, insourcing)
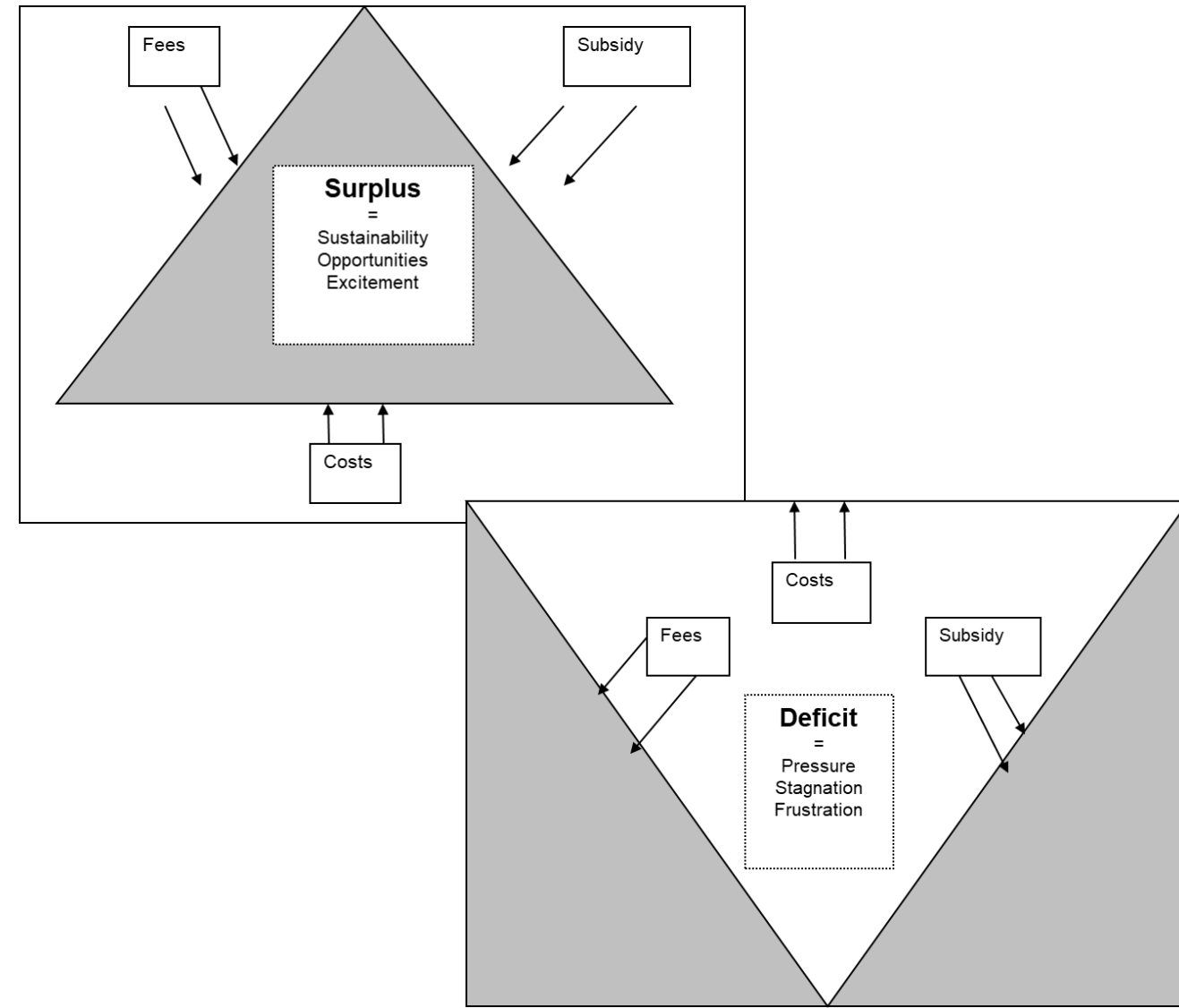
The Financial Sustainability Plan (FSP) Overview

UCT faces a situation in which it may not be able to balance its operational budget and meet its targets for financial sustainability without increasing the level of debt finance. In response, a Financial Stability Plan ('Plan') was drafted, and a Financial Sustainability Project Steering Committee (FSPSC) was established to oversee the implementation of the Plan as part of a strategy to improve UCT's cash position.

The Plan proposes cost saving and cost avoidance measures, as well as a portfolio of cash flow-generating projects to ensure the long-term financial sustainability of the University.

 It was determined that execution of the Plan requires a project-based approach, hence the desire to establish a dedicated Project Management Office (PMO).

Establishing a PMO/SVO for UCT's Financial Sustainability

Our RFP process, via PURCO, shortlisted several providers. In their pitch, Accenture introduced us to their version of the PMO – the Sustainable Value Office (SVO).

Like other SA HEIs, UCT knows what projects are needed to ensure sustainability. We all struggle with on point execution, reporting and demonstration of value added.

A UCT SVO enables the following:
- A 'one stop shop' for all projects and interventions that allows for transparency, appropriate resource allocation, governance oversight and reporting
- Ensure comprehensive and appropriate change management interventions
- To take on projects that go beyond just finances
- Appropriate and fit for purpose process for demonstrating, prioritizing and monitoring projects
- Ensure consistent and appropriate communication
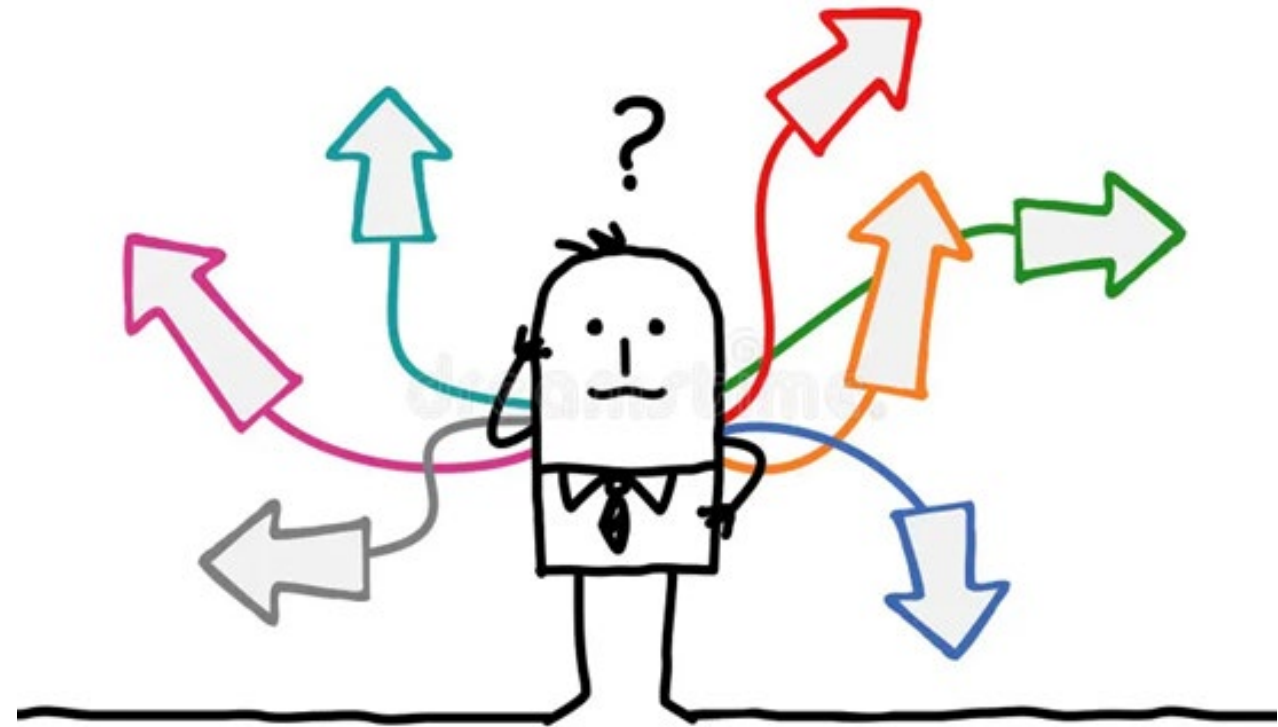
The Shift from PMO to SVO: focused on enabling long term sustainable value

1. Programme Management Offices (PMO)

Ensure successful project delivery, manage changes, and track deadlines and budgets for a healthy project portfolio.

## 2. Value Management Offices (VMO)

Coordinating projects across different areas, managing changes effectively, speeding up delivery, and focusing on creating measurable value.

3. Sustainable Value Offices (SVO)

Identifying new opportunities for growth, using advanced tools like AI to improve efficiency and results, while helping university teams build the skills needed to stay aligned and sustainable

The Shift from PMO to SVO: empowering UCT with core capabilities and flexible support for sustainable value creation
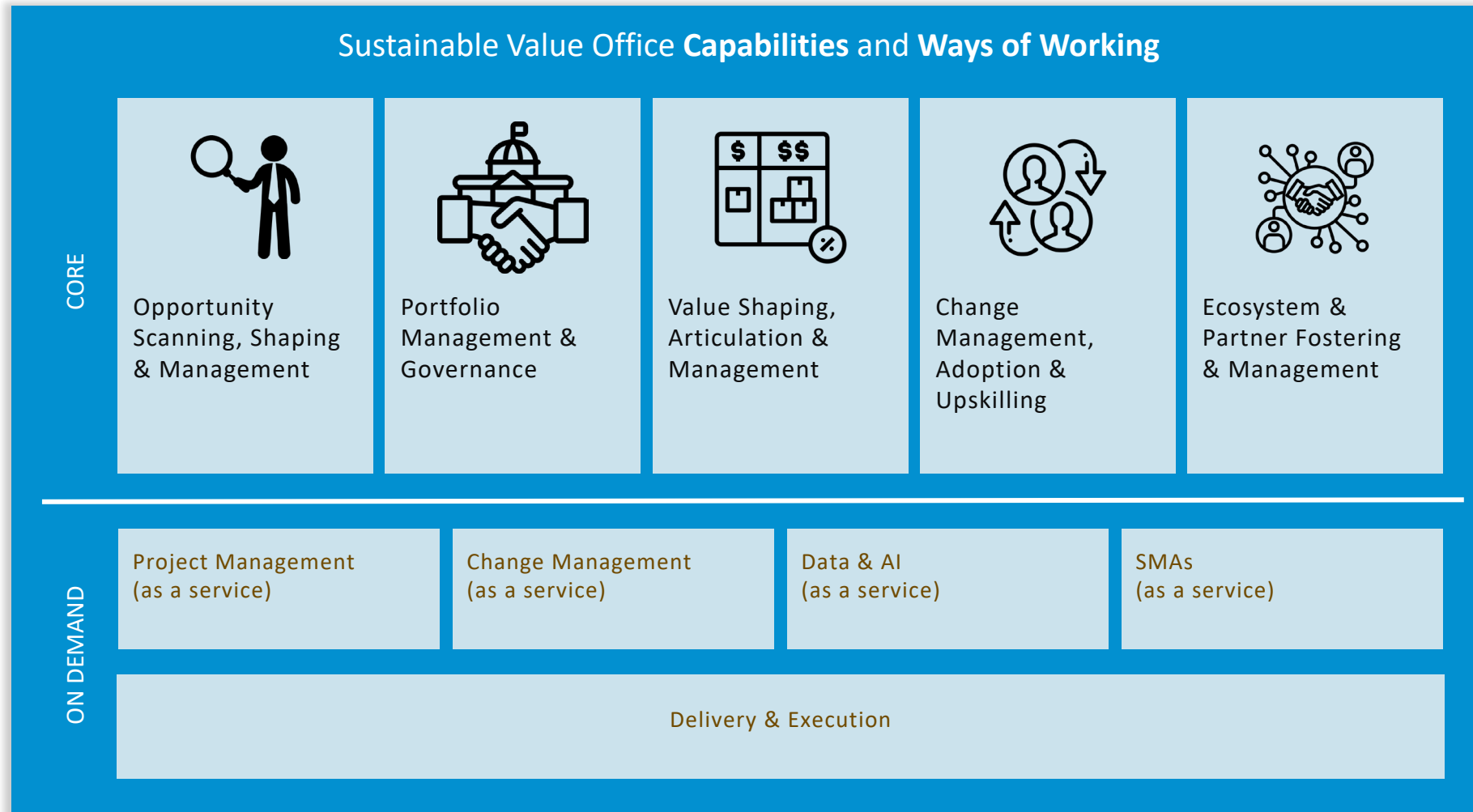
The Shift from PMO to SVO: driving a comprehensive transformation approach to sustainable value creation


Financial

Ensures long-term financial health and growth by driving efficiencies and exploring new revenue streams.

Talent & Culture

Creating a culture that values learning and continuous improvement throughout the UCT landscape.

Inclusion & Diversity

Promoting an inclusive environment that values diversity among students, employees, and partners, and seeks to create a vibrant and connected culture.
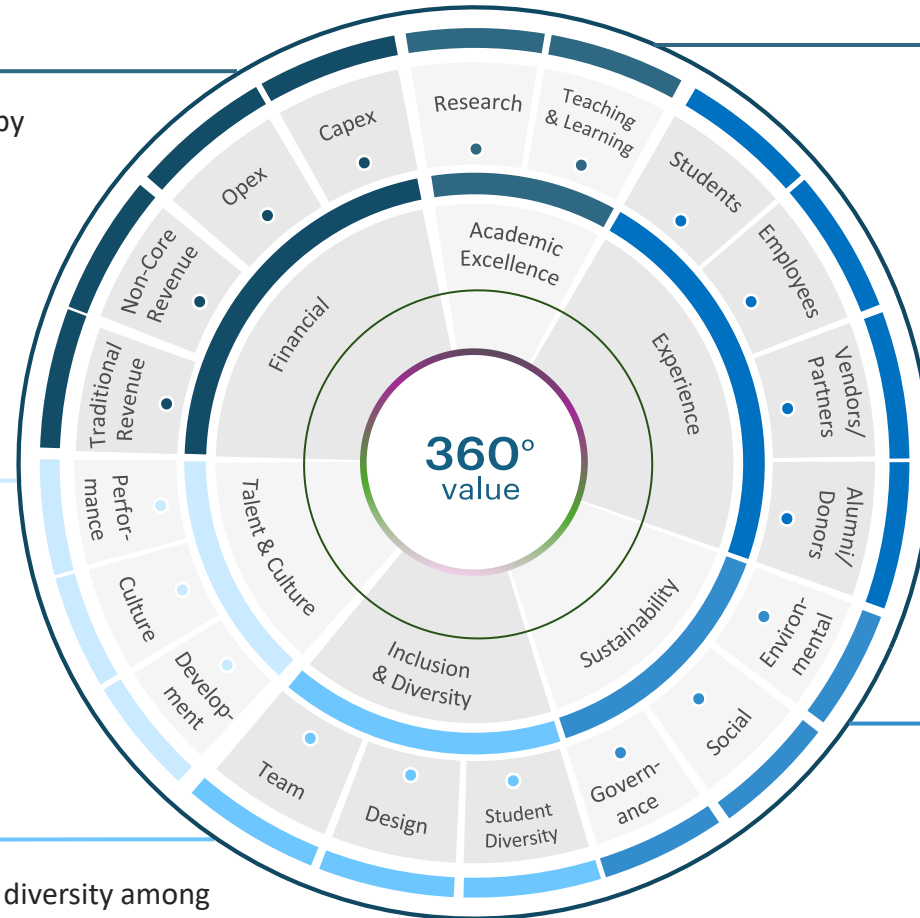
Academic Excellence

Maintaining high standards in teaching, learning, and research to ensure the university's reputation as a leading institution of higher learning.

Experience

Creating a transformative user experience that drives engagement and satisfaction.

Sustainability

Commits to practices that positively impact the environment and society.

Diagram labels: Capex, Research, Teaching & Learning, Opex, Students, Employees, Non-Core Revenue, Academic Excellence, Vendors/Partners, Traditional Revenue, Financial, Experience, Alumni/Donors, 360° value, Perfor-mance, Sustainability, Environ-mental, Culture, Talent & Culture, Develop-ment, Inclusion & Diversity, Social, Team, Design, Student Diversity, Govern-ance

# Case studies from other Universities and Organisations

Case Study 1: US Leading University – Operations Project Management Office

Case Study 2: Global University – Financial Resilience through Strategic Governance

Case Study 3: Financial Services Client – Creating a Business Transformation Office

Case Study 4: Global Airline Client – Implementing a Master PMO

Where to Start? Practical steps for implementing sustainable value creation
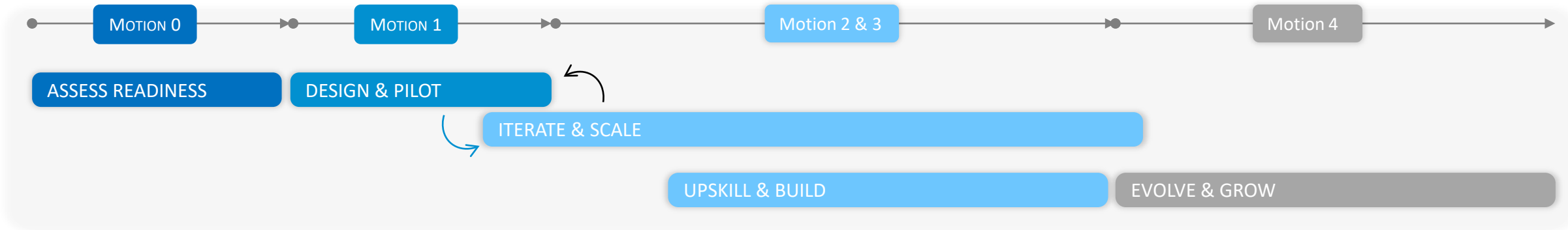
ASSESS READINESS	DESIGN & PILOT	ITERATE & SCALE	UPSKILL & BUILD	EVOLVE & GROW
Lay the groundwork for a successful SVO by understanding the current state and aligning leadership on the future direction.	Establish a clear framework and test initial initiatives.	Continuously improve the SVO and scale successful strategies across the university.	Build internal capacity and foster a culture of value-driven operations.	Adapt and evolve the SVO to meet ongoing challenges and opportunities.
Baseline report. Shared vision and commitment.	Operationalised SVO.	Refined, scalable SVO.	Empowered university teams.	Dynamic and continuously evolving SVO.

For Further Questions, Engagement and Thought Leadership

You can reach out to us:

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Additional Thought Leadership/Resources:
Visit our Ed website for more insights and case studies: Accenture Education

We look forward to exploring how we can engage further in assisting your university address your unique challenges and achieve your strategic goals. Thank you for attending!

Thank You

Q&A

NEXT: <u>Appendix</u> (Who is Accenture?)

Broad Global Footprint with offices and operations in
52 countries

6,000+
Clients across the globe

200+
Locations across the globe

40 Industries in
120+ Countries

Clients

Accenture strives to develop trusted, long-term relationships with our clients

We are proud of the fact that all 100 of our top 100 clients have been clients for at least five years and 97 of them have been clients for at least 10 years

Ranked # 1

Accenture earns top spot on Refinitiv World's Most **Diverse & Inclusive** Companies

Fortune World's **Most Admired Companies** 19 years running

Industries Served

Financial Services

Health & Public Service, **Education**

Products

Resources

Communications Media & Technology

Alliance Network

500+
Technology relationships

150+
Formal Alliance relationships

Health & Public Service

30,000 dedicated practitioners

Over **1,000** Government and Non-profit organization Clients across **37** Countries

Nearly all **50** State Governments and every Cabinet-level Federal agency

Who is Accenture in Education? Helping **education institutions** and **education agencies** transform to better deliver on their mission
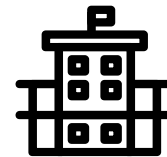
300+
Education clients

includes all categories of institutions – public, private, non-profit, higher education (many R1), university systems, K-12, and governing agencies

>50%

of AAU institutions using Accenture services and solutions

250+

ERP implementations and pre-ERP assessments – double the # of our closest competitors

>20 years

delivering services for education institutions around the world

~500

education practitioners, many who have worked at institutions themselves

"Accenture has dedicated significant resources to building expertise in industry-specific enterprise applications such as ERP, SIS, and CRM with partners like Workday, Salesforce, and Oracle. Customers recognized and acknowledged the deep technical expertise the company has built in these areas."

Source: IDC MarketScape: Worldwide Higher Education Cloud Professional Services 2024 Vendor Assessment © copyright IDC
IDC #US49968823e, January 2024

We **partner with HEIs** as they strive towards achieving their **strategic goals**, leveraging our **comprehensive** approach for **strategic transformation & sustainable impact**

GLOBAL STATURE & EXCELLENCE

FUTURE-READY GRADUATES

ACADEMIC & RESEARCH EXCELLENCE & IMPACT

INNOVATION & ENTREPRENEURSHIP

COMMUNITY & SOCIAL ENGAGEMENT

STRATEGIC OPERATIONAL CAPABILITIES

| LEGAL & REGULATORY AFFAIRS | FINANCE | PROCUREMENT | HR | ICT | INFRASTRUCTURE & FACILITY MGT. | SECURITY | BUSINESS RESILIENCE | BUSINESS PROCESS MGT. |

PEOPLE-CENTERED DIGITAL TRANSFORMATION

SUSTAINABILITY & ENVIRONMENTAL FOCUS

#1 Partner for the major solution providers

SAP — 40+ Years
- **#1** global revenue partner for many years, 40+ years of long-standing relationship with SAP
- **1,100+** SAP projects delivered annually; 40 SAP Pinnacle awards
- Over **65,000** SAP practitioners worldwide

ORACLE — 25+ Years
- **#1** integrator for Oracle, 12 years in a row
- Completed **300+** Cloud implementations
- Over **135** Oracle awards since 2003
- Over **52,000** Oracle-skilled professionals

Microsoft — 20+ Years
- **#1** Global SI Partner of the year, 18 times
- Serving **12k+** clients in **20+** industries
- Over **65,000** dedicated practitioners