



# **Six-Year Strategic Outlook**

For  
**Fiscal Bienniums**

2007—2009

2009—2011

2011—2013

Updated May 2008

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# Introduction

This document describes the high-level strategic goals and objectives of the Oregon Public Employees Retirement System (PERS) over the six-year strategic planning period of FY 2007-2013.

The strategic outlook outlines what needs to be accomplished in both short-term and long-term planning and execution to achieve the desired strategic outcomes. This outlook reflects the four essential strategic planning components by addressing:

- Where are we today? [SWOT—see divisional reports]
- Where do we want to be tomorrow ? [desired outcomes]
- How are we going to get there? [strategies]
- How will we know that we made it? [key indicators]

## **Mission and Guiding Principles**

The strategic outlook is focused on outcomes that align with the Agency's Mission and Guiding Principles adopted by the PERS Board in 2004.



## **Mission Statement**

**We are a well-respected organization that serves our members by enabling informed retirement and health benefit decisions and delivering retirement and health benefits effectively and efficiently.**



# Guiding Principles

1. **Trustworthy**—We build trust internally and with all stakeholders.
2. **Transparent**—Our work is transparent, direct and open.
3. **Member Focused**— We care about our members. We assure that members receive their legitimate benefits. We seek to understand and meet member needs.
4. **Inclusive**—We uphold our stakeholders’ right to provide input into decisions that effect them.
5. **Objective**—We administer the law objectively, not subject to political pressure or improper influence.
6. **Straightforward**—We strive for simplicity. We aim to make our benefits and services easy to understand, straightforward to administer, and efficient to implement.
7. **Accountable**—We do what we’ll say we’ll do. We make and keep commitments.
8. **Data-quality/integrity**—We maintain and improve the integrity of data through our processes, business rules, decision-making, and data fixes.
9. **Aligned**—We’re focused on our objectives. We keep strategy and resources aligned, and deliver results, even as priorities change.
10. **Clear**—Our communications are clear, consistent, and concise, and meet stakeholder needs.
11. **Courageous**—We’re willing to make hard decisions in order to implement our strategy and to deliver according to the character of the organization.
12. **Competitive**—We understand the financial implications of all our decisions and aim to operate competitively.
13. **Careful**—We anticipate and manage risks to support financial stability for members, employers and taxpayers.

# **Key Performance Measures**

**Changes from 2005-07**

Working with the Oregon Progress Board, PERS contributes to the Annual Performance Progress Reports (APPR) provided to the Oregon Legislature, using key performance measure data to describe the agency's progress toward its mission and goals.

As part of the 2007-09 budget development process, PERS reviewed and refined its key performance measures to enhance clarity, improve data accuracy, and eliminate redundancy. Eight measures were legislatively approved for use in fiscal years 2008 and 2009.

# Legislatively adopted 2007-09 KEY PERFORMANCE MEASURES

2007-09 KPM #	Legislatively for 2007-09	Changes to 2005-07	Target 2008	Target 2009
<b>1</b>	TIMELY RETIREMENT PAYMENTS: Percent of initial service retirements paid within 45 days from retirement date	New wording	80%	80%
<b>2</b>	TOTAL BENEFIT ADMINISTRATION COSTS: Total benefit administration costs per member	New Wording, New Data	\$120	\$120
<b>3</b>	STAFF TO MEMBER RATIO: Ratio of FTE staff to members	New Wording, New Data	1:825	1:825
<b>4</b>	AVERAGE DOLLARS DEFERRED: Average monthly deferral per state employee deferred compensation participant	New Wording, New Data	\$409	\$430
<b>5</b>	LEVEL OF PARTICIPATION: Percent of state employees participating in the deferred compensation program	New Data	38%	39%
<b>6</b>	CUSTOMER SERVICE: Percent of members and employers rating their satisfaction with the agency's customer service as "good" or "excellent". Overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information	No Change	80%	80%
<b>7</b>	TIMELY BENEFIT ESTIMATES: Percent of benefit estimates processed within 30 days	New Measure	95%	95%
<b>8</b>	BOARD OF DIRECTORS BEST PRACTICES: Percent of total best practices criteria met by the PERS Board	New Measure	100%	100%

# STRATEGIC OUTCOMES

- 1. Produce timely and accurate payment of all PERS benefits**
- 2. Deliver high quality customer service**
- 3. Agency organized to optimize effectiveness and efficiency**
- 4. Business processes are efficient and cost effective**
- 5. Agency staff has the skill set to support strategic outcomes**
- 6. Provide a secured information environment**
- 7. Agency communications are clear, concise, and accurate**

1

**Produce timely and accurate payment of all PERS benefits**

**Strategies**

- Complete *Strunk/Eugene* implementation project
- Coordinate benefit payments for all PERS programs
- Automate 20% of functionality not currently contained in payment system of record
- Centralize data cleansing activities
- Pay estimated benefits, as needed, to minimize cash flow disruptions for newly retired members
- Improve working relationship with employers to facilitate quality and timeliness of data reporting
- Strengthen benefit payment review, quality control, and verification processes
- Work with employers to improve separation from employment process
- Implement data quality life cycle process to expose, verify and clean data
- Maintain employer responsibility for tracking and reporting accurate data

**Key Indicators**

- 80% of calculations are system generated
- Final benefit paid within 45 days of effective retirement date
- No more than 1% of retiring members challenge Notice of Entitlement data
- Audits confirm 99% of final benefit calculations are accurate

**Division Facilitator: Benefit Payments**

**2**

**Deliver high quality customer service**

**Strategies**

- Use agency-wide approach to deliver customer service
- Fully utilize the call center capabilities and technologies and integrate with RIMS Conversion Project
- Provide member self service via internet website based services
- Enhance the retirement/withdrawal application intake process to include tracking and quality review of applications
- Enhance the retirement education program to include Health Insurance and Oregon Savings Growth Plan and develop multi-modal delivery plan
- Use customer service satisfaction surveys to better understand service expectations and establish service standards
- Strengthen communication and partnerships with employers and member stakeholder groups to enhance customer service

**Key Indicators**

- Accurate benefit estimates produced within seven days of request
- Members can create benefit estimates on the PERS website
- Telephone calls, emails, and correspondence answered within defined performance standards
- Customer satisfaction surveys show 80% or more of members and employers rate their satisfaction with agency services as “good” or “excellent”
- PERS staff can determine current status of any member inquiry

**Division Facilitator: Customer Service**

**3**

## **Agency organized to optimize effectiveness and efficiency**

### **Strategies**

- For clarity of mission and clear ownership of processes, better organize and focus on three core business operational functions-
  - DATA [collect data from employers]
  - ELIGIBILITY [determine if members are eligible for requested benefit, maintain legacy data]
  - BENEFITS [pays benefits to members]
- Develop business-driven workflows with business process owners for all major functions
- Utilize project management staff and quality assurance staff as agency-wide resources
- Establish agency-wide quality assurance process
- Develop call center into agency-wide information and communication resource with access to all member information

### **Key Indicators**

- Three core business operational functions providing clear ownership of data, eligibility, and benefit calculations
- Valid, accurate, and complete data is available in timely manner
- Workflows are supporting major functions and continuous process improvement
- Quality assurance standards established for major business processes
- All major business projects assisted by project management office

**Division Facilitator: Deputy Director**

**4**

**Business processes  
are efficient and  
cost effective**

### **Strategies**

- RIMS Conversion Project is a priority throughout agency
- Implement intake based document imaging
- Reorganize and simplify business processes for efficiencies as part of RIMS Conversion Project and workflow implementation
- Utilize one-touch approach to completion of work
- Effectively use internal audits to audit, test, and improve agency processes

### **Key Indicators**

- jClarety is fully functional without bridging to RIMS
- Prior year adjustments required beyond annuals closing period are declining
- Workload backlog metrics dramatically reduced from 2005 status
- More transactions being processed per FTE
- 99% of final benefit calculations are accurate and final benefit is paid within 45 days of retirement
- Audits confirm improving agency efficiency and cost effectiveness

**Division Facilitator: Fiscal Services**

**5**

**Agency staff has the skill set to support strategic outcomes**

### **Strategies**

- Develop organizational bench strength through staff development and succession planning
- Assess organizational needs and capabilities—hire and train to fill capability gaps
- Use performance management system to create developmental plans and career paths for employees
- Implement a unified staff training and development strategy that addresses agency-wide as well as division-specific needs
- Agency workforce is equipped to serve a diverse membership

### **Key Indicators**

- Agency does not suffer from “key person” syndrome
- Staff can obtain core training through agency resources
- Outside training opportunities are identified and used when cost effective
- No more than 5% of new hires removed from trial service annually
- Agency workforce is equipped to serve a diverse membership

**Division Facilitator: Human Resources**

**6**

**Provide a secured information environment**

**Strategies**

- Implement enterprise risk management program
- Strengthen and maintain information security initiatives
- Ensure all staff are aware of and follow data security processes and procedures (training, new hire orientation, staff surveys)
- Utilize data classification policy
- Maintain robust internal audit function
- Regularly monitor for compliance with related security laws and regulations, and effectiveness of internal controls

**Key Indicators**

- Annual risk assessments are completed
- Data classification policies and procedures are used effectively
- Annual assessments of PERS compliance with related legal requirements and effectiveness of internal controls are performed
- No significant information security related findings on annual Secretary of State audit
- Internal/external audits reveal no significant information security breaches

**7**

**Agency communications are clear, concise, and accurate**

### **Strategies**

- Fully develop agency website to improve accessibility and usability
- Use focus groups to ensure key forms and communications are easy to read and understand
- Have all communication materials reviewed internally for consistency and design—remove jargon and improve understandability
- Continual training for staff to provide consistent answers to member and employer inquiries
- Communicate to staff and stakeholders prior to trigger events and mass communications
- Involve stakeholder groups in delivery of information to members and employers

### **Key Indicators**

- Member calls for clarification of information already provided decrease
- PERS websites are easy to navigate and information easy to read and understand
- Members receive the same answer from all agency sources
- Staff provided with consistent, accurate, complete, and current information to respond to member and employer inquiries

**Division Facilitator: Policy & Planning**