



# Board of Retirement Regular Meeting

## Sacramento County Employees' Retirement System

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### Agenda Item 17

**MEETING DATE:** July 19, 2018

**SUBJECT:** Strategic Management Program

**SUBMITTED FOR:** \_\_\_ Consent      X Deliberation and Action      \_\_\_ Receive and File

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### RECOMMENDATION

Staff recommends that the Board receive and file the SCERS Strategic Management Plan for Fiscal Year 2018-2019, and approve implementation of the plan.

### PURPOSE

The SCERS Strategic Management Plan for Fiscal Year 2018-2019 represents the organization's annual business plan.

### DISCUSSION

As presented at the March 21, 2018 meeting of the Board, SCERS management has adopted a new Strategic Management Program that includes an annual planning process for continuing the progress toward the goals and objectives of the SCERS Strategic Plan 2014-2018. The Strategic Management Program improves the maturity of SCERS' strategic management capabilities with the introduction of improved processes for ownership of goals, objectives, implementation actions, performance tracking/measurement, and integrated risk management.

Central to the structure of the Strategic Management Program is the annual creation of a Strategic Management Plan that lays out specific actions SCERS staff will take during the fiscal year to accomplish the continuous improvement of the enterprise.

The SCERS executive team and key managers used the following sources to develop the Strategic Management Plan for Fiscal Year 2018-2019:

- The SCERS Strategic Plan 2014-2018, which provides the foundational mission, core values, goals, and objectives from which the annual plan is derived.
- Discussions between Board members and the new Chief Executive Officer as part of the hiring process.
- The Annual Investment Plan approved by the Board in January 2018.

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- The SCERS Administrative Budget for FY 2018-2019, which includes priorities to be funded for the year.

Additionally, each SCERS executive officer was charged with developing specific measurable actions to be undertaken during the year to accomplish the plan objectives.

The resulting plan is organized around six key goals that closely resemble those in the SCERS Strategic Plan 2014-2018. The objectives within each goal have been defined to carry forward earlier Strategic Plan objectives that are not completed or remain ongoing. Additional objectives have been included to reflect changing needs and priorities since 2014.

The six key goals include the following:

1. Customer Service: Enhance the services provided to all SCERS' customers to improve efficiency, effectiveness, and accountability.
2. Investment: Maintain an investment program that targets performance that exceeds SCERS' portfolio benchmark over time, and which mitigates and carefully manages investment risks, including market volatility.
3. Sustainable Funding: Maintain prudent and effective funding policies and practices that assist in producing low contribution rate volatility and plan sustainability.
4. Enterprise Capability and Technology: Maintain and enhance enterprise cross-functional capabilities. Continuously refresh SCERS technology platforms to improve performance, productivity and efficiency.
5. Stakeholder Relations: Maintain transparent communications among stakeholders and promote understanding of roles and responsibilities.
6. Workforce Development: Maintain a high-performance organization structure and workforce.

The detailed action items contained within each strategic objective are expected to be refined during the year, as necessary, to ensure achievement of the plan.

## **BACKGROUND**

The SCERS Strategic Plan 2014-2018 has provided an overall framework for SCERS executive management for the last several years including defining the organizational mission, vision, core values, key goals, and objectives. A number of the objectives, such as IT Modernization, will not be achieved before the end of the 2014-2018 planning horizon.

The SCERS Administrative Budget for the 2017-2018 fiscal year provided for the establishment of a new Chief Strategy Officer position in recognition of the need to continue working toward

the original goals of the SCERS Strategic Plan even while many of the specific objectives were not yet met.

In December 2018, the Board hired a new Chief Executive Officer. An integral part of the hiring process was the agreement between the Board and CEO about important performance objectives to be achieved in the new administration.

### **ATTACHMENTS**

- Strategic Management Plan FY 2018-2019
- Strategic Management Plan Presentation

Prepared by:

Reviewed by:

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Stephen Hawley  
Chief Strategy Officer

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Eric Stern  
Chief Executive Officer

# STRATEGIC MANAGEMENT PLAN

FISCAL YEAR 2018-2019



SACRAMENTO COUNTY EMPLOYEES' RETIREMENT SYSTEM

## Introduction

Since its creation in 1941 as a defined benefit retirement system under the County Employees Retirement Law of 1937 (1937 Act), the Sacramento County Employees' Retirement System (SCERS) has been committed to the highest level of professionalism in meeting its duties and responsibilities to SCERS' members, retirees and beneficiaries, participating employers, and other stakeholders. As those duties have increased in breadth and complexity over time, SCERS has continued to evolve to assure that we are properly positioned to and continually focused on meeting our fiduciary responsibilities with respect to the management of the retirement system.

The administration of the pension plan is overseen by the nine-member SCERS Board of Retirement (Board).

As detailed in the materials that follow, SCERS' Strategic Management Plan for the 2018-2019 fiscal year is the next iteration in SCERS' evolution, intended to sustain and build upon the success SCERS has achieved by strengthening our foundation for the future.

The SCERS executive team and key managers used the following sources to develop the Strategic Management Plan for Fiscal Year 2018-2019:

- The SCERS Strategic Plan 2014-2018, which provides the foundational mission, core values, goals, and objectives from which the annual plan is derived.
- Discussions between Board members and the new Chief Executive Officer as part of the hiring process.
- The Annual Investment Plan approved by the Board in January 2018.
- The SCERS Administrative Budget for FY 2018-2019, which contains a list of planned accomplishments to be funded for the year.

Additionally, each SCERS executive officer is charged with developing specific measurable actions to be undertaken during the year to accomplish the plan objectives. (See Appendix A for assignment of executives to objectives.)

The overarching principles and the focus for this Strategic Management Plan build on our Mission Statement and Core Values, so that we can apply them to the work we undertake every day to make SCERS successful.

## Mission Statement

"We are dedicated to providing the highest level of retirement services and managing system resources in an effective and prudent manner."

## Fundamental Premises

Consistent with our Mission Statement and Core Values, the SCERS executive team offers this Strategic Management Plan to help guide us toward an even stronger future. Initiatives and Activities articulated in our Strategic Management Plan are organized around six fundamental areas of SCERS' operation as illustrated below:



The remaining sections of this plan provide more details on the Objectives and Actions within each Goal. For each action, the fiscal quarter in which it is scheduled for completion is in parenthesis at the end of the item description.

## Goal One: Customer Service

Enhance the services provided to all SCERS' customers to improve efficiency, effectiveness, and accountability.

### Objectives & Actions

#### **1.1 Deploy additional resources to retirement administration and processing.**

- 1.1.1 Resume and require weekly workflow meetings for all retirement servicing teams. (Q1)
- 1.1.2 Expand and refine benefits team training. (Q1)
- 1.1.3 Recruit 4 retirement benefits staff members to fill vacancies. (Q2)
- 1.1.4 Improve delivery of information to members who call-in or walk-in and reduce reliance on staff engaged in retirement calculations and processing. (Q2)

#### **1.2 Compare performance to peers via CEM benchmarking service.**

- 1.2.1 Improve accuracy of CEM input data to establish solid baseline for future trend analysis. (Q2)

#### **1.3 Expand customer surveys to cover core processes.**

- 1.3.1 Develop surveying approach. (Q1)
- 1.3.2 Implement surveying upon acceptance of Application for Service Retirement. (Q2)

#### **1.4 Plan and implement incoming document scanning.**

- 1.4.1 Review and revise processes and staff roles for archival of essential retirement documents. (Q2)
- 1.4.2 Design processes and implement indexing changes by 2018 calendar year end. (Q2)
- 1.4.3 Assign and train intake staff by FY end. (Q4)

#### **1.5 Measure and report customer service performance.**

- 1.5.1 Begin quarterly customer service performance reporting with October 2018 Board meeting. (Q2)
- 1.5.2 Improve performance results each quarter. (Q2) (Q3) (Q4)

#### **1.6 Streamline retirement activity and introduce service checkpoints to decrease average processing times.**

- 1.6.1 Establish objective criteria to identify unusually difficult or labor-intensive calculations upon receipt of application and conduct pre-assignment/re-assignment meetings with staff. (Q2)
- 1.6.2 Develop "pre-calculation" expectations for applications filed well ahead of requested effective date and create checklist of 15-day and 30-day deliverables to assist supervisory staff. (Q2)

- 1.6.3 Review/revise practices for contribution audits and thresholds for recovering and/or distributing member contributions ahead of initial pension payment. (Q1)
- 1.6.4 Improve checking queue and reduce overlap by clarifying separate expectations for initial review by lead worker and final review by supervisor. (Q2)
- 1.6.5 Establish clear and consistent timeframes for payment of estimated retirement. (Q1)

## Goal Two: Investment

Maintain an investment program that targets performance that exceeds SCERS' portfolio benchmark over time and which mitigates and carefully manages investment risks, including market volatility.

**Note:** The SCERS 2018 Annual Investment Plan (at [www.scers.org](http://www.scers.org)) contains the detailed investment strategy for the 2018 calendar year. (The Investment Plan is developed on a calendar-year basis while other areas of the Strategic Management Plan are on a fiscal-year basis.)

The following table shows the 2018 target asset allocations vs. actual, end-of-2017 allocations:

Asset Category/Asset Class	Actual Allocation	Target Allocation	Variance
<b>Growth</b>	<b>63.2%</b>	<b>59.0%</b>	<b>4.2%</b>
Domestic Equity	24.5	21.0	3.5
International Equity	24.9	20.0	4.9
Private Equity	7.1	9.0	(1.9)
Public Credit	1.9	2.0	(0.1)
Private Credit	0.6	4.0	(3.4)
Growth Absolute Return	4.2	3.0	1.2
<b>Diversifying</b>	<b>19.5</b>	<b>25.0</b>	<b>(5.5)</b>
Core/Core Plus Fixed Income	12.6	10.0	2.6
US Treasury	0.0	5.0	(5.0)
Global Fixed Income	2.5	3.0	(0.5)
Diversifying Absolute Return	4.4	7.0	(2.6)
<b>Real Return</b>	<b>12.7</b>	<b>16.0</b>	<b>(3.3)</b>
Real Estate	8.6	7.0	1.6
Real Assets	3.8	7.0	(3.2)
Commodities	0.3	2.0	(1.7)
<b>Opportunities</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>
Overlay Program	3.4	0.0	3.4
Cash	1.1	0.0	1.1
	100.0%	100.0%	

## Objectives & Actions

### 2.1 Continue transition to new asset allocation model.

2.1.1 Complete implementation of new asset class structure. (Q2)

### 2.2 Manage the Domestic Equity investment portfolio.

2.2.1 Implement the new Domestic Equity asset class structure. (Q1)

2.2.2 Finalize a manager search for a systematic factor-based strategy and other manager searches, as needed. (Q1)

### 2.3 Manage the International Equity investment portfolio.

2.3.1 Conduct manager searches, as needed. (Q2)

### 2.4 Manage the Fixed Income investment portfolio.

2.4.1 Rebalance SCERS' Fixed Income managers that are underweight to their physical allocations. (Q2)

## **2.5 Manage the Absolute Return investment portfolio.**

- 2.5.1 Reduce Growth Oriented portfolio to target allocation of 3% of total assets. (Q2)
- 2.5.2 Increase Diversifying portfolio to target allocation of 7% of total assets
- 2.5.3 Target two direct investments within the Diversifying Strategies segment (with a range of 1 to 3 funds); target an average investment size of \$45 million (with a range between \$35 million and \$75 million). (Q2)

## **2.6 Manage the Private Equity investment portfolio.**

- 2.6.1 Commit \$250 million for 2018 with a range of \$150 million to \$300 million. (Q2)
- 2.6.2 Expect to make 6 fund commitments with an average size of \$45 million each and a range of \$10 million to \$100 million. (Q2)

## **2.7 Manage the Private Credit investment portfolio.**

- 2.7.1 Commit \$220 million for 2018 with a range of \$150 million to \$290 million. (Q2)
- 2.7.2 Expect to make 4 fund commitments with an average size of \$60 million each and a range of \$25 million to \$100 million. (Q2)

## **2.8 Manage the Real Assets investment portfolio.**

- 2.8.1 Commit \$220 million for 2018 with a range of \$150 million to \$290 million. (Q2)
- 2.8.2 Expect to make 6 fund commitments with an average size of \$40 million each and a range of \$20 million to \$100 million. (Q2)

## **2.9 Manage the Real Estate investment portfolio.**

- 2.9.1 Commit \$70 million for 2018 with a range of \$35 million to \$105 million. (Q2)
- 2.9.2 Expect to make 2 fund commitments with an average size of \$35 million each and a range of \$20 million to \$50 million. (Q2)

## **2.10 Manage the Opportunities investment portfolio.**

- 2.10.1 Continue to identify and evaluate tactical opportunities in unique/differentiated investment strategies offering an attractive risk-return prospect. (Q2)

## **Goal Three: Sustainable Funding**

Maintain prudent and effective funding policies and practices that assist in producing low contribution rate volatility and plan sustainability.

### **Objectives & Actions**

#### **3.1 Research and assess SCERS' liquidity and cash management needs.**

3.1.1 Produce a cash management policy. (Q3)

#### **3.2 "Stress Test" contribution rate and cash flow impacts of investment returns.**

3.2.1 Work with Segal actuaries to produce a funding "risk assessment" report. (Q3)

#### **3.3 Protect fund assets.**

3.3.1 Develop policy and procedure to adjudicate felony forfeiture cases. (Q2)

3.3.2 Obtain fully executed agreement with Sac Metro Fire re: Florin Fire liabilities. (Q1)

## **Goal Four: Enterprise Capability and Technology**

Maintain and enhance enterprise cross-functional capabilities. Continuously refresh SCERS technology platforms to improve performance, productivity, and efficiency.

### **Objectives & Actions**

#### **4.1 Manage PAS implementation on time and on budget.**

- 4.1.1 Complete Ariel Fit-Gap. (Q2)
- 4.1.2 Finalize phased implementation plans and contract re-alignment. (Q3)
- 4.1.3 Complete data extraction from DTech/Courts. (Q1)
- 4.1.4 Finalize FileNet conversion approach. (Q2)

#### **4.2 Select, implement, and integrate an investment accounting system.**

- 4.2.1 Develop and issue RFP. (Q2)
- 4.2.2 Complete vendor selection, contracting and start work. (Q4)

#### **4.3 Deploy/enhance the new mobile-capable website.**

- 4.3.1 Beta test and deploy replacement website. (Q1)
- 4.3.2 Add secure staff portal to website. (Q2)
- 4.3.3 Enhance secure Board portal. (Q3)

#### **4.4 Continue transition to process ownership**

- 4.4.1 Finalize key process inventory and assign owners. (Q1)
- 4.4.2 Define process owner responsibilities and train owners. (Q2)
- 4.4.3 Oversee process ownership adoption and provide additional training as needed during the year. (Q4)

#### **4.5 Strengthen SCERS' Disaster Recovery/Business Continuity Capabilities**

- 4.5.1 Review and update existing DR/BC plan. (Q1)
- 4.5.2 Evaluate feasibility of communicating DR/BC plan on new website. (Q2)
- 4.5.3 Train SCERS managers and staff on DR/BC plan. (Q4)

## **Goal Five: Stakeholder Relations**

Maintain transparent communications among stakeholders and promote understanding of roles and responsibilities.

### **Objectives & Actions**

#### **5.1 Demonstrate fiscal responsibility and stewardship.**

- 5.1.1 Begin development of budget for Fiscal Year 2019-2020 in January 2019. (Q3)
- 5.1.2 Re-baseline budget items to align budget to actual spending. (Q4)
- 5.1.3 Complete contract management review. (Q1)
- 5.1.4 Expand existing expenditure reports to Board of Retirement. (Q1)

#### **5.2 Improve employer engagement.**

- 5.2.1 Host employer seminar. (Q2)
- 5.2.2 Assist employers with implementation of membership eligibility policy. (Q2)

#### **5.3 Improve member engagement.**

- 5.3.1 Begin semi-annual newsletter. (Q2) (Q4)

## **Goal Six: Workforce Development**

Maintain a high-performance organization structure and workforce.

### **Objectives & Actions**

#### **6.1 Establish a human resources team.**

- 6.1.1 Allocate a senior HR position. (Q1)
- 6.1.2 Hire a Sr. Personnel Analyst. (Q2)

#### **6.2 Enhance the investment organization.**

- 6.2.1 Create a Sr. Investment Officer job classification. (Q2)
- 6.2.2 Hire a Deputy Chief Investment Officer. (Q2)

#### **6.3 Enhance the accounting organization.**

- 6.3.1 Add an additional Senior Accountant position. (Q1)
- 6.3.2 Hire a new Sr. Accounting Manager. (Q2)

## Appendix A: Responsibility Matrix

The following table designates the Primary (P) and Secondary (S) executive ownership for the strategic objective

Goal	Objective	Description	Responsibility					
			CEO	CIO	COO	CBO	GC	CSO
<b>1</b>	<b>Customer Service</b>							
	1.1	Deploy additional resources to retirement administration and processing.		S	S	P		
	1.2	Compare performance to peers via CEM benchmarking service.			S	P		S
	1.3	Expand customer surveys to cover core processes.				P		
	1.4	Plan and implement incoming document scanning.			S	P		S
	1.5	Measure and report customer service performance.			S	P		S
	1.6	Streamline retirement activity and introduce service checkpoints to decrease	S			P		S
<b>2</b>	<b>Investments</b>							
	2.1	Align investment portfolio to strategic asset allocation.		P				
	2.2	Manage Domestic Equity Investments.		P				
	2.3	Manage International Equity Investments.		P				
	2.4	Manage Fixed Income Investments.		P				
	2.5	Manage Absolute Return Investments.		P				
	2.6	Manage Private Equity Investments.		P				
	2.7	Manage Private Credit Investments.		P				
	2.8	Manage Real Assets Investments.		P				
	2.9	Manage Real Estate Investments.		P				
	2.10	Manage Opportunities Investments.		P				
<b>3</b>	<b>Sustainable Funding</b>							
	3.1	Research and assess SCERS' liquidity and cash management needs.		P	S			
	3.2	"Stress Test" contribution rate and cash flow impacts of investment returns.	S		P			
	3.3	Protect fund assets.	P				S	
<b>4</b>	<b>Enterprise Capability and Technology</b>							
	4.1	Manage PAS implementation on time and on budget.			S	S		P
	4.2	Select, implement, and integrate an investment accounting system.		S	P			S
	4.3	Deploy/enhance the new mobile-capable website.			P			S
	4.4	Continue transition to process ownership			S	S		P
	4.5	Strengthen SCERS' Disaster Recovery/Business Continuity Capabilities		S	S	S	S	P
<b>5</b>	<b>Stakeholder Relations</b>							
	5.1	Demonstrate fiscal responsibility and stewardship.	P		S			
	5.2	Improve employer engagement.	P		S	S		
	5.3	Improve member engagement.	P		S	S		
<b>6</b>	<b>Workforce Development</b>							
	6.1	Establish a human resources team.			P			
	6.2	Enhance the investment organization.		P	S			
	6.3	Enhance the accounting organization.			P			

# Strategic Management Plan for Fiscal Year 2018-2019

July 19, 2018

Stephen Hawley  
Chief Strategy Officer



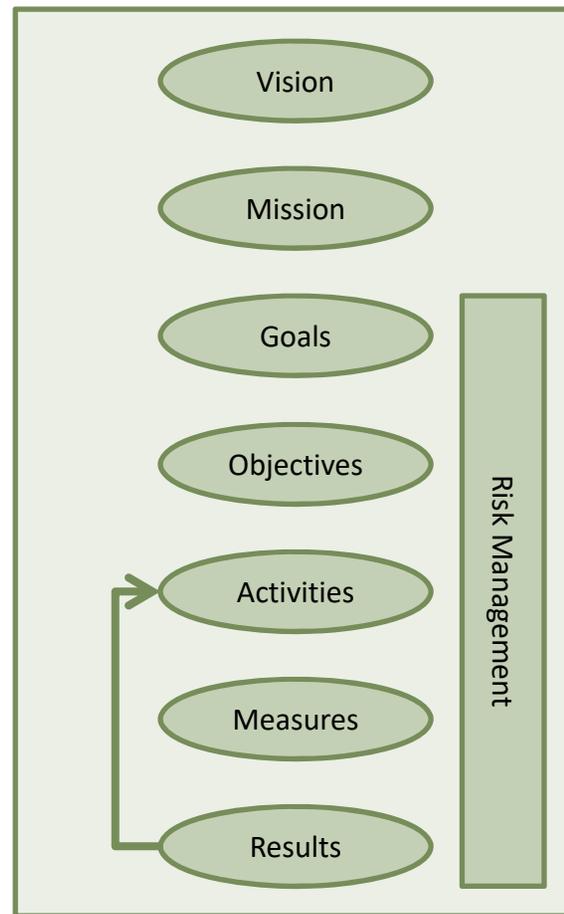
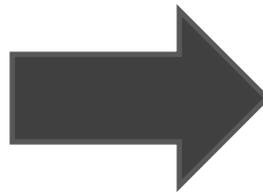
# STRATEGIC MANAGEMENT PROGRAM



# Transitioning to Continuous Improvement Model



**Strategic Plan 2014-2018**



**Strategic Management Program**



# Strategic Management Maturity Model FY 2017-2018

	Level 1: Ad hoc & Static	Level 2: Reactive	Level 3: Structured & Proactive	Level 4: Managed & Focused	Level 5: Continuous Improvement
<b>Leadership</b>	Leaders dictate / command & control; otherwise disengaged	Leaders dictate but gather feedback sporadically	Leaders engage with direct reports only, but do model desired behaviors and values	Leaders empower many employees through on going engagement	Leaders & employees fully engage in a continuous dialog based on a team-based culture
<b>Culture &amp; Values</b>	Vision & values undefined or not shared	Vision & Values published, but not lived	Vision & Values communicated & understood	Vision & Values collaboratively developed	Vision & Values fully integrated into organization culture
<b>Strategic Thinking &amp; Planning</b>	No strategic planning occurs within the organization; no goals defined	Strategic planning is the responsibility of a small team and dictated to the organization	A structured and open planning process involves people throughout the organization every couple of years	Plans are developed and revised regularly by trained, cross-functional planning teams	Strategy drives critical organizational decisions and a continuous improvement planning process is maintained
<b>Alignment</b>	Work is narrowly focused based on organization structure, with little customer input	Customer needs and feedback start to influence more aligned decision making	Employees know their customer and align strategy to those needs	Vision, Customer Needs, Strategy, and employee reward and recognition systems are cascaded and aligned	All structures and systems are aligned with strategy, and organizational alignment is continuously improved
<b>Performance Measurement</b>	No data, or only ad hoc performance measures are collected	Performance data collected routinely, but are mostly operationally focused	Strategic performance measures are collected, covering most strategic objectives	Strategic measures are broadly used to improve focus & performance and inform budget decisions	Measurements comprehensively used and routinely revised based on continuous improvement.
<b>Performance Management</b>	No emphasis on using performance as a criterion to manage the organization	Performance reviews required but not taken seriously; no accountability for performance exists	Measures are assigned owners and performance is managed at the organizational and employee level	Measurement owners are held accountable and performance is managed at all levels	Organizational culture is measurement and accountability focused; decisions are evidence-based.
<b>Process Improvement</b>	Processes are undocumented and ad hoc with evident duplication and delays	A few key processes documented, and process improvement models (TQM, Lean Six Sigma, etc.) introduced	All key processes are identified and documented, and strategy guides successful process improvement initiative and improvements	All key processes are tracked and improved on a continuous basis and new process improvement ideas are accepted	Employees are empowered and trained, and a formal process exists for improving process management
<b>Sustainability</b>	Lack of structure and champions lead to short-term focus on tasks	Strategy "champions" identified	Formal organization structure in place to maintain focus on strategy	Organization has an "Office of Strategy Management" or equivalent.	Strategic thinking and management are embedded in the culture of the organization



# Strategic Management Maturity Model FY 2018-2019

	Level 1: Ad hoc & Static	Level 2: Reactive	Level 3: Structured & Proactive	Level 4: Managed & Focused	Level 5: Continuous Improvement
<b>Leadership</b>	Leaders dictate / command & control; otherwise disengaged	Leaders dictate but gather feedback sporadically	Leaders engage with direct reports only, but do model desired behaviors and values	Leaders empower many employees through on going engagement	Leaders & employees fully engage in a continuous dialog based on a team-based culture
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<b>Alignment</b>	Work is narrowly focused based on organization structure, with little customer input	Customer needs and feedback start to influence more aligned decision making	Employees know their customer sand align strategy to those needs	Vision, Customer Needs, Strategy, and employee reward and recognition systems are cascaded and aligned	All structures and systems are aligned with strategy, and organizational alignment is continuously improved
<b>Performance Measurement</b>	No data, or only ad hoc performance measures are collected	Performance data collected routinely, but are mostly operationally focused	Strategic performance measures are collected, covering most strategic objectives	Strategic measures are broadly used to improve focus & performance and inform budget decisions	Measurements comprehensively used and routinely revised based on continuous improvement.
<b>Performance Management</b>	No emphasis on using performance as a criterion to manage the organization	Performance reviews required but not taken seriously; no accountability for performance exists	Measures are assigned owners and performance is managed at the organizational and employee level	Measurement owners are held accountable and performance is managed at all levels	Organizational culture is measurement and accountability focused; decisions are evidence-based.
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<b>Sustainability</b>	Lack of structure and champions lead to short-term focus on tasks	Strategy "champions" identified	Formal organization structure in place to maintain focus on strategy	Organization has an "Office of Strategy Management" or equivalent.	Strategic thinking and management are embedded in the culture of the organization

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# Strategic Management Maturity Model FY 2018-2019

	Level 1: Ad Hoc & Static	Level 3: Structured & Proactive
Performance Measurement	No data, or only ad hoc performance measures are collected	Strategic performance measures are collected, covering most strategic objectives
Performance Management	No emphasis on using performance as a criterion to manage the organization	Measures are assigned owners and performance is managed at the organizational and employee level
Process Improvement	Processes are undocumented and ad hoc with evident duplication and delays	All key processes are identified and documented, and strategy guides successful process improvement initiatives



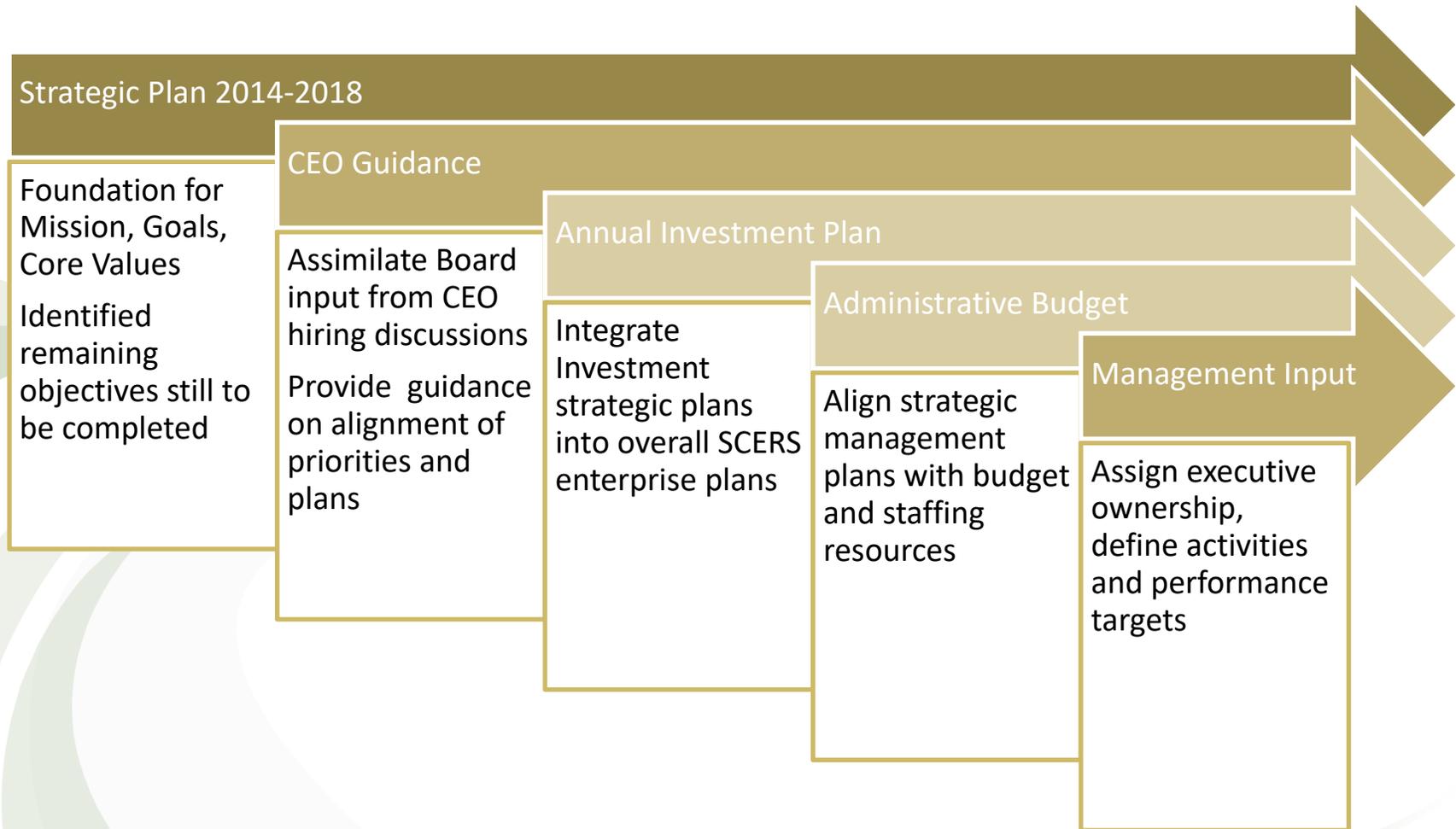


Fiscal Year 2018-2019

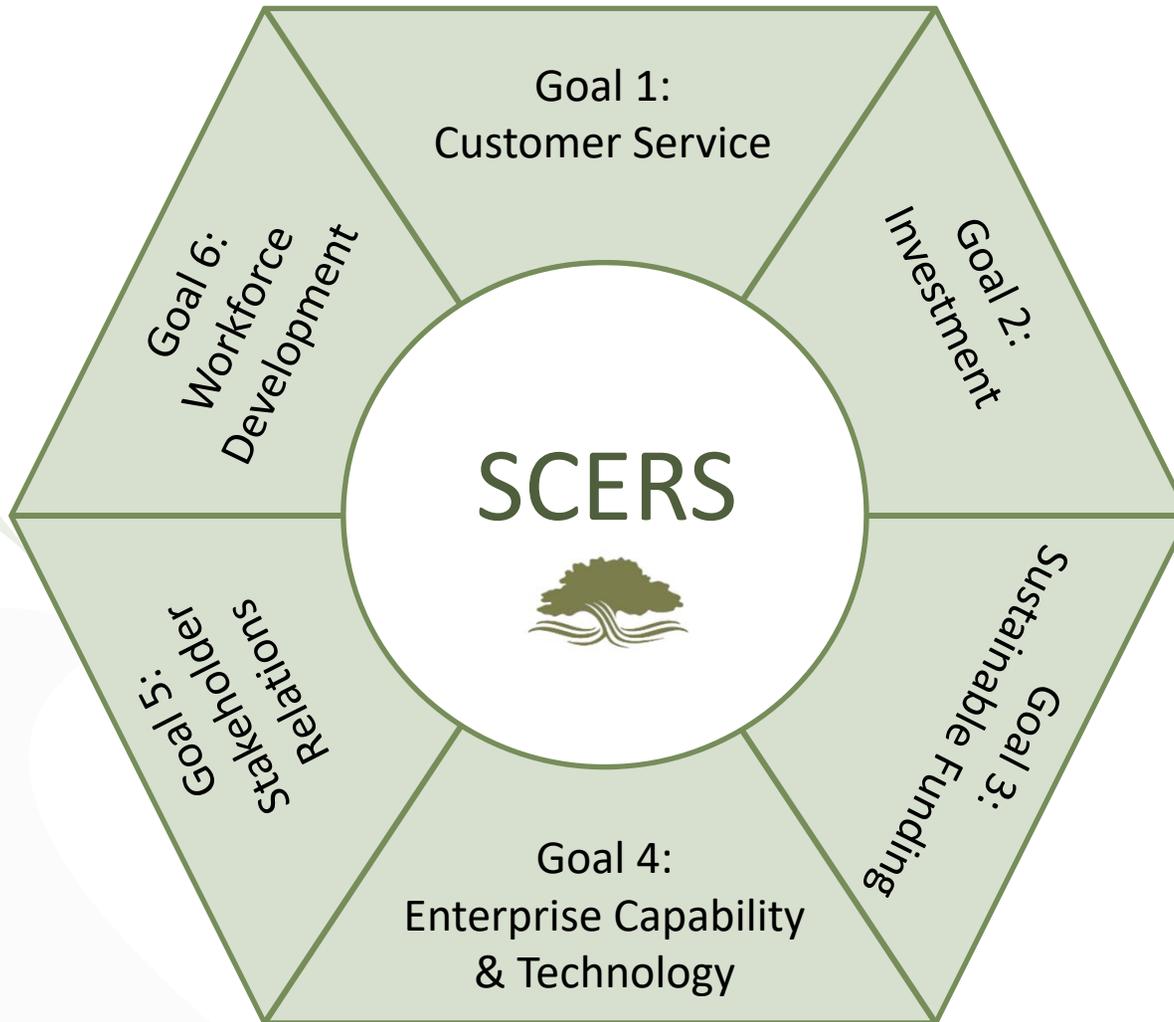
# **STRATEGIC MANAGEMENT PLAN**



# Plan Development Process



# Strategy Map



# FY 2018-2019 Strategic Objectives

Goal	Objective	Description	Responsibility							
			CEO	CIO	COO	CBO	GC	CSO		
1	Customer Service									
	1.1	Deploy additional resources to retirement administration and processing.		S	S	P				
	1.2	Compare performance to peers via CEM benchmarking service.			S	P			S	
	1.3	Expand customer surveys to cover core processes.				P				
	1.4	Plan and implement incoming document scanning.			S	P			S	
	1.5	Measure and report customer service performance.			S	P			S	
	1.6	Streamline retirement activity and introduce service checkpoints to decrease average processing times.	S			P			S	
2	Investments									
3	Sustainable Funding									
	3.1	Research and assess SCERS' liquidity and cash management needs.		P	S					
	3.2	"Stress Test" contribution rate and cash flow impacts of investment returns.	S		P					
	3.3	Protect fund assets.	P					S		
4	Enterprise Capability and Technology									
	4.1	Manage PAS implementation on time and on budget.			S	S			P	
	4.2	Select, implement, and integrate an investment accounting system.		S	P				S	
	4.3	Deploy/enhance the new mobile-capable website.			P				S	
	4.4	Continue transition to process ownership.			S	S			P	
	4.5	Strengthen SCERS' disaster recovery/business continuity capabilities.		S	S	S	S	S	P	
5	Stakeholder Relations									
	5.1	Demonstrate fiscal responsibility and stewardship.	P		S					
	5.2	Improve employer engagement.	P		S	S				
	5.3	Improve member engagement.	P		S	S				
6	Workforce Development									
	6.1	Establish a human resources team.			P					
	6.2	Enhance the investment organization.		P	S					
	6.3	Enhance the accounting organization.			P					



# FY 2018-2019 Strategic Management Plan Detail

**NOTE:** Each strategic objective (such as 1.6 in the example below) is composed of a set of measurable actions to track progress/outcomes.

Goal	Objective	Description	Quarterly Schedule				Responsibility							
			Q1	Q2	Q3	Q4	CEO	CIO	COO	CBO	GC	CSO		
1	Customer Service													
	1.1	Deploy additional resources to retirement administration and processing.						S	S	P				
	1.2	Compare performance to peers via CEM benchmarking service.							S	P			S	
	1.3	Expand customer surveys to cover core processes.								P				
	1.4	Plan and implement incoming document scanning.							S	P			S	
	1.5	Measure and report customer service performance.							S	P			S	
	1.6	Streamline retirement activity and introduce service checkpoints to decrease average processing times.					S			P			S	
	1.6.1	Establish objective criteria to identify unusually difficult or labor-intensive calculations upon receipt of application and conduct pre-assignment/re-assignment meetings with staff.		X										
	1.6.2	Develop "pre-calculation" expectations for applications filed well ahead of requested effective date and create checklist of 15-day and 30-day deliverables to assist supervisory staff.		X										
	1.6.3	Review/revise practices for contribution audits and thresholds for recovering and/or distributing member contributions ahead of initial pension payment.	X											
	1.6.4	Improve checking queue and reduce overlap by clarifying separate expectations for initial review by lead worker and final review by supervisor.		X										
	1.6.5	Establish clear and consistent timeframes for payment of estimated retirement allowances (which will apply to members who are awaiting FAS data from reciprocal systems, members who apply for service retirement during annual "busy season," and members who fail to return printed retirement elections and/or request a specific form of payment).	X											



# Re-engineering the Retirement Process

## SCERS Retirement Process

AS-IS PROCESS & TIMELINE

