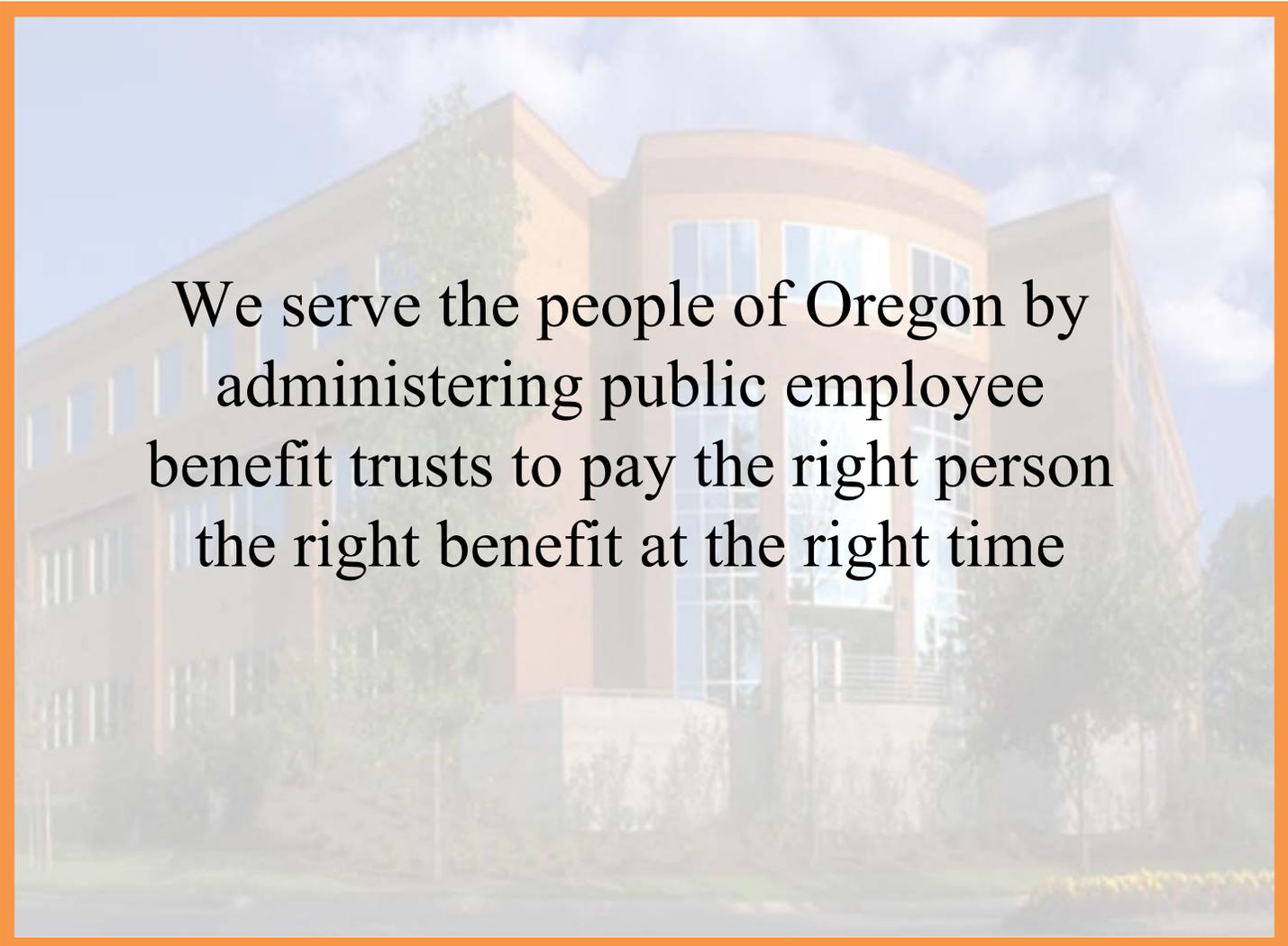


Oregon Public Employees Retirement System



2018-2023
Strategic Plan

Mission Statement



We serve the people of Oregon by
administering public employee
benefit trusts to pay the right person
the right benefit at the right time

Shared Vision

Honoring your public service through secure retirement benefits.

Core Values

Service-Focus

We work together to meet the needs of others with dependability, professionalism, and respect.

Accountability

We take ownership for our decisions, actions, and outcomes.

Integrity

We inspire trust through transparency and ethical, sound judgment.

Operating Principles

Professional

We are responsive, respectful, and sensitive to the needs of our members, employers, and staff.

Accurate

We ensure data integrity and provide consistent, dependable information and benefits.

Judicious

We use sound judgment and prudent, principled decision-making in upholding our fiduciary responsibility.

Information Security

We are constantly vigilant to safeguard confidential information.

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Introduction

This strategic plan looks to a five-year horizon and answers the questions: If we are to become better at delivering on our mission, where will we, as an agency, be able to improve over this time? The strategic focus areas that we identified derive from a comprehensive review of organizational challenges and strengths, thoughtful consideration of stakeholder needs and perspectives, and the provocative and insightful conversations that we engage in regularly as we strive to foster a climate of consistent improvement and build upon our strengths in achieving our vision. The first such plan was published for 2015-2020, and this version updates the focus areas for the next five years.

The plan articulates ambitious goals to achieve through 2023 within these focus areas, with specific, achievable goals and objectives related to each. The plan also links our objectives to the core outcome and process measures documented in PERS' Fundamentals Map, a key artifact in our PERS Outcome Based Management System. Our strategies to achieve these goals and objectives leverage the resources any organization has to affect change – people, process, and technology – but unifies and prioritizes the allocation of these resources to assure that they are directed consistently and productively on the highest purposes we can achieve.

Achieving the goals outlined in this strategic plan depends upon successful execution of the strategies identified, as well as regular monitoring our progress, and strategic decisions during plan implementation on how to further our progress. As such, this strategic plan is a living document, and we anticipate that changes may be necessary to achieve the goals we set forth.

PERS will use its existing strategic and operational planning function to prioritize and allocate resources for each of the strategies identified. Strategies will be executed with a variety of approaches, including problem solving, project management, breakthrough initiatives, and integration into core business practices. Specific performance metrics will be identified for tracking our progress as part of strategy initiation.

Some strategies depend on additional funding. We plan to develop and submit corresponding policy option packages with the agency's budget requests, starting with the 2019-21 budget cycle.

Organizational Management and Development

Introduction

This strategic priority includes goals related to three organizational management and development focus areas: workforce development, organizational communications, and PERS' Outcome-Based Management System (POBMS).

PERS' success in delivering upon our mission depends on having a highly-skilled workforce supported by leadership that sets clear policies, procedures, and performance expectations. The plan's workforce development goals and strategies recognize that this can only be achieved by continued investment in the development, implementation, and performance management of workforce and leadership best practices.

Enhancing organizational communications is also priority for PERS. Access to timely, accurate, and relevant internal information helps ensure that we, as an agency, communicate effectively with our members, employers, and stakeholders. This priority was identified by staff in PERS' employee engagement survey. Survey results indicate many staff would like greater transparency and different content regarding information relevant to their jobs; staff also noted the desire for more information on decisions and policies that could affect them.

The third focus area relates to the work of fully-integrating POBMS. The agency initiated POBMS in 2012 to improve operations and processes by engaging employees through an outcome-based approach, allowing those closest to the work to drive the improvement. Completing the integration and normalization of POBMS is important to continuing to improve performance outcomes. Employees support and benefit from POBMS because it provides a clear line of sight and a transparent approach to connect to the agency's goals and objectives and staff's role in meeting them.

2018-23 Plan Update: In the Focus Area of Organizational Communication, we removed the first objective from the 2015-20 plan since this has been accomplished. We will continue to survey staff as a strategy in the renumbered Objective 1 (formerly Objective 2). That objective has also changed; we added the word "inclusive" to show the need to communicate in more than one way to ensure all staff have access to key information. We also changed "improve employee satisfaction" to "build a knowledgeable, engaged workforce" to clearly state the goal of internal communication. We added two specific strategies to achieve the revised objective

Organizational Management and Development

Focus Area: Workforce Development

Goal

Develop and support a culture of workforce excellence and effective leadership practices.

Objective 1

Define and communicate PERS' measures of workforce excellence and desired leadership practices, consistent with organizational needs and strategic priorities.

Strategies

1. Identify the desired workforce competencies and the obstacles to achieving workforce excellence.
2. Develop a change management plan to ensure communication of the defined workforce competencies and associated measures.
3. Create an action plan to drive measurable adoption of these competencies.

Related measure

SP 5: Managing and Developing the Workforce

Objective 2

Develop and implement hiring, training, and performance management practices that support a culture of workforce and leadership excellence.

Strategies

1. Use defined competencies for workforce excellence and leadership from Objective #1 to assess current hiring, training, and performance management practices.
2. Create standards of practice for effective hiring, training, and performance management.
3. Reinforce the use of these management practices throughout the agency through consistent review, feedback, and development.

Related measures

OM2: Employee Engagement

OM3: Operating Effectiveness

SP1: Communicating Internally and Externally

SP5: Managing and Developing the Workforce

SP6: Strategic and Operational Planning

Organizational Management and Development

Focus Area: Organizational Communication

Goal

Foster and enhance transparency, relevancy, and employee satisfaction with internal communications.

Objective 1

Develop and implement an inclusive internal communication strategy to build a knowledgeable, engaged workforce.

Strategies

1. Determine which tools and processes will lead to effective internal communications. Use staff meetings, surveys, and employee focus groups to achieve this.
2. Maximize the intranet as a communication channel

Related measures

OM1: Clear, Concise Communication

OM2: Employee Engagement

SP1: Communicating Internally and Externally SP5: Managing and Developing the Workforce

Organizational Management and Development

Focus Area: PERS Outcome-Based Management System (POBMS)

Goal

Complete POBMS integration throughout the agency.

Objective 1

Fully develop team scorecards to measure performance and drive strategy decisions.

Strategies

1. Communicate the consistent expectation and value of POBMS and scorecard development for all staff.
2. Train the remaining staff in measures development and POBMS.
3. Complete scorecard development for divisions that do not have them at the team level.

Related measure

SP6: Strategic and Operational Planning

Objective 2

Normalize POBMS-related methods throughout the agency.

Strategies

1. Build a structure to support all POBMS components such as the fundamentals map; agency, division, and team scorecards; and problem-solving and breakthrough methodology.
2. Build a structure to support using the problem-solving methodology from initiation through implementation.
3. Ensure a structure is in place to support initiation and implementation of breakthroughs and alignment with the strategic plan and priorities.

Related measure

SP6: Strategic and Operational Planning

Member Services and Communications

Introduction

PERS administers public employee benefit trusts to provide retirement benefits and services to our members. In fact, all of PERS' strategic priorities ultimately support our ability to provide the services needed by members and to ensure we "pay the right person, the right benefit, at the right time." As a strategic priority, enhancing member services and communications addresses two focus areas: member relations, and quality delivery methods.

For the last decade, PERS' member education and outreach has focused primarily on those who are within two years of their effective retirement date. This just-in-time focus does not provide members with a full understanding of the need to financially prepare for retirement over their entire career. PERS recognizes that providing members with useful tools, resources, and education earlier, and throughout their careers, will better support our goal of having engaged and educated stakeholders. A key component of this education will be the need for members to augment their PERS retirement with other means, such as deferred compensation and personal savings.

Engaging and supporting our members in making informed retirement decisions engenders a broader role for PERS as a retirement education and planning resource. To be that resource, we must support members by providing the information and easy-to-use tools to track their retirement benefits. Our current tool set needs to be more accessible and include a broader array of relevant content: not only account and benefit information, but transaction status tracking. This is what our goals under quality delivery methods aim to accomplish.

2018-2023 Update: Objective 2 under the first Goal was revised to better describe our efforts to develop a PERS "brand." The second goal on Quality Delivery Methods was also revised to better define the strategies we will pursue over this time frame.

Member Services and Communications

Focus Area: Member Relations

Goal

Engage members throughout their careers so they are better prepared for retirement.

Objective 1

Develop tools and profiles relevant to members at different life and career stages.

Strategies

1. Identify profiles, life events, and career stages and create tailored information, resources, and tools for each profile, event, or stage.
2. Engage with, and provide relevant information to, members at known events or career stages.
3. Leverage member annual statements to vet and verify account data.

Related measures

OM1: Clear/Concise Communication
OM7: Member Service Satisfaction
OM10: Informed Retirement Decisions
SP1: Communicating Internally and Externally

Objective 2

Brand PERS as a retirement education and planning resource.

Strategies

1. Create an identity that will personalize PERS, instill a sense of ownership (“My” PERS) among our members, and promote the agency as an accessible, comprehensive, and easy-to-use resource.
2. Develop and execute a plan to connect members to PERS through collaboration with employers and other stakeholders and the use of multiple communication channels.

Related measures

OM1: Clear/Concise Communication
OM7: Member Service Satisfaction
OM10: Informed Retirement Decisions
SP1: Communicating Internally and Externally

Member Services and Communications

Focus Area: Quality Delivery Methods

Goal

Improve members' online experience and access to secure content.

Objective 1

Enhance and modernize Online Member Services (OMS) with more electronic transactions and views into workflow progress.

Strategies

1. Collaborate with ISD to understand issues, budgets, technical debt, and timeframes necessary to improve OMS.
2. Use member and stakeholder feedback to design and implement enhancements to OMS.

Related measures

OM1: Clear, Concise Communication
OM7: Member Service Satisfaction
OM10: Informed Retirement Decisions
SP1: Communicating Internally and Externally

Objective 2

Launch new education tools and resources valuable to the member journey from hire to retire.

Strategies

1. Integrate member and stakeholder feedback on what additional educational tools and resources are needed.
2. Establish a member education webinar program and continuously improve other education channels such as the PERS website and videos.

Related measures

OM1: Clear, Concise Communication
OM7: Member Service Satisfaction
OM10: Informed Retirement Decisions
SP1: Communicating Internally and Externally

Data Reliability

Introduction

Data reliability is the cornerstone of PERS' mission to "pay the right person the right benefit at the right time." Good, reliable data is compromised by many factors: changes in determinations of service credit, contributions, and other key retirement data elements over a member's career; changes in employer reporting and recordkeeping systems as well as retroactive changes to member data by employers; and changes in technology. Further, PERS is a complex plan, with data terms that confound comprehension by members and employers alike. All of these factors result in data that may be incomplete, inconsistent, and even missing, which in turns erodes confidence and trust in PERS by our members, employers, and the public.

To improve data reliability PERS will take a three-pronged approach. First, we will engage members as the primary quality checkpoint for their data. They are in the best position to know whether their data is valid, accurate, and complete. We will support members in fulfilling this responsibility by providing the tools and information they need. We will target specific data elements for remediation and work with members and employers to correct the data of record.

PERS has made improvements in our online services to support members' ability to review their data in the hopes that data corrections would result. Before 2011, members' only access to their data was through annual statements, written estimates, and verbal conversations with PERS staff. PERS introduced Online Member Services (OMS) in 2011 to allow members to view their data: employment history, salary details, and service credit. However, we have found that members need education about the relevancy of this data and their role in ensuring the data is ready for PERS to process. We will prioritize and target data for remediation and develop an expanded set of tools for members to access information and review their data, including more online applications and access via mobile devices.

Second, to achieve data constancy, PERS will institute new procedures to lock member data on an annual basis. This is important as data inconsistencies that are not resolved until after the member has received a benefit can disrupt their plans and come at a time after the member has made a life-altering decision to retire. Retroactive data corrections can also present a significant financial burden to employers. Any problems with a member's data should be resolved before the transaction is final.

Our third focus area for improving data reliability relates to PERS' internal data management procedures. Having access to good, reliable data is important for PERS staff, too, and our current data management structure presents many challenges that result in data that is difficult to access or inconsistent. Data management practices that contribute to internal data inconsistencies include: different methodologies used to access data; data sources are not mapped; lacking common data definitions and business context descriptions; and the need for an integrated structure to leverage existing data expertise in the agency. PERS' central data management goals derive from the 2013 central data management breakthrough and implementation of the breakthrough plan. PERS has completed a comprehensive data information gathering and cataloging effort. We are currently in the development phase of data tool and data warehouse redesign projects and a restructuring of functions and staff with the formation of a Central Data Team. The objectives identified in this plan will support completion of the central data management structure and tools.

Data Reliability

Focus Area: Member Accountability

Goal

Establish members as the primary quality check-point on their data of record.

Objective 1

Target specific data for remediation to allow members to more meaningfully review the content.

Strategies

1. Identify those data elements that are or may be in a member's record that are inaccurate or most likely to be misunderstood, and develop an education plan to address those elements.
2. Prioritize remediation of the most critical data elements to resolve potential misunderstandings.

Related measures

OP1: Managing Client Data and Services

OM10: Informed Retirement Decisions

Objective 2

Educate members on the use and limitations of OMS legacy data.

Strategies

1. Leverage our existing and to-be-developed communication tools to connect members to these data issues.
2. Execute a campaign to recruit members to review and confirm data issues as they engage in activities related to their accounts.

Related measure

OM1: Clear, Concise Communication

Data Reliability

Focus Area: Data Constancy

Goal

Ensure data remains static after it is used in a transaction or payment.

Objective 1

Lock submitted data for each calendar year.

Strategies

1. Establish the requirement to lock member data at the close of each calendar year.
2. Resolve system reporting issues that may prevent employers from completing their calendar year reports.

Related measure

OP1: Managing Client Data and Services

Objective 2

Lock legacy data after allowing employers to review and correct prior records.

Strategy

1. Create a staging plan to close access for employers to change currently submitted data of record over time, based on priority demographic groups and managing the volume of work required.

Related measure

OP1: Managing Client Data and Services

Data Reliability

Focus Area: Agency Data Warehouse

Goal

Provide staff access to consistent, prompt, and reliable data reports.

Objective 1

Define all data terms and map data as it relates to technical and business needs and usage.

Strategies

1. Create a data dictionary to lay the foundation for the technical framework of the data.
2. Map data on end users' screens to where it is stored and derived.
3. Redesign the data warehouse to make query process more efficient and less complex.

Related measure

OP1: Managing Client Data Services

Objective 2

Provide staff a data reporting structure that allows the user to derive and customize data reports.

Strategies

1. Create a user-friendly data tool for end users to request and create customizable reports.
2. Create a glossary of business terms to define various contextual uses of data terms.
3. Form the Central Data Team to establish a central structure for data delivery.

Related measure

SP1: Communicating Internally and Externally

Information Governance and Technology

Introduction

PERS' information technology (IT) system provides the foundational data and information management necessary to “pay the right person the right benefit at the right time.” Our primary IT system is the Oregon Retirement Information Online Network (ORION). ORION needs to be continuously maintained and enhanced to provide necessary business functionality due to changes initiated both internally and by outside stakeholders. PERS must continuously work to optimize controls over the change management process, because it impacts efficiency and responsiveness in meeting evolving business needs.

2018-2023 Updates: This focus area has been extensively revised as strategies from the previous plan have implementation plans that are being executed or have been completed.

The Information Services Division's (ISD) updated 5-year strategic plan includes the IT systems and processes needed to support the business strategies, objectives, and goals in following focus areas:

1. **Information Governance Practices.** This focus area is to improve the management of agency information by standardizing processes and procedure to align with technology. This includes using industry best practices for the information governance framework and establishing an information repository for managing information across the enterprise.
2. **ORION Business Modernization.** This focus area is to enhance and resolve missing functionality, current operational issues with jClarety, and architect a “cloud-first” strategy and a versatile digital business platform.
3. **IT Digital Transformation.** This focus area is to implement a digital strategy for attracting and retaining talent, effective open-space collaborative and innovative working environment, and providing next generation training platforms to meet the demands of digital business optimization. This IT digital transformation strategy could also transcend to the rest of the Agency as needed.

Information Governance and Technology

Focus Area: Information Governance Practices

Goal

Improve management of agency information by standardizing processes and procedures.

Objective 1

Stand up an Enterprise Information Governance Program that support industry standards.

Strategies

1. Adopt industry and regulatory standards and best practices as the guides for building an enterprise framework for Information Governance.
2. Implement an Enterprise Information Governance Training Program that focuses on the capture, maintenance, and retrieval of all stored information.

Related measure

SP3: Leveraging Technology

OM1: Clear, Concise Communication

Objective 2

Establish and implement information repository standards for the management of the information governance program across the enterprise.

Strategies

1. Develop policies and processes that implement standard classifications and naming conventions for enterprise storage locations that reflect the functional activity of the information retained.
2. Develop repositories that support enterprise content with appropriate access and versioning for all agency policies, practices, and knowledge-based programs.

Related measure

SP3: Leveraging Technology

OP1: Managing Client Data and Services

OM1: Clear, Concise Communication

Information Governance and Technology

Focus Area: ORION Business Modernization

Goal

Improve IT efficiency and responsiveness to business operational changes.

Objective 1

Re-architect Core Applications in ORION as independent, discrete business services.

Strategies

1. Resolve key issues that are affecting ORION's administration, performance, maintainability, and sustainability to prepare for modernization.
2. Refactor batch processes to improve maintainability and efficiency, and reduce the batch processing window.
3. Redesign logging, monitoring, and error handling systems of the batch process and core applications.
4. Explore opportunities to externalize business rules from core applications.
5. Create an application-programming interface (API) ecosystem to allow ORION to loosely integrate between applications, commercial-off-the-shelf (COTS) solutions, and external services.

Related measure

SP3a: # of business days in a month ORION systems are not available within the standard service window

SP3d: # of batch incidents/abends in a month

SP3h: % of time ORION systems are available during the service window

Objective 2

Architect, plan, and design the PERS Production Data Center migration.

Strategies

1. Migrate existing services from PERS Data Center to the State Data Center (SDC), as appropriate, with minimal disruption to ORION.
2. Research and explore opportunities between the SDC and private cloud providers as architected by the ORION Modernization.

Related measure

SP3: Leveraging Technology

OP1: Managing Client Data and Services

Information Governance and Technology

Focus Area: IT Digital Transformation

Goal

Improve workforce environment and prepare for and attract the next generation of technical talent.

Objective 1

Transform Information Services Division (ISD) working environment to encourage collaboration and innovation.

Strategies

1. Deploy innovative and collaborative tools for effective real-time communication to support teleworking and telecommuting between staff, outside contractors, and other partners.
2. Create an open-space working environment and reorganize staff to encourage collaboration, enable flexible co-location of teams by project, and reduce topical and functional silos within ISD.

Related measure

SP3: Leveraging Technology

SP5: Managing & Developing the Workforce

Objective 2

Attract and retain IT talent at PERS.

Strategies

1. Build relationships and community outreach to state and community colleges to provide a clear path for IT careers at PERS and the State.
2. Initiate a formal Internship Program to graduating students as an entry into IT positions with PERS and the State.
3. Cultivate a career path to retain IT staff by encouraging innovation and investment in training.

Related measure

SP3: Leveraging Technology

SP5: Managing & Developing the Workforce

Financial Management

Introduction- New for 2018-2023 Plan

As the financial world continues to evolve with a focus on greater transparency and ease of use for consumers, so too must PERS develop strategies to keep pace with these changes and meet member expectations. This level of responsiveness and transparency requires investing in an enhancement to our financial management tools, resources, and knowledge. Over the past decade, PERS has been required to provide multiple pension plan options and enhancements, and the increasing demands appear likely to continue. To meet these and future needs, we need to create a financial management strategy that allows greater flexibility to pivot when legislation or members demand it. To succeed, we need to enhance and integrate our financial management systems as well as invest in professional and organizational development.

Our current financial management systems require intense manual oversight, which exposes us to quality control and duplicative work. As a result, we spend an inordinate amount of time not only verifying staff work but also verifying the data we receive. Enhancing our systems promotes efficiency, limits manual oversight, and streamlines workflows.

Additionally, we need to invest in our financial management division's professional development. As we invest in technology upgrades, we must ensure our workforce is able to meet the demands of new programs and be educated on the most up-to-date processes. This group will influence and inform the implementation of our financial strategy and we need to insure we invest the same amount of attention in their development as we have in the technology meant to assist them.

Financial Management

Focus Area: Technology Upgrades and System Integration

Goal

Enhance and improve productivity, reduce manual processes, and accurately and quickly respond to legislative and stakeholder needs.

Objective 1

Increase efficiency, improve communication, and reduce manual work.

Strategies

1. Enhance our current technology systems and tools to provide integration and sustainability within our existing infrastructure.
2. Secure communication with third-party administrators and vendors.
3. Ease and enhance the development of financial reporting.
4. Automate wholly manual processes and integrate them into existing infrastructure.

Related Measures:

OP6a: Manual Checks

Objective 2

Standardize financial data organization and reduce manual reconciliation between systems to improve accuracy and responsiveness to legislative and stakeholder needs.

Strategies

1. Enhance ORION and its interactions with the General Ledger to minimize manual processes.
2. Create FASD documentation standards, including file structure and organizational management.
3. Enhance ORION to improve data accuracy and reconciliations.

Related Measures:

OP6e: Tax Reporting

Objective 3

Evaluate and implement electronic filing and paperless processes to effectively and promptly respond to inquiries and efficiently process transactions.

Strategies

1. Convert physical records and existing paper intake to electronic filing, including introducing e-signature capability.
2. Enhance our ability to send EFT and promote its use for members, vendors, and employees.

Related Measures:

OP6b: Direct Deposit

SP4d: Timely Payment Processing

Financial Management

Focus Area: Financial Management Resource Development

Goal

Ensure PERS has the appropriate level of professional staff to perform the financial accounting, reporting, budgeting, analysis, and forecasting required to be compliant and deliver exceptional service to our stakeholders.

Objective 1

Ensure financial operations has the appropriate staffing to provide timely and accurate service to all stakeholders.

Strategies

1. Evaluate and develop a plan for the structure and staff level requirements needed, including acquiring the resources to execute such a plan.
2. Determine the staffing resources needed to support continuous process improvement, query development, systems research and testing, and tool development.

Objective 2

Increase professional certification and training within financial operations to engage staff and prepare them for potential shifts in expectations as our processes evolve, ensuring adherence to compliance and implementation of best practices.

Strategies

1. Develop standardized competencies as well as a fully funded training program to ensure adoption of these new standards.
2. Determine a benchmark for the percent of certifications along with a funding plan to ensure that the benchmark is attainable.