



Board of Administration

Agenda Item 10b

February 15, 2022

Item Name: CalPERS 2022-27 Strategic Plan – First Reading

Program: Enterprise

Item Type: Information

Executive Summary

This agenda item includes the proposed CalPERS 2022-27 Strategic Plan (first reading) for review and comment by the Board of Administration. The second reading of the CalPERS 2022-27 Strategic Plan will be presented for approval prior to the end of the fiscal year.

Strategic Plan

The development of the next strategic plan will guide the organization's strategic priorities for the next five years in the attainment of our Mission and Vision.

Background

Over a year ago, CalPERS embarked on a thoughtful approach to developing our next 5-year Strategic Plan. The draft CalPERS 2022-27 Strategic Plan (Attachment 1) represents the culmination of a comprehensive and collaborative process including current state assessment, and engagement with the Board, Executives, external stakeholders, and CalPERS team. Key strategic themes were developed based on the review of critical inputs and conversations with our internal and external stakeholders. Through the feedback and analysis, and themes that emerged, we clearly understood that our Vision and Mission have not changed, and we have a solid strategic framework to continue building upon. The themes were used to refine our current Strategic Goals and identify new goals. Accompanying objectives were then developed to assist us in achieving these goals. To gauge our progress, we have identified and developed potential strategic measurements. These include concepts from several current performance measurements (Attachment 2) and a dashboard view of the new measurement concepts (Attachment 3).

Analysis

Critical inputs have been analyzed as a part of the development process, including the 2017-22 Strategic Plan to determine what could be built upon and leveraged. We evaluated our strategic and operational performance through a current state assessment and conducted peer

comparison, workforce analysis, environmental scan, and risk analysis activities. We assessed our organization's Strengths, Weaknesses, Opportunities, and Threats, and identified trends in data. Additionally, we sought feedback from our internal and external stakeholders.

These inputs have been included in the development of the Strategic Plan throughout the framework. The 2022-27 Strategic Plan identifies five goals for the Enterprise that focus on the following areas:

- Member Experience
- Pension Sustainability
- Exceptional Health Care
- Stakeholder Engagement
- Organizational Excellence

These strategic goals will guide the organization and our work over the next five years.

Our Vision and Mission statements, linked with our core values, provide a full picture of who we are, what we stand for, and who we serve.

Budget and Fiscal Impacts

Resources for the CalPERS 2022-27 Strategic Plan will be funded by redirecting existing internal resources or funds and will be requested through the annual budget planning process.

Benefits and Risks

The 2022-27 Strategic Plan will set a strategic direction for the enterprise for the next five years, assisting in the allocation of resources and communication of CalPERS' goals and objectives. The Plan is specifically designed to address the most significant risks and opportunities facing CalPERS and will be regularly reviewed to respond to a changing environment.

Attachments

Attachment 1 – Draft CalPERS 2022-27 Strategic Plan.

Attachment 2 – Draft Strategic Measures that demonstrate our progress over the life of the plan.

Attachment 3 – Strategic Measures – Under Development - Dashboard view of potential new strategic measurement concepts.

Attachment 4 – CalPERS 2022-27 Strategic Plan – First Reading Presentation

Sabrina Hutchins, Chief
Enterprise Strategy and Performance Division

Doug Hoffner
Chief Operating Officer

Marcie Frost
Chief Executive Officer