

Proposed Changes - Strikethrough

Goal A: Improve long-term pension and health benefit sustainability

Objectives	Strategic Initiatives	DRAFT
<p><u>Manage Fund the System through</u> an integrated view of pension assets and liabilities</p>	<ul style="list-style-type: none"> Actively manage <u>and assess the</u> funding risk through an asset liability management framework <u>to guide investment strategy and actuarial policy that is evaluated regularly</u> 	
<p><u>Enable Educate</u> employers and other stakeholders to make informed decisions about <u>pension retirement security</u> and health <u>benefits care</u></p>	<ul style="list-style-type: none"> Provide employers and other stakeholders with thorough, risk-based information about the expected course and variability of future pension contribution requirements Expand member <u>and employer</u> access to information regarding the cost <u>and quality</u> of health care and ways to impact <u>that cost those trends</u> Provide existing and prospective Long-Term Care <u>Program</u> policy holders with <u>rate premium</u> and other information to improve decision making 	
<p>Deliver target risk-adjusted investment returns</p>	<ul style="list-style-type: none"> Implement programs and initiatives that improve investment performance and ensure <u>capable effective</u> systems, operations and controls are in place 	
<p>Ensure high-quality, accessible, <u>and</u> affordable health benefits</p>	<ul style="list-style-type: none"> Implement new approaches and expand efforts already proven to reduce health care costs <u>and improve health outcomes</u>, including changing how we contract with health plans 	
<p>Create a lifestyle of wellness among members and employers</p>	<ul style="list-style-type: none"> Pursue <u>Establish</u> partnerships that focus on increasing public and private sector focus on wellness <u>Develop and administer an independent wellness platform that ensures the active engagement of employees and employers</u> 	

Goal B: Cultivate a high-performing, risk-intelligent and innovative organization

Objectives	Strategic Initiatives	DRAFT
Use a focused approach to generate, test, refine and implement new ideas	<ul style="list-style-type: none"> Adopt a decentralized methodology methodologies that enable <u>empower staff to quickly testing, vetting, and refinement of</u> ideas that improve internal and external <u>performance and</u> service 	
Deliver <u>quality superior</u> end-to-end customer service that <u>is adaptive responds</u> to changing customer needs	<ul style="list-style-type: none"> Promote use of business intelligence throughout the organization to <u>optimize improve provide optimal</u> customer service <u>and</u> delivery Enhance customer service delivery <u>business processes</u> to <u>improve achieve high-quality, timely, effective, and efficient customer service delivery access, quality, effectiveness and services we provide</u> to our members and employers 	
Recruit, retain, develop and empower a broad range of talents against organizational priorities	<ul style="list-style-type: none"> Develop <u>and implement</u> a comprehensive talent management strategy <u>that includes recruitment, knowledge transfer, succession planning, and a methodology to regularly gauge employee satisfaction and monitor progress</u> 	
Actively manage business risks with an enterprise-wide view	<ul style="list-style-type: none"> Develop a robust risk-intelligent culture through enhanced governance, risk assessment and mitigation; monitoring for compliance and <u>collaboration with stakeholders</u> <u>education</u> 	

Goal C: Engage in state and national policy development to enhance the long-term sustainability and effectiveness of our programs

Objectives	Strategic Initiatives	DRAFT
<p>Define <u>Clarify and communicate</u> CalPERS perspective on pension, health and financial markets</p>	<ul style="list-style-type: none"> Establish a defined set of principles and beliefs to guide public policy engagement by the System 	
<p>Provide education and engagement opportunities for a variety of stakeholders</p>	<ul style="list-style-type: none"> Develop <u>new strategic</u> partnerships with academic institutions, governmental organizations, non-profits, the financial sector and the California business community through a structured outreach program 	
<p>Provide education and engagement opportunities to work collaboratively to shape policy agenda and expand impact</p>	<ul style="list-style-type: none"> Create <u>Develop</u> a series of “thought leadership” initiatives <u>that promote CalPERS priorities and policies in areas of relevance: shareholder activism, corporate governance, pension and healthcare reform</u> Increase visibility and accessibility of CalPERS Executive Leadership and Board of Administration <u>Elevate the profile of CalPERS Board of Administration and Executive Leadership at</u> through <u>strategic involvement at</u> industry and stakeholder events 	

Proposed Changes - Clean

Goal A: Improve long-term pension and health benefit sustainability

Objectives	Strategic Initiatives	DRAFT
Fund the System through an integrated view of pension assets and liabilities	<ul style="list-style-type: none"> Actively manage and assess funding risk through an asset liability management framework to guide investment strategy and actuarial policy 	
Educate employers and other stakeholders to make informed decisions about retirement security and health care	<ul style="list-style-type: none"> Provide employers and other stakeholders with thorough, risk-based information about the expected course and variability of future pension contribution requirements Expand member and employer access to information regarding the cost and quality of health care and ways to impact those trends Provide existing and prospective Long-Term Care Program policy holders with premium and other information to improve decision making 	
Deliver target risk-adjusted investment returns	<ul style="list-style-type: none"> Implement programs and initiatives that improve investment performance and ensure effective systems, operations and controls are in place 	
Ensure high-quality, accessible and affordable health benefits	<ul style="list-style-type: none"> Implement new approaches and expand efforts already proven to reduce health care costs and improve health outcomes, including changing how we contract with health plans 	
Create a lifestyle of wellness among members and employers	<ul style="list-style-type: none"> Establish partnerships that focus on increasing public and private sector focus on wellness Develop and administer an independent wellness platform that ensures the active engagement of employees and employers 	

Goal B: Cultivate a high-performing, risk-intelligent and innovative organization

Objectives	Strategic Initiatives	DRAFT
Use a focused approach to generate, test, refine and implement new ideas	<ul style="list-style-type: none"> • Adopt methodologies that empower staff to quickly test, vet and refine ideas that improve internal and external performance and service 	
Deliver superior, end-to-end customer service that is adaptive to customer needs	<ul style="list-style-type: none"> • Promote the use of business intelligence throughout the organization to optimize customer service and delivery • Enhance business processes to achieve high-quality, timely, effective and efficient customer service delivery to our members and employers 	
Recruit, retain, develop and empower a broad range of talents against organizational priorities	<ul style="list-style-type: none"> • Develop and implement a comprehensive talent management strategy that includes recruitment, knowledge transfer, succession planning, and a methodology to regularly gauge employee satisfaction 	
Actively manage business risks with an enterprise-wide view	<ul style="list-style-type: none"> • Develop a robust risk-intelligent culture through enhanced governance, risk assessment and mitigation, and collaboration with stakeholders 	

Goal C: Engage in state and national policy development to enhance the long-term sustainability and effectiveness of our programs

Objectives	Strategic Initiatives	DRAFT
<p>Clarify and communicate CalPERS perspective on pension, health and financial markets</p>	<ul style="list-style-type: none"> • Establish principles and beliefs to guide public policy engagement by the System 	
<p>Provide education and engagement opportunities to shape policy agenda and expand impact</p>	<ul style="list-style-type: none"> • Develop new strategic partnerships with academic institutions, governmental organizations, non-profits, the financial sector and the California business community • Develop a series of thought leadership initiatives that promote CalPERS priorities and policies • Elevate the profile of CalPERS Board of Administration and Executive Leadership through strategic involvement at industry and stakeholder events 	