

CALSTRS | >

# Strengthening our guiding principles

July board offsite – innovation session

11:00 – 12:30 AM | Wednesday July 26, 2023



# Timeline & progress to date

## About the project

CalSTRS has embarked on a three-year journey to become a more innovative organization. In partnership with Accenture, we have mapped out a four-phase plan to **assess** the current state of our culture and capabilities, set a vision, **design** and **implement** the future state, and **maintain** and evolve the program. We are currently wrapping up the assessment phase.

We are here



Mar – Jul 2023  
**Assessment**

- Inside-out Evaluation
- Outside-In Research
- Alignment + Insight Generation
- Vision Workshop

Jul – Jan 2024  
**Design**

- Innovation Strategy
- Innovation Program Design and Proof of Concept (operating model, innovation engine, idea evaluation and qualification)

Jan – Jul 2024  
**Implementation**

- Strategy Activation
- Innovation Funnel Activation
- Governance Mobilization

Jul 2024+  
**Maintenance**

- Ongoing innovation funnel activities
- Revise Playbook
- Innovation Program Management

# Vision workshop readout





# INNOVATION @ CALSTRS

MAKE IT REAL! ORTHODOXY  
WHY? WHY NOT? FEAR  
MINDSET  
LEARN BY DOING!  
YES AND...  
GROWTH SIMPLIFY  
COMMUNICATION!!!  
LEAD BY EXAMPLE  
HERE'S HOW WE DO INNOVATION

PHYSICAL SPACE MATTERS  
ALIGNED TO COMPETENCIES  
ACTION VERBS  
THOUGHT LEADERS  
VALUE  
LOVE & EXPAND??  
GROW GOOD INTO GREAT  
CREATE for TOMORROW  
CREATIVITY IS DONE DAILY!

your focus  
SPEED?  
REDUCE COMPLEXITY?

Empathy

CULT BEHAVIORS

BUILD COMPREHENSION

HOWEVER EXPERIMENT

JUNE 12-13, 2023



# Defining SUCCESS

CASE STUDIES 

LOWER LEVEL ROLL-OUT 

EXPAND OPPORTUNITIES

ONE-STOP SHOP?

LEADERSHIP COMPETENCIES... HOW TIED TO STRATEGY?

"THOUGHT LEADER!"  
"OPEN MINDED!"

## MEMBERS

- MORE MEMBERS ACT
- CLEAR & EASY REPORTING
- SIMPLIFY! • 403B
- KEEP UP WITH CHANGE
- BENEFIT CALCULATOR

EASY-TO-USE!  
INTUITIVE!  
SELF-SERVICE

MEMBER PORTAL   
APP 

- ★ SERVING OUR MEMBERS
- ★ WE HEAR THEM
- ★ ACTION, RESPECT, EXPERTISE
- ★ COMMUNICATION
- ★ TRANSPARENCY

## STAKEHOLDERS


- CLEAR ASPIRATIONS
- HOW EVERYONE CAN HELP
- KNOW HOW TO IMPROVE PROCESS

## EXECUTIVES

- NEW WAYS OF WORKING
- COMMUNICATION
- ASKING RIGHT QUESTIONS
- RIGHT PEOPLE
- "MODEL THE WAY"

## TRUST

## STAFF

- VALUED 
- CONTROL OVER WORK
- ADAPTABILITY
- CREATIVITY
- CONTINUOUS LEARNING
- OPEN COMMUNICATION

CROSS-FUNCTION SHORTER APPROVAL PLAYBOOK

EMPOWERMENT GROWTH ACTIVATED

ALIGNED TO COMPETENCIES



COLLABORATIVE PURPOSE

• FULFILLED



CONFIDENCE 

## BOARD

- FEAR → FREEDOM 
- SEE SUCCESS
- RIGHT INFO at RIGHT TIME
- LOOK FORWARD 
- DELEGATE
- STAFF = HIGH AUTONOMY
- BIG PICTURE
- STREAMLINED
- CLEAR VISION 

JUNE 12, 2023

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# INNOVATION

LIMITLESS  
CURIOSITY

GROW  
GOOD  
into  
GREAT

IGNITE  
your  
IDEAS

CREATE  
for  
TOMORROW

## BUILD COMPREHENSION TOGETHER

"ROUND  
ROBIN"

Empathy  
JUNE 13, 2023



ELIMINATE  
MISCOMMUNICATION

ELMO!  
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# CULTURE





# Vision workshop

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# Reflections and Q&A





**01**

We are inspired by our members, beneficiaries and each other.

**02**

We are fearless with exploration and choosing new ways of working within reasonable, defined parameters.

**03**

As leaders among public pensions, we look to other innovators to develop an approach that is unique to CalSTRS.

**04**

We demonstrate an unwavering commitment to sustained innovation through well-informed resource allocation.

**05**

We maintain transparency and seek feedback across all levels of the organization to foster trust in the practice of innovating.

**06**

We recognize successes and mis-takes in the process of innovating.

CalSTRS Innovation Guiding Principles,  
drafted during October 2022 board offsite



# Guiding principles

## At the Vision Workshop...

CalSTRS executives did an activity where they reviewed the Innovation Guiding Principles drafted at the 2022 October Board offsite and then ideated on what the principles would look like in practice. They described the behaviors that would bring each principle to life, what might cause them to fail and how we might strengthen them. The executives then identified how it might be difficult to articulate behaviors for specific principles. That activity highlighted that those principles may need to be expanded or updated.

## 01

### We are inspired by our members, beneficiaries and each other.

1. What are the behaviors from each stakeholder that would bring this principle to life?
  - As a staff member, I **strive to act on opportunities.**
  - As an executive, I **listen and am open-minded.**
  - As a board member, I **support staff.**
  - As a member I am supported by –
2. Why would these behaviors not work? How might the behaviors fall short or not result in success?
  - **Not focused on principles (incomplete)**
  - **What is the follow-up or outcome?**
3. How might we strengthen the behavior statements?
  - **Seek out exposure of opportunities to become inspired**

#### Other Comments

- **Principle is unclear – inspired to do what?**

## In today's session...

Using the outputs from the executive Vision Workshop, we will do a similar activity today to refine and strengthen the guiding principles.

As you're reviewing these outputs consider the following questions:

Are the principles, as written, being interpreted correctly?

Do they provide direction that everyone throughout CalSTRS can follow to be innovative?

How can they be further strengthened?




# Breakout groups

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 **10 mins** | **Round 1: Strengthen the guiding principle**

 **7 mins** | **Round 2: Challenge the guiding principle**

 **7 mins** | **Round 3: Make a recommendation**

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 **16 mins** | **Shareback**

 10 mins

# Round 1

**Review the guiding principle and the feedback in the round robin card from the executive vision workshop.**

Given the feedback, how might we strengthen this guiding principle to be tangible and actionable for the executives and staff?

01

We are inspired by our members, beneficiaries and each other.

**Round 1:** Strengthen the Guiding Principle

1. Given the feedback, how might we strengthen this guiding principle to be tangible and actionable for executives and staff?

**Round 2:** Challenge the Guiding Principle

2. Why might this guiding principle fail? In other words, what might hold this principle back?





7 mins

# Round 2

**Review what the previous group shared and challenge it.**

Why might this guiding principle fail? In other words, what might hold this principle back?

## Round 2: Challenge the Guiding Principle

2. Why might this guiding principle fail? In other words, what might hold this principle back?

## Round 3: Make a Recommendation

3. After reading the previous two responses, what is your recommendation for strengthening this guiding principle?

- No Update to Principle** (explain your reasoning below)
- Update Principle** (explain your reasoning below)
- Other** (explain below)



7 mins

# Round 3

**Review the responses from the previous two groups and make a recommendation.**

Make a recommendation to strengthen the guiding principle. Should the principle be kept the same or updated? Select an option and expand on your choice accordingly.

## Round 2: Challenge the Guiding Principle

2. Why might this guiding principle fail? In other words, what might hold this principle back?

## Round 3: Make a Recommendation

3. After reading the previous two responses, what is your recommendation for strengthening this guiding principle?

- No Update to Principle** (explain your reasoning below)
- Update Principle** (explain your reasoning below)
- Other** (explain below)





# Shareback + discussion

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# Thank you!

