

CALSTRS

Innovation project update

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Timeline and progress

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 beginning the design phase.

We are here



Mar – Jul 2023 Assessment	Jul – Jan 2024 Design	Jan – Jul 2024 Implementation	Jul 2024+ Maintenance
<ul style="list-style-type: none">• Inside-out evaluation• Outside-in research• Alignment and insight generation• Vision Workshop	<ul style="list-style-type: none">• Innovation strategy• Innovation program design and proof of concept (operating model, innovation engine, idea evaluation and qualification)	<ul style="list-style-type: none">• Strategy activation• Innovation funnel activation• Governance mobilization	<ul style="list-style-type: none">• Ongoing innovation funnel activities• Revise playbook• Innovation program management

Innovation assessment activities

March-July 2023

Culture DNA Assessment ————— **122** participants



Conducted a 37-question survey and analysis to understand CalSTRS' cultural strengths and challenges regarding innovation.

Focus groups ————— **84** participants



Held 14 group discussions with leaders and staff from all branches to gather feedback on innovation at CalSTRS and assess maturity of innovation capabilities.

Executive Vision Workshop ————— **11** participants



Facilitated an eight-hour workshop over two days with our Executive Staff to unpack the current state of innovation and validate the innovation agenda and approach.

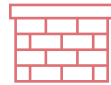
Innovation assessment key findings



Strengths

Innovative mindsets: New ideas are constantly being generated, and process improvement is the norm.

Strategic alignment: Employees trust leadership and are driven by the vision and mission.



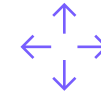
Challenges

Bandwidth: Limited time to dedicate to being creative.

Velocity & speed of decisions: Greater rapidity in making decisions and responding to the market trends is needed.

Prioritization & implementation: Standardized processes for prioritizing and implementing are unclear.

Understanding of innovation: Disparate understanding of innovation across CalSTRS.



Recommendations

Align organization around a **common understanding of innovation.**

Define the structures and processes to **prioritize and implement innovation.**

Streamline processes to improve efficiency, velocity, and bandwidth.

Strengthen **culture**

Create for tomorrow

CalSTRS has delivered secure retirements for educators for over a 100 years.
Now, we create for tomorrow.

Inspired

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

Bold

We are informed and confident risk takers and contribute to building a safe environment to try new ideas.

Collaborative

We look to other innovators to collaborate with and enhance our unique approach.

Balanced

We make well-informed resource allocations in alignment with our strategic goals and cost-benefit analysis.

Transparent

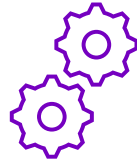
We foster transparency and trust by leveraging feedback and sharing results across all levels of the organization.

Design phase workstreams and next steps



Create innovation playbook

Convene CalSTRS innovation leaders in a series of working sessions to build a playbook that codifies the structures and processes that power innovation.



Test ideas in a proof of concept

Collect ideas from across the organization to build a backlog and select 1-2 concepts to test in a PoC that can be targeted for scaling in later phases.



Conduct a culture experiment

Convene culture champions to build and test cultural experiments targeting 2-3 priority areas in a PoC that can be targeted for scaling in later phases.



Communicate ideas

Provide recommendations and one-pagers to help leadership disseminate innovation messaging across the organization.



Questions?