

2. Board Governance – D. Board Member Responsibilities – 4. Strategic Planning Policy

4. Strategic Planning Policy

a. ~~Guiding Principles~~

~~The CalSTRS engages in strategic planning represents a as a routine governance practice to align the organization's evolution with a long-term continuous five-year effort of instilling best corporate practices today in order to successfully accomplish its vision tomorrow the board's future vision of success. The plan process runs on a multi-year cycle and reflects is a a cooperative effort between CalSTRS the board and staff and is may be updated annually if needed during its three-year cycle. With direction from the board, tThe strategic plan is adopted by the board and implemented by staff by way of the annual business plan. and It is used as a guide throughout all levels of CalSTRS. The strategic plan guides the board and committees in the development of work plan activities.~~

b.a. The roles and responsibilities for strategic planning are outlined below.

~~Members of tThe board are is responsible for:~~

- ~~i. Partnering with the executive staff to set a future vision.~~
- ~~ii. Reaching consensus and aAdopting the initial strategic plan, for CalSTRS, including the Vision, Mission, Core Values, Goals and Objectives.~~
- ~~iii. Aligning the board and committee workplan with the strategic plan.~~
- ~~ii. Appropriately Identifying the critical success factors for the overall plan.~~
- ~~iii. Approving the method for performance measurement, including metrics and benchmarks, in order to evaluate progress under the strategic plan. r~~
- ~~iv. Ensuring availability of the resources to implement esourcing the strategic planning objectives and~~
- ~~iv.v. aAddressing significant obstaels risks that may impede its progress, of the plan.~~
- ~~v. Establishing a process for providing direction to staff on the plan.~~
- ~~vi. Providing leadership in collaboration with executive staff to shape strategy for Managing key strategic plan priorities in accordance with the strategic plan.~~
- ~~vii. Participating in an environmental scan to update the strategic plan using appropriate strategic planning methods.~~
- ~~viii. Annually Eevaluating progress in and meeting goals and objectives achievement under the strategic plan.~~
- ~~ix.vii. Updating the plan annually.~~

The Chief Executive Officer is responsible for:

- ~~i. Establishing a process consistent with contemporary best practices to develop and update the strategic plan.~~
- ~~ii. Seeking input from a wide range of internal and external perspectives, including staff and stakeholders, about key strategic issues, including an~~

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~~environmental scan, prior to the annual planning session as part of the when developing or updating the strategic plan development.~~

- ~~ii. Coordinating with the board chair so that the board and staff work together to review and update the goals and objectives.~~
- iii. Developing ~~operational~~ strategies that align with the board’s priorities and managing staff’s implementation of the plan.
- iv. Working with staff to develop an annual business plan that aligns with the strategic plan and board and committee workplan.
- v. Monitoring implementation ~~and progress under the plan~~ and promptly informing the board of significant any obstacles risks that may impede itsing progress.
- vi. Preparing annual progress reports for the board.
- ~~vii. Informing the board of any issues that should be dealt with in the strategic plan.~~
- ~~viii.vii.~~ vii. Communicating strategic plan updates to staff and other stakeholders.

~~e. Definitions~~

- ~~i. **Benchmarking**—Benchmarking is a process of rating CalSTRS practices, processes and products against peer groups or best in-class performers. Benchmarks are then derived by comparing the quality of CalSTRS practices, processes and products against standard measurements, or similar measurements. The objectives of benchmarking are (1) to analyze how other organizations achieve their high performance levels, (2) to determine whether the information applies to CalSTRS, and (3) to apply this information to improve performance.~~
- ~~ii. **CalSTRS Business Plan**—An annual plan prepared by CalSTRS staff to detail objectives aligned to the Strategic Plan for the next fiscal year. The Business Plan illustrates how the objectives will be achieved and serves as a blueprint to guide CalSTRS activities for the year. It also provides a summary of the total annual budget and a breakdown of personnel allocations by business area.~~
- ~~iii. **Environmental Scan**—Careful monitoring of CalSTRS internal and external environments to detect opportunities and threats that may influence its ability to implement current and future plans.~~
- ~~iv. **Goal**—A long-term organizational target or development direction. It states what the organization wants to accomplish or become over the next several years. Goals provide a basis for decisions about the nature, scope and relative priorities of all objectives, projects and activities. Everything the organization does should help it move toward attainment of one or more goals.~~
- ~~v. **Mission**—The purpose of CalSTRS, its unique reason for existence. It identifies who it is, what it does, for whom it provides the services or products, and why it exists.~~
- ~~vi. **Objective**—Action-oriented statements to achieve goals. Objective statements are specific, measurable, action-oriented, realistic and time-bound (SMART). Objectives often begin with action verbs such as “increase,” “reduce,” “improve” or “achieve.”~~

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- vii. ~~**Performance Measure**—A standard used to evaluate performance against expected results. Measures can be quantitative (numbers, dollars, percentages, etc.) or qualitative, with success defined for evaluating progress. Reporting and monitoring measures help an organization gauge progress toward effective achievement of strategic goals.~~
- viii. ~~**Strategic Plan**—A document used by CalSTRS to align its organizational strategies and resources with its mission, vision and priorities. The Strategic Plan includes a mission and vision statement, core values, a description of the CalSTRS long-term goals and objectives, outcome measures and strategies or means that the organization plans to use to achieve the goals and objectives. The Strategic Plan also includes an updated assessment of internal strengths and weaknesses, and external opportunities and threats that could have an influence over achievement of the goals and objectives (environmental scan).~~
- ix. ~~**Strategy**—The means by which an organization intends to accomplish a goal or objective. It summarizes a pattern across policy, programs, projects, decisions and resource allocations.~~
- x. ~~**SWOT Analysis**—A type of organizational environmental scan in which internal strengths and weaknesses and external opportunities and threats are closely examined to better understand the environment in which CalSTRS is operating. Results are frequently used as input to strategic planning sessions to determine if strategic course corrections are necessary. SWOT is an acronym for strengths, weaknesses, opportunities and threats.~~
- xi. ~~**Vision**—A vision is a conceptual image of a desired future for CalSTRS. It focuses on expressing the future in such a way as to excite and compel CalSTRS to attain its future state. It is the foundation for a strategic management system.~~
- xii. ~~**Work Plan**—Completed annually, states board and committee activities for the upcoming fiscal year that are aligned to the strategic plan. Documents when these activities will be presented to the board/committee and how the activities relate to strategic goals, objectives and CalSTRS vision.~~

History: Approved April 1, 2008; Amended November 3, 2011 [to clarify roles and responsibilities among the board and the Chief Executive Officer, and add strategic planning definitions to establish a common understanding of terms used throughout the process]; ~~Amended XXXX, 2022 [to update report timeline remove procedural aspects and related verbiage].~~