

# Employees' Retirement System of the State of Hawaii

Strategic Plan  
2011 - 2015

# Employees' Retirement System

## VISION

Be the **best** organization in meeting the retirement needs of our members.



Working to fulfill your retirement dreams .....

# Employees' Retirement System

## **MISSION**

Working together to provide a responsive, competent, and cost effective retirement program that elicits pride, confidence & trust.

# Employees' Retirement System

## VALUES

### **Aloha Spirit:**

We follow the Spirit of Aloha as:

- A** “Akahai” meaning kindness, to be expressed with tenderness. We will be kind and caring to all that we meet.
- L** “Lokahi” meaning unity, to be expressed with harmony. We are one team going in a positive direction.
- O** “Olu’olu” meaning agreeable, to be expressed with humility. We will work towards a common goal and be sensitive to the needs of others.
- H** “Ha’aha’a” meaning humility, to be expressed with modesty. We will be humble and considerate of others.
- A** “Ahonui” meaning patience, to be expressed with perseverance. We are motivated to always do what’s right and never be deterred from achieving this goal.

# Employees' Retirement System

## VALUES

### **Excellence:**

We will achieve the standard of excellence.

# Employees' Retirement System

## **VALUES**

### **Performance Improvement:**

We will continually seek ways to improve our operations to gain efficiencies and to maintain financial stability.

# Employees' Retirement System

## GOALS

- 1. Improve the ERS funded ratio with the long-term goal of achieving a 100% funded status ratio.**
- 2. Provide excellent service to members, retirees, beneficiaries, and employers.**
- 3. Streamline operational procedures and improve efficiencies.**
- 4. Earn superior investment performance using appropriate risk controls to achieve the approved investment return rate assumption.**
- 5. Identify, develop and evaluate timely and useful member, retiree, beneficiary, employer, and other stakeholder communications programs.**
- 6. Provide a nurturing and rewarding work environment for our team members.**

# Employees' Retirement System

## OBJECTIVE / STRATEGIC INITIATIVE

1. **Achieve financial stability by showing progress towards achieving a 100% funded status.**
  - **Work with Actuary to provide long-term projections (i.e., contributions and benefit payments), and monitor the actual results against the actuarial assumptions to determine the impact to the funded status.**
  - **Work with the Actuary and other consultants to provide recommendations to the ERS Board of Trustees on future plan designs (which includes employer contribution rate changes) and/or benefit structure changes to ensure future financial stability. Monitor changes implemented by other public pension plans and work with the Actuary to analyze its appropriateness to the ERS.**
  - **Monitor ERS's funded status as global, national, and State economic conditions change and make recommendations to change plan designs or benefit structure.**
  - **Present ERS recommended plan design or benefit structure changes to Governor, Legislature, Employers, Employee Organizations, and other stakeholders.**

# Employees' Retirement System

## OBJECTIVE / STRATEGIC INITIATIVE

2. **Provide excellent service to members, retirees, beneficiaries, and employers.**
  - **Implement self-service module on the ERS website that provides current member, retiree, and beneficiary information.**
  - **Conduct surveys and other methods to identify and understand the needs and expectations of members.**
  - **Provide timely information either on the telephone (with security verification; same day response) or written correspondence within 2 – 5 business days.**
  - **Monitor and improve business processes to ensure the efficient and effective delivery of services.**
  - **Ensure that performance standards are met.**
  - **Hold retirement informational briefings to members and employers on a monthly basis.**
  - **Analyze and design best use for integrating financial planning within the ERS's counseling structure.**

# Employees' Retirement System

## OBJECTIVE / STRATEGIC INITIATIVE

3. **Streamline operational procedures and improve efficiencies.**
  - **Implement version 8.7 of the V3 pension management information system.**
  - **Review recommendations of Efficiency Study and implement those recommendations that are cost effective.**
  - **Develop reorganization plans and implement new structure.**
  - **Perform an internal audit, and review and implement recommendations that are cost effective.**
  - **Design the 12th floor of the City Financial Tower and Kapolei branch offices that are conducive to operating efficiently.**

# Employees' Retirement System

## OBJECTIVE / STRATEGIC INITIATIVE

4. **Earn superior performance using appropriate risk controls to achieve the approved investment return rate assumption.**
  - **Work with the investment consultants to evaluate new strategies and products for new investments.**
  - **Proactively monitor the investment managers and investment portfolio.**
  - **Monitor and improve the cash management system.**
  - **Monitor and improve the targeted asset allocation and investment mix in consideration of the ERS's cash flow requirements.**
  - **Review the asset/liability study for any changes needed in consideration of the economy and the market conditions and the ERS's long-term funding situation.**

# Employees' Retirement System

## OBJECTIVE / STRATEGIC INITIATIVE

5. **Identify, develop and evaluate timely and useful member, retiree, beneficiary, employer, and other stakeholder communications programs.**
  - **Develop and implement a comprehensive communications plan for members, retirees, beneficiaries, employers and other stakeholders.**
  - **Continue with the quarterly Holomua Newsletters.**
  - **Continue developing direct communications with members and education counseling programs for life/career stages.**
  - **Focus efforts to reinforce stakeholder understanding and to strengthen partnerships with employers and others.**
  - **Continue development of training, staff support, and technology resources for employers and others.**

# Employees' Retirement System

## OBJECTIVE / STRATEGIC INITIATIVE

- 6. Provide a nurturing and rewarding work environment for our team members.**
  - Identify needs and expectations of staff.
  - Continue with quarterly Senior Management Retreat.
  - Develop performance incentive program.
  - Continue with quarterly Office Meetings.
  - Produce an annual performance development plan for all managers and supervisors.