

Please review the contents
of this deck to prepare for
the Innovation Session
with Accenture at the
upcoming board meeting.

PRE-READ

CALSTRS | >

Innovation Session: Strengthening our Guiding Principles

July Board Offsite

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

Jul – Jan 2024
Design

Jan – Jul 2024
Implementation

Jul 2024+
Maintenance

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

- Innovation Strategy
- Innovation Program Design and Proof of Concept

- Strategy Activation
- Innovation Funnel Activation
- Governance Mobilization

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

What to Expect

As the assessment phase of the Innovation Program is wrapping up, we would like to provide the Board with an update on our progress and high-level outcomes. We will also do an activity to get the Board's input and guidance on the approach going forward.

Objectives



Share updates on the CalSTRS Innovation Project and key findings.



Collect feedback on the approach and guiding principles

Agenda

01

Readout + Q&A

Talk through key learnings and outputs from the assessment including executive remarks and time for Q&A.

02

Breakout Group Activity

In breakout groups, complete an exercise to review and give feedback on each of the Innovation Guiding Principles.

03

Shareback + Discussion

Share with the large group the outputs of the activity and discuss any proposed refinements to the guiding principles.

04

Next Steps & Closing

Speakers



Jennifer Hall

Accenture Managing Director
Public Sector Innovation Lead
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Jen is a leader in Accenture's Innovation Consulting practice. She has expertise in facilitation for C-Suite and executive level

clients in helping them design their vision, mission and stakeholder experience. She has extensive experience (10+ years) in innovation workshops and design thinking activities. Jen's background combines experience from strategy consulting, vision and culture design, and innovation leadership. She's led projects and conducted sessions serving a range of constituents from small non-profits to Fortune 50 companies.



Remi Lassiter

Accenture Innovation Specialist
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Remi is an Innovation Specialist within Accenture's Innovation Consulting Practice. Her experience is concentrated in the social impact space where she has

worked with both government and non-profit clients on strategy and implementation projects developing a diverse skillset that includes workshop design & facilitation, strategy design, communications & marketing and research & synthesis.

VISION WORKSHOP OUTPUTS

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. During the process they tagged principles for which it was difficult to articulate the behaviors and thus, might need to be expanded upon 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?**

Coming Up...

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?

02

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

1. What are the behaviors from each stakeholder that would bring this principle to life?

- As a staff member, I **bring new ideas**.
- As an executive, I **embrace and empower creative thought**.
- As a board member, I **support exploration**.
- 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?

- Ideas need parameters (priority, cost, reason, outcome)
- Subjective to executive (need parameters for consistent application)
- Do they need to be involved in the process?

3. How might we strengthen the behavior statements?

- Feedback loop
- Define parameters
- Recognition

Other Comments

- “Reasonable, defined parameters” feels limiting

03

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

1. What are the behaviors from each stakeholder that would bring this principle to life?

- As a staff member, I **build strong connections and relationships, both internally and externally to contribute value to CalSTRS**.
- As an executive, I **participate at conferences, sit on boards & committees to understand best practice and influence change**.
- As a board member, I **leverage my unique experiences & skills while continuously being open-minded to new ideas**.
- As a member I am supported by **a skilled workforce and am confident that their decisions will realize my secure retirement**.

2. Why would these behaviors not work? How might the behaviors fall short or not result in success?

- Time to build connections/relationships
- Peer groups may not be innovative
- Path from idea to innovation is unclear

3. How might we strengthen the behavior statements?

- Staff – look for opportunities to build strong connections & relationships
- Executives – support staff time spent exploring and attending peer events & look for opportunities to influence change

04

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

1. What are the behaviors from each stakeholder that would bring this principle to life?

- As a staff member, I **recognize and communicate resource needs**.
- As an executive, I **stay informed of resource needs and direct resources in support**.
- As a board member, I **guide efforts to support resource needs**.
- As a member I am supported by **thoughtful resource allocations**.

2. Why would these behaviors not work? How might the behaviors fall short or not result in success?

- State constraints on resources
- Don't have all the tools to understand resource needs
- Execs cannot support all efforts
- Need to engage and explain reasons for decisions

3. How might we strengthen the behavior statements?

- Staff – recognize the SMEs required for ideas
- Execs – prioritize the focus (new ideas) for each budget cycle

Other Comments

- “Well-informed” – needs clarification

05

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

1. What are the behaviors from each stakeholder that would bring this principle to life?

- As a staff member, I am comfortable offering ideas and feedback.
- As an executive, I welcome input and ideas and provide feedback.
- As a board member, I model openness and acceptance.
- As a member I am supported by trusted information flow.

2. Why would these behaviors not work? How might the behaviors fall short or not result in success?

- Not creating a space for staff to feel valued/safe in giving ideas
- No follow-up
- Execs not embracing or can't and don't provide dialogue to still encourage future ideas

3. How might we strengthen the behavior statements?

- Staff – I feel confident my ideas & feedback are valued because I am involved in the suggested outcome in a timely manner
- Exec – consistently follow the innovation practices and establish the appropriate feedback loop to ensure ideas have been vetted and heard

06

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

1. What are the behaviors from each stakeholder that would bring this principle to life?

- As a staff member, I feel empowered to voice my ideas without fear.
- As an executive, I am open to contributing new ideas and receiving feedback from staff without judgement or limitations.
- As a board member, I support the organization's innovation approach and contribute to its growth.
- As a member I am supported by a qualified team to provide new ways of providing me services.

2. Why would these behaviors not work? How might the behaviors fall short or not result in success?

- We do not celebrate success adequately
- Competing priorities prevent focus on innovation success
- Board too far removed from incremental success and mis-takes

3. How might we strengthen the behavior statements?

- Executives – celebrate every idea regardless of viability and create the time and space for new ideas