



December 15, 2000

Volume 4, Issue 11

ORS Mission:
We deliver pensions related benefits and services to promote the future financial security of our customers.

ORS Vision:
Fast, easy access to complete and accurate information and exceptional service.

ORS Calendar

December

Pension Paydate ----- 18th
 ORS Holiday Party --- 19th
 Christmas Holidays -----
 ----- 22nd & 25th
 New Year's Holiday --- 29th

January

New Year's Holiday ---- 1st
 Martin Luther King
 Holiday ----- 15th
 State Police Board
 Meeting ----- 18th
 Public School Employees
 Board Meeting ----- 25th
 Pension Paydate ----- 25th

Results from September DMB Survey announced

The week of November 27, Department of Management and Budget Director **Janet Phipps** held a series of meetings with DMB employees to explain the results of the employee satisfaction survey conducted in September. Surveys were mailed to 1,244 employees at their homes.

She noted that the response rate a year ago was 51%, but was just over 38% this year. The consultant who designed the survey cannot explain why there was a drop-off, but says the response was still valid and representative of the entire department.

Explaining why the survey was mailed to homes this year, Janet said, "We are trying to get direct feedback with confidentiality. There is no way that comments can be traced to any particular person."

In this year's survey, 71% of all employees view DMB in either a "Strongly Positive" or "Positive" light. People feel positive or strongly positive (over 80%) about the future outlook for DMB. Supervision is rated second most highly. She said, "That's a real positive for the department, I believe. That's a good sign."

"DMB is using the survey to help validate what is being done in the Strategic Plan and to see whether we are headed in the right direction. According to the survey, most employees are very much aware of DMB's Mission and Vision.

"We have to be careful how we use the information that comes from the survey, not to draw comparisons

See DMB Survey Results on Page 2

Annual Member Statement mailing completed

Over the course of the last six days, approximately 316,000 Public School Employees Retirement System Annual Member Statements were sent to those members with home addresses on file who had active service during the 1999-2000 school fiscal year.

Prior to the final statement run, **Susan Park**, BPO for Customer Accounts and Information Center and **Mary Burmis**, coordinated an effort to have as many beneficiary nomination forms as possible entered on the system. In addition, under the lead of **BPO Andy Daignault** and **Sandy Elstro** from

Active Accounts, over 160,000 more members than last year will see complete service credit information as a result of the system evaluation and data purity projects conducted in 2000.

Printing of the statements through the Consolidated Print Center (CPC) went

See Annual Statements on Page 6

Happy Holidays!
 Have a safe and happy holiday season! Watch for the next LookOut on January 12, 2001.

DMB Survey Results

Continued from Page 1

between one unit and another," she emphasized. She also noted that the department would probably not be doing this type of survey next year. "We will be doing something different to try to dig further down to find out how people feel about the department and the progress we are making."

Morale and organizational health are rated the lowest. She asked, "How do we peel away another layer and figure out how to improve these areas? Perhaps we should put more in the survey on morale and organizational health the next time around."

"We have to address morale. We have to figure out what is causing low morale. Maybe in some areas we will need to have an outside facilitator to come in and try to work things out in small groups. We can't drop the issue of morale, in my opinion."

Janet noted that employees are viewed as being DMB's greatest asset. Relationships with co-workers and their immediate supervisors are cited as being their favorite aspect of working for DMB. "Each individual has an impact not only on his or her own performance," she said, "but also on fellow workers. It is important to understand that these relationships are a great strength for the organization as a whole, as well as to each of us individually."

Management issues and practices are still viewed by many as a significant weakness. Many employees perceive problems in the makeup and practices at

various levels of DMB's management as one of the key constraints to improvement. Employees want to see genuine, substantive improvement efforts at all levels of DMB – not just people paying lip service to "get by." She said, "Our actions are what really count. Our employees need to see we are genuinely trying."

She said, "We need to set up an environment where people can feel comfortable saying, 'This is bunk,' or 'we're not moving in the right direction,' but at the end of the day, they can say, 'Let's give it a try.'"

"People see employee retention and development and retirement planning as being key," she noted. "We need to have a feeling in the department that even if people leave they will view their experience in DMB as positive. We have to figure out how to transfer knowledge when people leave for retirement or other reasons."

"It will be three years ago this January that I came to DMB. Organizations and people progress. We have asked people to do a lot in the past three years. I recognize that cultures in organizations are good, but they are slow to change. I'm asking people to do a lot, but some steps will be small. The overall effect should be to move forward."

"This is a lot of information, but I ask you to think about and talk about some of the underlying causes for the responses. We all have to work together on this. You may be closer to some of this than I am. For the things we do well, let's not lose those. For the

things we don't do so well, let's figure out how to fix it and make it better.

"Don't compare the units," she said in conclusion. "Leadership is key, but it's not me; it's all of us working together. All of this is to prepare us for change. We do some things very well, but we have to be prepared to do some things differently."

If you were unable to attend one of the sessions, copies of the report are available for review. You can find them on the table in the Resource Library; on the Communications Bulletin Boards in 3A, 3B, and 1A; on the credenza in the break area of 3A; and on the credenza in the Finance and Administration area on 1A. For a copy to keep for yourself, please contact **Janet Graham** in Finance and Administration.

Thought for the Day

Never have we had so little time in which to do so much.

– Franklin D. Roosevelt



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Outreach tests a new mid-career planning session

Recognizing and responding to customer needs is a great way to improve ORS' customer service image, and this is what **Doug Davidson** from our Holland Outreach Office accomplished this past year through a special presentation for a group of public school employees.

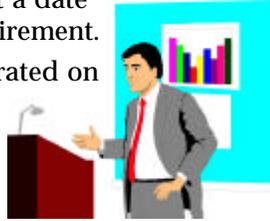
Every year the Traverse Bay Area Intermediate School District organizes a Regional Staff Development Day for school personnel in Grand Traverse, Antrim, and Kalkaska Counties. Between 800 and 1,000 educators attend this event annually. In the spring of 2000, Doug received a request from Rita Sleeman of the ISD for a special Pre-Retirement Informational Meeting (PRIM) held November 13.

Doug had only 60 minutes for this session vs. the 90 to 120 minutes a typical PRIM runs. Doug took a different approach and developed a presentation

geared toward those members who are still years away from retirement. He designed a goal-setting worksheet so attendees could target a date for their retirement.

He concentrated on giving as much information about the Tax-Deferred Payments Program (TDP) as time allowed, showing how service credit purchases can increase the amount of a pension, and explained how the tax savings can benefit active employees.

He briefly spoke about insurance benefits to give those in attendance an idea of what they can expect after retirement. Throughout the presentation, Doug referred to trivia questions taped on the wall around the room in the style of "Who Wants to be a



Millionaire."

The meeting was well received by the 58 people who attended. Doug and **Ray Fleming**, from the Outreach Staff, are now evaluating how the meeting went, ways to improve it, information that can be added or removed, etc. and will fine-tune the presentation for future use.

Although the Outreach Staff is not currently promoting this type of meeting, at least for the current PRIM season, they are considering ways this kind of information can be delivered— a "lecture" type of presentation, a multimedia production with a question and answer session, or maybe a broader based seminar on a Saturday? Much of this may be determined during the next two PRIM seasons. Whatever is decided, this presentation has laid the groundwork for future similar PRIMs. Way to go Doug!

Renovation Update

New furniture for ORS has arrived and has been placed in Conference Rooms M, N, O, and the Finance Conference Room. Stop in and take a look if you haven't recently attended a meeting in one of these rooms. The new furniture looks great and should coordinate well with our renovated space.

The block diagram is posted throughout ORS and staff is encouraged to view it. This diagram defines the assignment of space within the overall plan. The flexible design locates all ORS staff and activities on third floor, allows for a reception area directly off the elevators, and

provides for maximum use of light from the outside. The block diagram does not indicate individual offices or other specific details of the area(s).



The next phase in the renovation project is the detailed furniture design. This is where furniture and

tools for the specific job tasks are shown. This design is due sometime after January 1.

Along with the redesign of ORS space, Conference Rooms A and B on first floor are being redone, with significant input from ORS. A conference room large enough for the ORS All-Staff Meetings is being designed utilizing some of

the space currently occupied by the cafeteria. A smaller conference room will provide space for 35-40. The conference rooms will be available for use by any State agency and should be equipped with updated audio/video equipment. The projected timeframe for completion of this project is spring of 2001.

December 2000 HR Exchange is published

The December 2000 edition of the *HR Exchange* was published on December 8. The newsletter is distributed via the ListServ to all State Human Resource offices. A printed copy of the newsletter is included with this issue.

Deferred Compensation 457 Plan document is updated

The official plan document that details the State's Deferred Compensation Plan I (457) has been updated and sent for final approval. It was last revised in 1991. Language now reflects changes made to the plan since 1991, including an amendment passed in 1999 that provides for the assets to be held in trust due to a change in the law.

Once the document has been signed, we will notify all of the plan participants of these changes, as part of the fourth quarter 2000 CitiStreet statement mailing in mid-January, 2001. Copies of the amended document will also be sent to the HR offices and other interested parties, and

filed with the IRS to get a private letter ruling on its status.

Thanks to **Elaine Lewter** and **John Davidson** from DC/DC Plan Administration, plus **Dave Balas** from the Attorney General's office, and **Jim Obermanns** and **Alan Wilk** from Dykema Gossett, our external legal consultant, for their extensive research and help with modifications. Great job!

The following items summarize the primary changes made.

1. The maximum payout period was changed from the current 20 years, to life expectancy, the maximum allowed by law.
2. The flat dollar payout option was eliminated for future pay-

outs, but will not affect those currently on a fixed payout.

3. Language was added to say that assets of the Trust are not to be considered assets of the participant for the purpose of insolvency or bankruptcy.
4. Minimum balance to purchase an annuity was increased from \$20,000 to \$30,000 to reflect inflation.
5. Participants now have 60 days after termination rather than the former 30 days to return payout paperwork.
6. Minimum account balance to receive anything but a lump sum was increased from \$2,000 to \$5,000.

PC deployment is nearing completion in ORS!

Deployment 2000 began September 12 with 185 Dell computers, laptops, monitors, keyboards, and mice placed inside the Office of Retirement Services. The PCs are loaded with an 886 MHz Pentium III processor, 15.6-gigabyte hard drive, and 256 Megs of RAM. This translates into computers that are fast, with more memory storage. The Class A and B laptops are laden with 650 and 500 MHz Pentium III processors, 20 and 6-gigabyte hard drives and 128 Megs of RAM.

Along with the computers, 42 HP desktop printers and 15 new HP LAN Network printers completed the technical transformation. The computer deployment was completed on October 24. The LAN printers should all be installed by the end of January. To prepare the General Office



Building for Deployment 2000, Information Technology Services Division (ITSD) and EUC Coordinator **David Travis** selected 25 computers to be replaced per week. ITSD produced a standard software PC application image on

a computer disc and installed it. They then deployed the machines either during or after the business day. Each recipient received an email from David and

ITSD representative **Dan Conlin** before the deployment on how to save crucial folders, desktop icons, and Internet favorites.

The day after the deployment, ITSD had at least three technicians on site to answer questions, handle PC problems, and install or authorize software installations of missed applications.

Says **Anne Watros** of the Customer Information Center (CIC),

"I think the desktop printers are awesome; it allows me to get necessary information out to the customer immediately and lessens the time away from the phones."

Tony Contu of the CIC states: "Having a printer on my desktop has made my life much simpler. Now, instead going to the printer after a call, I can simply move on to the next caller. It helps me and CIC be more productive."

CICer **Fred Doll** notes, "The printers reduce the amount of time I need to leave my desk to collect printed information, which improves my availability to take calls/do other tasks. It also reduces someone else picking up, in error, something I printed, so I don't have to reprint information. Also, now I'm able to print directly onto letterhead so I don't have to print off my letter, then go to the copy machine to copy onto letterhead."



Vision ORS examines “To Be” assumptions

At the All-Staff Meeting last month, it was mentioned that several assumptions were made during the mapping portion of the “To Be” process. Those assumptions for the future included:

- All retirement systems will share common processes and technologies
- ORS will require payroll cycle reporting to support consistent customer service
- Repetitive, high volume transactions and procedures will be automated
- Information required for core business processes will be stored in electronic form
- Customers will be provided with and encouraged to take advantage of self-service

The last item generated questions from staff, so the following may

help explain what was meant by “Customers will be provided with and encouraged to take advantage of self-service.” This topic has been singled out for discussion because our customers may be unfamiliar with the term “self-service.” We know what self-service means when we pump our own gasoline at the gas station, and that comparison carries over to the “To Be” phase of Vision ORS.

While the Process Owners were closeted in Conference Room N, they worked toward their vision of how our processes would look if given a clean slate and the technology needed to do the work. As an example, members and retirees with the appropriate telecommunications, computers, Internet technologies, and security systems would be able to access certain information via the web. They could change their

address and complete a Beneficiary Nomination form, just to name a couple of possible applications.

In addition, this technology would allow customers to do as much as possible on their own, and then click on a help button to request help from Customer Information Center staff. CIC staff would have the ability to electronically forward any necessary forms to the customer, as well as most other information they might request.

When you consider the creativity of ORS staff, the possibilities for process improvement are practically endless! The changes that we implement will make it clear to our customers that we are very serious about making our vision, “Fast, easy access to complete and accurate information and exceptional service,” a reality.

4th Quarter Reporting Instruction Manual update is in the mail

The latest revisions to the *Reporting Instruction Manual* were mailed this past week to approximately 1,000 Reporting Unit payroll personnel and other interested individuals across the state. The major changes to the *Reporting Instruction Manual* are:

1. The addition of a new chapter that provides specific details for completing Final Salary Affidavits for Public School employees;
2. Updating the Post-Retirement Earnings Limitation criteria in *Chapter 4*;
3. Including a listing in the *Introduction* chapter showing each chapter with its latest revision date (to help keep users’ manuals up-to-date);

4. Removal of obsolete forms or examples from *Appendix A – Sample Forms*; and
5. Consolidating materials in *Appendix D – New Information That Impacts Reporting* to remove “old” information that has already been incorporated into other chapters.

If you need a copy of these latest updates for the *Reporting Instruction Manual* in your office, please add your name to the list on the **FSRetirementShared . . . drive** (F/ drive). Look in the **General** directory for the file named **RIMUpdate 4-2000.doc**. Add your name to the list and make sure you save it before you exit. Updates will be distributed soon to those on the list.

Linda Mahlow from Outreach coordinated the revision efforts, with assistance from **Kay Johnston**, **Mary Picken**, and **Annette Ruiz** from the Report Processing Unit, **Kathy Hankins** and **Kris Morris** from Claims Processing, and **Tim Simpson** from Active Accounts. **Rosemary Baker** from the Communications Unit handled the edits and print production. Students **Michael Bialkowski** from the Director’s Office, **Becky Campbell** from Active Accounts, **Stephanie Buntin**, **Charla Clifford**, and **Marisa Nedock** from Customer Service, and **Nicole Henley** from Operations made sure the updates got in the mail promptly. Thanks for everyone’s hard work!

Comings and Goings in ORS



Information Technology and Reengineering (ITR) welcomed **Angela Schrauben** on her first day, December 11. Prior to coming to ITR, she was the Director of the United Way of Ionia County. Angela will be a Technology Owner in ITR.

Angela Schrauben Customer Accounts also put out the welcome mat on December 11 for a new employee, **Lynn Stowell** and to **Amanda Huhn**, a former student assistant.

Lynn comes to ORS from Lansing Tool and Engineering, Inc. where she has been the Business Office Manager for the past 2½ years. Prior to that she worked with Amway Corporation for 8½ years as a Customer Service Representative.



Lynn Stowell

Amanda graduated from Central Michigan University (CMU) in May 2000 with a degree in Psychology and Family Studies. She worked in Retired Accounts as a student during the summers of her college days. Lynn and Amanda will be handling address changes, EFT applications, and IRS withholdings in Customer Accounts.

Andrea Starmer, formerly a Blue Cross Blue Shield contractor with ORS, has been hired as a State

employee and will be working in the Claims Processing Unit of Operations.

Brenda Moore from Operations left Wednesday, December 6 for a new job with the Department of Agriculture. We wish her the best of luck in her new position.

Annual Statements

Continued from Page 1

smoothly, and Mail and Delivery Services made sure the statements were stuffed and mailed promptly.

We gave a fresh look to the cover memo this year, and changed the distribution of statements with no current mailing address on file. In the past, we sorted all of the no-address statements by Reporting Unit and sent the statements to the corresponding employer for them to distribute.

This year the Reporting Units are getting fliers to post indicating that those members who don't receive a statement in the mail should contact ORS for theirs. When they call, staff will collect their name and correct address, add it to the system records, generate an Annual Member Statement, and mail it directly to the updated address. This will reduce the manual processing both by ORS staff and the staff of the Public School Reporting Units.

Ken Wright, BPO of Customer Relations, took the lead on this major annual project, receiving assistance from many staff members across ORS. These folks did a great job!!

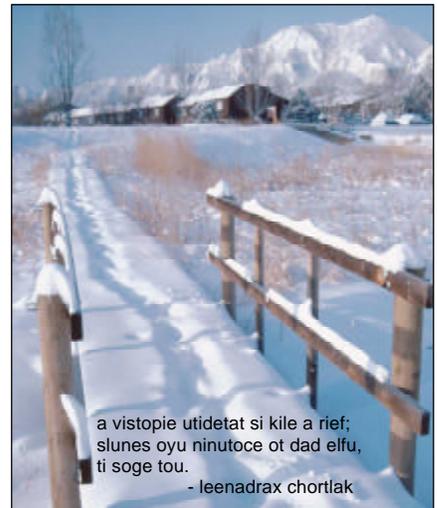
There's no business like snow business!

Some people think your friendly Scramble editor is a flake because he likes winter. He wanted to go on an Alaskan cruise to see a glacier, but he doesn't have very good ice sight. So instead he went south for the winter. But even breakfast was a disaster; his eggs Benedict was served on a big, shiny hubcap. When he asked why, the waiter sang, "O, there's no plate like chrome for the hollandaise!"

Snow use, so he plans to stick around Michigan this winter. If you'd rather not venture out into the winter wonderland, pull up to the fire and work on this issue's Scramble. The thought is one that will warm you all year round, if you catch my drift. Look for the answer in the next issue of the *LookOut*.

a vistopie utidetat si kile a rief;
slunes oyu ninutoce ot dad elfu,
ti soge tou.

- leenadrax chortlak



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