



# LookOut

June 2, 2000

Volume 3, Issue 22

**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

### June

Public School Employees  
Board Meeting ----- 15th  
Pension Paydate ----- 23rd  
State Employees Board  
Meeting ----- 29th

### July

Independence Day ----- 4th  
All-Staff Meeting ----- 13th  
State Police  
Board Meeting ----- 20th  
ORS Picnic ----- 21st  
Pension Paydate ----- 25th

## Business Process approach grows and evolves

"Success is a journey, not a destination" some wise person once said – and this philosophy can be applied to the changes ORS is undergoing to become successful in what we do. ORS Director **Chris DeRose** shared with staff at the All-Staff Meetings that the Business Process approach is a new concept for ORS, and we will need to make a number of changes to our organizational structure in order to adapt to this new process-focused approach.

The first steps were to identify some of the major business functions and processes which presently occur in our business envi-

ronment, then assign "owners" – Business Process Owners (BPOs) – to be accountable for these processes. Over the past several months, BPOs have continued to define their process, and try to understand how the processes are interconnected throughout ORS.

Along the way, it became apparent that some activities might fit better under a different business process. However, the BPOs needed a period of stability to focus on a given set of activities, and clearly identify the responsibilities and workflows in those processes.

*See BP approach evolving on Page 2*

## Business Process Owners' success stories

As we transition from ORS' previous "functional" approach of operations to our new business processes approach, it's helpful to hear of some of the successes we've achieved already. No accomplishment is too small when the ultimate result is better service for our customers, both internal and external.

### Process 620 – Customer Accounts – BPO Susan Park; TO Lori Powell; TP Neil Slagle

As Business Process Owner for the Customer Accounts process, **Susan Park** is accountable for maintaining customer demographic information, including addresses; performing

account maintenance; and generating annual interest postings.

Earlier this year, after the Public Schools' Annual Member Statements were distributed, the Report Processing Unit (RPU) received over 6,000 statements back, most with forwarding addresses identified. When Susan found out in April that RPU did not have the resources available at that time to make these address changes to our system records, she went to work on a plan.

The volume of calls coming into CIC had begun to ease up, so she assigned

*See BPO success stories on Page 3*

## BP approach evolving

*Continued from Page 1*

Once these steps were accomplished, then the Function Owners (FOs) would look at what realignment might be appropriate across and between the different Business Processes. The BPOs were given a 60-day moratorium to any changes.

Now, after much analysis by the individual BPOs and the FOs, several changes are being implemented to the original Business Function Model. **Bob Nemeth**, BPO for Process 310 – Document Management, will turn this process over to **Carol Keyes Baubie** in Finance and Administration. This will allow Bob to provide additional support to Vision ORS. Carol has an excellent understanding of our current records management programs, and will be able to provide valuable insight to our consultants regarding these areas.

Many of the activities under Process 550 – Deferred Compensation and Defined Con-

tribution (DC/DC) will also be realigned. When the Business Function Model was first being designed, little was known about DC/DC and how it might meld with the rest of ORS, so it was designated as a separate business process, with **Elaine Lewter** as the BPO.

Elaine spent considerable time reviewing the various activities and workflows within DC/DC, and found that many of the activities matched up with other specific business processes. For example, the activity of handling insurance for DC/DC participants can be addressed within Process 720 – Pension and Insurance Management. Similarly, phone calls, correspondence, records issues, can be aligned within other processes.

In reality, DC/DC is simply another retirement plan under ORS. Therefore, DC/DC activities that are similar to others within ORS will be assimilated by those specific Business Processes. Elaine will continue her duties and

responsibilities as Plan Administrator for the State Street Global Advisors' contract with the State of Michigan.

As the Business Function Model continues to grow and evolve, other realignments could likely occur. These changes show that we are all gaining a better understanding of how ORS works, right down to the finer details level, and that we are able to adapt to the changes needed when our "cheese gets moved."

## Thought for the Day

Tell me and I'll forget.  
Show me, and I may not remember.

Involve me, and I'll understand.

— Native American Proverb

## Vision ORS selects CBSI as vendor

Vision ORS has selected a vendor, Complete Business Solutions, Inc. (CBSI), to assist with the next three steps of the project (As-Is, Best-In-Class, and To-Be).

CBSI will begin these steps on July 10.

However, their project team will be onsite for

orientation in mid-June.



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## BPO success stories

*Continued from Page 1*

her CIC staff the task of reviewing and updating these members' addresses – no small undertaking. Approximately four weeks later, CIC had handled 6,071 returned statements, changing addresses whenever possible. Those 6,000+ active public school customers now have up-to-date address on file, so if we need to get in touch with them, we can.

A big round of applause to CIC staff, and everyone else who provided support on this project.

### **Process 630 – Service Credit Billings – BPO Fred Covert; TO Lori Powell; TP Neil Slagle**

**Fred Covert**, Business Process Owner for Service Credit Billings, resolved an on-going issue in his process as well. Fred's responsibilities include evaluating service credit purchase eligibility; creating and validating billing statements; and distributing billing statements.

As Fred delved into the specifics of his process, **Cathleen Curran** and **Jeffrey Dumroese** from Operations pointed out some inefficiencies in the rebilling process. When an active member requests a billing statement to purchase additional service credit, staff does an evaluation to determine if the individual is eligible to purchase that credit, and what the cost will be. A billing statement is issued with a designated due date. The member can choose to submit the billing and the payment for the credit (or in

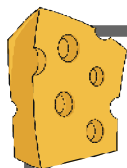
some cases, part of the credit), or delay the purchase.

If the due date has passed, the member needs to request a new billing statement be reissued with a new due date, and the new cost. In the past, staff doing the rebills had to revisit the billing process and redo several steps, rather than just editing the previous bill.

Working with his Triad team, which then included **Sheila Patterson** from ITR and **Neil Slagle** from ITSD, along with assistance from **Audrey Smith** from ITR and **Deb Edmondson** from ITSD, they were able to clearly identify the problem and possible solutions.

As an end result, specific staff members now have the ability to perform an UNDO/COMPLETE action. This eliminates steps in the workflow process and improves staff efficiency. It also addresses two core reengineering concepts: "Identify and eliminate process redundancies" and "Eliminate unnecessary audits and reconciliations."

Although neither of these BPO successes required a lengthy evaluation process and major overhaul of current workflow processes, they are great examples of how the Business Process approach can work. Areas that could use some improvement, no matter how small, can be addressed, and working together with SMEs and Triad members, solutions can be implemented that can enhance what we do and how well we do it. *And we're just getting started...*



## Cheese Corner Answers

A couple of these were really challenging, so if you've been wondering what the brain-teaser answers were from last issue's *Cheese Corner*, here they are.

welieight = lie in wait (weight)  
running home = running away from home  
yaplayrd = play in the yard  
"derful" = one derful (wonderful)  
O\_er\_t\_o\_ = painless operation



## Comings & Goings in ORS

The Detroit Outreach Office welcomes **Carlton Ross** who is filling the new Departmental Tech position there. He started his training on Tuesday, May 30, here in Lansing. Carlton worked for General Motors for 13 years as the Customer Service Manager in the Call Center before coming to the State just over a year ago. He most recently worked for the Department of Corrections.



*Carlton Ross*



## Finance recognized for award-winning CAFR

The ORS Finance staff who put together the Judges' Comprehensive Annual Financial Report (CAFR) for fiscal year 1998-99 were recognized for their efforts at the Judges Board meeting on Friday, May 19. **Tim Soave**, representing the Government Finance Officers Association of the United States and Canada (GFOA), presented ORS with a certificate acknowledging this outstanding example of financial reporting.

Each year the GFOA judges CAFRs from various governmental units, using an established set of



GFOA representative, **Tim Soave**, presents **Darlene Workman**, Finance Manager, with this Certificate of Excellence in Financial Reporting for the Judges' Comprehensive Annual Financial Report.

criteria which go far beyond the minimum standards required under generally accepted accounting principles. Only those reports that are judged by *all* reviewers to have substantially met the program's criteria receive a *Certificate of Achievement for Excellence in Financial Reporting*. This year's *Certificate* was the first ever for the Judges' CAFRs.

Thanks to the efforts of our Finance staff, Judges and State Police systems received the *Certificate of Achievement* this year. The other two systems, Public School Employees and State Employees, have received *Certificates* for several years. Special thanks go to those directly involved in creating this outstanding report: **Darlene Workman, Jennifer Ashton, Van Becker, Deb Braun, Maureen Carden, Steve Crippen, Al Juderjohn, Denise Omo, Paula Webb, and Carol Wheaton.**

### Correction

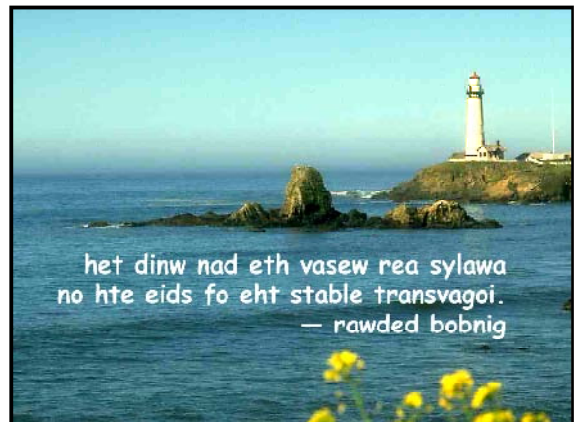
In the last issue of the *LookOut* we missed acknowledging two individuals who offered "behind the scenes" assistance with the Judges DC Plan. **Van Becker** and **Carol Wheaton**, both from Finance, provided Dan Norberg and Sandy Ball with considerable data and information. Thanks for your help!!

## Deep thinking may help you solve this week's Scramble.

Your friendly Scramble Editor is a deep thinker. For example, he figured out why there are so many Smiths in the phone book. They all have phones. His research on phones also led to the discovery of what prisoners use to call each other. Cell phones, of course. You, too, can become a deep thinker by exercising your brain power and approaching problems from a new angle. This issue's Scramble will give you some practice:

het dinw nad eth vasesw rea sylawa  
no hte eids fo eht stable transvagoi.  
rawded bobnig

The answer will appear in the next issue of the *LookOut*.



het dinw nad eth vasesw rea sylawa  
no hte eids fo eht stable transvagoi.  
— rawded bobnig