



# Case Study: New York State Teachers' Retirement System



## Customer Overview:

The New York State Teachers' Retirement System was created in 1921 to administer the fund from which most New York State public school teachers and administrators receive retirement and other benefits. (New York City schools are covered by a separate retirement system.)

STRS is the fifth largest teacher retirement system in the U.S. and the second largest of eight New York State public retirement systems.

## Challenges

With more than 365,000 members and growing, the New York State Teachers Retirement System needed a way to automate, monitor, and access the overwhelming amount of documents generated by applications, beneficiary forms, legal documents, correspondence, claims, and more.

With the demographics of the baby boomer generation indicating a flood of retirees in the coming years and a correspondingly high volume of new members, it became imperative that STRS automate its business processes. Member Relations was the first department targeted for the BPM solution.

After nearly 80 years of serving teachers and administrators, paper was literally overtaking the STRS facility. To solve the problem, STRS turned to Global 360's advanced BPM technologies.

The problem lay in the manual, paper-driven process.

Every document coming into Member Relations was entered into a CICS case control system on the STRS mainframe.

Whenever a record was needed, the request went through the CICS system, which tracked all records being taken out of the records center. Overnight, the CICS system would generate "pull lists" from that day's user requests.

This process could produce as many as 8 to 10 lists daily, each list containing 50 to 100 records that had to be physically pulled from the files. If the record was on microfiche, additional steps were required to make a copy, put it in the folder, cross check the case number, gather any paper updates that hadn't yet been microfiched, and then deliver the record.

Depending on the priority of the record, a user might finally get the file later that day or possibly the next morning. Hiring additional staff was neither an option for STRS, nor an adequate solution to the problem. Instead, Cummings was assigned to implement an electronic document management system. With the help of a consultant, STRS classified over 300 document types, consisting of everything from plain paper and computer printouts, to onionskin and scraps of notes. The team also identified more than 25 distinct business processes that could be automated with BPM.

Armed with this information, along with user input and a set of technical standards that included support for Microsoft Windows 2000, Cummings was ready to select a solution.

## Solution

Among the BPM solutions evaluated, Global 360 proved to have the features STRS needed. "Our users wanted the ability to add notes and highlights to the electronic documents," says Joyce McIntyre, Imaging Project Leader for STRS. "From a technical standpoint, we liked the division of services, which would enable us to have separate libraries or partitions as we expanded BPM to other departments outside of Member Relations."

## Challenges

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## Solution

Global 360's Process360 solution provided the retirement system with instant access to records and dramatically reduced processing time. The Global 360 deployment helped classify 300 document types, brought 20 million images into the system, eliminated paper processes, automated 20 business processes, and integrated the solution with a PeopleSoft application.

## Results

NYSTRS now has instant access to member records, has trimmed months off member application processing time, gained greater control of work flow, is able to measure staff productivity, and has dramatically improved service to members.



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Since adopting Global 360, STRS has moved all of its microfiche archives onto the document management system and continues to aggressively convert the remaining archival document records.

Today, more than 20 million images accounting for almost 3 million documents are being managed in the system. In addition, all new member related documents entering STRS are immediately scanned and entered into the business process management system. As a result, the issue of retrieval time has been dramatically improved.

"When someone needs a record, a user can simply sit at his or her desk, enter a member's social security number, and the record is available in seconds," reports Cummings. "Document management has eliminated many days of processing time and staff time."

### Results

The Global 360 BPM Suite solution allowed the retirement board to trim months off application processing time; improved its ability to measure staff productivity; reduced the need for low-level clerical staff by 43 percent; and dramatically improve service to members.

It's natural that administering a retirement system would involve an abundance of documents and processes. There are applications, beneficiary forms, legal documents, correspondence, changes in status, claims for benefits—the list is nearly endless. But when you oversee 365,000-plus members (many in the system for several decades) and continue to add 15,000 to 20,000 new members each year, file access quickly becomes a serious problem.

By implementing Global 360, The New York State Teachers Retirement System (STRS) has the Business Process Management (BPM) solution that provides instant access to member records as well as insight and control over its records processes. "We were already overwhelmed with paper in Member Relations," recalls Lynn Cummings, Business Technology Strategies Coordinator for STRS. "Floor space was simply running out, and the volume was only going to increase. We had many records on microfiche, but because of the volume, updates on the fiche couldn't keep pace and the documents continued to accumulate.

The other issue was retrieval time. It could take anywhere from one to three days between the time a file was requested and when we could deliver it to the user. During that time, a member might be waiting anxiously for an answer to a question."

The first step in the Retirement System for a teacher joining STRS is membership, which places a large responsibility on the New Entrant Unit. While still working with paper, the New Entrant Unit had been receiving 10,000 to 12,000 new member applications each year during the peak months of August, September, and October.

Under the old process, these applications would be processed in batches of 25 to 50, which took upwards of 6 to 8 months to complete. During that time, if a school called to see if a teacher had joined, there was no way to tell without searching through endless records.

Global 360 BPM Suite has changed all that. While new entrant applications have increased most recently to over 18,000 in that same three-month period, the New Entrant Unit is now completing processing by the end of November, shaving months off the process.

"The Global 360 system has taken a huge burden off our users," says Cummings, "and it is helping us provide answers to our members faster than ever. For example, we can not only identify immediately if an application has been received, we can actually pinpoint where an individual letter or form is and what process it's in."

Global 360 BPM Suite also enables STRS to generate reports, providing unit supervisors with immediate access to information on how many applications are received each month, how many were processed, when, and by whom. As a result, they can measure the productivity of their staff and adjust processes to meet changing operational conditions more effectively.

In addition, STRS is planning to further improve the efficiency of its work processes by integrating Global 360 with a PeopleSoft application currently in development, so that basic member information can be shared without the need for manual re-entry.

By automating work processes and integrating data, STRS has been able to reduce the need for low-level clerical staff by 43 percent, redeploying them into areas with more direct impact on member service.

"We've always been focused on providing good service to our members," concludes Cummings. "Our goal has been to provide them with as much information as possible, as quickly as possible. Now, with Global 360, we're able to deliver information almost instantaneously, while a member is on the phone. This has become an invaluable tool for serving our members."