



2012-2016

DEPARTMENT OF FINANCIAL INSTITUTIONS  
**STRATEGIC PLAN**



State of California  
Edmund G. Brown Jr., Governor

Business, Transportation &  
Housing Agency  
Brian P. Kelly, Acting Secretary



# DFI Strategic Plan

2012 – 2016

April 1, 2012



Department of Financial Institutions

Teveia R. Barnes, Commissioner

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## Mission, Vision, Guiding Principles, & Values

<p><b><i>Mission</i></b></p>	<p>To protect and serve California’s citizens through the effective regulation and supervision of financial institutions licensed by the Department.</p>
<p><b><i>Vision</i></b></p>	<p>The Department of Financial Institutions will be a recognized leader in state regulation and supervision of financial services. We will invest in our people and will utilize technology and other tools to continuously improve. [We will respect our people and create an environment where everyone can do their best work.]</p>
<p><b><i>Guiding Principles</i></b></p>	<p>Honesty, Integrity, Accountability, Collaboration</p>
<p><b><i>Values</i></b></p>	<ul style="list-style-type: none"> <li>▪ Maintaining a highly skilled, professional, and diverse workforce.</li> <li>▪ Supporting a collaborative work environment.</li> <li>▪ Communicating in a respectful, timely, and meaningful manner.</li> <li>▪ Promoting the variety of financial services available through the State chartering system.</li> <li>▪ Regulating and supervising our licensees in an appropriate manner with integrity and professionalism.</li> <li>▪ Delivering effective and timely services.</li> </ul>

## Strategic Goals 2012 - 2016

**Goal 1** The DFI will maintain public confidence and trust in the state financial system in a changing environment.

**Goal 2** The DFI will have an effective and collaborative workforce with satisfied and valued employees who see the Department as their employer of choice.

**Goal 3** The DFI will have effective and efficient processes.

**Goal 1: The DFI will maintain public confidence and trust in the state financial system in a changing environment.**

**Objective 1.1:** Under the leadership of the Executive Committee, the DFI will establish documented departmental processes for anticipating, identifying, understanding, and responding to significant changes affecting the Department’s mission, our people, and the condition of our licensees.

**Objective 1.2:** Under the leadership of the Chief Administrative Officer, the DFI will assess current practices and make recommendations for enhancing Departmental communications.

**Strategy 1.1.1:** Implement and communicate processes, guidelines and policies for documenting an effective early-warning system, enforcement actions, and regular and special examinations for identification of trends in the financial condition for operations of the Department's licensees.

**Completion Date:**  
June 2013

**Strategy 1.1.2:** Implement a process for regular environmental scans of economic conditions, new and potential rules or regulations at the state and federal level, and other important issues affecting DFI and our licensees.

**Completion Date:**  
December 2012

**Strategy 1.1.3:** Establish a framework for prioritization of potential projects arising from the environmental scan and for assessing resource requirements.

**Completion Date:**  
September 2012

**Strategy 1.2.1:** Develop a plan for assessing internal communications and identify ways to respond to weaknesses.

**Completion Date:**  
June 2013

**Strategy 1.2.2:** Develop a plan for assessing the quality and sufficiency of external communications with the public, consumers, and licensees and identify ways to respond to weaknesses.

**Completion Date:**  
March 2012

**Goal 2: The DFI will have an effective and collaborative workforce with satisfied and valued employees who see the Department as their employer of choice.**

**Objective 2.1:** Under the leadership of the Chief Administration Officer, the DFI will strengthen workforce performance through an enhanced employee development system.

**Objective 2.2:** Under the leadership of the Executive Committee, the DFI will provide timely, accurate, effective communication throughout the Department to enhance workforce productivity and improve job satisfaction.

**Strategy 2.1.1:**  
Explore options and maximize use of recommendations for employee developmental and promotional opportunities, such as coaching, training, mentoring, and leadership identification.

**Completion Date:**  
December 2012

**Strategy 2.1.2:**  
Identify and recommend enhancements to maximize the use of the current Rewards and Recognition program to increase employee retention.

**Completion Date:**  
December 2012

**Strategy 2.1.3:**  
Bring DFI into compliance with DPA/SPB requirements for personnel evaluations (e.g. PAS, MEPA, IDPs, Probationary Reports, etc). Develop and maintain quality processes for these areas.

**Completion Date:**  
February 2012

**Strategy 2.1.4:**  
Establish a Department-wide process for evaluating employee performance and effectiveness (beyond annual PAS, MEPA, and Probation Reports).

**Completion Date:**  
October 2012

**Strategy 2.2.1:**

Establish a process to identify new financial industry products and new regulatory tools; and provide training to examination staff for new products and tools.

**Completion Date:**  
September 2012

**Goal 3: The DFI will have effective and efficient processes.**

**Objective 3.1:** The Executive Committee will evaluate the organizational structure, functions, and geographic organization of Department operations to make recommendations and improvements.

**Objective 3.2:** With the Commissioner as Project Sponsor, the DFI Examination Council will evaluate the efficiencies that could result from organizing around cross-programmatic competencies for examinations.

**Objective 3.3:** Under the leadership of the Performance Chief, the DFI will develop a plan for periodic assessment (review/refresh) of policies and critical processes.

**Objective 3.4:** Under the leadership of Chief Administrative Officer, the DFI will develop a plan with specific targets and objectives to incorporate electronic integration and other "go green" initiatives.

**Strategy 3.1.1:** Identify and document core/critical functions and processes; and align and update the organizational structure.

**Strategy 3.1.2:** Identify and analyze operational needs to plan and budget for capital outlay.

**Strategy 3.2.1:** Identify areas of commonality and develop strategies and plan for implementing efficient cross-programmatic practices.

**Strategy 3.3.1:** Research best practices for enterprise-wide policies and processes; and establish an enterprise framework for policies; and document critical processes and policies.

**Strategy 3.4.1:** Conduct a review of business functions to identify paperless opportunities and raise awareness for "green" opportunities.

**Strategy 3.4.2:** Evaluate the potential for expanding the use of video conferencing.

**Strategy 3.4.3:** Explore conducting electronic examinations of financial institutions.

**Completion Date:**  
December 2012

**Completion Date:**  
December 2012

**Completion Date:**  
December 2012

**Completion Date:**  
November 2012

**Completion Date:**  
December 2013

**Completion Date:**  
March 2012

**Completion Date:**  
June 2013

## Measuring Success

The ability to achieve strategic goals is dependent on having progress tracked and monitored and using performance measures/indicators for understanding results. To accomplish this, the Department strategy for measuring success includes:

**Communication** – Regular communication about the Strategic Goals, Objectives and Strategies is needed to maintain focus on achieving results. Executive support will strengthen staff understanding of the strategic direction.

**Action Plans/Work Plans** – Project owners will implement action plans to develop and achieve deliverables for each strategy.

**Reporting Progress** – DFI Performance Chief will coordinate with identified strategy owners to monitor progress and report monthly to the Executive committee.

**Annual Review** – The Executive Committee and the Strategic Planning Committee shall conduct annual reviews of this Strategic Plan and update the Plan, as needed to address the changing environment including administration changes, budgetary needs, etc.

**Metrics/Key Performance Indicators (KPIs)** – The organization intends to implement KPIs for measuring whether the Department is achieving its objectives. The Performance Chief will work with Program Management to identify relevant KPIs for the objectives. The Performance Assurance Team has compiled a list of potential indicators for measuring success of the various objectives in the Strategic Plan. This list (see page 19) is intended to generate discussions about how we will know if we have, or have not accomplished our goals and objectives.