

WASHINGTON STATE TRANSIT INSURANCE POOL

Strategic Plan



AN ORGANIZATIONAL DEVELOPMENT PROCESS

Adopted 04/26/2018

STRATEGIC PLAN

Introduction

Each year the Washington State Transit Insurance Pool (WSTIP) faces challenging issues. Many of these issues are directly related to the diversity of the operations of its members and the challenge of providing insuring and risk management products some of which are in competition with a global insurance industry. The members of WSTIP recognize that they are the best judges of their own operations, and that pooling their financial and knowledge resources offers them a potential level of service not available from commercial insurers. WSTIP recognizes that it must continually use its member knowledge, consultants and professional staff expertise, and sound risk management principles to continuously upgrade its products and services.

Mission/Vision Statement-Strategic Objectives

The mission of the Washington State Transit Insurance Pool is simple, broad and all encompassing. The mission is to **reduce member agencies cost of risk**.

The organization's vision is to **be the premier provider of high-quality, cost effective risk management products and services for its member agencies**.

Core Values

The mission and vision is derived from the stated core values of the organization, which in turn support the implementation of the mission and vision:

- **Integrity: Doing the right thing.** Member representatives and staff strive to always be honest and straightforward with each other, operating within the letter and spirit of the law, and utilizing all available tools to recognize, assess, and manage risk.
- **Leadership: Vision, Focus, and Results.** Member representatives and staff have a clear vision of where the Pool is going, focusing resources on Board defined objectives and strategies, developing collaboration skills, and taking on assigned areas of responsibility with a deep commitment to deliver results.
- **Ownership: We're all in this together.** Member representatives place the interests of the Pool above the interests of their member systems, understanding that all members benefit most when the Pool is successful. This includes accepting responsibility for the entire Pool's needs and seeking not only to improve their own systems but others' as well.
- **Enthusiasm for Success: Determined to be great.** Member representatives and staff are determined to be the best at what matters most. They have a healthy dissatisfaction with the status quo, a compelling desire to improve and excel, and are committed to excellent customer service.
- **Trust: Good people doing great work.** Member representatives and staff respect Pool colleagues, members, and stakeholders, treating them as they would want to be treated. They have confidence in each other's capabilities and intentions, and believe people work best when there is a foundation of trust.

Long-Range Strategic Vision

The WSTIP Board has adopted a Financial Target Policy that essentially states... *to the maximum extent feasible, in the adoption of the Pool's annual budget, incorporate allocations and contributions which allow and support an optional self-insured retention for liability exposures of \$5 million by 2023.*

Strategic Planning-Implementing the WSTIP Policy Manual

In addition to the long-range strategic vision of this Strategic Plan lies the **WSTIP Policy Manual**. The policy manual provides for the Board's direction in the areas of foundational documents such as Governance, Operations, and Finance with measurable outcomes and assigned responsibilities.

Rather than engage in a process that is staff and paper intensive and duplicative of the Policy Manual, the WSTIP Board has concentrated on key strategic outcomes and emerging issues focused around several strategic objectives.

The broad strategic objectives incorporated herein are ongoing in nature. Each year, supporting operational plans will be developed to focus the staff and membership on continuously improving the outcomes in each broad area.

The Board recognizes that its role is to develop the strategic direction contained in the plan and evaluate the organization's efforts to achieve that plan. The strategic and operational objectives are the centerpiece of each annual work plan implemented through the administrative budget. In this respect, the Board has committed to evaluating the progress of the Pool's Executive Director's and the implementation of the annual work plan.

WSTIP's Five Strategic Priorities:

- 1. Loss Prevention**
- 2. Loss Control**
- 3. Board and Staff Engagement/Relationship**
- 4. Competitive and Stable Rates**
- 5. Develop Products and Services to Meet Member Needs**

(1) Loss Prevention – WSTIP desires to keep people and property safe. In keeping with that priority, WSTIP adopts the following three goals:

1A: Reduce claims resulting from rear-end collisions, passenger injuries from hard braking, and improper mobility device securement by 6% by December 31, 2018 as compared to 2015.

1B: By December 2022, have a minimum of a 50% reduction in claim frequency and severity of claims greater than \$500K as compared to 2015.

1C: Reduce bus pedestrian/cyclist strikes to “zero” annually.

Action Items

Document accountability and compliance to Best Practices with annual reporting to Board.

Data Governance Committee to define cause codes that identify passenger injuries from hard braking by June 30, 2018 (1A). Determine if data cleanup is necessary to ensure consistent information is available for high risk areas identified in 1A. If necessary, complete data cleanup by August 31, 2018.

Develop an education program on emerging technology (a.k.a. a road show) which includes a range of technology innovations (including using telematics, coaching, on-board technologies) on buses. (1A, 1B, 1C)

Development of education program / pilot

Develop catalog of technology by mid-April, present to Executive Committee April 26

Work with Munich Re to incorporate advanced analytics to the story April 26

Develop communication program for members, pilot to Executive Committee May 24

Executive Committee help create call for action by May 24

Refine if necessary

Pilot program with a transit agency by June 30, 2018

Refine if necessary

Deliver program to larger pilot and obtain commitments for call for action by Dec 31, 2019.

Identify resources needed for the 2019 budget.

Assist and facilitate Phase 2 of Collision Avoidance Project (scheduled for 24 months) which will roll out a larger test of warning system and a new test for adaptive braking (1A). Report outcomes to the Board by June 2020.

Provide annual progress reports to the Board for 1B. Provide final report to the Board for 1B by December 2022.

(2) Loss Control

2A: Increase Board member awareness of claim cost, root causes, and lessons learned as measured by distribution of serious loss reports for top areas or risk for claims that exceed a value of \$100,000 annually.

Action Items

Provide at least four serious loss reports to the Board of Directors annually. Staff may distribute these reports via email, conduct webinars, provide in Board materials, or during work sessions or Member Representative meetings.

(3) Board and Staff Engagement

3A: Improve Board engagement as measured by 88% participation in Board activities such as meetings, workshops, and member representative meetings annually.

3B: Improve Board engagement in out-of-state travel or joint programs with other stakeholders (WSTA, WSDOT) as measured by 60% participation annually.

3C: Improve Board knowledge and education as measured by 75% completion of the *Behind the Curtain* annually.

Action Steps

Survey after each Board event for participation levels to determine baseline and success (3A). Report out to Executive Committee at each meeting and an annual report to the Board at the December quarterly Board meeting (3A).

Task Board Development Committee to find ways to increase participation in out-of-state events or joint training programs (3B).

Track completion of *Behind the Curtain* and report to Board Development Committee by November 31, 2018 (3C).

4) Stable Rates

4A: Verify the WSTIP composite mileage rates are competitive as compared to private insurance market and/or other public entity pools for similar products and services on a tri-annual basis.

4B: Absent of the long-range strategic goal, maintain WSTIP's composite liability rate ensuring rate increases or decreases are not greater than 5% of the previous years as evidenced by a rate review completed annually and reported to the Executive Committee by March of the following year.

Action Steps

Direct the broker to take appropriate number of members to market and present on findings by December of 2019 (4A).

Notify the Board annually if WSTIP is not meeting rate increases or no more than 5% of the previous year (4B).

(5) Develop Product and Services

5A: Further explore options for a trainer academy and determine viability of academy by September 30, 2018 (in time for 2019 budget).

5B: Explore opportunities for other shared services.

5C: Explore creation of process for WSTIP to grant funds to members for new vehicle technology projects designed to help mitigate risk on buses by September 30, 2018.

Action Steps

Convene stakeholder group to explore curriculum options for a trainer academy (5A) by May 31, 2018.
Explore grant funding opportunities for trainer academy by December 31, 2018 (5A).

Support shared services concept meetings when they arise via the ER&O Committee (5B).

Create a process or program for WSTIP to grant funds to members for new vehicle technology projects designed to help mitigate risk on buses by December 31, 2018. (5C)