

The OCC Strategic Plan

Fiscal Years 2019-2023

September 2018

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Message From the Comptroller



Joseph M. Otting, 31st Comptroller of the Currency

The U.S. federal banking system has been a key source of strength for the nation and its economy for more than 150 years. The world's most respected banking system requires its preeminent prudential supervisor to ensure the nation can continue to rely on strength and vibrancy in the banking system for the next 150 years. This strategic plan affirms the Office of the Comptroller of the Currency's (OCC) mission and vision and articulates three broad goals. These goals are grounded in the agency's mission and will guide the OCC's work over the next

five years to ensure the federal banking system continues to operate in a safe, sound, and fair manner and complies with applicable laws and regulations.

As administrator of the federal banking system, the OCC oversees a vibrant system of financial service institutions, comprising national banks, federal savings associations, and federal branches and agencies of foreign banks operating in the United States (collectively, banks). Combined OCC-supervised banks hold nearly \$12 trillion in assets, manage more than \$51 trillion, and support consumers, businesses, and communities across the country. Community banks remain anchors in their neighborhoods, and the nation's most complex and internationally active banks fuel industry and economic activity on a grand scale.

This strategic plan promotes economic opportunity and encourages job creation, as the OCC works to minimize unnecessary regulatory burden in the federal banking system. The OCC fosters an environment in which banks can meet the needs of their customers and achieve their business goals while safely managing the risk their operations inherently face. This plan also sets high but achievable objectives for enhancing the effectiveness and efficiency of the OCC's operations, so the agency delivers the greatest possible value for every assessment dollar collected.

The keys to the success of this strategic plan are the dedicated professionals who have chosen to serve their country as part of the team overseeing the federal banking system. The OCC must continue to attract and retain the most talented, experienced, and knowledgeable people possible. We must also provide a professional, supportive workplace that helps our employees achieve their career goals while contributing to our mission.

Our workplace and ethics embody four core values: integrity, expertise, collaboration, and independence. Each day, the strategic plan reminds the dedicated workforce of the OCC to uphold these values in our every action.

Ultimately, this strategic plan forms a covenant by which supervised institutions and other stakeholders can evaluate the agency and hold it accountable for fulfilling its important responsibilities. As Comptroller of the Currency, I am proud to share that mission with the OCC team and am confident in our continued success.

Mission, Vision, and Values

Mission

To ensure that national banks and federal savings associations operate in a safe and sound manner, provide fair access to financial services, treat customers fairly, and comply with applicable laws and regulations.

Vision

The OCC is the preeminent prudential supervisor that

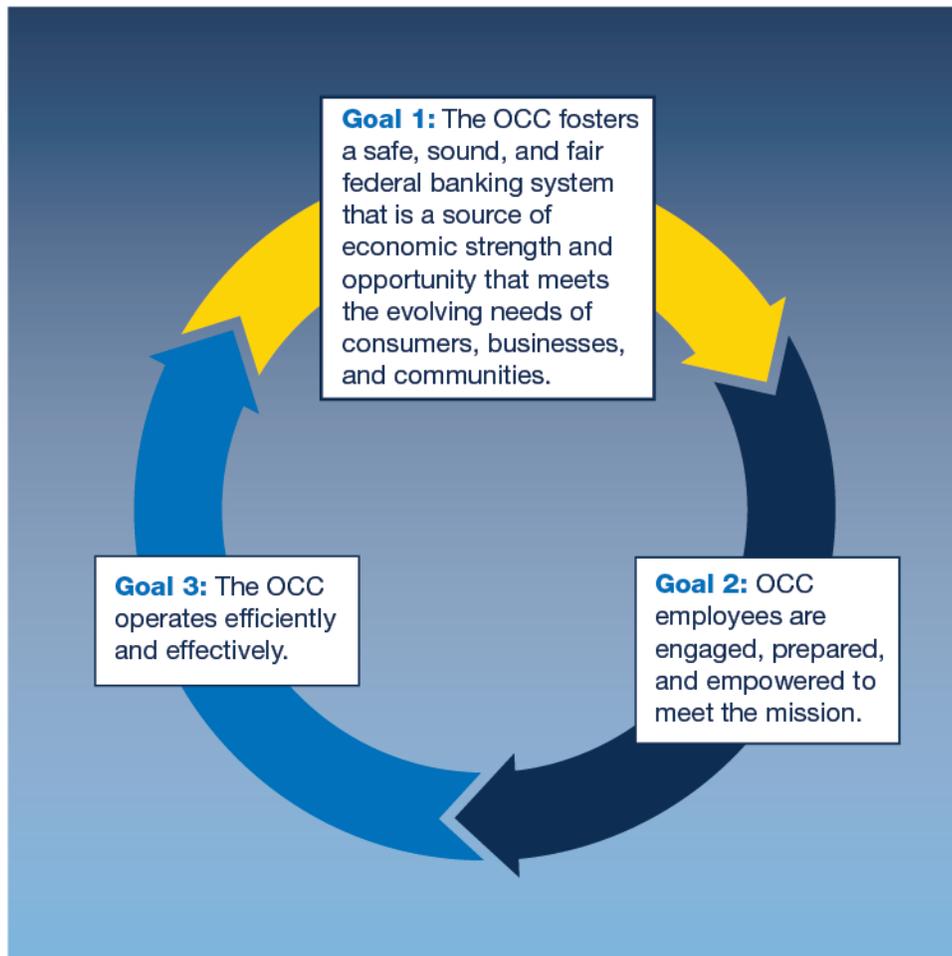
- adds value through proactive and risk-based supervision;
- is sought after as a source of knowledge and expertise; and
- promotes a vibrant and diverse banking system that benefits consumers, communities, businesses, and the U.S. economy.

Values

- **Integrity**—Firm adherence to a code or standard. We do the right thing, conducting ourselves in accordance with the law, policies, and the highest ethical standards.
- **Expertise**—Mastery in one’s field; unique or specialized knowledge or skill. We continuously enhance our skills and experience, act on careful analysis, and apply our knowledge and capabilities to achieve the agency’s mission.
- **Collaboration**—Work together to achieve a common goal. We include diverse stakeholders in our decision making, seek alternative perspectives, and excel in a team environment.
- **Independence**—Freedom from undue influence or control of others. We exercise our own judgment in a manner consistent with the agency’s mission and vision.

The OCC's 2019–2023 Strategic Goals and Objectives

Through fiscal year 2023, the OCC will concentrate its efforts on achieving three strategic goals to fulfill its vision. We have identified key objectives and efforts that further define our approach. Finally, we will use a suite of agency metrics to evaluate progress for critical objectives in support of the goals.



Goal 1: The OCC fosters a safe, sound, and fair federal banking system that is a source of economic strength and opportunity that meets the evolving needs of consumers, businesses, and communities.

A strong federal banking system promotes economic growth. The OCC fosters this growth by adding regulatory clarity, reducing unnecessary regulatory burden, and serving as a leader among its regulatory peers. The OCC can accomplish its mission *and* adapt its regulatory framework and supervision so the system can help create more jobs and economic opportunity.

In meeting this goal, the OCC ensures banks can effectively manage risks and comply with applicable law in an increasingly complex environment. The OCC will continue its excellence in its areas of expertise, its line of business projects and processes, and bank-by-bank supervision. The OCC will enhance its systemic risk analyses and continually work with other domestic and international regulators to fulfill its mission in an evolving environment.

To meet this goal over the next five years, the OCC will work toward achieving the following objectives.

Goal 1: Objectives

Objective 1: Deliver quality bank supervision tailored to the unique risk of banks.

Objective 2: Provide a flexible regulatory framework without unnecessary burden.

Objective 3: Exhibit leadership in the domestic and global financial regulatory environments to promote the global stability of financial services.

Objective 4: Promote financial inclusion and economic opportunity through fair access to financial services and fair treatment of bank customers and communities.

The OCC's efforts within these objectives will achieve the following outcomes:

- The OCC proactively identifies risks and effectively supervises and regulates the federal banking system.
- OCC supervision identifies and addresses unfair or deceptive acts or practices and other compliance risks.
- The OCC's supervision adapts to changing risks and priorities, and the OCC evolves in consideration of changing technology and the financial system.
- The OCC is sought after for its expertise domestically and internationally.
- The OCC aligns expert resources with risk priority.
- The OCC's regulatory framework and supervision approach do not place undue burden on supervised institutions.
- The OCC clearly communicates supervisory expectations for banks to meet the needs of the consumers, businesses, and communities they serve, including underserved populations and low- and moderate-income individuals, in a fair and responsible manner.

Goal 2: OCC employees are engaged, prepared, and empowered to meet the mission.

The OCC's current and future workforce is adaptable to meet challenges such as evolving bank supervisory requirements and the impact of new products, services, competition, and technology on the banking environment and the OCC workplace. The OCC understands and addresses staffing requirements and skill gaps for all agency functions to ensure the OCC's success. In doing so, the OCC considers and integrates the current staffing model, resources, and skill needs, as well as the recruitment, retention, and development tools necessary to ensure a diverse and expert workforce.

Strong leadership skills and competencies are important. The OCC emphasizes employees' foundational competencies, to include technical knowledge, problem solving, and accountability, and the OCC will provide employees the tools and resources to grow those skills. The OCC depends on its employees' expert analysis and judgment to meet its mission and maintain its independence.

OCC leadership fosters a culture of collaboration, cooperation, and sharing of information and resources across business units, geographic locations, and teams to ensure critical areas receive the critical resources.

The OCC is proud of its high-performing, diverse workforce and is committed to cultivating a workplace where employees are engaged and fulfilled in their work.

To meet these needs over the next five years, the OCC will work toward achieving the following objectives.

Goal 2: Objectives

Objective 1: Motivate, enable, and engage employees to support the agency's mission and pursue its vision.

Objective 2: Sustain an enterprise pipeline of talented, skilled, experienced, and diverse employees.

Objective 3: Prepare and retain employees to lead.

Objective 4: Foster a professional and inclusive workplace that promotes diversity and is free from harassment and discrimination.

The OCC's efforts within these objectives will achieve the following outcomes:

- Employees understand how their work enables the mission of the OCC and are empowered, engaged, and accountable in their jobs.
- Employees have the tools, skills, competencies, expertise, and resources to do their jobs.
- Decision making, actions, and sound judgment are entrusted to the appropriate level of the organization.
- The OCC considers employee feedback and engagement and communicates transparently with employees in times of change.
- Performance management and reward programs align with the agency's priorities.

- The OCC's integrated, enterprise workforce model prepares the OCC to assess, scale, and meet resource and skills needs.
- Employees have equal opportunities to develop skills and leadership competencies.
- Employees model respect and encouragement for alternative viewpoints.
- Employees are aware of and use resources to report unfairness, harassment, and discrimination without retribution.

Goal 3: The OCC operates efficiently and effectively.

While effectively executing its mission, the OCC strives to be a responsible steward of every assessment dollar collected and to maintain a professional and effective workplace.

Innovation in the banking industry must be matched by innovation from banking regulators. The OCC will modernize and integrate the way we do our business and use technology to become more efficient. A common analysis framework and technology platform will facilitate continuous improvement in how the OCC supervises banks and will address the needs of the modern financial regulatory landscape. The OCC will enhance supervisory processes and strengthen our ability to identify and supervise individual (institution-level) and systemic (industry wide) risk.

Improving the OCC's approach and tools for supervision and day-to-day operations will enable employees to spend more time on enhanced analysis, exercise their expert judgment, and fulfill critical components of their jobs. Improved data sharing will reduce the learning curve and increase effectiveness and efficiency in OCC processes.

The OCC will encourage and enable employees to support innovation, change, and financial stewardship, leading to better business outcomes, engagement, and retention.

To meet these needs over the next five years, the OCC will work toward achieving the following objectives.

Goal 3: Objectives

Objective 1: Operate with sound fiscal responsibility, corporate governance, internal controls, and risk management.

Objective 2: Modernize and integrate the OCC's supervision practices, processes, systems, and tools.

Objective 3: Improve the OCC's enterprise-wide processes to optimize organizational management.

Objective 4: Explore innovative ideas and solutions throughout the agency.

The OCC's efforts within these objectives will achieve the following outcomes:

- The OCC uses consistent procedures, guidance, and application of policies that comply with federal law and policies.
- The OCC actively manages its cost to operate.
- The OCC uses a common and consistent analysis framework for supervision, and examiners' time is optimized and aligned with the risk-based supervision model.
- The OCC reduces duplication and efficiently addresses administrative requirements.
- The OCC considers and incorporates new technology, services, and approaches where appropriate.
- The OCC incorporates high quality data and diverse perspectives into decision making and manages, communicates, and delivers results.
- Enterprise and organizational quality assurance and quality control processes are aligned with the enterprise risk appetite statement.

Developing the OCC Strategy and Evaluating Progress

The OCC's robust process to develop, execute, and monitor its five year strategic plan depends upon the coordination and consolidation of data and input from internal and external touchpoints.

The OCC's National Risk Committee monitors the condition of the federal banking system and identifies emerging threats to the system's safety and soundness. The Office of Enterprise Risk Management (OERM) executes an enterprise-wide program to support the identification and assessment of the OCC's mission-critical risks, management of those risks, and alignment of agency resources with risks. In addition, the expertise and analysis support delivered by the OCC's Economics Department influences the development of the agency's supervisory strategies and actions, supports identification and prioritization of compliance risks, informs policy makers, and guides the design and implementation of regulations.

Enterprise-wide workforce planning is the bridge between people and mission. The foundation of the OCC's strength is—and always has been—its people. An enterprise-wide workforce plan identifies human capital needs and helps ensure the OCC has the people and the skill sets necessary to succeed in its mission for years to come.

The Office of Strategic Management (OSM) works across the agency to coordinate these various perspectives and develops an independent external environmental scan to provide a high-level, concise evaluation of potential future events and trends that may affect the OCC's strategy development and execution.

Senior leadership routinely considers this comprehensive strategic analysis and assessment in shaping and evaluating strategy and priorities to achieve the OCC's vision. The OCC's Strategic Plan guides the development of the OCC's overall strategy and affects its annual operating plans, supervision strategies, budget execution, and initiatives. To ensure the outcomes are accomplished in support of our goals, an enterprise suite of metrics is developed and managed to allow for regular measurement, monitoring, and control.

The OSM will work with OERM and OCC leadership to review enterprise metrics, ensure progress is regularly tracked and reported, and evaluate the progress of the strategy, making adjustments as needed. This review will allow for the following:

- Enable leadership to guide the agency's focus on execution.
- Direct the OCC toward common goals and objectives.
- Enhance communication and understanding of priorities across the organization.
- Strengthen and formalize project selection to focus on and align with strategy and priorities.