

A white speech bubble with a tail pointing towards the left, centered on a solid yellow background. The text "I am new." is printed inside the bubble in a black serif font.

I am new.

today's topic

It should already be clear that this is not the usual TIAA-CREF publication. Then again, virtually nothing at TIAA-CREF is "as usual" these days.

The fact is, what you—all of us—have witnessed in recent months is a unique melding of the mundanely familiar and the markedly different. And change can be painful. It taps a range of emotions—anxiety, excitement, uncertainty. Yet it also presents myriad opportunities—to break down weaknesses, build on old strengths, and create new ones.

As Decisions 2003 morphs into Action 2004, we're already using the lessons learned in the past year to change for the better. At the heart of these changes is that TIAA-CREF's unwieldy organizational structure, and the impractical practices it led to, created huge impediments to success in our increasingly competitive world. Silos. Bureaucracy. Lack of accountability. Each an obstacle that kept our consultants from providing the extraordinary service they know they can.

Above all else, true customer-centrism—a product and service structure that enables us to meet the needs of millions of participants (and those who'll soon join them)—is the challenge we face. We know where we've been as a company and as a culture. Now we must define where we're going—and ensure that our culture grows stronger along the way.

Thus this booklet represents the opening paragraph of the next chapter of the TIAA-CREF story. In the following pages you'll meet and hear from many of the story's authors. Herb Allison talks about what it means to truly put customers first. The new business unit heads—familiar faces in unfamiliar territory—explain what makes their assignments tick. Fran Nolan and Bert Scott discuss how the new structure will work for and not against us; John Somers and Scott Evans, how our merged investment areas will continue to help TIAA-CREF stand out. And the new Executive Management Team members offer their top priorities for the future.

You'll also see five cultural pillars we're building on, based on last fall's staff survey. You'll learn how other firms have climbed the customer-focus ladder to the tops of their fields. And you'll hear from other TIAA-CREF associates who look forward to helping us scale those rungs.

TIAA-CREF's reputation—for honesty, integrity, and accountability—is unsurpassed in the financial services industry. It's time we created an organization that's equal to that distinction. Read on, and see what we're about to become.



doug chittenden

Product Management: Individual Wealth Management

Doug Chittenden, who recently moved from New Jersey to Charlotte to run the Southern Service Center, barely had his feet on the Carolina piedmont before being pressed into service as TIAA-CREF's point man on individual wealth management products. His new role involves putting a streamlined, segmentation spin on things we already offer individuals, including mutual funds, IRAs, after-tax annuities, and trust accounts, and "manufacturing" those we don't, such as cash-management accounts and brokerage services.

"About 80 percent of the organization fell into place pretty quickly—you could do it on the back of an envelope," he says. "The other 20 percent demands real careful analysis."

That final fifth calls for the experience Chittenden has gained in 18 years at TIAA-CREF, much of them spent counseling participants—or hearing from a certain one at family gatherings: His dad, Ted, a retired research psychologist at Educational Testing Service and, before that, professor at Columbia and Mount Holyoke, has been a participant since the '60s. In fact, Chittenden says one of his clan's running jokes twists a company line of yore: "It's my inheritance money, don't spend it!"



nancy heller

Product Management: Institutional Assets

Nancy Heller relishes a challenge. Witness the New York City Marathon she ran last year for the first time, finishing in a respectable 5:13:32.

Not surprisingly, she's jazzed up for what she calls "about as challenging a job assignment as I've ever had": running a potentially huge branch of TIAA-CREF product management business—Institutional Assets—that, prior to Decisions 2003, didn't exist. Heller plans to tap current resources such as Client Services, and to pick the brains of colleagues at her old stomping grounds, TIAA Investments. But essentially, she'll design and build it from scratch.

Which tracks her career: Heller joined TIAA-CREF in 1983 out of NYU's MBA program, chosen after her original goal—becoming "Ms. Jacques Cousteau"—just didn't keep her interest. "Science is repetitive, and I didn't like doing things over and over exactly the same way," says Heller, whose M.S. degree is a distant memory.

Been there, done that? Not quite.

stacey panagakis

Client Services: Mass Market Individuals

Forgive Stacey Panagakis if she's seen this one before. Not only did the new Mass Market Individuals segment leader head up the Decisions 2003 sub-team devoted to participant research and new-customer strategy, she's spent her entire TIAA-CREF career studying and responding to individuals' needs.

She joined the company in 1988—and soon found herself running the precursor of today's National Contact Center. Later, after starting Service Plus, our first outbound call center, she moved to Marketing, where she learned new ways of communicating with retirement savers.

Little wonder Panagakis says of her current charge, "It's like coming home."

Of course, there are homecomings of other kinds, like making time for her son Christopher, 7, and daughter Taylor, 4. Moreover, when her new assignment emerged, Panagakis was in the midst of moving to—and renovating—a new apartment. Recalling a peripatetic childhood during which she lived through several renovations, care of her parents, she says, "I vowed I'd never do it [myself], and here I am doing it. I am truly insane." Dedicated is more like it.



keith rauschenbach

Product Management: Business Development

Pay no attention to that man hobbling around the Home Office halls thanks to a surgically repaired Achilles tendon, torn during a recent encounter with a derelict diving board. When the task at hand is TIAA-CREF, Keith Rauschenbach is as nimble as they come.

That's key, because his new charge, Business Development, will serve as a centralized contact point and distribution channel for getting products to third parties. It will cover such areas as distribution through broker-dealers, industry relations with consulting firms, responses to RFPs, and product R&D. The idea is to create a cost-efficient network that boosts value to internal as well as external customers.

Rauschenbach is geared for the challenge. Joining the company out of college in 1981, he worked his way up from participant phone counseling to overseeing Home Office correspondence, managing the New York Regional Office, and, in 1999, vice president for Eastern Division Consulting Services.

Just don't look for him on a diving board anytime soon. "It was," he says of the injury, "one of my less graceful moments." Luckily, those are few and far between.



A man in a dark suit, light blue shirt, and patterned tie stands in front of a large, textured brick wall. The wall is made of reddish-brown bricks with a rough, weathered appearance. In the background, a multi-story brick building with several windows is visible. The man is smiling slightly and looking towards the camera. The overall scene is outdoors, likely on a rooftop or a high-rise balcony.

ed van dolsen

Product Management: Pension Products

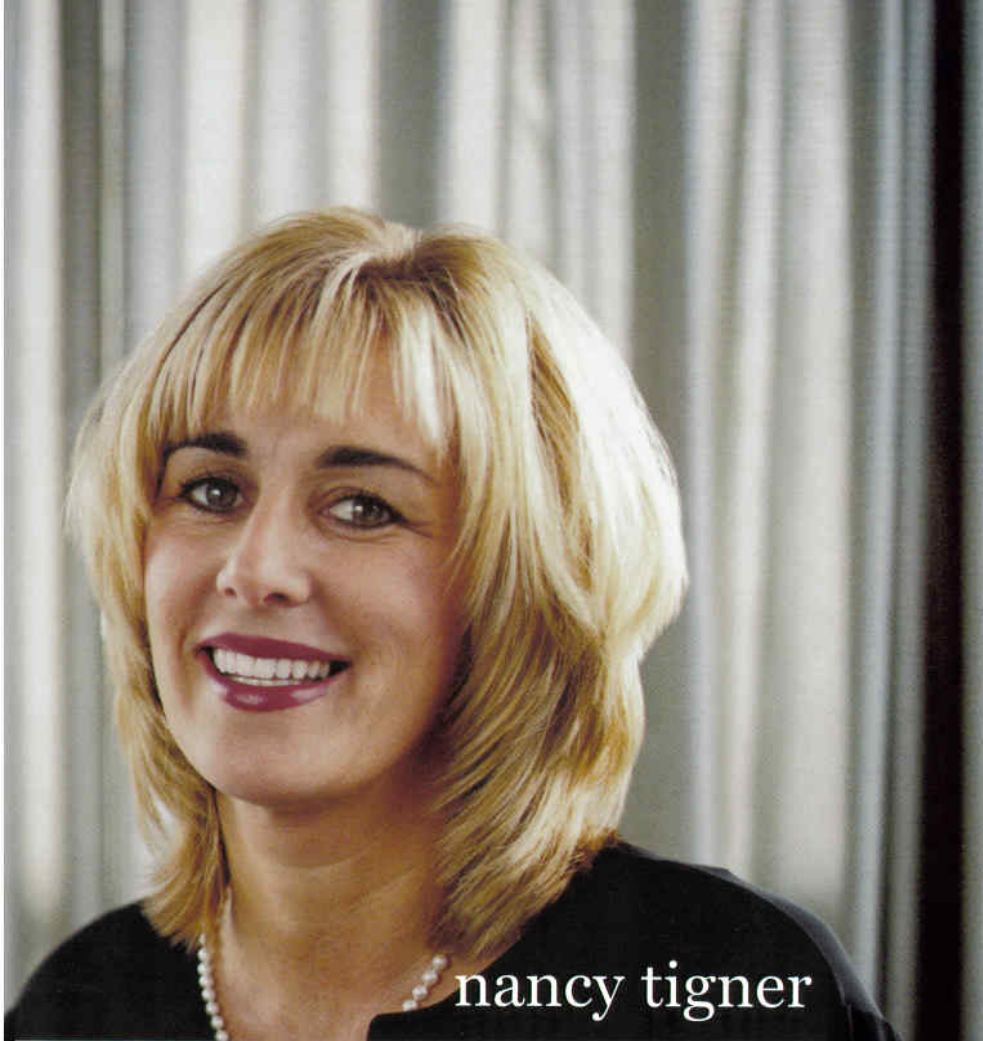
Ed Van Dolsen—intrepid rock climber and Decisions 2003 sub-team leader—says his new unit in Product Management, Pension Products, offers an excellent view of the horizon.

One reason is that it will create retirement products and services—but leave distribution to others. “This is a much clearer structure,” Van Dolsen says. “It will let us focus on what product flexibilities and features make sense, especially to our big customers, and keep a much better eye on the bottom line of cost versus benefit.”

For that last part, he broke out some old MBA books and gave himself a refresher course. For the rest, he’s relying on two decades of TIAA-CREF experience in retirement-product marketing, project management, and support services.

Van Dolsen says simplification is key to creating value for customers and associates. Indeed, it’s why he’ll relocate with his family to Denver next summer, where some 500 Pension-unit staffers are based.

Leaving the East Coast is a mixed bag for the Philadelphia native. But as Van Dolsen, whose allegiance to the Phillies, Eagles, and Flyers never ebbed on the other end of the Jersey Turnpike, sees it, help merely taking care for the team



nancy tigner



phil rollock

Client Services: Mid-Market Plans

Ask Nancy Tigner if career or family takes precedence in her life these days, and odds are you'll get a simple, resounding reply: Yes!

That's because, while Tigner relishes her weekend role as a suburban soccer mom, on weekdays she has mid-size fish to fry: some 1,500 not-so-big, not-so-small institutions for which she's trying to devise ways of offering white-glove service—in a cost-effective way.

"These institutions are very valuable to us," says Tigner, noting that they've been both profitable and relatively unnoticed by the competition. "Historically they've been very, very loyal, so we're hoping to strengthen already strong relationships."

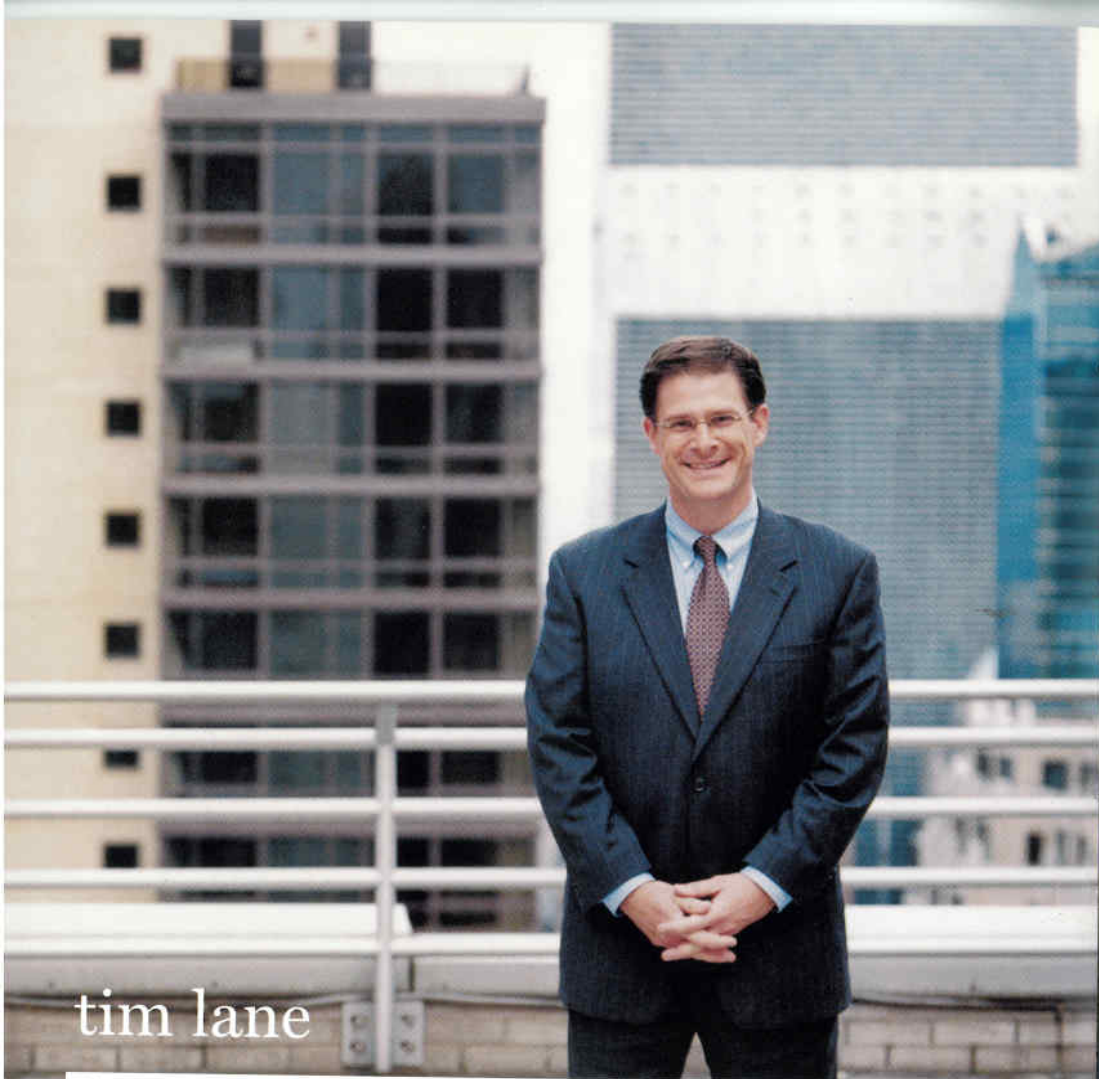
On that count, Tigner's had plenty of practice. The New Jersey native joined TIAA-CREF in 1984 and soon found herself moving to Virginia to help open the Washington, D.C. Regional Office, where she rose from institutional consultant to regional vice president in charge of the Mid-Atlantic South region. In between came husband Jay, son Julian, 11, and daughter Maggie, 7. "That's my life," says Tigner, briefly coming up for air. "Work and kids." We know the feeling.

Product Management: Education Savings

Phil Rollock is like the smart kid on the first day of class. If there's trepidation—after all, this veteran attorney has just switched career gears entirely—he's not showing it. Instead, he's excited about going from the nitty-gritty of investment law to the broad strokes of managing TIAA-CREF's education savings efforts and developing healthcare savings accounts.

He began this school year with a tough assignment: the recent loss of New York State's 529 college savings plan. But Rollock is undaunted. Beyond rethinking business models to squeeze profits from the dozen other state-sponsored plans—and the new national Independent 529 Plan—that keep TIAA-CREF a 529 market leader, he contemplates other products for education savers.

Little wonder. A Brooklyn native who took a Princeton A.B. and Harvard law degree to the old-line Wall Street law firm White & Case, Rollock soon wearied of "27-hour days and billing at six-minute intervals." Seeking a more congenial atmosphere that still offered "sophisticated work," in 1990 he joined TIAA-CREF, where he's focused mostly on mortgage and real estate law. Odds are he'll tackle his new assignment *cum laude*.



tim lane

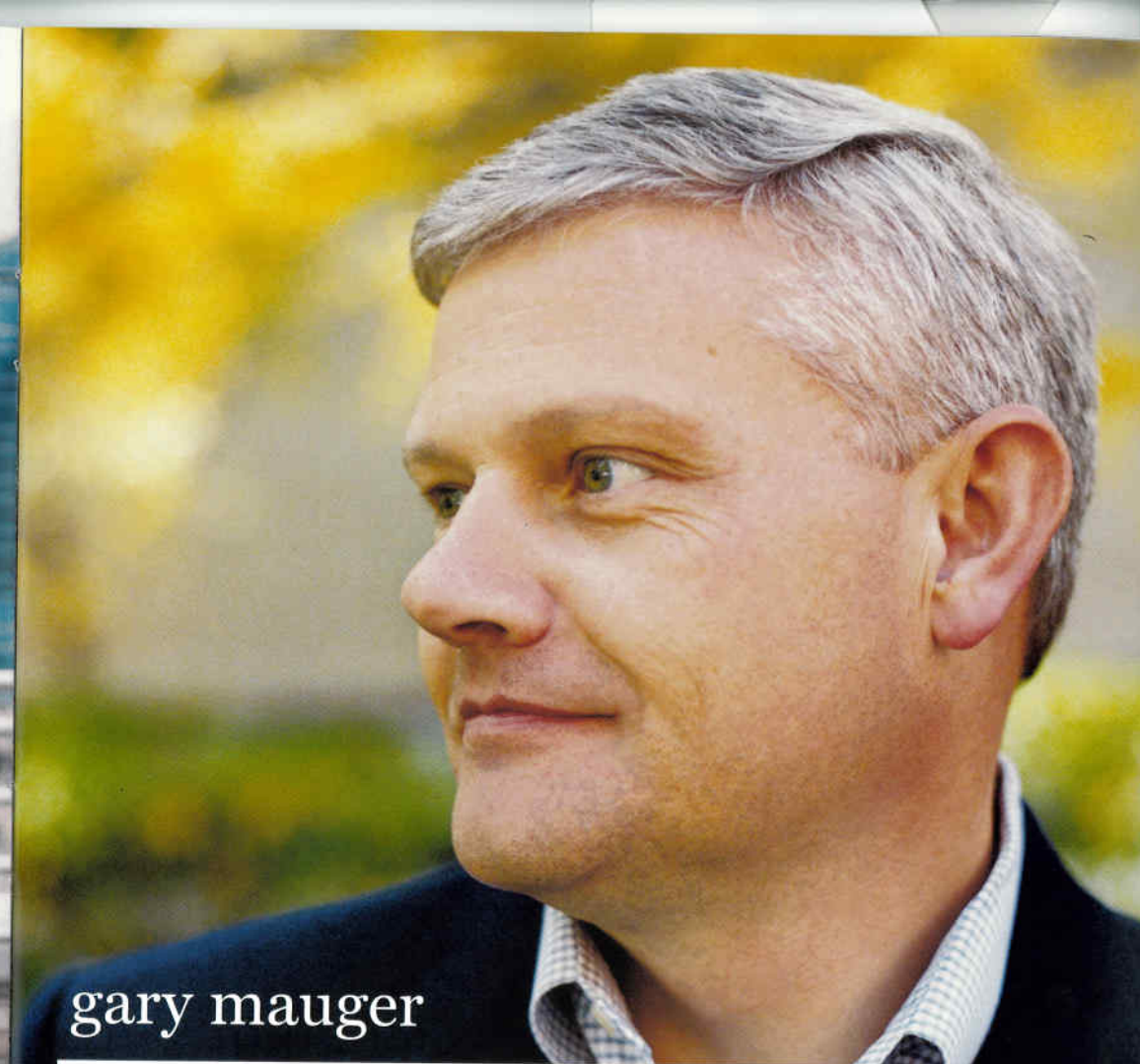
Client Services: Large Plans

It's a good thing Tim Lane likes to travel.

True, Lane earned his share of frequent-flyer miles in his previous incarnation as the driving force and public face of the baker's dozen TIAA-CREF 529 college savings plans. But now that he's charged with overseeing some 200 large institutional plans, many with multiple locations across the country, along with the consulting force that goes with them, he could be taking his show on the road—and in the air—more often than not.

A true tri-stater—born and raised in New York and higher-educated in Connecticut, Lane makes his home with wife Rosaleen and their four kids in northern New Jersey—he says living out of a suitcase suits him fine. Besides, it enables him to share his inveterate optimism with his far-flung staff.

"We'd like to create an environment," says Lane, "where people come in thinking, 'What I do is critical, and really matters. If I don't show up today, somebody's gonna miss me.'"



gary mauger

Client Services: Small Plans

It might seem as if Gary Mauger drew the short straw. After all, his plan segment is dripping with red ink.

But where others see an ill-fated charge, Mauger sees a challenge: creating a growth industry out of the 10,000 or so plans that, on average, serve as a serious drag on profitability.

"Somewhere in the small plan is the heart and soul of TIAA-CREF," says Mauger, who "kind of fell in love with" such plans during his Decisions 2003 research.

Maybe it's the thin air: Mauger has spent his entire TIAA-CREF career in the Mile High City. And there's his pioneer spirit: The Montana native was one of three consultants to open what was then the Denver Regional Office—he recalls sitting on the floor the first day, waiting for the furniture to arrive.

More likely, it's the confidence that comes from experiencing all sides of the equation, as a benefits administrator for Utah State University and a regional airline before joining the home team in 1988. In fact, it's a good bet Mauger had that short straw up his sleeve all along.