Pension & Health Benefits Committee
California Public Employees' Retirement System

Agenda Item 7

November 19, 2013

ITEM NAME: Customer Services and Support Performance Update

PROGRAM: Customer Services and Support

ITEM TYPE: Information

EXECUTIVE SUMMARY

Delivering superior customer service requires meeting our customers' needs by adapting our services based on the changing environment and on customer feedback. During the first quarter of Fiscal Year 2013-2014, Customer Services and Support (CSS) has made important progress in improving our service delivery by achieving greater consistency in business processing, staff training and the development of customer surveys. The projects under our Service Delivery Transformation Roadmap have begun to yield results and the Customer Contact Center has continued to reduce call wait times.

STRATEGIC PLAN

This informational item supports Strategic Plan Goal B: "Cultivate a high-performing, risk-intelligent, and innovative organization." Assessing our level of performance on an ongoing basis enables us to make informed decisions and deliver superior end-to-end customer service that is adaptive to our customers' needs.

BACKGROUND

CSS is using a performance measurement methodology to evaluate the success of our mission and measure the impact of service delivery initiatives on operations and on customer satisfaction. Our performance measurement approach is consistent with the leading practices outlined in the California Public Employees' Retirement System (CalPERS) Board Governance Study Final Report (September 2011). CSS is reporting indicators of performance areas, not individual performance metrics, so the Board can more efficiently monitor program performance. According to this approach we look at performance thresholds to identify exceptions requiring the Board's attention.

The Performance Metric Update below reflects the CSS performance data for the first quarter of Fiscal Year 2013-2014. Following the Performance Metric information, we have included supplementary information related to the projects currently underway within CSS which support our wrap around customer care approach and Service Delivery Transformation Roadmap.

ANALYSIS

CSS Performance Metric Update
The Performance Dashboard (Attachment 1) includes two Business Strategies identified by CSS: 1) Service Delivery; and, 2) Benefit Administration. Each Business Strategy contains associated Value Drivers and Attributes. The Business Strategies direct the approach CSS will undertake to achieve our Mission and Vision. Value Drivers represent the major impetuses for the success of our Business Strategies and the Attributes describe the characteristics CSS must exemplify to deliver value to our customers.

Attachment 1 depicts the Business Strategies, Value Drivers, and Attributes with corresponding colors of green, yellow, or red. As shown on the Performance Dashboard, each color represents a status indicator pertaining to performance targets.

Business Strategy – Service Delivery
Service Delivery measures how well CSS is serving our customers and continues in a yellow status from last quarter due to performance limitations in certain metrics under the Timeliness Attribute.

Value Driver – Customer Experience
Providing our customers with a positive experience is very important to CalPERS. The Customer Experience Value Driver has improved to the green range from last quarter. The Attributes of Quality and Customer Satisfaction remain in a green status, but Timeliness continues to reflect yellow.

Timeliness
The percentage of service credit purchase requests completed within 90 days is in a red status. However, as reported previously, this area has returned to normal inventory levels and increased processing by 11 percent over last quarter. Further improvements are expected over the Fiscal Year.

Membership determinations completed within 120 days reflects a red status because the Membership section has embarked on a backlog reduction plan, resolving older work items. Although this means a temporary reduction in timeliness, this project will soon make quicker processing possible for the long term.

Metrics which have experienced notable increases under the Timeliness Attribute include the death benefit post-retirement payment processing area which realized an increase of 10 percent of claims processed within 45 days over last quarter. Retirement estimates also experienced an

increase in processing, up 7 percent from last quarter. Lastly, service retirements paid within 45 calendar days of application date or retirement date increased by 8 percent over last quarter.

Value Driver – Customer Education
The Customer Education Value Driver and its underlying Attributes of Availability and Effectiveness continue strong performance from last quarter and show a green status.

Business Strategy – Benefit Administration
Benefit Administration measures how well CSS manages certain business activities and continues to reflect a green status.

Value Driver – Compliance
The overall Compliance Value Driver remains green. The Attributes of Appeals, Audits, and Risk Management continue in green status.

Value Driver – Operational Effectiveness
CSS has developed performance metrics for Workload Management and Member Self-Service (MSS) utilization and continues to develop our standards for measuring performance in these Attributes.

Workload Management
The metrics used to measure Workload Management include CSS overtime usage, the percentage of completed Employee Performance and Development (EPADS) plans, mandatory training completed within the required timeframes, and our position vacancy rates. We are developing a reporting methodology for this Attribute and it remains in a gray status on the Dashboard.

Member Self-Service Utilization
Metrics for MSS Utilization include the percentage increase in the number of new myICalPERS accounts created, and the proportional increases in the number of Open Enrollment transactions, address changes, health dependent transactions, direct deposit transactions, estimates, and service retirement applications completed through MSS versus traditional methods (e.g. mail and telephone call). We are developing a reporting methodology for this Attribute and it remains in gray status on the Dashboard.

PROJECT UPDATES

Full Voice of the Customer Satisfaction Picture

CSS initiated the Full Voice of the Customer Satisfaction Picture project to transform the way we obtain customer feedback by creating accessible, cost-effective, and inclusive surveys for our customers at many levels of interaction with CalPERS. Collecting a more comprehensive assessment of the customer experience, or their "Full Voice", enables us to adapt to the changing needs of our very diverse customer base and increase overall satisfaction.

To date the project team developed two new vehicles for surveying our customers: a general survey to be included on the CalPERS Online internet site and a business process survey offered through Member Self-Service. The general survey asks CalPERS Online visitors questions about their satisfaction with CalPERS business processes and with the helpfulness and professionalism of our staff. The business process surveys ask users of three MSS processes—Address Change, Retirement Estimate, and Maintain Payment Options—to rate their satisfaction with the ease of completing the transaction, the time to complete the transaction, the usefulness of onscreen directions and their satisfaction with the process.

These initial surveys will be available during the second quarter and will provide us with a more complete picture of our customers' satisfaction than we have yet been able to achieve. The Full Voice initiative will create numerous surveys like these, tailored for many of our business processes over the course of this project.

During the third quarter we will develop surveys for two or more additional Member Self-Service transactions as well as comprehensive surveys of other business processes. Additionally, throughout the third and fourth quarters we will finalize the long-term survey development schedule which will focus on other business processes and customer interactions and carry us through Fiscal Year 2014-2015.

Website Usability Initiative

Our Website Usability Improvement initiative is intended to assess the usability of CalPERS Online and make targeted improvements through a user-centered design process. During the first quarter of this year, the project team reached out to our stakeholders to ask what improvements to CalPERS Online would give them the greatest benefit. Additionally, the project team conducted interviews of internal and external stakeholders and hosted participant focus groups with members at different career stages and from a diverse group of employers.

Through these collection efforts, our customers provided us with constructive feedback the project will transform into valuable website improvements. In response to this feedback, the project has focused efforts on improving the website's search

function, introducing improved keyword search functionality and adding Quick Links to search results.

Core Competency Training
CSS has initiated the Core Competency Training Project to reaffirm skills essential for maximum performance in the CalPERS work environment. This initiative standardizes training to staff in the areas of lifecycle education, business etiquette, writing effective notes in mylCalPERS, and best practices for analytical work.

Lifecycle education on the elements of a CalPERS member's lifecycle and the roles different CSS program areas and business processes play in this progression will result in a more reliable and consistent transfer of information and better understanding of the cross divisional impacts produced from CSS business processing. Reaffirming principles of business etiquette will strengthen our already rigorous professional standards. Writing notes in mylCalPERS training will increase the effectiveness of communication throughout the branch, as a large proportion of information, especially between program areas, is conveyed through notes placed in mylCalPERS. The analytical best practices training will help staff members develop tools for analytical writing and research through the use of a job aid document.

Interactive Voice Response Enhancements
In August 2013, the Customer Service and Outreach Division and Information Technology Services Branch initiated an Interactive Voice Response (IVR) project to streamline and improve usability of the system that leads members and employers to Customer Contact Center agents. CalPERS engaged Human Factors International (HFI) consultant services to assist with this effort. To date, CalPERS and HFI have conducted user experience testing to gather customer feedback on the existing system, and are currently in the design stage for a new IVR structure, which will be tested again with customers to validate customer usability. This project is on target to implement a streamlined IVR by June 30, 2014.

Retirement Planning Fairs
CalPERS has completed the 2013 Retirement Planning Fair schedule hosting a total of 4 fairs in Sacramento and Long Beach. Although we hosted one less fair than last year, overall attendance grew 7 percent for an approximate total of 4,300 participants. For the first time, CalPERS delivered webcasts of 4 breakout sessions to provide access to 1,250 who were unable to attend in person. Participants were surveyed, with a 34 percent response rate, as a way to gauge the effectiveness and usefulness of the fairs to our members. The overall evaluations showed that approximately 90 percent of respondents thought the fairs were a worthwhile use of their time and would recommend the fairs to others. Participants overwhelmingly stated, with a rate of 90 percent, that the breakout sessions offered at the fairs met their needs. The overall responses reinforce the value the fairs bring to our membership and their appreciation for these events.

Contact Center Update
The customer wait times within the Customer Contact Center have continued to decrease during the first quarter. As illustrated in Attachment 2, our average call wait time never exceeded two minutes during the first quarter and went down to an average of one minute for all callers during September.

Summary
Through our Service Delivery Transformation Roadmap and other customer experience enhancement projects, CSS has made improvements in customer service across our branch. Our accomplishments this quarter reflect our commitment to our mission to make a difference through excellent customer service and put us in a position to make further progress over the rest of this fiscal year.

BUDGET AND FISCAL IMPACTS
Not Applicable

ATTACHMENTS
Attachment 1 – 2013-2014 Quarter 1: Performance Dashboard
Attachment 2 – Customer Contact Center Average Call Wait Times

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