



## Agenda Item 8

November 17, 2015

**ITEM NAME:** Customer Services and Support Performance Update

**PROGRAM:** Customer Services and Support

**ITEM TYPE:** Information

### **EXECUTIVE SUMMARY**

Customer Services and Support (CSS) uses a performance measurement methodology to evaluate the success of our mission and measure the impact of performance improvement initiatives on operations and customer satisfaction. We developed Strategic Measures 10 and 11 to assess the timeliness of benefit payments and to evaluate customer satisfaction with our processes and services. This agenda item is an update on the implementation of these Strategic Measures for the California Public Employees' Retirement System (CalPERS) 2012-2017 Strategic Plan and includes the CSS Fiscal Year 2015-2016 first quarter Performance Report.

### **STRATEGIC PLAN**

This agenda item supports the CalPERS Strategic Plan goal to cultivate a high-performing, risk-intelligent, and innovative organization. Strategic Measures build a framework that enables CalPERS to evaluate the organization's progress in meeting the goals of our Strategic Plan, and provides the linkage from business strategy to execution.

### **BACKGROUND**

In August 2012, the CalPERS Board of Administration (Board) approved the CalPERS 2012-2017 Strategic Plan. To assist the Board in evaluating the success of the Plan, we developed and presented an initial set of Strategic Measures as part of a larger effort to support the use of enterprise-wide measurements to guide the organization. Below is an analysis of CSS Strategic Measures 10 and 11. Following the information related to our Strategic Measures is our first quarter Performance Report highlighting our performance and pointing out exception areas for this time period.

### **ANALYSIS**

#### **Strategic Measures**

We have developed Strategic Measures 10 and 11 as an integral part of our performance reporting. These measures include performance metrics which are significant to our customers because they contain the most important benefit payment processes as well as a comprehensive picture of customer satisfaction.

**Strategic Measure 10: Benefit Payments**

This measure captures the timeliness of four payment types: Service Retirement, Refunds, Disability Retirement, and Ongoing Survivor Benefits. The timeliness of payments is a key component of a positive customer experience. We focus heavily on benefit payments in our performance management to ensure customers always receive timely payments (see Attachment 1 to review targets, weights, and first quarter results).

We selected these benefit payments for inclusion together in this measure because they are the most essential to customers. The delay or interruption of any of these could create significant hardship. The performance targets for the Benefit Payments metrics are:

Benefit Payment Type	Description	Target
Service Retirement	Percentage of service retirements paid within 45 calendar days of retirement date	98%
Disability Retirement	Percentage of first disability payment made within 45 calendar days of approval date	98%
Ongoing Survivor Benefits Monthly	Number of monthly payments issued within 45 calendar days of benefit effective date	98%
Refunds	Percentage of first refunds paid to eligible members within 30 calendar days of receipt of a valid election	98%

**Strategic Measure 11: Customer Satisfaction**

This measure incorporates our customer satisfaction surveys. CSS administers an extensive range of surveys, delivered online, by mail, in person, and through email measuring overall satisfaction with the process or service we offer. Collecting satisfaction data through surveys allows us to utilize the full value of customer feedback and increases our flexibility and responsiveness to their needs.

We have grouped customer satisfaction into four categories capturing the data we collect from our various customer surveys and consolidating them. These four categories make up our overall customer satisfaction measure. The categories include:

- Benefit Payment - the satisfaction of our member with our strategic measure processes
- Member Self Service - the satisfaction of our members with our on-line business processes
- Service Delivery - the satisfaction of our members through other business processes and services
- Employer Interaction - the satisfaction of our employers through business processes and services

As we add more surveys within the spectrum of customer service, we will weight them appropriately and incorporate them into our four satisfaction categories and our overall satisfaction measure. We have set the target at 95 percent for all customer satisfaction surveys.

Attachment 1 includes proposed targets, weights, and first quarter results for each metric within our Strategic Measures. After incorporating the Board's feedback, we will finalize the targets and report them at the December 2015, Pension & Health Benefits Committee meeting.

### **Fiscal Year 2015-2016 Quarter 1 Performance**

We now turn the discussion from the strategic measures to report on CSS performance. During the first quarter, we met and exceeded performance targets in the large majority of our business processes. A few metrics did not meet our performance targets and met our exception reporting thresholds which are discussed below.

The Customer Contact Center (CCC) did not meet its call wait time service level target in the first quarter, primarily due to the mailing of the Health Plan Statements as well as to Open Enrollment. The CCC received the second-largest call volume in history for that timeframe and experienced longer handle times due to call complexity associated with the change in CalPERS Medicare Health Plan options for 2016. As call volumes have stabilize, we are returning to normal call wait times.

Looking ahead, during our second quarter Performance Report in February 2016 we will be presenting our new dashboard and reporting methodology – the Customer Experience Score. This holistic, end-to-end performance reporting approach focuses on the customer's needs above all else while providing an appropriate level of oversight and detail.

### **BUDGET AND FISCAL IMPACTS**

Not Applicable

### **BENEFITS/RISKS**

CalPERS' strategic measurement and Performance Report activities are essential in enabling us to manage factors affecting the end-to-end customer experience and to meet our customers' needs as they evolve.

**ATTACHMENTS**

Attachment 1 – Customer Services and Support Strategic Measures 10 and 11  
July 1, 2015 – September 30, 2015

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