



# Board of Administration

## Agenda Item 10a

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**August 21, 2019**

**Item Name:** Stakeholder Survey Results

**Program:** Communications and Stakeholder Relations

**Item Type:** Information

### **Executive Summary**

The Office of Stakeholder Relations monitors and assesses CalPERS' reputation with key stakeholder segments to help support, shape, and implement the Strategic Plan goals and initiatives for the organization. An online survey was distributed to active, retired and inactive members, employers, and key stakeholder leaders over two weeks during the month of May 2019. The overall survey results indicate that the general perception of CalPERS remains positive among stakeholder segments. Customer service is viewed as a strength for the organization with a strong correlation to positive views in other areas. All eight Long-Term Trend questions among employers showed improvement from last year, although this group continues to reflect lower overall ratings than other segments.

### **Strategic Plan**

This item supports the Fund Sustainability, Health Care Affordability, Reduction of Complexity, and Risk Management strategic goals.

### **Analysis**

The survey uses quantitative analytical methods to gain accurate, timely, and actionable information about CalPERS' standing and perception among its target stakeholders.

### **Survey Structure**

- Eight long-term trend questions
- Eight perception statements on ethics, compliance, transparency, and health care cost and quality
- One question on overall perception
- Opportunities for open-ended comments and suggestions
- Demographic questions

Survey Group	Surveys Distributed	Surveys Completed	2019 Response Rate	Previous Year Response Rates
Active Members	58,506	6,408	11.0%	8.9%
Retirees	19,208	4,695	24.4%	15.1%
Inactive Members	18,055	899	5.0%	7.2%
Employer Leaders	2,338	177	7.6%	13.5%
Employers	8,773	295	3.4%	6.1%
Stakeholder Leaders	87	18	20.7%	13.3%
<b>TOTAL</b>	<b>106,967</b>	<b>12,492</b>	<b>11.7%</b>	<b>9.8%</b>

## **Summary of Key Findings**

### **General Perception of CalPERS is Positive**

Overall, most respondents hold favorable perceptions of CalPERS:

- 86 percent of survey takers indicated favorable responses across the main metrics
- Average rating of 5.83 out of 7 when asked about overall perception of CalPERS
- Member and employer sentiment improved from last year, while stakeholder sentiment was mixed
- Respondents averaged 7.6 on 10-point questions related to effectiveness in communication, engagement, and advocacy

### **Customer Service is a Key Indicator of Overall Perception**

- Customer service remains the key barometer in gauging stakeholders' overall perception of CalPERS. Regardless of stakeholder segment, respondents who had favorable scores for customer service tended to have higher scores across all other metrics

### **Retirement Money Seen as More Secure**

- Members, employers, and stakeholders all reflected higher confidence that their retirement money was safe, including an 11-point increase for employers

### **Demographic Analysis**

#### *By Survey Group*

- Overall, retirees had the most favorable opinions while inactive members had the least favorable opinions.

#### *By Professional Level*

- Executives had the lowest ratings for CalPERS across most metrics, although their score for overall perception of CalPERS was still favorable (5.58 out of 7)
- Middle management and rank-and-file employees had the most favorable ratings (5.86 out of 7)

#### *By Years as a CalPERS Member and Years until Retirement*

- Overall, retirees and active members nearing retirement appear to hold CalPERS in a higher regard than those that are still several years out from collecting their retirement benefits.
- Respondents who have (or had) 20 or more CalPERS membership years had favorable responses to all “Long-Term Trend” questions. Similarly, respondents who are within one year of retirement also had favorable response averages to all “Long-Term Trend” questions.

#### *By Total Contact with CalPERS*

- Most individuals contacted CalPERS between 1-3 times within the last year or had no contact at all. These respondents had favorable ratings overall.

#### *By Geography*

- Responses for county of residence were combined into nine economic statewide regions and “Out of State” for those who live outside of California
  - Bay Area Region
  - Central Valley Region
  - Coastal Region
  - Eastern Sierra Region
  - Inland Empire Region
  - Northern Region
  - Sacramento Region
  - Southern Border Region
  - Southern Region
  - Out of State
- Overall, all regions were in the *somewhat agree* to *strongly agree* ranges across the core perception statements.
- All regions strongly agreed with the core perception statements regarding CalPERS being an effective policy advocate and effectively communicating with stakeholders.
- The Northern Region typically had the least favorable responses of all regions across most “Long-Term Trend” questions. These respondents had the least confidence about their retirement money being safe.

### **Budget and Fiscal Impacts**

By eliminating reliance on external consultants, the survey yields an annual savings of approximately \$300,000 in comparison to prior survey years where outside consultants were used.

### **Benefits and Risks**

The Stakeholder Perception Survey identifies areas of satisfaction and concern from CalPERS stakeholder segments. Review and evaluation of the data allows CalPERS leadership to develop initiatives that ensure consistent communication with stakeholders, enhance confidence in the System and help members and employers make informed decisions. The survey also

provides baseline data for two Strategic Measures in the 2017-22 Strategic Plan, in the areas of risk and compliance.

### **Attachments**

Attachment 1 – Annual Stakeholder Perception Survey

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