



Board of Administration

Agenda Item 10b

June 17, 2020

Item Name: Annual Stakeholder Perception Survey

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 March 2020 (March 9-22). 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. Seven of the eight Long-Term Trend questions among employers showed improvement from last year, although this group continues to reflect lower overall ratings than other segments. All eight Long-Term trend questions among members saw a slight decrease from last year.

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
- Seven perception statements on ethics, compliance, transparency, and health care cost and quality
- Two statement questions on how well CalPERS acts as an effective policy advocate
- One question on overall perception
- Opportunities for open-ended comments and suggestions
- Demographic questions

Survey Group	Surveys Distributed	Surveys Completed	2020 Response Rate	Previous Year Response Rates
Active Members	60,408	4,230	7.0%	11.0%
Retirees	19,414	3,874	20.0%	24.4%
Inactive Members	18,018	864	4.8%	5.0%
Employer Leaders	1,851	118	6.4%	7.6%
Employers	8,952	272	3.0%	3.4%
Stakeholder Leaders	87	15	17.2%	20.7%
TOTAL	108,730	9,373	8.6%	11.7%

Summary of Key Findings

General Perception of CalPERS is Positive

Overall, most respondents hold favorable perceptions of CalPERS:

- Eighty-five percent of survey responses were ‘Yes’ across the eight “Long-Term Trend” questions.
- Respondents averaged a 5.4 (*Somewhat Agree*) on the 7-point Likert scale perception statements.
- Respondents averaged a 7.6 on the 10-point Likert scale perception statements. While this score is below the highest possible ratings, a score of 7.6 is still a positive rating on effectiveness.

Customer Service is a Key Indicator of Overall Perception

- Respondents who believe CalPERS’ customer service is being managed well (Question 2) are more likely to feel positively about other aspects of CalPERS.
- Responses to the customer service management question were strongly correlated with responses regarding CalPERS’ sensitivity to needs (Question 3), satisfaction with services provided (Question 5), and confidence in CalPERS providing future quality customer service (Question 7).
- Since the January 2018 survey, customer service remains a key metric in shaping stakeholders’ overall perception of CalPERS, and perceived positive management of customer service significantly influenced this year’s positive responses.

Lowest Confidence Scores in Retirement Money Security and Balancing Health Cost with Quality

- Overall, respondents’ confidence in their retirement contributions is less positive than all other “Long-Term Trend” questions.
- Across statements using a Likert scale, CalPERS being an effective voice in ensuring a balance between health care costs and quality of care (Statement 9) had the least favorable response.

Demographic Analysis

While all responses in general were positive (higher than *Neither Agree nor Disagree*), differences existed in the degree of how positive or favorable respondents rated a statement by survey group and demographic. The following sub-sections highlight these differences:

By Survey Group

- For the “Long-Term Trend” questions, inactives had the least favorable opinions, while retirees had the most favorable opinions.
 - Less favorable opinions may be directly related to not actively working for a CalPERS-covered employer and not following CalPERS as closely as other groups.
 - Inactive respondents may also not be vested or concerned about their CalPERS benefits due to inactivity with their member accounts.
- Employer Leaders responded less positively while retirees responded more favorably to feeling confident of their retirement money being safe and secure.
 - Retirees ranking the highest may reflect being the only survey group that is already collecting pension benefits.
 - Employer Leaders being the least confident may reflect recent employer contribution increases.
 - Retirees exhibited the most favorable opinions on all 7-point and 10-point Likert scale perception statements, while the least favorable opinions on perception statements stemmed from inactives.

By Professional Level

- While Executive Directors/Senior Executive Officers across all survey groups responded more favorably than unfavorably to most of the “Long-Term Trend” questions, their overall score was the lowest among all professional levels. Across the 7-point and 10-point Likert scale perception statements, this group also had the lowest scores of all other professional levels and had the highest average score for actively following CalPERS in the media (Statement 17).
- For the question on CalPERS being sensitive to the needs of its members (Question 3), Executive Directors/Senior Executive Officers answered eight to nine percent lower in favorability than all other professional levels, which is the largest percentage difference across all “Long-Term Trend” questions.

By Years to Retire

- “Long-Term Trend” question responses show that members nearing retirement generally hold CalPERS in higher regard than those several years out from collecting their retirement benefits. Active members moving closer to retirement may perceive diminished long-term financial risk and increased engagement with their forthcoming retirement.
- Respondents within one year of retirement had the highest favorable response average to 7-point and 10-point Likert scale perception statements, including their overall perception of CalPERS (Statement 14).

By Membership Years

- Overall, respondents of all CalPERS membership years answered more favorably than unfavorably to most of the eight “Long-Term Trend” questions. Specifically, respondents with 20 or more CalPERS membership years had the highest favorable response averages.

- In contrast, the “0 – 3 years” and “4 – 7 years” categories had the least favorable responses on both the “Long-Term Trend” overall average score and the 7-point and 10-point Likert scale perception statements overall mean scores.

By Recent Contact with CalPERS

- The majority of actives, inactives, and retirees engaged with CalPERS three or less times within the last year. Across all contact counts, most individuals responded favorably to “Long-Term Trend” questions. Those with no contact had more favorable perceptions; as the number of interactions with CalPERS increased, the favorability scores generally decreased.
- Across the 7-point and 10-point Likert scale perception statements, the same trend existed. Those with no contact with CalPERS over the year, followed by 1-3 interactions, had the most favorable perceptions.
- Individuals who had no contact with CalPERS within the last year had the highest average score for how confident they felt their retirement contributions were safe (Question 6) and the lowest for actively following media, articles and issues regarding CalPERS (Statement 17).
- Individuals that engaged with CalPERS 10 or more times within the last year had the lowest average scores across most of the “Long-Term Trend” questions. Specifically, their lowest scores were regarding their confidence in the safety of their retirement contributions (Question 6) and their confidence that CalPERS is ensuring a balance between health care costs and quality of care (Statement 9). Respondents who had 10 or more interactions could have less favorable opinions overall due to the complexity of their questions and the required involvement of multiple divisions and staff to resolve their issues. Lower average scores for this group may also be indicative of the time and number of interactions it took to resolve their issue(s).

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 (see Appendix for the counties included in each region:

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 responded in the ‘Somewhat Agree to Strongly Agree’ ranges across all 7-point Likert scale perception statements. Out-of-State respondents ranked the highest in favorability scores across all questions and statements except for customer service being managed well (Question 2) and confidence in information and answers received from CalPERS (Question 8).
- Eastern Sierra region had the most favorable opinion on Question 2 and tied with Out-of-State in most favorable region on Question 8.
- Inland Empire also tied with Out-of-State for most favorable region on confidence in CalPERS providing quality customer service in the future (Question 7).
- All regions responded favorably on the 10-point Likert scale perception statements regarding CalPERS being an effective policy advocate (Statement 15) and effectively communicating with stakeholders (Statement 16). This favorable consensus may be attributed to CalPERS using various communication channels (e.g., social media and newsletters) to reach out and provide information to members and stakeholders across all geographic locations.
- Sacramento Region residents had the least favorable “Long-Term Trend” combined overall average score and 7-point and 10-point Likert scale perception statement average means.
- Bay Area Region residents had the second least favorable average responses across all questions and statements except for the 10-point Likert scale perception statements.
- NOTE: Employer Leaders and Employer Bulletin survey group respondents are excluded from the analysis by geography as they did not receive the county identification question in 2020.

Budget and Fiscal Impacts

The survey is administered by CalPERS team members in Stakeholder Relations and the analysis is completed internally by the Policy Research & Data Analytics division.

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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