Correspondence Memorandum

Date: March 7, 2022

To: Employee Trust Funds Board

From: Pam Henning
              Assistant Deputy Secretary

Subject: ETF Organizational North Star Metrics

This memo is for informational purposes only. No Board action is required.

Attached is the Department of Employee Trust Funds scorecard for the period ending December 30, 2021. These performance measurements provide the Board an objective way to measure progress toward ETF's four strategic goals and represent the second reporting period for the FY22 ETF Scorecard. Of the nine measurements for which we have available data, all are on track and four are exceeding the current fiscal year targets. Some notable developments during this reporting period include:

 Goal 1: Create an effortless customer experience

- **New Measurement:** "Percent of Group Insurance Board-approved projects on schedule." To ensure sustainability of ETF's health plans, the Strategic Council approved this new measurement to report progress on Group Insurance Board-approved initiatives, which include:

  - Reducing the cost of specialty pharmaceuticals (both the cost of the drug and the cost to administer to an individual)
  - Increase enrollment in High Deductible Health Plans (HDHP)
  - Lower overall program costs and improve member health using social determinants
  - Improve member access to mental health services

- **New Reporting**: The "Customer Experience Feedback Score" measurement is now active following the implementation of ETF's survey and data management efforts. This measurement will use surveys to track the percentage of members indicating high customer satisfaction, ease of effort transacting services, and level of willingness to recommend ETF services.

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- **Completed:** The "Enterprise Survey and Data Management Project Implementation Plan" was completed this quarter, establishing the tools and resources to streamline ETF's survey requests and centralize the management of survey data. We are now able to work with business areas to begin collecting the right data through customer touchpoints (call center, retirement appointments, website) and the annual member engagement survey. Before we could provide an enterprise Customer Experience (CX) Feedback Score, we needed to develop and implement a survey playbook of best practices, tools, and a process for collecting and analyzing CX data. This was accomplished through the Enterprise Survey and Data Management Project, which also included aligning efforts with the Data Management Bureau and hiring a dedicated Customer Experience specialist.

Goal 4: Implement outcomes-driven performance management and process management

- Application Portfolio Management (APM) Score: This quarter the APM Score measurement is exceeding its current fiscal year target by 2%. The goal of the APM Program is to engage and involve business stakeholders to jointly identify and prioritize improvement opportunities for ETF applications as part of modernization efforts. ETF's Application Portfolio is assessed using a risk-based model to determine the business and technical fitness for investing in or decommissioning ETF applications.

I will be available at the meeting to answer any questions.

Attachment: ETF Scorecard

GOAL	MEASUREMENT	NORTH STAR TARGET	CURRENT FISCAL YEAR TARGET	CURRENT PERIOD ACTUAL	PREVIOUS PERIOD ACTUAL	STATUS ✅ = On Target ⚠️ = At Risk ⛔ = Significantly off Track	NOTES Indicate dependencies on other metrics or initiatives, reporting frequency (i.e.: monthly, quarterly) along with any changes or issues impacting outcomes
Goal 1: Create an effortless customer experience.	Customer Experience Feedback Score - percent of members who indicate high satisfaction, low effort, and high willingness to recommend ETF services through customer service surveys	91.40%	86.40%	99%	N/A	On Target	Data points are limited to the following surveys: • Retirement Appointment Survey • Annual Member Engagement Survey • Call Center Survey We believe the performance score will go down as we expand the number of customer experience data points in this measure.
	Average Wait Time Service Level Agreement Score of identified transactions	4 for all trxns	4 for HVHI trxns	4.00	4.6	On Target	The wait time score this quarter was lower compared to the last quarter, due to longer wait times for retirement appointments. Some of the causes for increased wait time include: • increase in year-end demand • staff vacancies • fewer business area resources available compared to previous years.
	Percent of Enterprise Survey and Data Management Project Implementation Plan tasks scheduled to be completed in the quarter that are completed by quarter end	100%	100%	100%	82%	On Target	This project is now complete. Internal and external surveys are now being coordinated by the Office of Communications. Business areas can submit survey requests via Ivanti, ETF's internal IT request service tool.
	Customer experience roadmap milestones met	100%	100%	N/A	N/A	N/A	Data available in Q3.
	Percent of Group Insurance Board-approved projects on schedule	100%	60%	N/A	N/A	N/A	Data available in Q3.
Goal 2: Implement outcomes-driven performance management and process management.	Cumulative number of process improvement initiatives that directly contribute to at least 1 strategic goal or objective	40	35	14	8	On Target	Completed six (6) process improvements directly contributing to at least 1 strategic goal or objective, including: • BISM Share Point site providing cybersecurity information to staff Documentation of the following procedures to improve operations: • Special Check Procedures • Annuitant Variable Cancellation procedures • Non-compare procedures • WEBS Closure Process • 415B/TAMRA procedure
	Percent of ECM and IAS processes documented within Promapp (ETF's business process management software), with appropriate performance measures and controls in place	100%	25%	N/A	N/A	N/A	The ECM project is complete and process documentation is currently being added to Promapp. Data will not be available until related project work has been completed.

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Goal 3: Build a talented and agile workforce.	Percent of FTE new hires meeting proficiency requirements during the first 12 months of ETF employment	TBD	TBD	N/A	N/A	N/A	Data will not be available until related project work has been completed.
	Percent of permanent FTE workforce meeting proficiency requirements, reported quarterly	TBD	TBD	N/A	N/A	N/A	Data will not be available until related project work has been completed.
	Percent of competency program tasks completed on schedule	100%	64%	51%	46%	On Target	51% of the overall project effort is complete (5% gain since Q1). Items completed include: • Tested Cornerstone system and performance module • Finalized the 2022 job family development process and calendar • Determined competencies for the Information Technology, Information Security and Data Management job family and process pilot • Released a video updating ETF staff on the benefits of the new process and expectations in the next evaluation cycle. • Completed the Pioneer/Development phase of the project; started the agency-wide readiness phase.
	Percent of Equity and Inclusion program tasks scheduled to be completed within the quarter that are completed on schedule.	100%	100%	100%	100%	On Target	The 100% is based on 15 tasks scheduled and completed for this quarter. Completed tasks include: • Creation and approval of program guidelines for external partnerships • Trained supervisor pilot group on stay interviews • Submitted article to ETF Community encouraging ETF staff get involved in volunteer opportunities to promote positive change, personal satisfaction, and professional growth.

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Goal 4: Implement modern, secure, and resilient information technologies.	Percent of applications in the Invest quadrant of the Gartner TIME model *	50%	20%	22%	17%	On Target	The portfolio is now 22% modernized, exceeding the FY22 target by 2%. During this reporting period, the following activities were completed: Two systems added: • MuleSoft: an integration platform linking ETF's systems and data structures, facilitating end-to-end business processes and workflows. • OnBase: ETF's Enterprise Content Management (ECM) system, processing and storing images associated with member and employer business processes. One system retired: • Kofax: ETF's previous scanning and document management system replaced by ECM.
	Percent of data meeting the data quality target score	97%	90%	90.59%	87.30%	On Target	The overall quality score increased by 3.28% over the previous quarter. The significant increase in quality is due in part to data stewards reallocating subdomain weighting to better reflect business priorities. The data stewards are primarily focusing on the new insurance administration system project. They are providing the project team with data concerns and opportunities and will prioritize related data cleansing efforts.
	Percent of Key Risk Indicators that are within established risk thresholds	8 of 9	6 of 9	7 of 9	4 of 9	On Target	This was a very active quarter for information security response activities, with staff focusing on significantly increased numbers of vulnerability threats and reported phishing attempts.

* The Gartner T.I.M.E model (Tolerate, Invest, Migrate, Eliminate) is the tool used to evaluate and make decisions about ETF's application portfolio (the collection of IT systems used). Applications are evaluated for their ability to produce value at a reasonable cost, to eliminate low-value systems and increase investment in high-value systems. The higher the % of portfolio within the "Invest" quadrant (N. Star metric) indicates greater overall

Legend
✓ **On target** - Work accomplished meets or exceeds this period's expectations and represents progress at a pace that will achieve the expected year-end results.
⚠ **At risk** - Expected results for this period have not been met. Performance gaps are not significant enough to impact the expected year-end results.
✋ **Significantly off track** - Expected results for this period have not been met. Year-end results will not be achieved without intervention.