ETF Operational Metrics

Employee Trust Funds Board Meeting
March 29, 2018

John Voelker, Deputy Secretary

Office of the Secretary

etf

ETF Operational Metrics

We support the ETF vision by encouraging data driven decisions for continuous improvement in the following strategic areas:

FINANCIAL

ETF Financial Stewardship

How ETF executes Financial Stewardship, achieving sustainability through responsible budgeting, accounting and spending.

CUSTOMER

ETF Customer Service

How ETF engages customers, provides products and services, and responds to member needs for insurance and financial security in retirement.

WORKFORCE

ETF Workforce Sustainability

How ETF manages learning and growth of its human resources, maintaining staffing levels and growing an engaged workforce.

PROCESS

ETF Evolving Processes

How ETF evaluates, improves, and measures how internal processes are functioning from the standpoint of security, productivity, efficiency, and customer impact.

ETF Operational Performance Metrics

Financial			
	1	Operational Cost Per Member	Total operational cost per member (active and annuitant) by fiscal year. Includes health insurance, third- party administrators, and capitalized costs. Breakdown by Personnel, TIM Initiative, IT Operations and Other Overhead. Reference lines show cost for Pension Fund only; ETF and the corresponding CEM Peer average.

Customer			
	1	ETF Website Visitors	ETF Website - Unique Visitors and pages viewed by month for the last 3 calendar years.
	2	Call Center Responsiveness	Call Center history of call wait times and call abandonment rates by month for the last calendar year. Compares actuals to internal goal. The solid goal line indicates this is the maximum preferred value.
	3	Undesirable Call Outcomes	Call center history of undesirable call outcomes by fiscal year. CEM Measures call outcomes by how many calls are transferred or needing a call back. Solid lines represent the CEM Peer average as a goal maximum.

Workforce			
	1	Workforce Makeup	Distribution of active ETF employees by position type, Permanent, Project, LTE, Contractor and Vacancies. Historic view by calendar year.
	2	Turnover and Internal Movement	Internal Movement versus Turnover (Resignations and Retirements). Historic view by calendar year.
	3	Time to Fill Vacancies	For each quarter when positions were approved to fill, this chart shows the average time it took to fill those positions. Time to fill in days is calculated from approval date to hire date. Positions not yet filled are shown separately, showing average days vacant as of the report date. Historic view by calendar year quarter.

Process			
	1	Internal Auditing	Number of Internal Auditing recommendations and the current status of resolution. Pie chart of current calendar year as well as historic view with status by calendar year of audit.
	2	Retirement Estimate Wait Times	Monthly view of retirement estimate volume and turnaround time for the last calendar year.
	3	Appointment Wait Times	Monthly view of the wait times for member appointments after scheduled. Shows individual, online and group appointments. Shows current calendar year.

How to Read This Report

✓ Line types used for trend lines, goals, caps, or benchmarks have meaning: solid=cap, dashed= target, dotted=trend or projection

✓ The colors used for data bars, lines, and pie charts match the colors in the legends, and commonly imply a meaning:
green=desirable, **pink**/**red**=concern, **yellow**=neutral or unclear, **black**=external event)

Matches the area name and chart number as listed in the scorecard (p. 3)

Describes the chart and gives guidance on interpreting it

Report data is as of 12/31/2017 or nearest reporting period unless otherwise specified in the chart title.

Scorecard Area – Chart

Overview

Why is this metric important, how measured, and outside influences.

Current Status

Current year results, historic performance, trends and specific areas of concern.
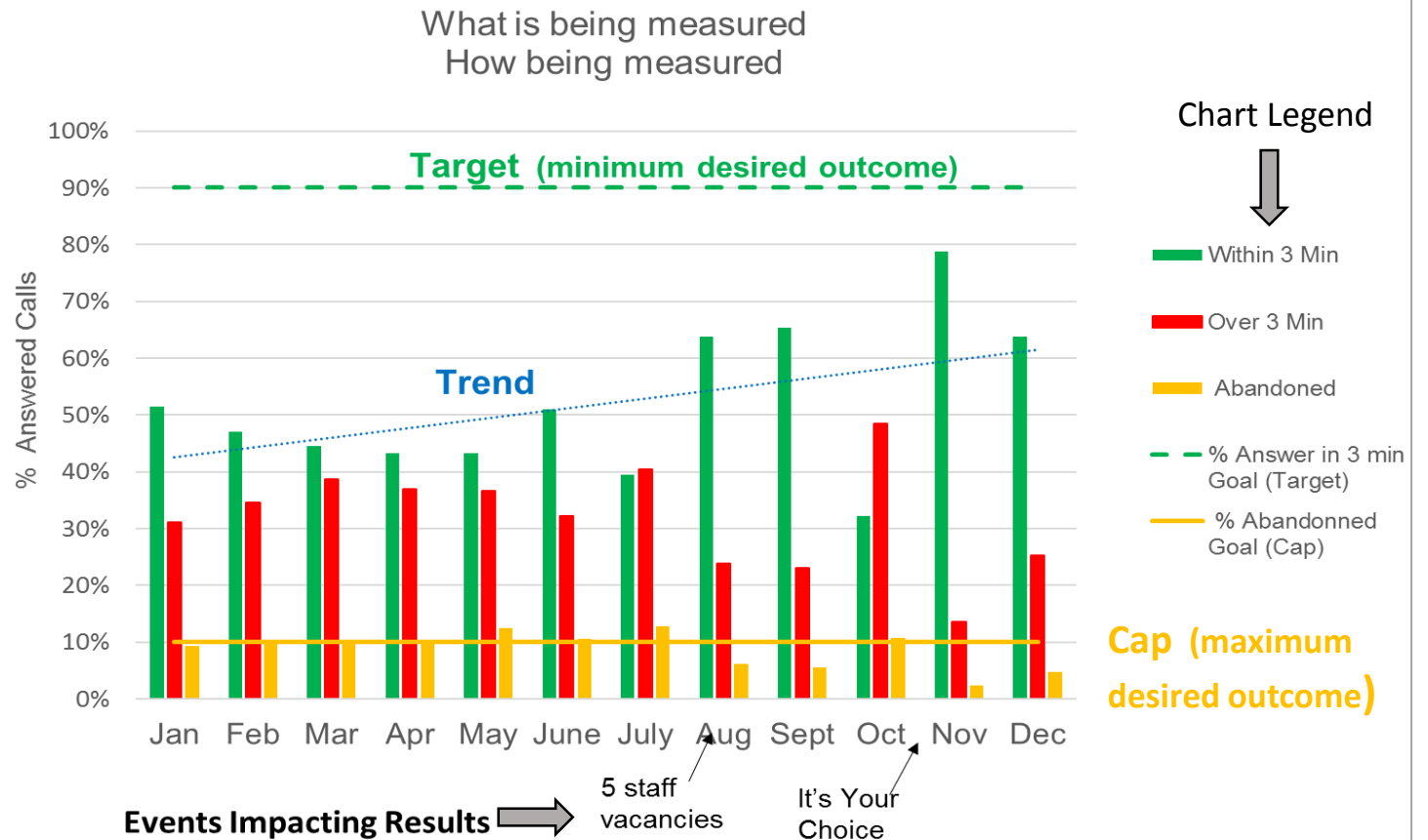
Outlook

Challenges in measurement, current environment, and prospects for meeting goals in the future.

What is being measured
How being measured

Chart Legend

Target **(minimum desired outcome)**

Trend

% Answered Calls

100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%

Jan Feb Mar Apr May June July Aug Sept Oct Nov Dec

■ Within 3 Min
■ Over 3 Min
■ Abandoned
- - - % Answer in 3 min Goal (Target)
—— % Abandonned Goal (Cap)

Cap **(maximum desired outcome)**

Events Impacting Results ⇨ 5 staff vacancies

It's Your Choice

Overview

ETF operational cost per member provides insight into the efficiency of expenditures.

Total ETF Cost includes all ETF operational costs, whereas **CEM** values include only WRS pension administration costs excluding capitalized costs.

Current Status

The increase in cost per member since 2015 is primarily due to the TIM Initiative to **Transform, Integrate and Modernize** our benefits administration system (BAS).
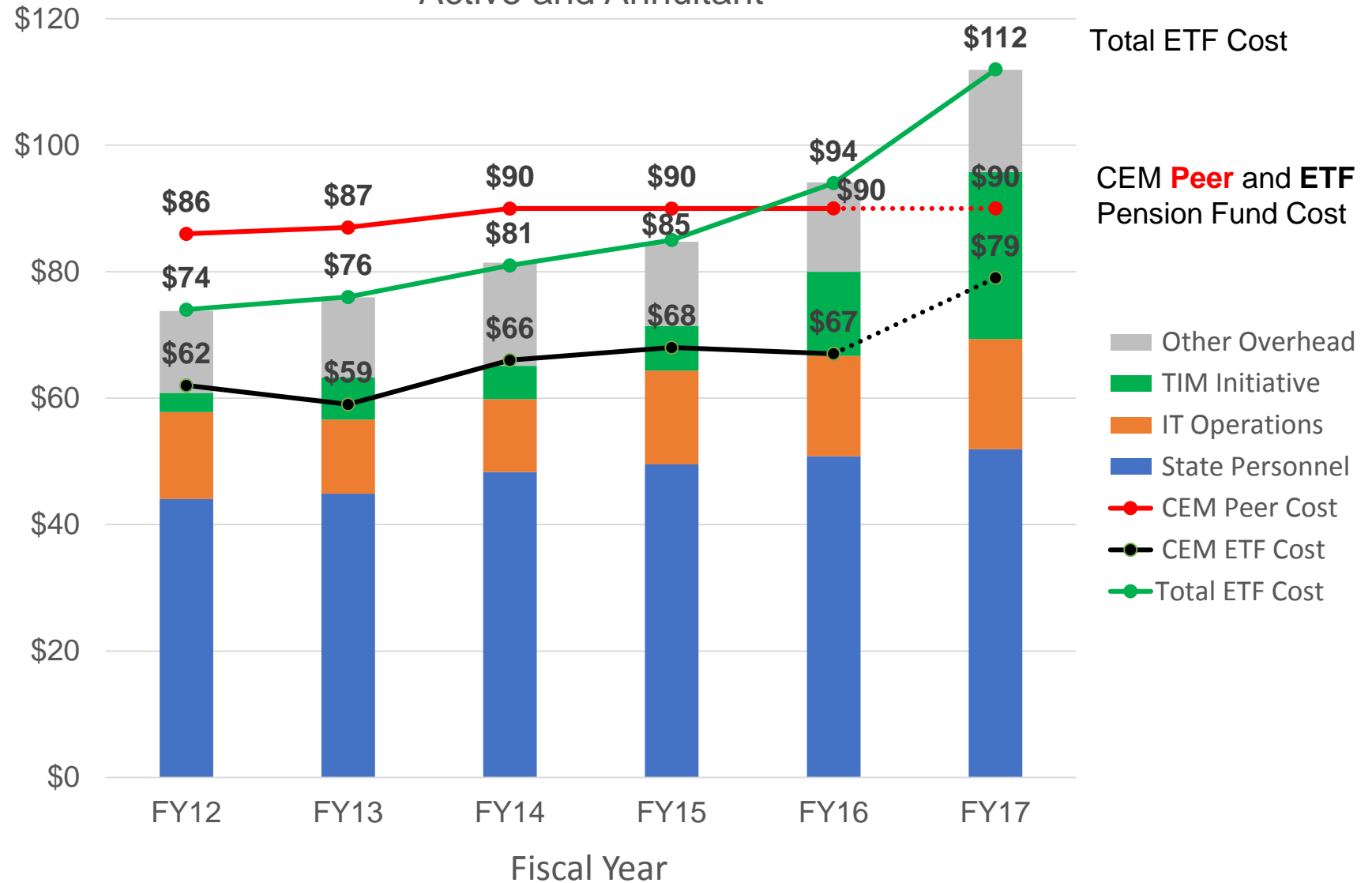
Pension administration costs per member remain below the CEM FY16 peer average.

Outlook

Total cost per member is rising due to investment in modernizing ETF's information technology.

The trend in ETF pension administration costs will be better understood after update with CEM FY17 peer averages.

Operational Cost Per Member
Active and Annuitant

Overview

Web traffic to etf.wi.gov is an indicator of customer engagement and a key channel used by ETF to communicate to members and employers. Increasing unique visitors means more individuals are visiting at least once a month.

Current Status

The seasonal spikes in Oct. are due to health insurance enrollment. The sharp spike in Oct. 2017 reflects members changing plans due to reduced providers.

Visitors to the website averaged 2 visits per month and 7 pages per visit.

Outlook

ETF is reaching more people. The steady upward trend in unique visitors to the website indicates continuing customer engagement and demonstrates website effectiveness.

Website Usage
Visitors and Pages Viewed
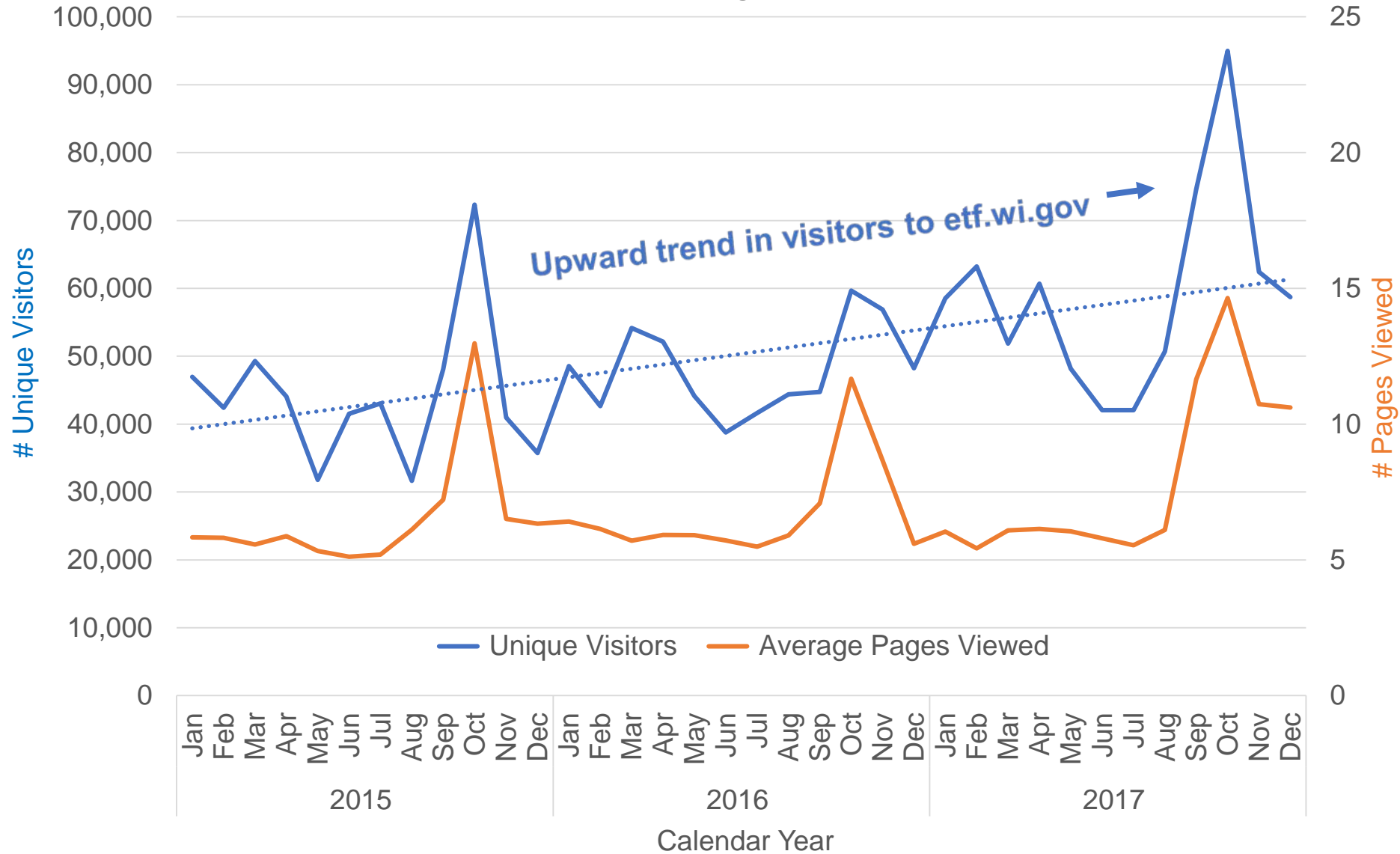
Overview

The Call Center responded to 10K-15K calls per month in 2017, peaking in Oct. with 23K calls. Responsiveness is the ability to answer promptly, with few callers hanging up before answered. This is impacted by call volumes, seasonality, and staffing levels.

Current Status

Speed of Answer is improving, but below goal of 90% of calls answered in under 3 minutes. Notable: **average speed of answer was 2.29 minutes Q4 2017.**

Abandoned Calls are well below goal of 10%. The cause of abandonment is unclear; did the member change mind or was the wait too long?

Outlook

Meeting the current standard may depend on providing information in other forms to reduce the need for members to call the Call Center.

Analysis of wait time distributions and the development of **tiered goals** (including those under 2 minutes) are planned for 2018.

Call Center - Responsiveness
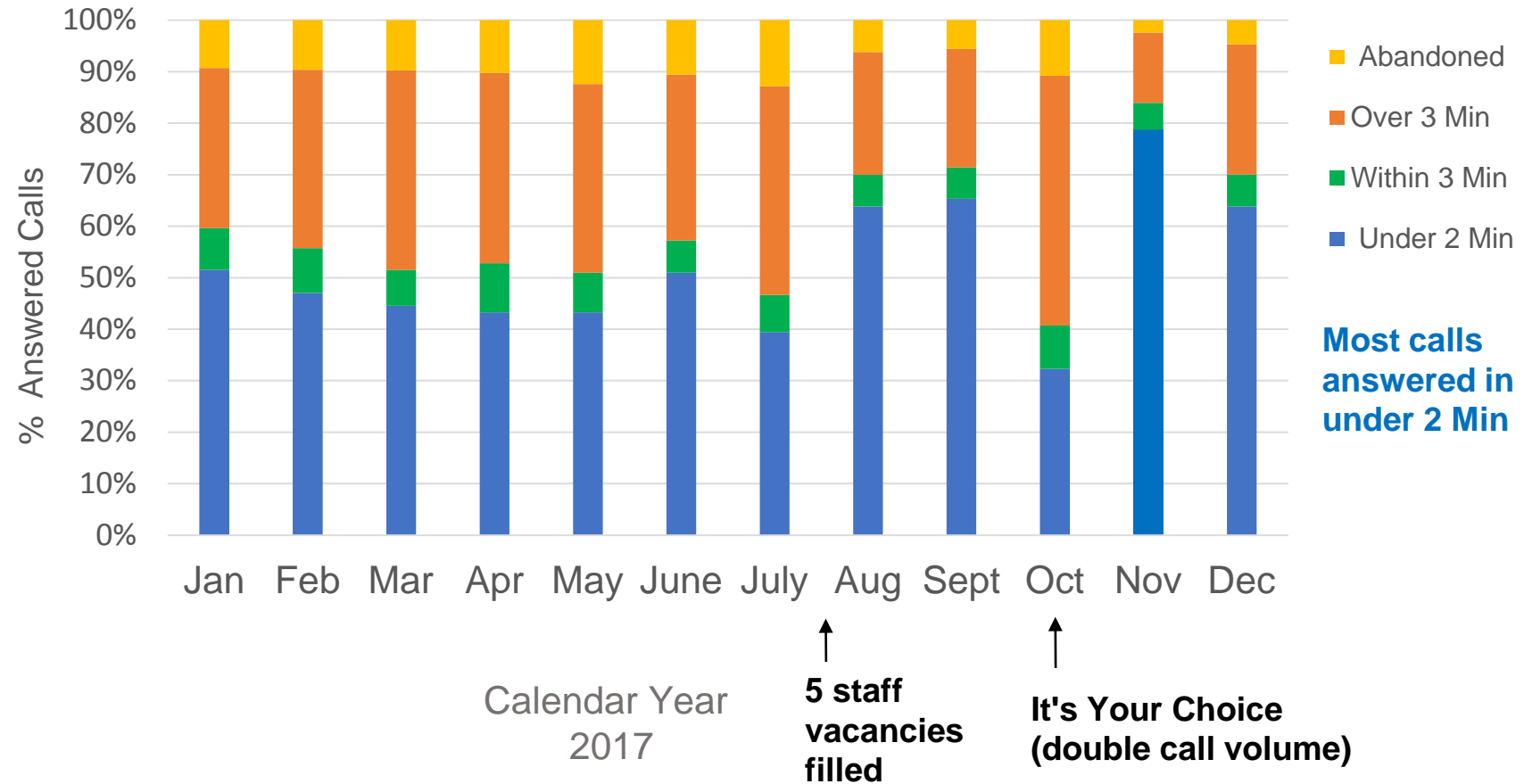### Calls by Speed of Answer

Speed of Answer
Improving but **below goal**
90% calls answered within 3 Min

Abandonment
meeting goal
< 10% calls

% Answered Calls

Legend:
- Abandoned
- Over 3 Min
- Within 3 Min
- Under 2 Min

Jan Feb Mar Apr May June July Aug Sept Oct Nov Dec

Calendar Year 2017

5 staff vacancies filled

It's Your Choice (double call volume)

Most calls answered in under 2 Min

Overview

Best practices in customer service include having an inquiry handled by the first person answering the call. This is a key factor in how members rate customer service. Undesirable outcomes include transferred calls or a call-back.

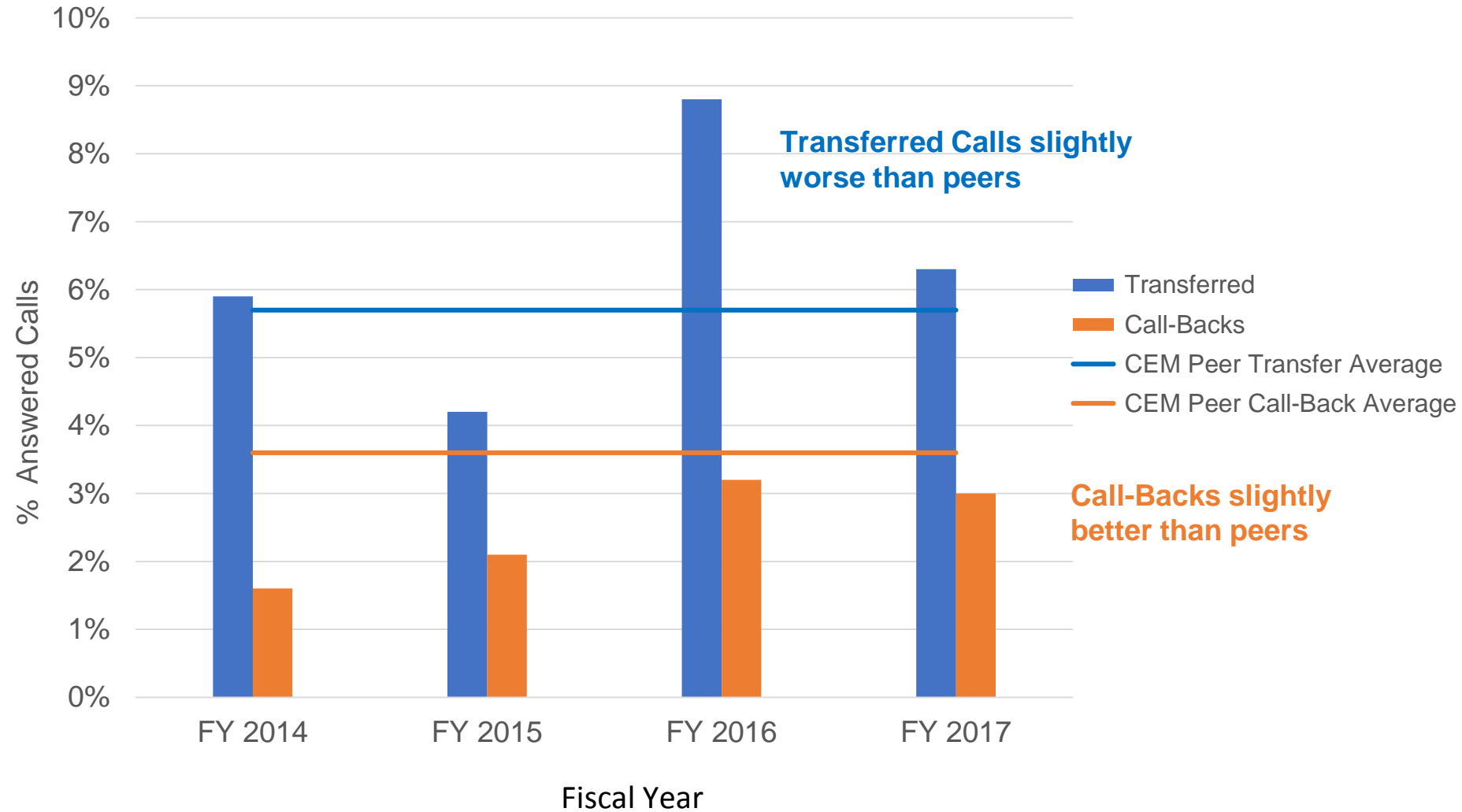Call outcomes are heavily weighted in CEM scoring of customer service.

Current Status

Fiscal Year 2017 Results

90.7% calls answered by first contact

6.3% calls transferred to other units

3% calls resulted in a call-back

Outlook

Given varied historic performance, it is unclear how 2018 will fare. More detailed analysis is needed to understand what is driving the results.

Call Center - Call handling
Undesirable Call Outcomes

Transferred Calls slightly worse than peers

Call-Backs slightly better than peers

Legend:
- Transferred
- Call-Backs
- CEM Peer Transfer Average
- CEM Peer Call-Back Average

* CEM benchmarks are FY16 Peer Averages

Overview

The makeup of active employees is important for workforce planning.

Current Status

Use of **Contingent Staff** (Contractors/LTE) has increased.
Permanent Staff (FTE/Project) counts remain flat, with 30% eligible to retire.

Vacancies (Permanent) have grown in part due to 5 new positions in 2017. Add Vacancies to Permanent Staff to get Total permanent positions = 275.
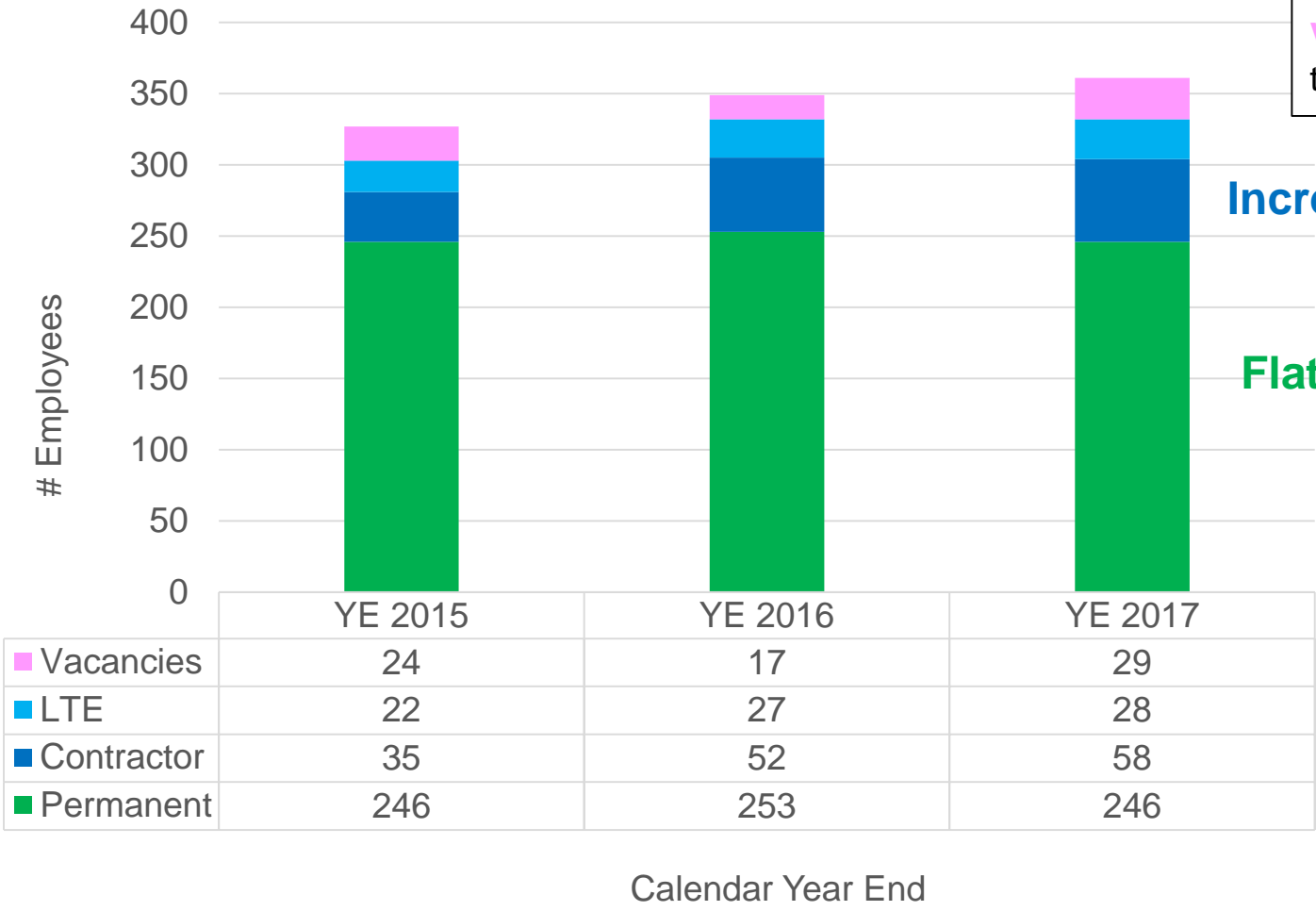
Outlook

Currently hiring 10 Trust Funds Specialists to be in place Q2 2018.

Contingent workers will likely grow due to continuing job market challenges, the cap on permanent positions, and anticipated departures.

Workforce Makeup
Active Employees by Type

Active Employees:
26% **Contingent Staff**
74% **Permanent Staff**

Vacancies are 11% of total authorized positions

Increasing

Flat

	YE 2015	YE 2016	YE 2017
Vacancies	24	17	29
LTE	22	27	28
Contractor	35	52	58
Permanent	246	253	246

Calendar Year End

Employees

Overview

High turnover can be hard on an organization. ETF facilitates internal movement to retain knowledge, improve engagement, and avoid hiring costs and loss of productivity.
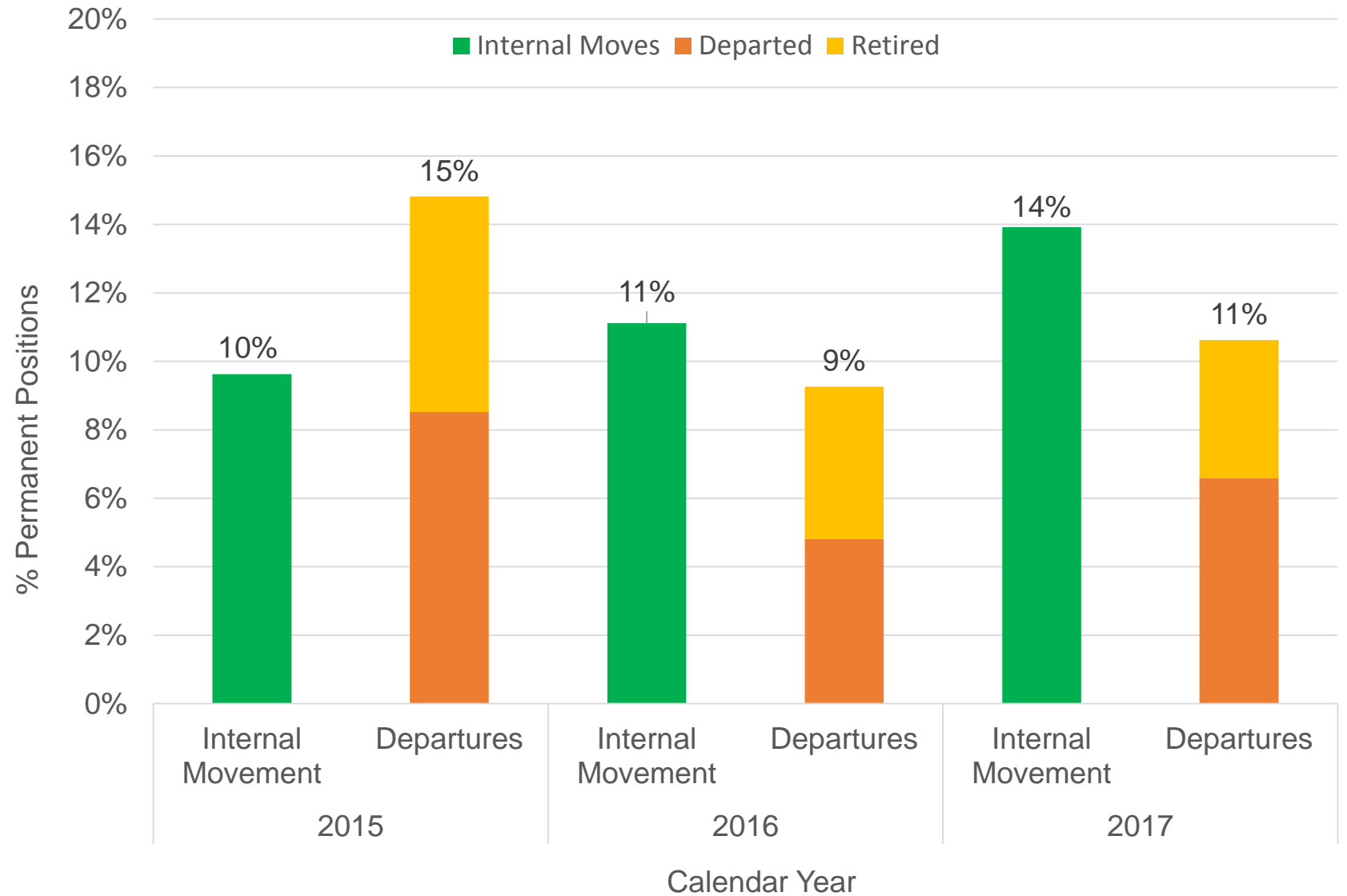
Current Status

Last year 25% of ETF positions were vacated. More than half of employees vacating positions moved internally (14%) versus leaving ETF (11%).

Outlook

Departures in 2017 were slightly higher than 2016 and are anticipated to continue to rise in 2018 given the move to the new building.

Upcoming changes to the Compensation Plan may result in a reduction in the high level of Internal Movement.

Workforce Turnover
Departures versus Internal Movement

Overview

Hiring efficiency is measured by the average days to fill **permanent positions.** The 2016 Act 150 statutory requirement sets the goal of 60 days from posting to hire.

Current Status

On average **ETF fills positions faster** than required, even when measuring from approval date rather than date posted.

The U.S. average time to fill of 42 days varies by job - 55 days for IT staff and over 100 days for IT manager or Service manager. Therefore, **some variability from standard is expected**.

Outlook

ETF is well positioned to meet the Act 150 requirement. Understanding the initial lags between vacancy and approval is needed to continue reducing the total time a position remains vacant.

Tracking all Act 150 requirements and adding overall state performance benchmark are planned for 2018.

Time to Fill - Permanent Positions
Days from Approval to Hire

Approved positions not yet filled

Act 150 Requirement **Posting to Hire**
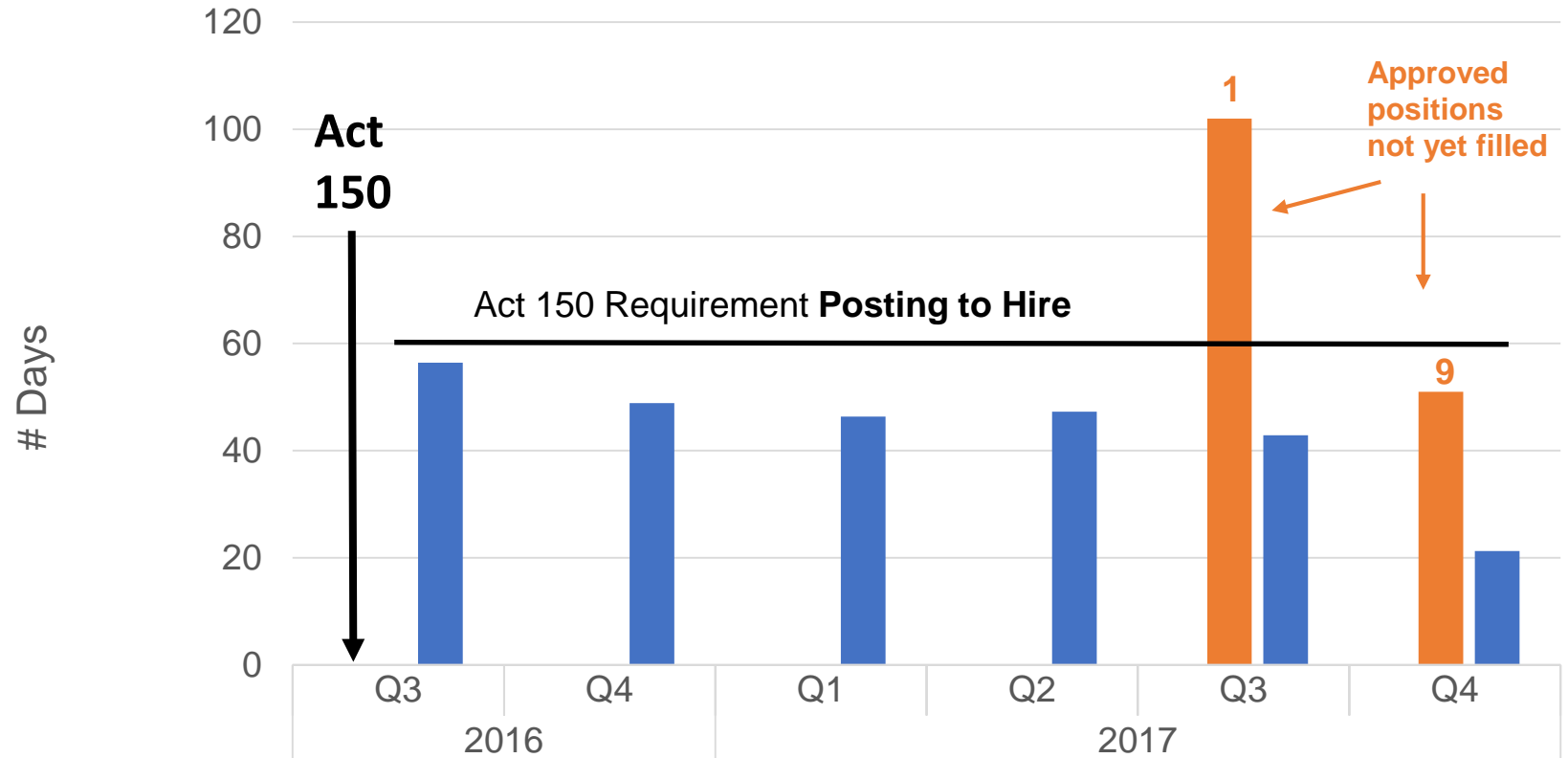
	Q3	Q4	Q1	Q2	Q3	Q4
	2016			2017		
Open - # Positions					1	9
Open - Average Days					102	51
Filled - # Positions	10	9	12	16	17	11
Filled - Average Days	56	49	46	47	43	21

Calendar Year - Quarter Approved to Fill
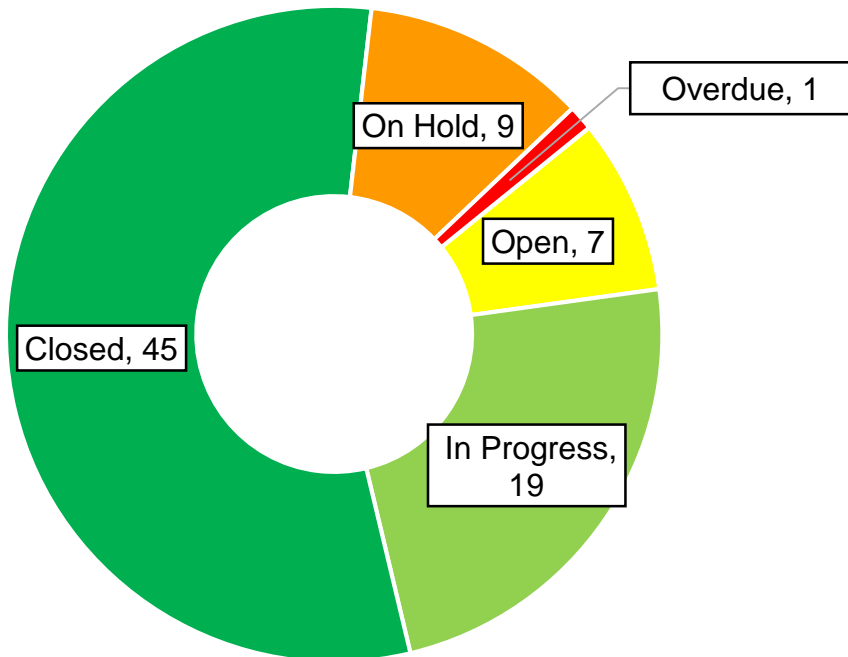
PROCESS – P1

Overview
Internal audits provide unbiased assessment of operations to ensure effective risk management, internal control and governance processes.
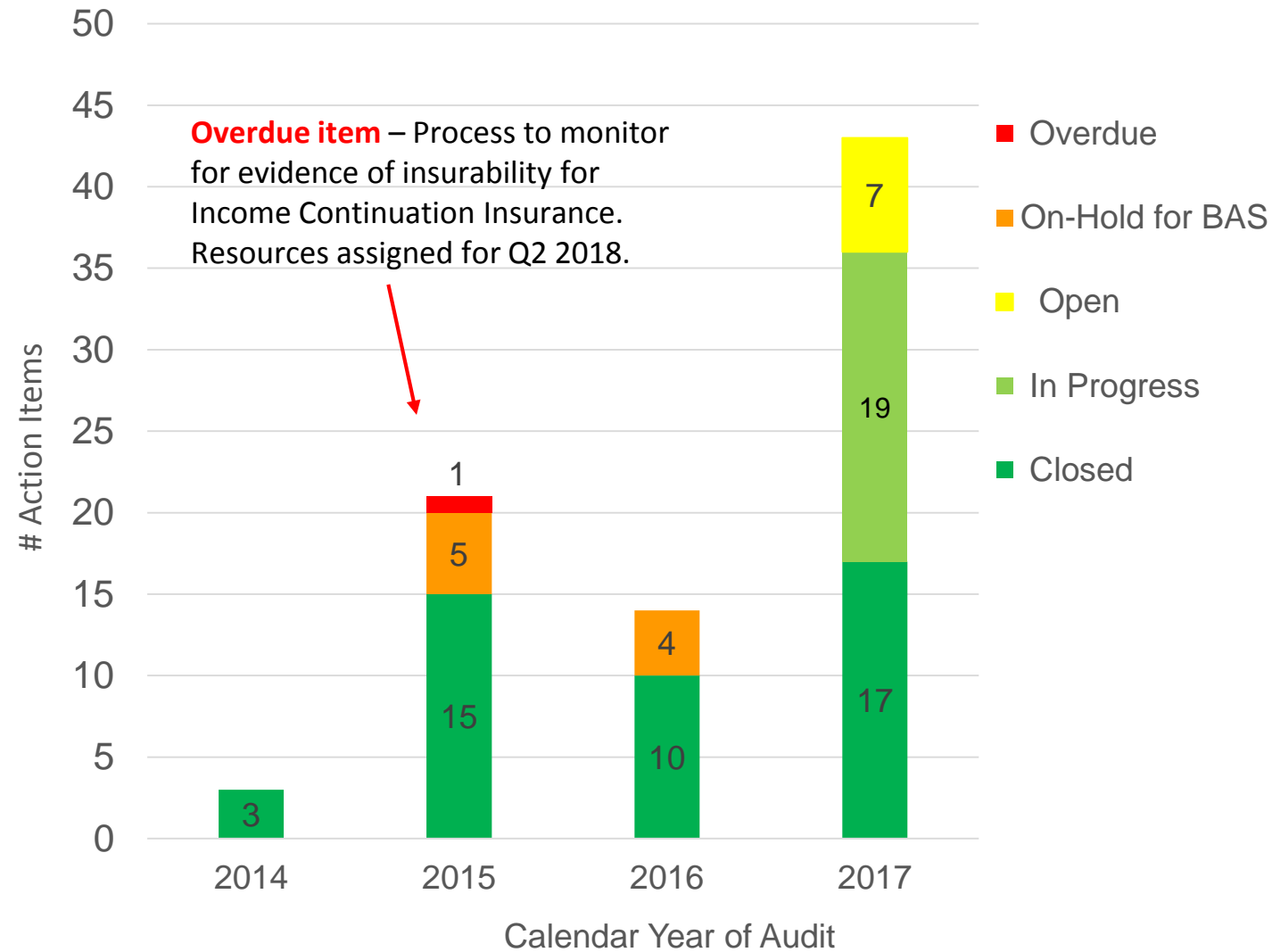
Current Status
Internal audits in 13 business areas were completed from 2014-2017 identifying **81 action items**. The majority have been addressed. One overdue item is now scheduled. 27 new items identified in late 2017.

Outlook
Many of Nov. 2017 identified items are already in progress. Follow-up audits are planned for one year after close to ensure goals are met.

Internal Auditing
Recommended Action Items by Status
As of 3/1/2018

Overdue item – Process to monitor for evidence of insurability for Income Continuation Insurance. Resources assigned for Q2 2018.

Overview

Retirement estimates (20K+ per year) are critical for members to understand their financial situation in order to make informed retirement decisions.
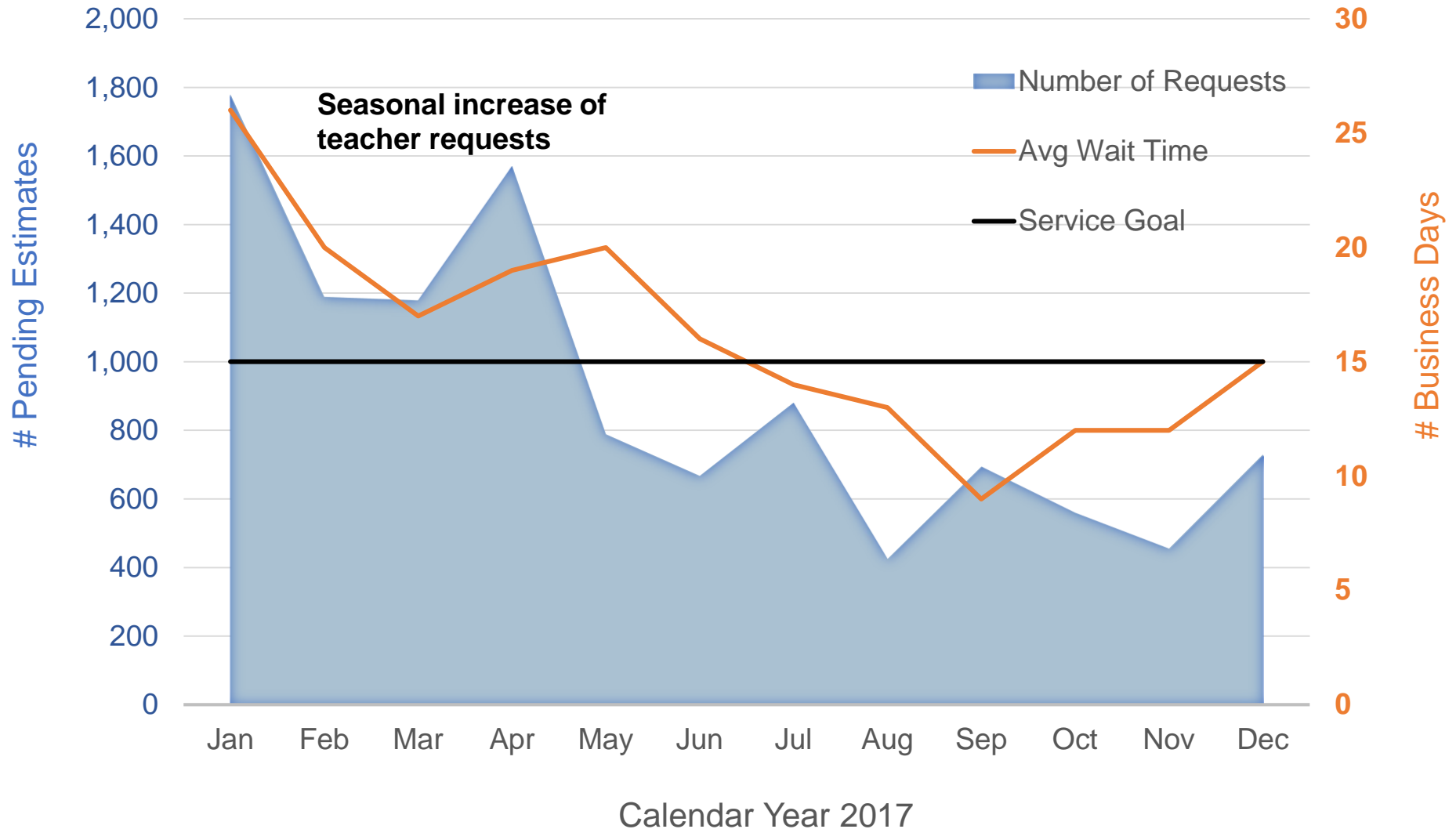
Current Status

The service goal of 15-day turnaround was met on average for 2017.

Peaks early in the year reflect teachers required to provide early employer notification if retiring in June.

Outlook

Due to the extensive training needed, seasonal temporary staff can not be used for peak times.

Currently filling five 2017 staff vacancies which will help to reduce peak turnaround times in Q1 2019 provided full staffing is maintained.

Retirement Estimates
Volumes and Turnaround Time

Seasonal increase of teacher requests

Number of Requests
Avg Wait Time
Service Goal

Pending Estimates

Business Days

Calendar Year 2017

Overview

Members requesting counseling appointments (primarily retirement related) scheduled the following options last year:

Individual face-to-face   (9276)   most popular
Individual online   (348)   new in 2017
Group appointment   (6551)   most efficient

Current Status

Overall, most appointment requests are filled within 15 days, however some members are willing to wait for a face-to-face appointment. The average wait for face-to-face appointments decreased from 23 days (2015) to 17 days (2017). **This excludes walk-in service in reception** (5537) where there was no wait.

Outlook

Online appointments are more efficient and growing in popularity. Expanding the availability for online appointments in 2018 is expected to reduce face-to-face appointment wait times.

Communications are planned to encourage group participation which will leverage staff and reduce wait times for face-to-face individual sessions.

Member Appointment Scheduling Wait Times
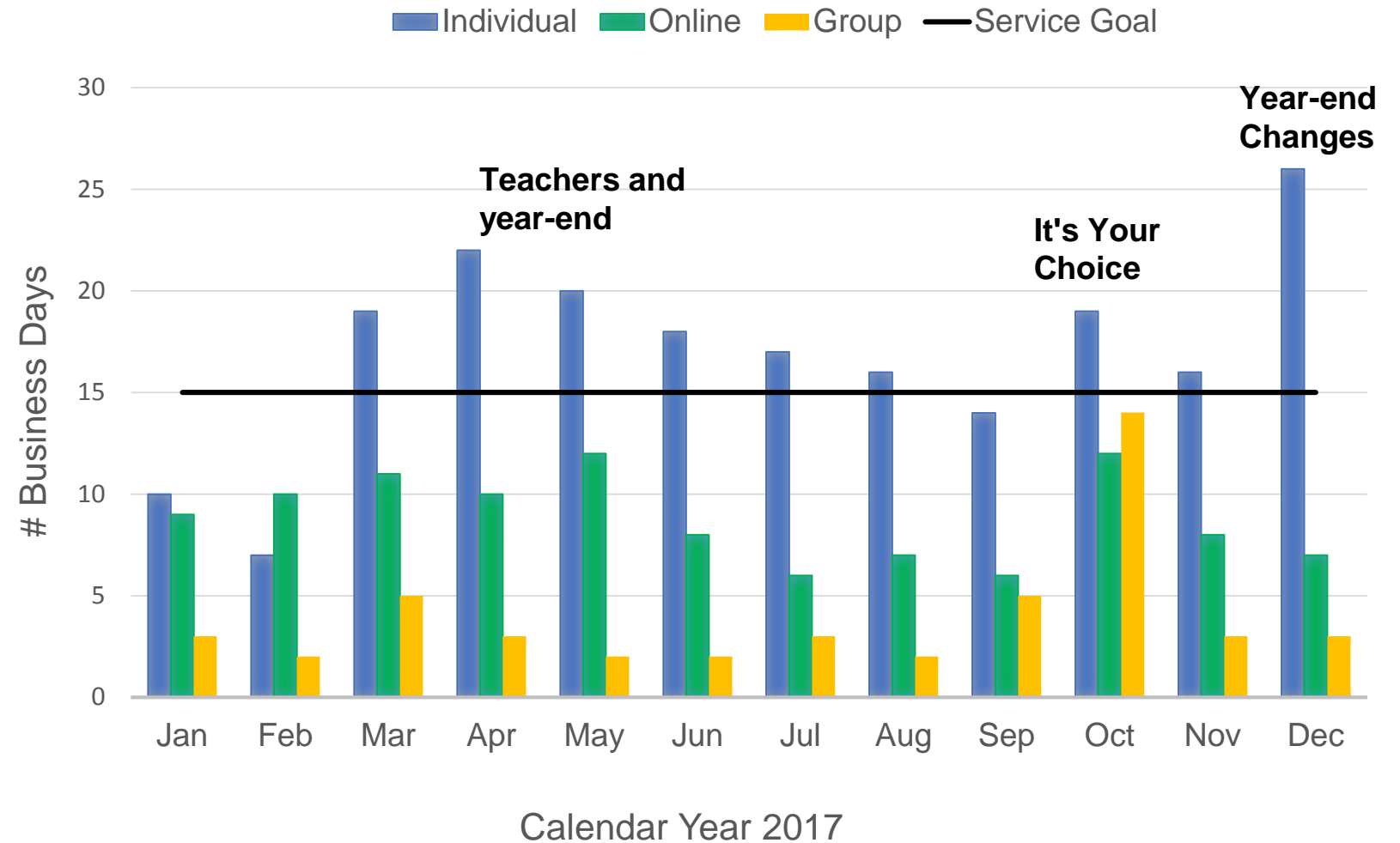
Questions?

Thank you

etf

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1-877-533-5020