



STATE OF WISCONSIN
Department of Employee Trust Funds
Robert J. Conlin
SECRETARY

Wisconsin Department
of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931
1-877-533-5020 (toll free)
Fax 608-267-4549
etf.wi.gov

Correspondence Memorandum

Date: February 14, 2020
To: Employee Trust Funds Board
From: John Voelker
Deputy Secretary
Subject: ETF Operational Metrics

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

Attached is the *ETF Operational Metrics* report, which includes information through the fourth quarter of 2019. The good news is that only one performance measure is shown as red in the fourth quarter.

From a “big picture” perspective, it is rewarding to see evidence of improved service levels resulting from our efforts to make changes in how we do business. This is particularly evident in the call center and retirement estimates areas.

Slides 10 and 11 illustrate improvements over time in the call center. This is especially noteworthy since it is the face of ETF for many of our members. As shown on slide 10, May 2019 to December 2019 is the best and longest streak of positive speed of answer performance on the graph. Especially notable is the comparison of IYC periods from each year. In 2019, just over 70% of calls were answered within three minutes, compared to 30% in 2018 and 40% in 2017. Better speed of answer led to much better call abandonment rates in the latter part of 2019 as well. It has always been a challenge to handle spikes in call volume, but 2019 was a positive year in that regard.

The latter part of 2019 also had some of the best performance pertaining to the average number of pending requests for retirement estimates. As noted on slide 14, there was a 54% drop in pending retirement estimates in the fourth quarter 2019, compared to same time period in 2018. A recently implemented business process improvement has contributed to this performance. Performance in early 2020 continues to show great results. For example, in the first week of February staff completed an astounding 1,283 retirement estimates. It could be a new record for one week. We are hopeful that the revised process will assist in handling the seasonal spike we expect to see in the second quarter of 2019.

Board	Mtg Date	Item #
ETF	3.26.20	6B

Another fact worth noting that might go unnoticed in all the numbers on slide 4 is the increased number of members that benefited from outreach efforts in 2019. As shown in the chart, 394 more individuals attended field presentations in 2019. In addition, there were 1,645 more webinar participants in 2019.

The one area that continues to be a challenge is meeting our performance goal regarding appointment scheduling wait times. While the attached report does not illustrate much progress, there are signs that recent changes may be paying off. For example, the waiting time for individual appointments in the first week of February was seven days. We are expecting the new scheduling software to be implemented in the first quarter of 2020. That should also assist in better meeting our performance targets going forward. A future phase of the software will allow members to schedule their own appointments online, which should improve the ease of doing business with us.

While staff efforts have resulted in increased performance in 2019, it should be noted that there may be some drop off in performance in 2020. This will be due to a decrease in capacity, as some staff will have to commit time to modernization efforts. At some point during 2020 two different systems will be implemented. Hopefully the improved processes to date have set us up so the effect on our members is not readily apparent. The exciting part is that the successful implementation of new systems will allow us to make further improvements to the customer experience in the future.

As reported previously, efforts to develop metrics that can better support you in your governance capacity is ongoing. These new metrics will measure performance as it relates to operations and progress toward our strategic goals. As an example, Goal 1 in the strategic plan is to create an effortless customer experience. We have identified two metrics to measure this. The first is a customer experience rating. The second is a member ease of doing business score. These will be measured by aggregating several key operational performance goals into an overall score.

While there is still plenty of work to be done to refine the new metrics, establish data collection methods, and set performance targets, we hope to start incorporating some of them in the report this year.

Staff will be available at the meeting to answer questions. Contact John Voelker at 608-266-9854 (email john.voelker@etf.wi.gov) with questions or comments.

Attachments: A. ETF Operational Metrics report

Office of the Secretary

ETF Operational Metrics Report - through 2019 Q4



Feb 6, 2020

Prepared for the ETF Board Meeting, March 26, 2020

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 Metrics Performance

Report as of 12/31/2019

					Quarter				Year		
					Current				Current		
Category	Chart Measure	Performance Objective	Calendar Year:	Target	Q1-19	Q2-19	Q3-19	Q4-19	FY17 2017	FY18 2018	FY19 2019
FINANCIAL	F1	Total Operational Cost	Total operational cost per member including insurance and capitalized costs (Fiscal Year, Annual)	NA					\$112	\$94	\$94
	F1	Pension Fund Cost	Pension fund operational cost per member as a percent of peer average (Fiscal Year, Annual)	70%					77%	73%	
	F2	Operational Budget	Ratio of the actual expenses to approved budget (Fiscal Year)	90-100%					113%	93%	93%
CUSTOMER Call Center	C2	Call Speed of Answer	Member calls answered within 3 minutes	70%	54%	73%	87%	77%	60%	57%	73%
	C3	Call Abandonment	Member calls answered before call is abandoned	90%	91%	94%	97%	95%	92%	91%	94%
		Call Quality	Members expressing high level satisfaction with call	99%	99%	99%	98%	98%	99%	99%	99%
		Email Response	Member emails receiving a response within 2 days	95%	100%	100%	100%	100%	100%	100%	100%
Retirement Services		Appointment Quality	Members expressing high level satisfaction with appointment	95%	99%	99%	99%	99%	98%	100%	99%
		Payroll Inception	Retiree benefits starting by next payroll or desired effective date	100%	100%	100%	100%	100%	100%	100%	100%
		Separation benefits	Separation benefits paid to members within 30 days (75 days in Q1)	90%	91%	88%	86%	83%	83%	84%	87%
Survivor Benefits		Death Benefit Cancellation	Death benefits ended within 2 days of receiving death notice	100%	100%	100%	100%	100%	100%	100%	100%
		Beneficiary Designations	Beneficiary designations effective within 5 days	90%	100%	100%	100%	100%	100%	100%	100%
WORKFORCE	W2	Retention / Turnover	Employees retained as a percent of total positions (Annual)	85%					89%	88%	88%
PROCESS	P2	Retirement Estimates	Average wait for retirement estimate is within 15 days of request	15	13	20	13	7	16	14	13
	P3	Individual Appointments	Average wait for next available individual session is within 15 days	15	28	29	26	25	17	28	27
	P3	Virtual Appointments	Average Wait for the next available Virtual Appointment under 15 days	15	24	25	16	10	8	14	19
	P3	Group Appointments	Average wait for next available group sessions under 15 days	15	5	5	5	5	4	3	5

ETF Operational Metrics Services Delivered

Report as of 12/31/2019

		Quarter			Current		Current		
Category	Chart	Output	Calendar Quarter:			2017	2018	2019	
			Q1-19	Q2-19	Q3-19	Q4-19			
CUSTOMER	C1	Website Visitors	181,122	175,903	198,499	156,717	708,022	778,453	712,241
		Website Visits	404,283	370,788	330,862	259,646	1,395,938	1,662,618	1,365,579
		Website Viewed Pages	2,631,569	2,129,190	1,487,722	1,248,682	6,015,742	9,663,340	7,497,163
		Twitter Number of Tweets Sent	176	167	176	184		612	703
		Twitter Followers (current)	831	875	911	936		829	3,553
		Twitter Impressions (views)	122,600	125,900	98,900	107,400		493,700	454,800
		Email Campaigns - GovDelivery	55	48	65	56	251	204	224
		Email Subscribers (current)	111,157	69,561	82,803	75,517	43,051	43,947	227,881
Call Center		Calls received	48,655	49,405	40,261	47,417	184,374	193,419	185,738
		Emails processed	4,102	4,200	2,809	4,079	12,718	16,772	15,190
Retirement Education		Field Presentations	917	1,430	1,207	946	4,379	4,106	4,500
		Webinar Presentations	1,608	3,058	1,635	2,090	6,400	6,746	8,391
		Group Appointments	647	692	597	493	2,172	2,573	2,429
		Individual Appointments	1,113	1,026	1,077	1,100	4,125	4,532	4,316
		In Person Appointments	872	834	857	891	3,777	3,595	3,454
		Virtual Appointments	241	192	220	209	348	937	862
		Walk-in Service	810	892	563	1,126	5,499	4,500	3,391
		Members Interactions	5,095	7,098	5,079	5,755	22,575	22,457	23,027
Retirement Services		Beneficiary Designations	6,695	8,347	8,977	6,756	27,352	26,918	30,775
		Retirement Estimates Completed	6,176	7,353	6,369	5,995	23,649	25,272	25,893
		Annuities Started	2,354	3,415	3,060	1,344	9,776	9,519	10,173
		Lump Sum Retirement Payments	488	803	1,115	696	3,027	2,959	3,102
		Annuity Payments	629,456	633,219	642,180	644,515	2,404,502	2,480,840	2,549,370
		Disability Benefits Paid	28,980	28,840	28,691	28,608	88,834	116,766	115,119
WORKFORCE		Departures Processed	10	3	12	3	29	35	28
		New Hires	12	19	17	7	58	69	55
PROCESS	P1	Internal Audit recommendations (Annual)					33	11	11

Legend: **Bold = Current Value**

- 1.2019 Email subscriber numbers includes StayWell participant list for targeted communications about health benefits. Q2 2019 includes ERA/HSA participants.
- 2.Twitter Followers and Email Subscribers represent current point in time values and are not cumulative for the year.
- 3.Transition phase to the new website saw a momentary drop in the website visit numbers in Q2. A technical snag in Q4 caused the numbers to drop drastically.

ETF Operational Metrics - Definitions

Chart	Name	Description
F1	Operational Cost Per Member	Total Operational cost per member (active and annuitant) by fiscal year. Total includes health insurance, third- party administrators, and capitalized costs. Reference lines show cost for ETF Pension Fund only; ETF and the corresponding fiscal year 2017 CEM Peer average. Breakdown by Other Overhead, TIM Initiative, IT Operations and State Personnel.
F2	Operational Budget	Operations budget comparison of New Authority versus Actual Expenditures by fiscal year.
C1	Website Usage	Visitors and pages viewed on etf.wi.gov by month for the last 3 calendar years.
C2	Call Center - Speed of Answer	Call Center speed of answer shown as percentage of calls answered within the 2 and 3 minute service goals. Performance is shown by month for the last calendar year and year to date with overlay of total call volumes.
C3	Call Center – Abandoned Calls	The percentage of abandoned calls by month for the previous year and current year to date with an overlay of total call volumes. Compares results to a “range” goal based on balancing cost with customer satisfaction.
W1	Workforce Turnover	Turnover as a percent of authorized positions, by departures versus internal movement. Historic view by calendar year. Includes the distribution by departure reason (resigned, retired, terminated) for last 3 years.
P1	Internal Auditing	Total Internal Auditing recommendations and the current status of resolution by calendar year of audit.
P2	Retirement Estimates	Retirement estimate production and turnaround time, by month for the last calendar year and year to date.
P3	Member Appointment Scheduling	Visitors and pages viewed on etf.wi.gov by month for the last 3 calendar years.

How to read these charts

- ✓ 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)



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.

Describes the chart and gives guidance on interpreting it



Report data is “as of” the calendar quarter end (or nearest reporting period) unless otherwise specified in the chart title.

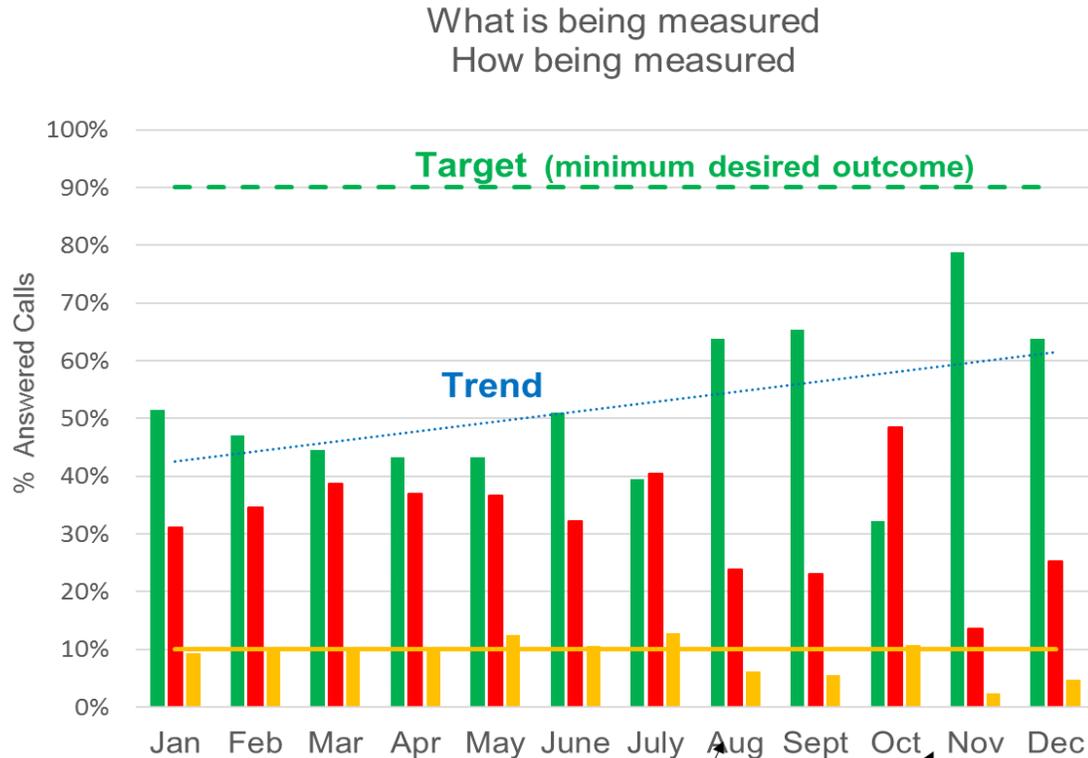


Chart Legend



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

Cap (maximum desired outcome)

Events Impacting Results



5 staff vacancies

It's Your Choice

FINANCIAL – F1

Overview

Total ETF Cost includes all ETF operational and capitalized costs.

CEM values include pension fund administration costs only and excludes capitalized and insurance administration costs.

Current Status

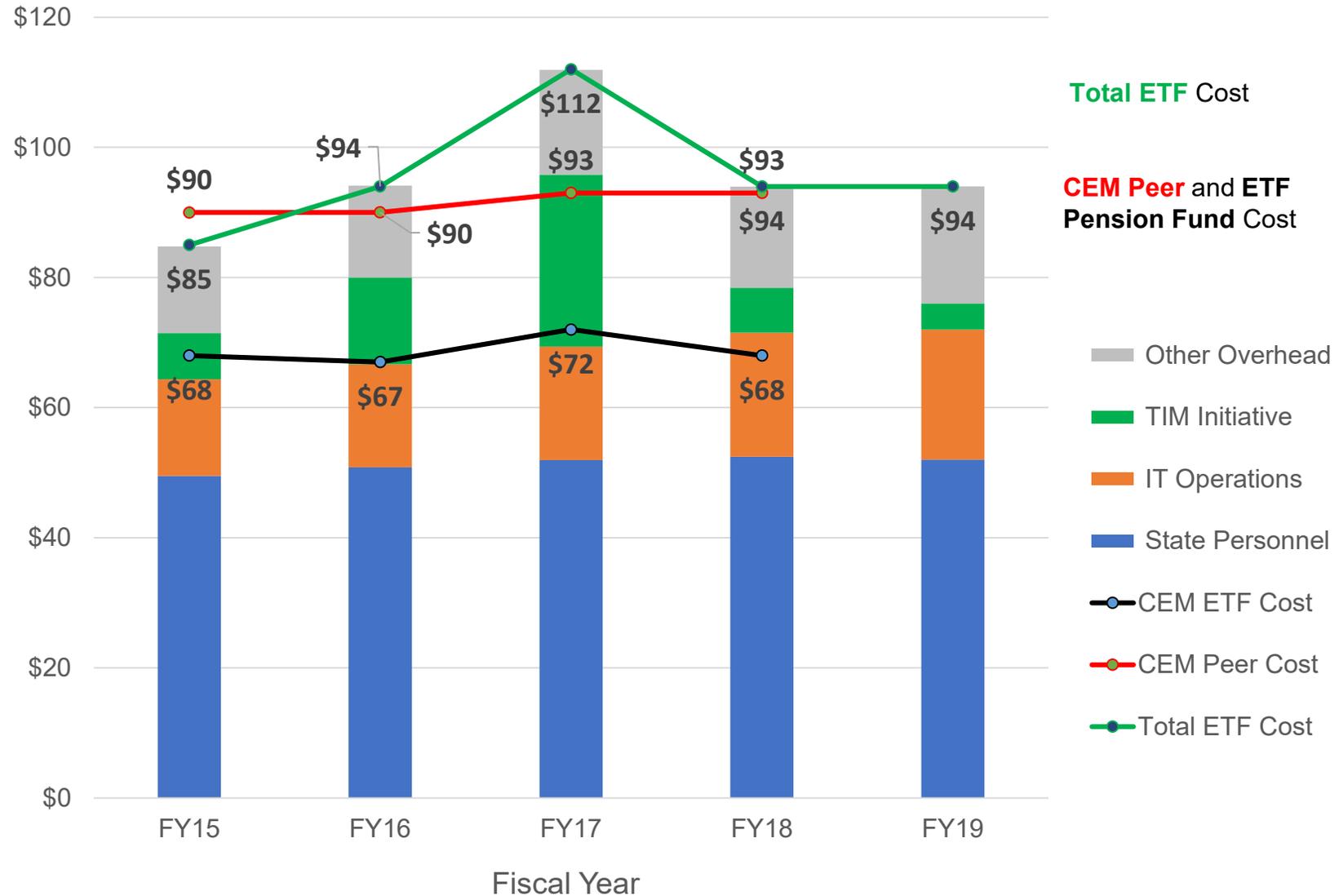
FY19 saw a drop in **TIM Initiative cost** and an increase in the **Other Overhead cost**. ETF overall costs remained consistent with FY18.

Outlook

Future costs per member may increase due to investments in modernization efforts that are expected to improve member experience.

This chart will be next updated in June 2020 for the CEM data and in Sep 2020 for all other.

Operational Cost Per Member Active & Annuitant



FINANCIAL – F2

Overview

Managing the agency operations budget and expenses is a key component of financial stewardship.

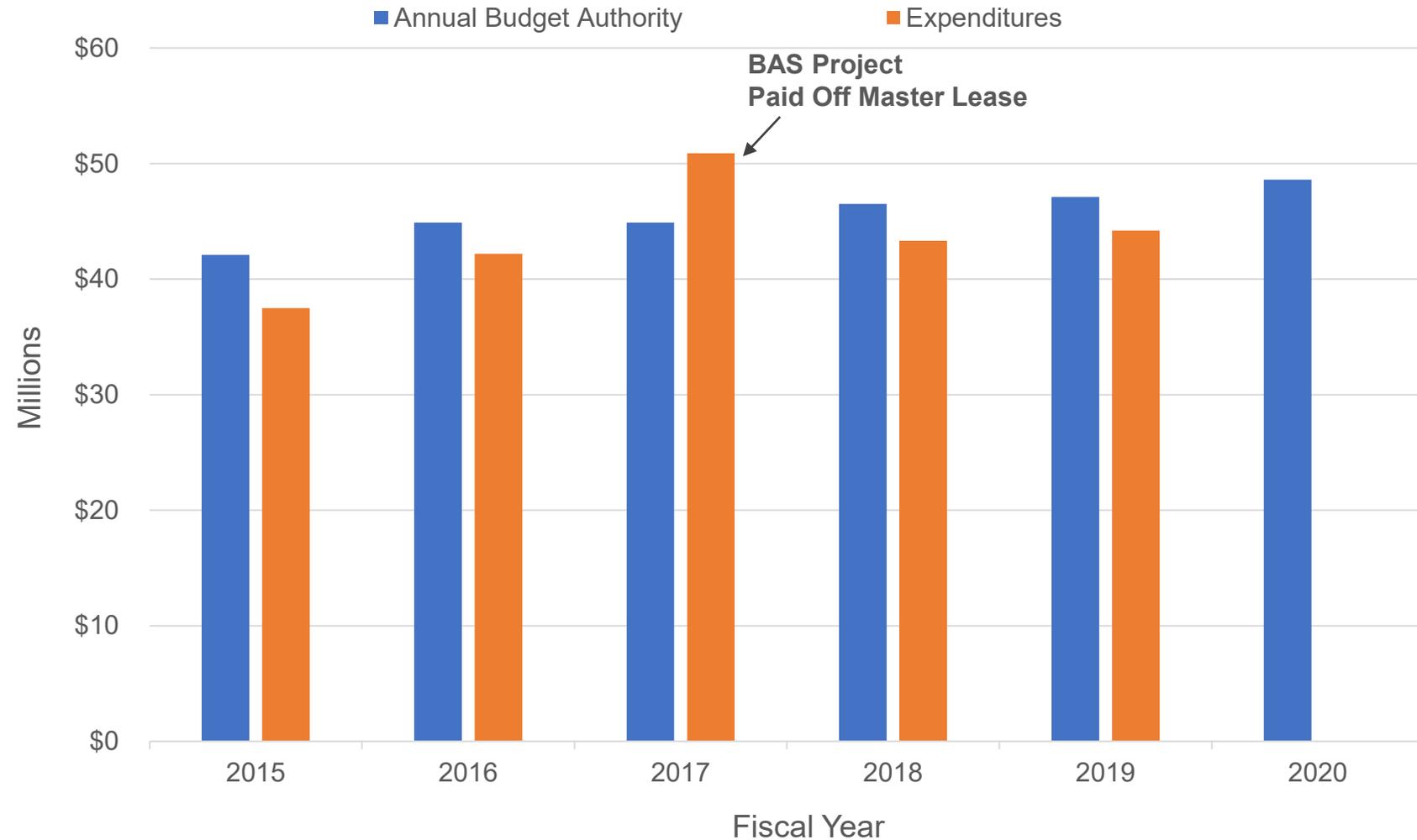
Current Status

The department has consistently managed operational costs within budget. Fiscal year 2017 is an outlier in that Benefit Administration System (BAS) project costs resulted in spending over the level of new budget authority for that year. Those extra costs were covered from budget authority carried over from prior years.

Outlook

Fiscal year 2020 operating budgets have been established and the most recent quarterly review indicates that spending is consistent with budget.

Operational Budget Annual Budget Authority vs. Actual Expenditures



CUSTOMER – C1

Overview

Web traffic to etf.wi.gov is an indicator of customer engagement. The website is a key channel for ETF to communicate to members and employers.

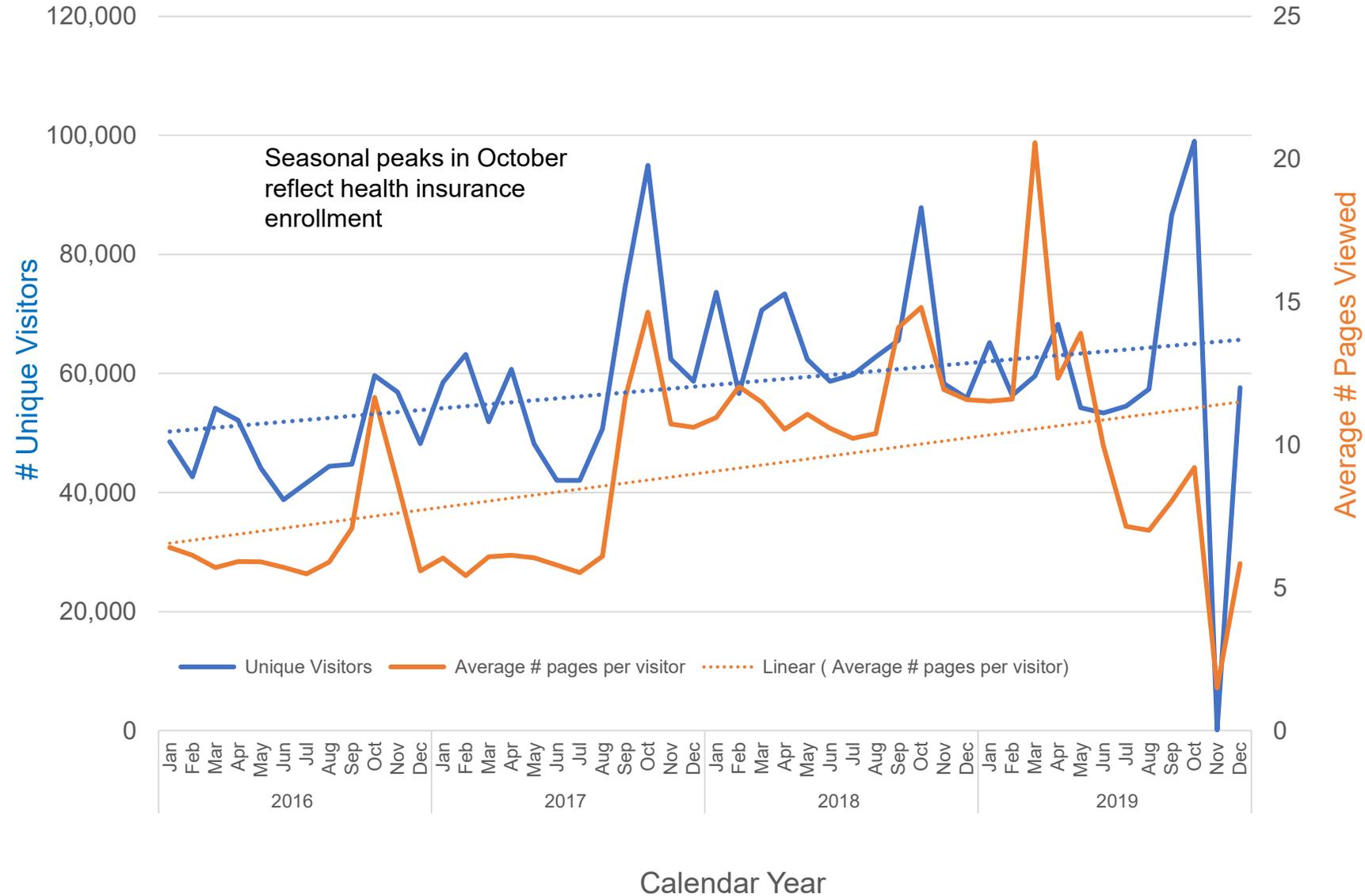
Current Status

A technical snag ceased data collection during late Oct early Nov. Due to risk mitigation a fix was planned after the open enrollment was complete. December saw the numbers return to normal ranges after the fix. However, the number of pages viewed per visitor is less compared to December of the last 2 years. The downward trend since Q3 2019 aligns with the new website's objective of fewer clicks by customers to complete a task or get to their desired information.

Outlook

We expect a decrease and leveling of unique visitors for January through March, which is in line with past seasonal traffic patterns. Page views may also decrease due to recent improvements to the website's search functionality.

Website Usage Unique Visitors and Pages Viewed



CUSTOMER – C2

Overview

Responsiveness is measured by the speed calls are answered, which affects customer experience.

2019 Service Goals indicate the percentage of callers that reach a representative in a timely manner.

This includes:

50% of calls answered in 2 minutes

70% of calls answered within 3 minutes.

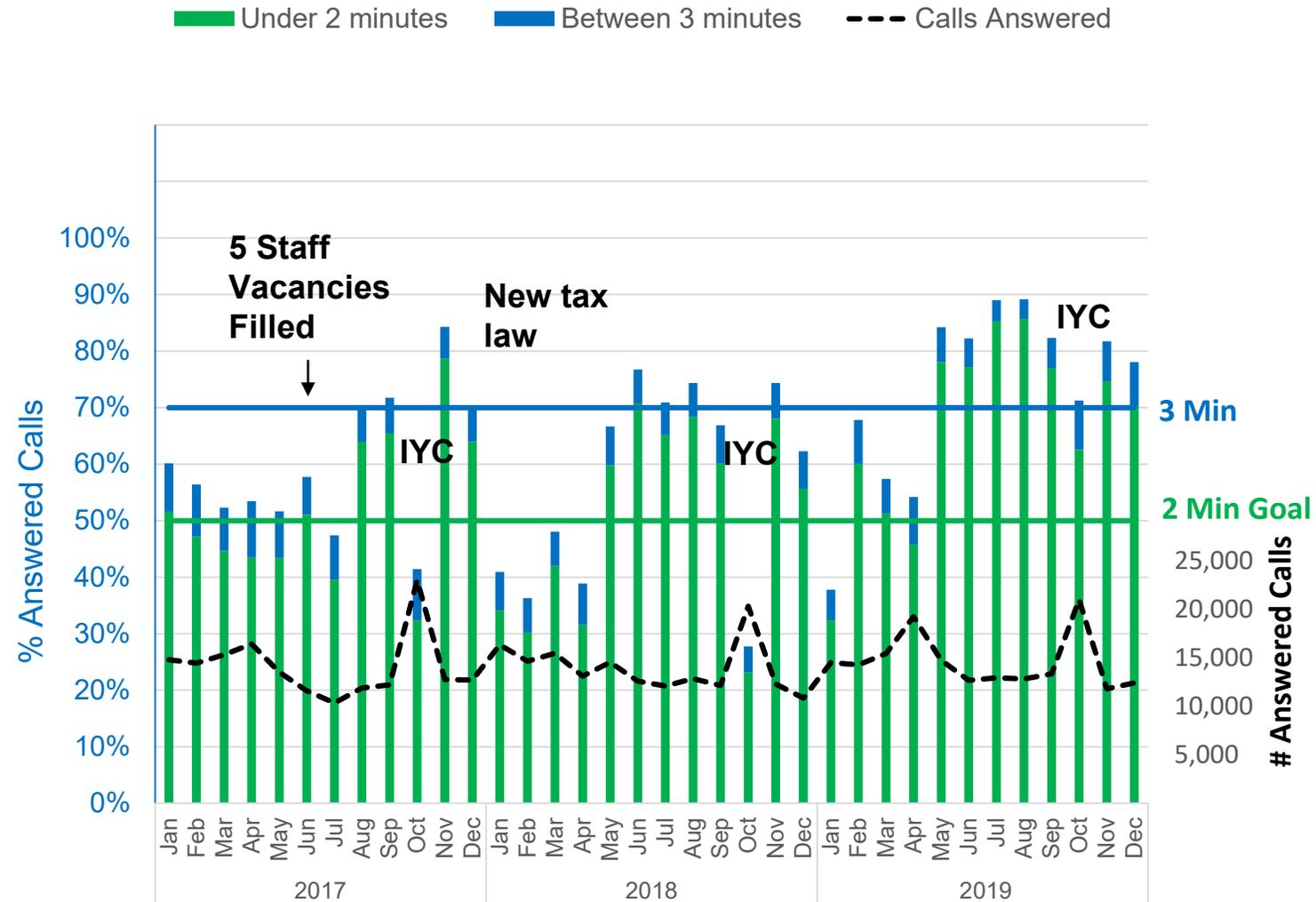
Current Status

The speed of answer improved greatly, due in part to the callback feature of the new CARES system. The number of calls answered in less than 2 minutes improved by an impressive 54% in Q4 2019 compared to Q4 2018. Calls answered between 2 – 3 minutes improved by 43% in Q4 2019 compared to Q4 2018. The improved speed of answer was particularly noteworthy during It's Your Choice: For Oct 2019 63% of calls were answered in less than 2 minutes, which is a massive improvement from 23% in Oct 2018.

Outlook

Typically Q1 sees a high call volume, due to questions about effective rate, annuity adjustments, and taxes. Also teachers will be weighing contract renewal against retirement. Nevertheless, we expect the speed of answer to remain favorable due to more tenured staff and also the callback feature.

Call Center - Speed of Answer



CUSTOMER – C3

Overview

The Call Center receives an average of 15K calls per month peaking in October with 25K calls. However, some callers hang up before their call is answered.

Service Goals

To balance cost and customer satisfaction, an **optimal range** was determined as between 5% to 10%.

Current Status

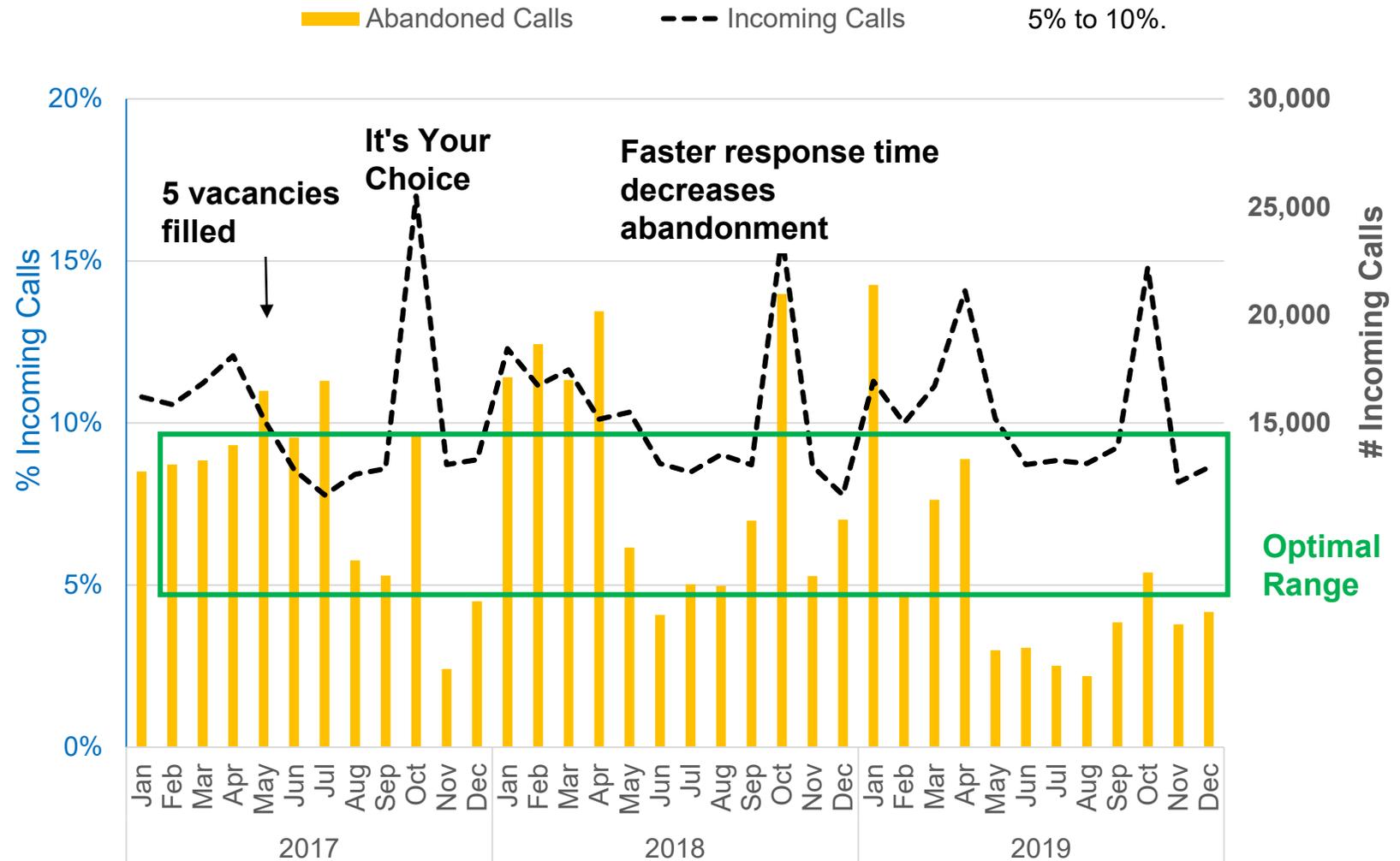
The number of calls abandoned dropped by 50% in Q4 2019 compared to Q4 2018. The rate of calls abandoned is directly affected by speed of answer. As shown in chart C2, 63% of the calls were answered is less than 2 minutes in Q4 2019.

Outlook

The average talk time is likely to increase in Q1 2020 due to questions related to things like annuity adjustments and taxes. Nevertheless, with the callback feature we are forecasting no increase in wait times and therefore also no increase in call abandonment.

Call Center - Abandoned Calls

Call Abandonment Goal: To balance cost and customer satisfaction, an **optimal range** was determined as between 5% to 10%.



Overview

ETF facilitates internal movement to retain knowledge, improve engagement, and avoid hiring costs and loss of productivity.

Current Status

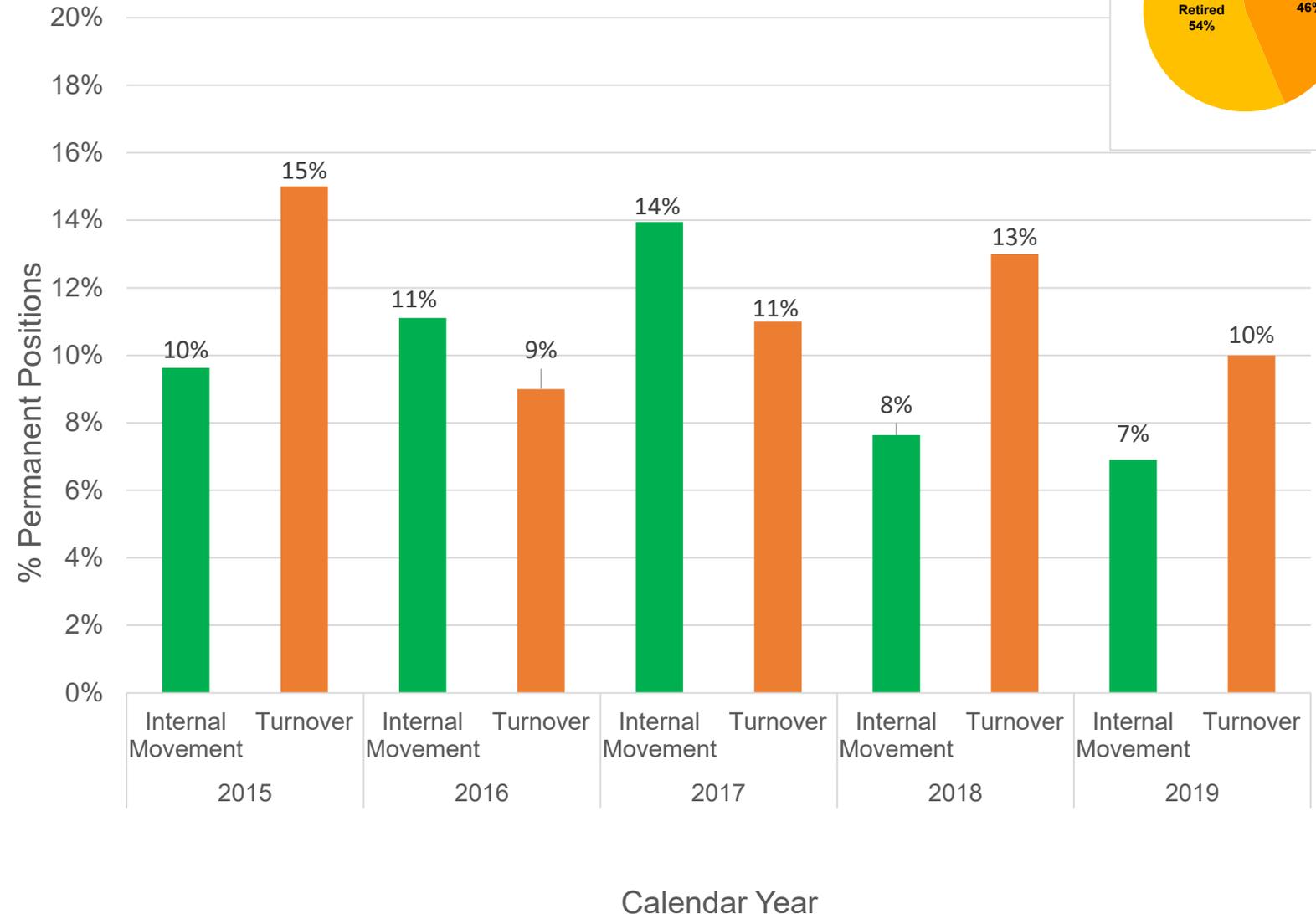
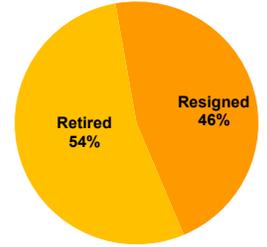
Q4 followed suit with a 2% rise in the internal movement like Q3. While Q3 saw internal movement into both supervisory and mid level positions, in Q4 the movement was into mid level positions only. There were 19 position changes out of 275 in 2019. More than half of the **Turnover** was due to Retirement in 2019 (15 out of the 28 departures). In comparison to the last two years, **Internal Movement** has been on the decline while Turnover increased. Whether this trend continues into the next year is yet to be seen. Overall, 2019 saw high turnover when compared to the internal movement similar to 2018.

Outlook

With the exception of 2018, low turnover is observed in a year when there was a high turnover the preceding year and vice versa. Though this trend is not corollary in any way, we suspect 2020 may follow a similar trend of low turnover.

Workforce Turnover Departures versus Internal Movement Q4 2019

Departures by Reason
2019



PROCESS – P1

Overview

Internal audits provide unbiased assessment of operations to ensure effective risk management, internal control, and governance processes.

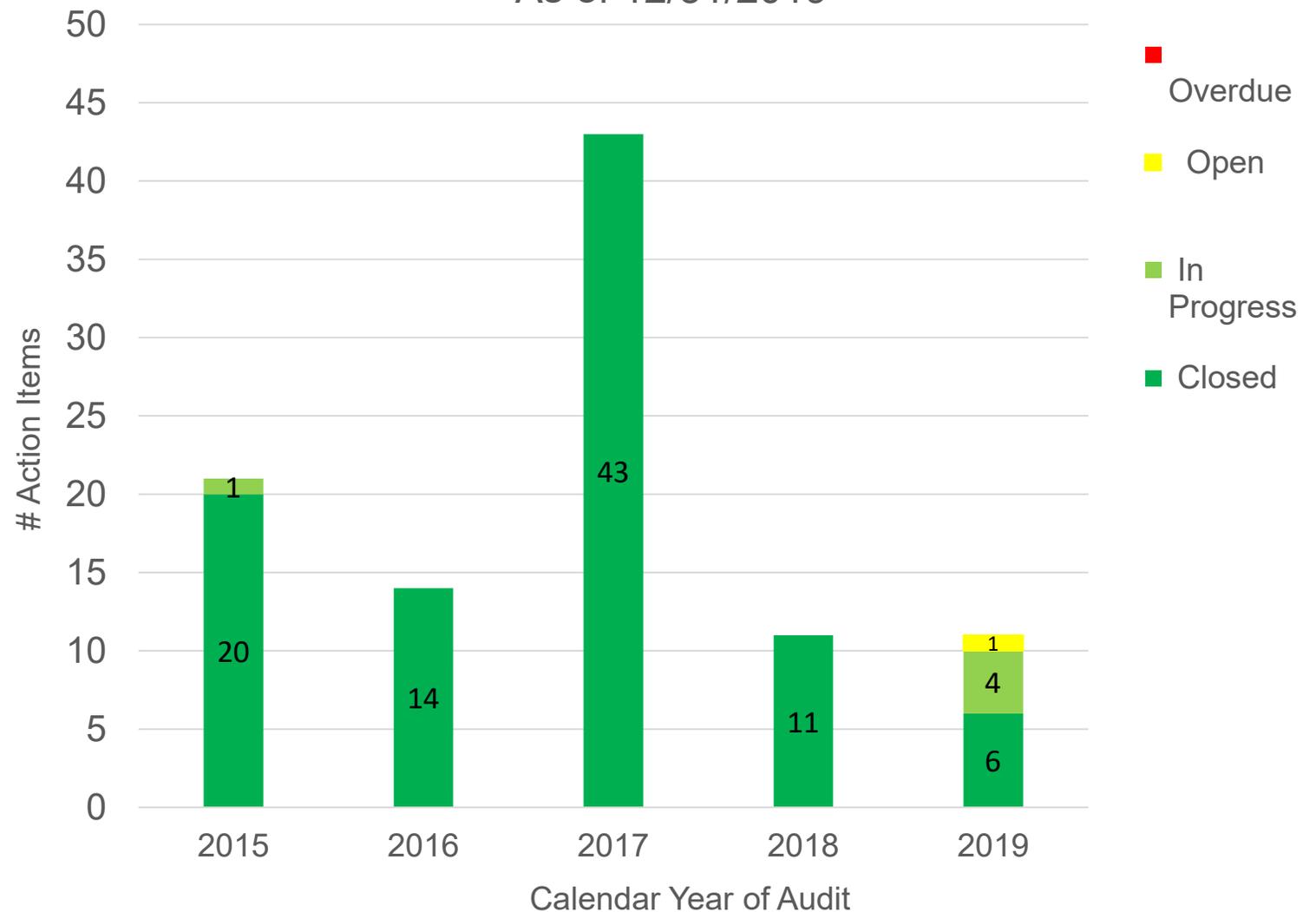
Current Status

Since 2014 the OIA (Office of Internal Audit) has identified 103 action items, 94 % of the items have been implemented. The one item from the *ICI Enrollment and Premium Reporting* audit from 2015 has been in progress due to BAS project decommission. An offshoot of this project namely the **Enrollment database** is expected to be completed by the end of 2020.

Outlook

Out of the 4 **In progress** items in 2019, 1 from *IT Asset Management Audit* is expected to be completed by Apr 1 2020. The remaining 3 items belong to LTDI (Long Term Disability Insurance) which is slated to be completed by July 1, 2020, January 1st 2021 and Apr 1 2021 respectively. The only open item in 2019 belongs to Health Insurance Billing audit with a planed completion date of June 30, 2020.

Internal Auditing Recommendations by Status As of 12/31/2019



PROCESS – P₂

Overview

Retirement estimates (24K per year) are critical for members to make informed retirement decisions. The service goal of 15-day turnaround is met on average with expected peaks early in the year for teacher requests.

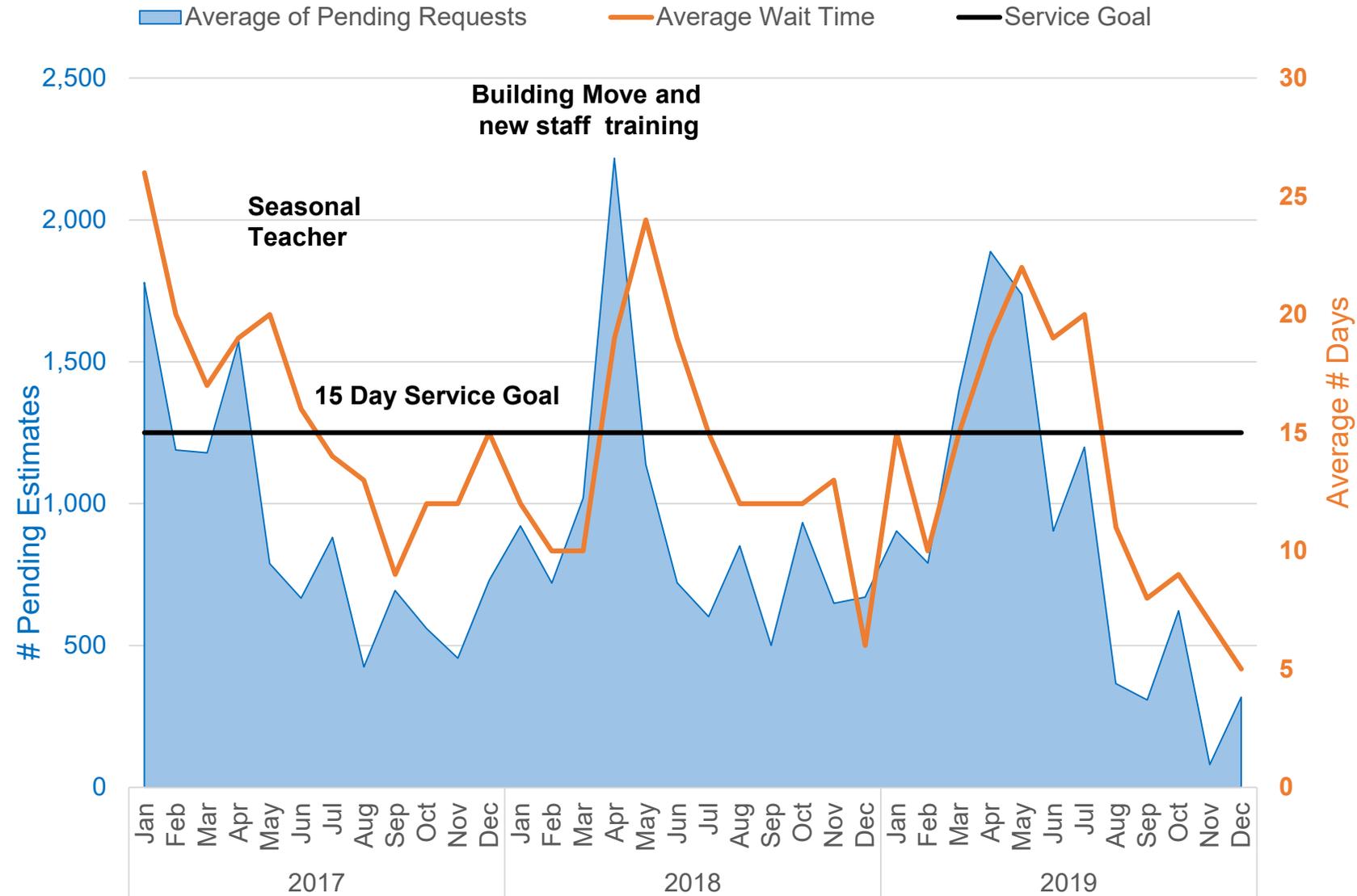
Current Status

The results of allocating new staff members and the implementation of the Business Process Management initiative is paying off. It is evident from the *downward trajectory* of the **average wait time** indicator in the chart. There has been a 54 % drop in the pending retirement estimate in Q4 2019 (1,021 pending estimates) compared to Q4 2018 (2,252 pending estimates).

Outlook

We are excited to see if this new process improvement can withstand seasonal peaks which bring pending requests up over 1,500 during the end of Q1 and beginning of Q2.

Retirement Estimates Volumes and Turnaround Time



PROCESS – P3

Overview

Member counseling appointments (primarily retirement related) in the 4rth quarter of 2019 included:

Individual face-to-face	(891)
Individual online	(209)
Group appointment	(493)

This excludes field presentations (946) and Walk- ins (1126). Wait times are measured from request to the first available appointment, not the selected appointment.

Current Status

The demand for the individual appointment *continues* to outweigh Online and Group appointments. Average wait times peaked during seasonal months of Apr (Teachers inquiry) & Nov-Dec (Calendar year retirees).

Outlook

A new appointment scheduling process is anticipated to be implemented in Q1 2020 which should improve the scheduling process.

Member Appointment Scheduling Wait Times

