

## CASE STUDY

# CFI Group Helps PBGC Better Manage Their Multifaceted Program

## About PBGC

The Pension Benefit Guaranty Corporation (PBGC) protects the retirement incomes of nearly 37 million American workers in more than 25,000 private-sector defined benefit pension plans. PBGC was created by the Employee Retirement Income Security Act of 1974 to encourage the continuation and maintenance of private-sector defined benefit pension plans, provide timely and uninterrupted payment of pension benefits, and keep pension insurance premiums at a minimum.

In 2018, PBGC paid retirement benefits, up to a guaranteed maximum, to more than 861,000 retirees in more than 4,900 single-employer pension plans that cannot pay promised benefits. PBGC also provided financial assistance to 81 multiemployer plans covering 62,300 retirees. Including those who have not yet retired and participants in multiemployer plans receiving financial assistance, PBGC is responsible for the current and future pensions of about 1.5 million people.

## The Challenge

As the entity that was established to protect the pensions of private-sector companies, PBGC serves more than one group of customers. In addition to the 1.5 million people whose pension benefits are or will be paid by the agency, PBGC also has an important customer relationship with the companies that sponsor PBGC-insured plans. These customer groups have very different wants and needs, so providing a high level of customer service can be difficult, particularly given the ever-changing customer expectations driven by technology.

## Challenge

PBGC needs to provide a high level of customer service to two groups with very dissimilar wants and needs—present and future pension recipients and the companies that sponsor PBGC-insured plans—which can be especially difficult.

## Solution

- PBGC has worked with CFI Group to implement a multifaceted program designed to measure and track customer satisfaction.
- The program comprises three studies aimed at measuring customer touchpoints among PBGC's two customer groups.

## Results

- ✓ Using results from these three studies, PBGC has implemented a variety of internal initiatives to meet the needs of present and future pension recipients and maintain high levels of satisfaction.
- ✓ PBGC's satisfaction among its premium filers has reached as high as 79, just shy of the "threshold of excellence" of 80, an impressive achievement for a regulatory and collection function that would typically have a lower-scoring customer base.

## The Solution

For more than 15 years, PBGC has worked with CFI Group to implement a multifaceted program designed to measure and track customer satisfaction using the science of the ACSI methodology. The program comprises three studies aimed at measuring customer touchpoints among PBGC's two important customer groups: current and future retirees covered by PBGC pension plans, and premium filers who make payments to PBGC for pension coverage for their companies.

Among retirees, PBGC measures satisfaction with the overall customer relationship on an annual basis. This study collects feedback on different facets of the relationship, including the benefit application process, receipt of benefits process, written communication, customer care, and concern resolution.

Separately, on a quarterly basis, PBGC collects feedback from participants (both current retirees and future benefit recipients) regarding the performance of the agency's contact center.

In addition to gathering specific information about recent call experiences, PBGC collects feedback on performance related to follow-up activities after the contact is completed.

Specific metrics such as timeliness of receiving and ease of understanding follow-up documents (e.g., application packages or benefit estimates), completeness of the concern resolution, and timeliness of status updates help PBGC focus on customer service issues to ensure they are addressed.

A third study is conducted annually to obtain feedback from PBGC's equally important customer group, the premium filers. PBGC's performance in the areas of premium filing process, written communication, refunds, standard termination filings, policy and legislation, and customer care is measured and monitored.

## The Results

PBGC began working with CFI Group to measure the participant caller satisfaction in 1995. Since the inception of its participant caller study in 2001, at which time it scored 73, PBGC has brought its score as high as 87.

PBGC's retiree score was 84 in 2003 when it was first measured but has been at 90 or above for five of the last six years. It is consistently among the highest scores in government.

PBGC's satisfaction among its premium filers was first measured at 69 in 2002 and has reached as high as 79, just shy of the "threshold of excellence" of 80, an impressive achievement for a regulatory and collection function that would typically have a lower-scoring customer base.

Using the results of these three studies, PBGC has implemented a variety of internal initiatives to meet the needs of customers and maintain high levels of satisfaction.

- ▶ Income verification letters can be generated instantly online, providing needed documentation for housing, loans, and other purposes. Previously obtaining income verification required customers to call or write.
- ▶ Automatic payment to beneficiaries begins when a pay-status participant dies. Formerly, beneficiaries needed to submit an application.
- ▶ Expanded hours for field offices support customers in different time zones or those who work during the day.
- ▶ Proactive communication alerts customers to important information, such as payment dates and availability of tax forms.
- ▶ Elimination of the estimated premium filing requirement has cut the number of required premium filings in half for plan administrators.
- ▶ Improvements to the online filing system include validations, data pre-population, and ability to more readily view filing receipts and filing status.
- ▶ A free online subscription service provides timely updates on regulatory changes and other information of interest to premium filers.

In addition to the audience-specific measures and efforts above, PBGC provides customer service training to all its employees and includes a customer service performance standard in every employee's performance plan. Sustained focus on continuous improvement helped PBGC's three custom ACSI measures top their respective three categories in 2017 and has led to significant long-term gains in satisfaction.