



**U.S. OFFICE OF PERSONNEL MANAGEMENT
OFFICE OF THE INSPECTOR GENERAL
OFFICE OF EVALUATIONS**

Final Evaluation Report

EVALUATION OF THE ENHANCEMENTS MADE TO THE RETIREMENT SERVICES' CUSTOMER SERVICE FUNCTION

Report Number 4K-RS-00-19-018

May 4, 2020

EXECUTIVE SUMMARY

Evaluation of the Enhancements Made to the Retirement Services' Customer Service Function

Report No. 4K-RS-00-19-018

May 4, 2020

Why Did We Conduct the Evaluation?

We conducted this evaluation to follow-up on the progress of the U.S. Office of Personnel Management's Retirement Services (RS) office has made to enhance its customer service function based on recommendations from our September 2016 evaluation report (*Evaluation of Retirement Services' Customer Service Function* Report No. 4K-RS-00-16-023). The 2016 evaluation report assessed RS's customer service to OPM-administered Civil Service Retirement System and the Federal Employees Retirement System annuitants in the following two areas: (1) Annuitants' access to RS's customer service specialists and (2) RS's response time to inquiries received from annuitants.

What Did We Find?

We determined that Retirement Services (RS) has made a number of enhancements to its customer service function. Below, we discuss the effects of those improvements on responsiveness to annuitants' inquiries and annuitants' access to RS's customer service function. Specifically, we found:

1. Improved Responsiveness to Annuitants' Inquiries

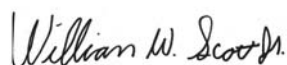
RS has made several improvements in providing timely responses to annuitants' inquiries to include addressing the backlog of written inquiries with the development of two new processes, which have helped to reduce the written correspondence backlog.

2. Improved Annuitants' Access to RS's Customer Service

RS has made improvements in annuitants' access to its customer service via a toll-free number. However, annuitants are still having trouble reaching a customer service specialist as there is still a large number of abandoned calls and busy signals.

3. Follow-up of the 2016 Evaluation Report Recommendations

Based on the results of this evaluation we determined that RS has implemented our prior recommendations and we now consider them closed.



William W. Scott, Jr.
Chief, Office of Evaluations

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INTRODUCTION

This final evaluation report details the results from our evaluation of the *Enhancements made to the Retirement Services' Customer Service Function*. This evaluation was conducted by the U.S. Office of Personnel Management (OPM) Office of the Inspector General (OIG), as authorized by the Inspector General Act of 1978, as amended.

OPM's Retirement Services (RS) is responsible for the oversight of the Federal Government's two major retirement systems, the Civil Service Retirement System and the Federal Employees Retirement System. RS provides customer service to approximately 2.6 million annuitants, and survivor annuitants, and family members by determining Federal employees' eligibility for retirement benefits; issuing annuity payments to retirees and surviving spouses who are eligible as survivor annuitants; and collecting premiums for health and life insurance. RS's Retirement Information Office (RIO) and Customer Inquiries Branch administers its customer service function. These offices provide customers' access to RS's services; and respond to annuitants' inquiries/questions for resolution.

Annuitants continue to have access to RS's services through multiple avenues. Within RIO, annuitants can contact RS's Customer Call Center, which is located in Boyers, Pennsylvania, using a toll-free number listed on OPM's website. The Customer Call Center received approximately 1.68 million calls and handled approximately 1.34 million calls in fiscal year (FY) 2018.

In addition to the Customer Call Center, RIO also has a Walk-in Service Center at OPM's Headquarters in Washington, D.C., which provides in-person customer service to annuitants and their survivors. Annuitants can also send RS written inquiries/questions via email, postal letters, and the self-service portal available through RS's Services Online. RS continues to promote the use of Services Online, which currently has approximately 721,190 users and processed 8,165,542 transactions in FY 2018, an increase of 20 percent from FY 2017.

We initially conducted an evaluation of RS's customer service function in September 2016 to determine annuitants' access to RS's customer service in the following two areas: (1) Annuitants' access to RS's customer service representatives and (2) RS's response time to inquiries received from annuitants. The evaluation found that annuitants using the toll-free number were encountering busy signals as well as long wait times when attempting to contact RS's customer service. Additionally, we found that RS was not providing timely responses to customer inquiries.

Since our 2016 report on RS's customer service, Public Law 115-31, the *Consolidation Appropriation's Act of 2017*, provided RS with additional funding to improve its customer service capacity. This report details the results of those improvements as they relate to our prior findings and recommendations.

RESULTS OF EVALUATION

This section details the results of our evaluation on the enhancements to RS's customer service function. We determined that RS has made a number of improvements to its customer service function. Below, we discuss the effects of those improvements on the responsiveness to annuitants' inquiries and annuitants' access to RS's customer service function.

1. Improved Responsiveness to Annuitants' Inquiries

We found that RS has made several improvements in providing timely responses to annuitants' inquiries since our evaluation report in 2016. Specifically, we found that RS has addressed the backlog of written inquiries. We reported in 2016, that RS was not meeting its goal in responding to all written correspondence within 60 days and had a backlog of Controlled Correspondence.¹ Since our report, RS has developed two new processes, which have helped to reduce the written correspondence backlog by 59 percent in FY 2018. These new processes have allowed RS to respond to inquiries in a shorter timeframe, by categorizing annuitants' inquiries in a manner that allows customer service representatives to respond more quickly to those inquiries that do not require additional resources (i.e., annuitants' case files, which adds to the processing time).

We also assessed how responsive RS's legal administrative specialists² were to messages left on their voicemail boxes as we did in our prior 2016 evaluation report. To determine their responsiveness, we selected a judgmental sample of 44 legal administrative specialists to verify that annuitants are able to leave voice messages on the legal administrative specialists' voicemail boxes, and determine if the legal administrative specialists would respond to our voice messages. The results were that 13 (30 percent) of the legal administrative specialists responded to us in a timely manner, while 31 (70 percent) legal administrative specialists did not respond to our voicemails. It is important to note that we did not find any full voicemail boxes, as reported in our 2016 evaluation report.

¹ According to RS, Controlled Correspondence consists of escalated inquiries generated by the Retirement Information Office; Faxes (faxes from Federal agencies requesting verification of an employee's service time); and, Mail Read (incoming postal mail that requires processing or needs to be forwarded to different areas within OPM).

² Legal administrative specialists provide customer service to annuitants within RS Operations in the following areas: Retirement Claims, Disability Reconsideration and Appeals, and Retirement Eligibility and Services.

Finally, we reviewed RS's FY 2018 Customer Satisfaction Survey, which measures annuitant and survivor annuitant satisfaction with services provided by RS. The Customer Satisfaction Survey reported that:

- Seventy-one percent of the respondents stated they were satisfied with the amount of time it took RS personnel to respond to their inquiries sent dated on or after the start of FY 2017; which was a five percent increase from FY 2015; and
- Seventy-nine percent of respondents said they were satisfied overall with RS's services, which was up two percent from the FY 2015 results.

Additionally, RS reported in their FY 2018 Customer Satisfaction Survey that eight percent or less of the respondents indicated that they had difficulties regarding RS's responsiveness to telephone messages, emails, and letters.

2. Improved Annuitants' Access to RS's Customer Service

Annuitants continue to use RS's toll-free number as their primary access to the Retirement Information Office. Our prior evaluation reported that annuitants using the toll-free number were experiencing difficulty accessing RS's customer service. Our current evaluation showed RS has made several improvements in providing annuitants' access to its customer service functions, but more improvements are needed.

We reported in our 2016 evaluation report that the ratio of customer service specialists and contractors to annuitants was approximately 1:27,000. Since that report, RS has hired an additional 63 customer service specialists decreasing the ratio to 1:18,400. RS has also decreased the average wait times for answering calls via the toll-free number from 15.8 minutes in FY 2015 to 8.8 minutes in FY 2018. RS has also increased the percentage of calls handled at their Customer Call Center from 72 percent in FY 2015 compared to 79 percent in FY 2018.

The FY 2018 Customer Satisfaction Survey, results showed improvement in access annuitants have to RS. Specifically, when trying to find assistance within RS via the toll-free number:

- Nineteen percent of the respondents stated that the telephone rang without an answer or stayed busy, which was a two percent decrease from the FY 2015 Customer Satisfaction Survey;

- Eight percent of respondents stated they were transferred multiple times when calling, which was a two percent decrease from FY 2015; and
- Seventeen percent of respondents stated they were on hold for long periods, which was an eight percent decrease from FY 2015.

While RS has made improvements in the annuitants' access to its customer service via the toll-free number, we found that annuitants are still having trouble reaching a customer service specialist. We found that abandoned calls for FY 2018 were 336,917 and 905,604 calls were met with a busy signal. While RS stated they do not manage these numbers when addressing the calls coming to the Customer Call Center, we believe that both the abandoned calls and the number of calls met with a busy signal to be excessive. High abandoned calls and busy signals are an indication that annuitants are still have trouble reaching RS's customer service and require special attention from RS's management.

Recommendation

We recommend that RS address the large number of abandoned calls and busy signals to further improve the annuitants' ability to reach a customer service specialist.

Management Response

Management concurs with this recommendation. Specifically, "...at the request of former [OPM] Director [Dale] Cabaniss, and with the support of the [OPM] Office of the Chief Information Officer, the U.S. Digital Service sent a team of digital service experts to conduct a one-week analysis of RS's Call Center Operation's capabilities, encompassing design, engineering, and product. A War Room was established to make assignments and monitor results. Continued efforts will proceed in all areas to improve the overall experience."

OIG Response

The OIG will follow-up to ensure that the established RS War Room addresses issues with the Customer Call Center. This includes the large number of abandoned calls and busy signals, which will improve the annuitants' ability to reach a customer service specialist.

3. Follow-up of the 2016 Evaluation Report Recommendations

Our 2016 evaluation report found that annuitants using the toll-free number were encountering busy signals as well as long wait times when attempting to contact RS's customer service. Additionally, we found RS was not providing timely responses to customer inquiries. We recommended that RS:

- Establish written policies and procedures for legal administrative specialists to handle annuitants' telephone inquiries. This includes establishing guidelines that ensure legal administrative specialists are retrieving voice messages regularly to avoid full voicemail boxes and returning calls within a specified timeframe.
- Allocate additional resources to address the backlog of written correspondence; and,
- Develop a plan of action to reduce the customer service specialists to customer ratio to increase the access to RS's customer service via the toll-free number.

During this evaluation, we found that RS had implemented our prior 2016 evaluation report recommendations. The improvements that RS made did in fact enhance the annuitants' ability to access and receive timely responses from RS's customer service functions. We therefore consider all the 2016 evaluation report recommendations closed.

APPENDIX A: SCOPE AND METHODOLOGY

We conducted this evaluation in accordance with the *Quality Standards for Inspection and Evaluation*, January 2012, approved by the Council of the Inspectors General on Integrity and Efficiency.

We performed our fieldwork from February 26, 2019 through November 5, 2019 at the OPM Headquarters in Washington, DC.

The objective of this evaluation was to determine if RS's enhancements to its customer service function had increased annuitants' access to RS's customer service representatives and decreased the response time to annuitants' inquiries.

The scope of this evaluation was for FY 2016 to FY 2018. We focused on two elements from our 2016 evaluation report; (1) the access annuitants have to RS's customer services and (2) RS's response time to resolve customers' inquiries. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our objective.

As part of the planning phase of this evaluation we met with key RS officials to gain an understanding of the enhancements made to RS's customer service function since our prior 2016 evaluation report and identified any concerns/issues that maybe impeding improvements. We gathered and reviewed current policies and procedures, which addressed our findings and recommendations from the 2016 evaluation report. Our results are limited by the scope and methodology that we employed to meet our objectives.

To meet our objective, we performed the following procedures:

- Calculated the current ratio of customer service specialists to the annuitant ratio and compared it to the ratio reported in our 2016 evaluation report;
- Identified and compared the number of calls RS handled in FY 2016 to FY 2018 and compared them to the number of calls handled as reported in our 2016 evaluation report;
- Interviewed RS personnel regarding the current Customer Call Center telephone system;
- Compared the average wait times from FY 2016 to FY 2018 using data tracked by RS and compared them to the average wait times reported in our 2016 evaluation report;
- Reviewed OPM's *Annual Performance Report for FY 2018* to determine if RS met their goals as outlined in the OPM FY 2019 Congressional Budget Justification;

- Identified and compared the number of RS's Services Online unique users for FY 2016 and FY 2018 as well as the total number of transactions processed via RS's Services Online for FY 2016 and FY 2018; and
- Reviewed and analyzed the results of RS's Customer Service Satisfaction Surveys for FY 2017 and FY 2018.

Due to the nature of this evaluation, we did not verify the reliability and validity of the information obtain through Retirement Services' tracking systems. However, while analyzing, through cross-comparison, nothing came to our attention to cause us to doubt the information's reliability or validity. We believe that the information provided was sufficient to achieve our evaluation objective.

To assess how responsive legal administrative specialists are to messages left on their voicemail boxes, we selected a judgmental sample of 44 legal administrative specialists to (1) verify that annuitants are able to leave voicemail messages on the legal administrative specialists' voicemail box and (2) determine if the legal administrative specialists responded to the voicemail messages.

APPENDIX B: MANAGEMENT COMMENTS



Retirement Services

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

March 25, 2020

Memorandum For William W. Scott, Jr.
Chief, Office of Evaluations and Inspection
Office of the Inspector General

From: Kenneth J. Zawodny, Jr. **KENNETH ZAWODNY** Digitally signed by
Associate Director KENNETH ZAWODNY
Retirement Services (RS) Date: 2020.03.25
09:37:31 -0400

Subject: Response to Draft Report on the Evaluation of the Enhancements
made to the Retirement Services' Customer Service Function (Report
Number (4K-RS-0019-018))

This memorandum is in response to the Inspector General's draft report entitled, Evaluation of the Enhancements made to the Retirement Services' Customer Service Function (Report Number (4K-RS-0019-018)).

We recognize that even the most well-run programs benefit from external evaluations and we appreciate your input as we continue to enhance our program, particularly customer service. Since the 2016 OIG evaluation on customer service (Report No. 4K-RS-00-16-023), RS has implemented new processes and updated its phone system to address the recommendations and has hired additional customer service specialist. Retirement Services appreciates the OIG's acknowledgement of the improvements made to customer service.

There was one new recommendation issued in this draft report which is listed below along with our response:

Recommendation

We recommend that RS address the large number of abandoned calls and busy signals to further improve annuitants' ability to reach a customer service specialist.

Management Response

Retirement Services concurs with the recommendation.

Efforts are already underway. In January 2020, at the request of former Director Cabaniss and with support of the OPM Office of the Chief Information Officer (OCIO), the US Digital Service (USDS) sent a team of digital service experts to conduct a one-week analysis of the Retirement Services Call Center Operation's capabilities, encompassing design, engineering, and product. A War Room was established to make assignments and monitor results. Continued efforts will proceed in all areas to improve the overall experience.

Thank you for the opportunity to provide comments on the draft report. If you have any questions, or want to discuss further, please contact [REDACTED] and [REDACTED]@opm.gov.

Attachment(s)

cc: Janet L. Barnes, Director Internal Oversight and Compliance



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