



ENTERPRISE STRATEGY MANAGEMENT | SURVEY RESEARCH AND
ANALYSIS

2023 Member Survey

CALSTRS®

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Introduction

The Member Survey is conducted annually to assess member satisfaction with CalSTRS' staff and service. Overall satisfaction with CalSTRS and satisfaction with staff and service decreased in 2023, notably among active members aged 40-49 and newly retired members. Generally, older members reported higher levels of satisfaction and engagement than younger members. Additionally, members who interacted with CalSTRS reported higher levels of engagement than those who did not interact with CalSTRS.

Methodology

Beginning January 11, 2023, CalSTRS emailed a survey invitation to a stratified random sample of 126,189 active and retired members. The survey closed February 8, 2023. A total of 3,765 members responded—2,550 active and 1,215 retired—resulting in a 3% response rate.

The stratified random sample of the membership is based on the following life stages, with the corresponding number of responses shown:

1. Active 20-29 (237 responses)
2. Active 30-39 (591 responses)
3. Active 40-49 (546 responses)
4. Active 50-59 (648 responses)
5. Active 60+ (528 responses)
6. Newly Retired (members retired within the past five years; 613 responses)
7. Enjoying Retirement (members retired for more than five years; 602 responses)

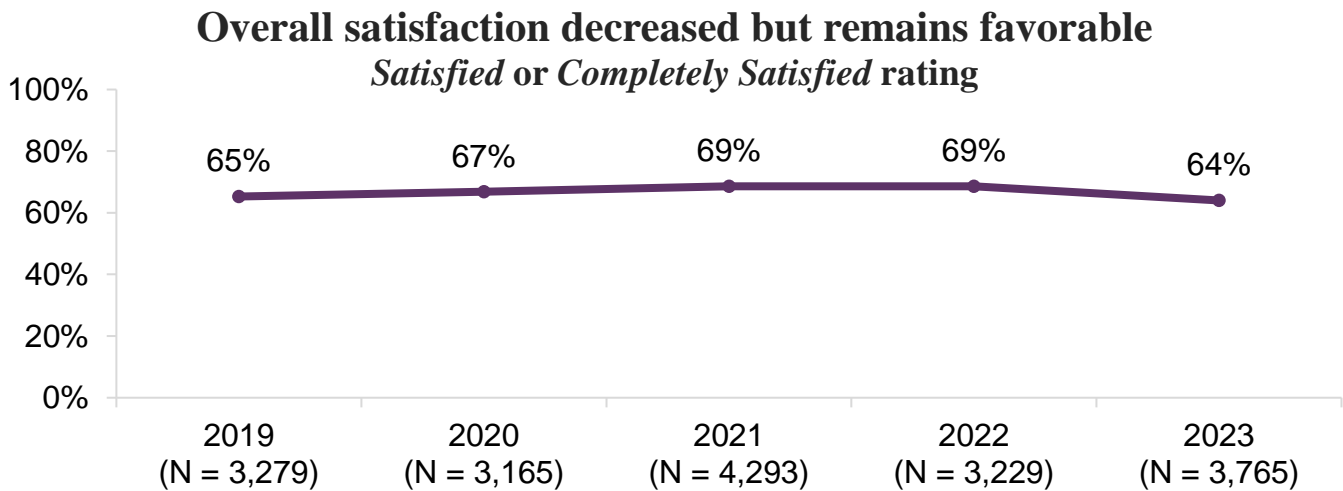
An interval around the mean (average) was calculated. This is commonly known as a confidence interval, which is used to calculate the margin of error for a sample. This diagnostic statistic provides perspective on the variation in the sample and allows for comparison to prior year results.

As of November 2022—just ahead of the survey launch—there were approximately 434,000 active members and 287,000 retired members. With 2,550 active responses and a 95% confidence interval, the margin of error for active member data is 2%. With 1,215 retired responses and a 95% confidence interval, the margin of error for retired member data is 3%.

Overall satisfaction with CalSTRS

Overall satisfaction with CalSTRS decreased to 64% in 2023 from 69% in 2022. This percentage represents those who responded *Satisfied* or *Completely Satisfied* (a rating of 6 or 7 on a 7-point scale) with CalSTRS overall. Approximately 32% responded being neutral (a rating of 3, 4, or 5) and 3% responded *Dissatisfied* or *Completely Dissatisfied* (a rating of 1 or 2).

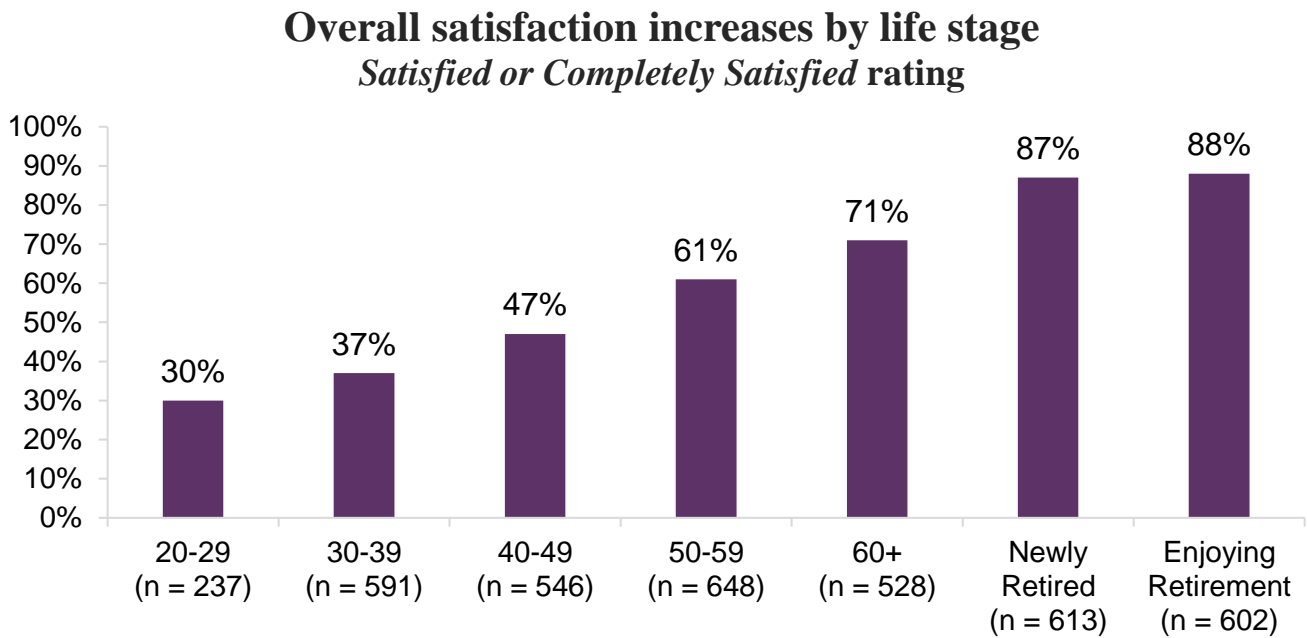
Figure 1.



An analysis correlating other survey items suggested the decrease in overall satisfaction with CalSTRS was influenced by the decrease in confidence in meeting financial needs in retirement. [See *Confidence meeting financial needs in retirement* later in this report.](#)

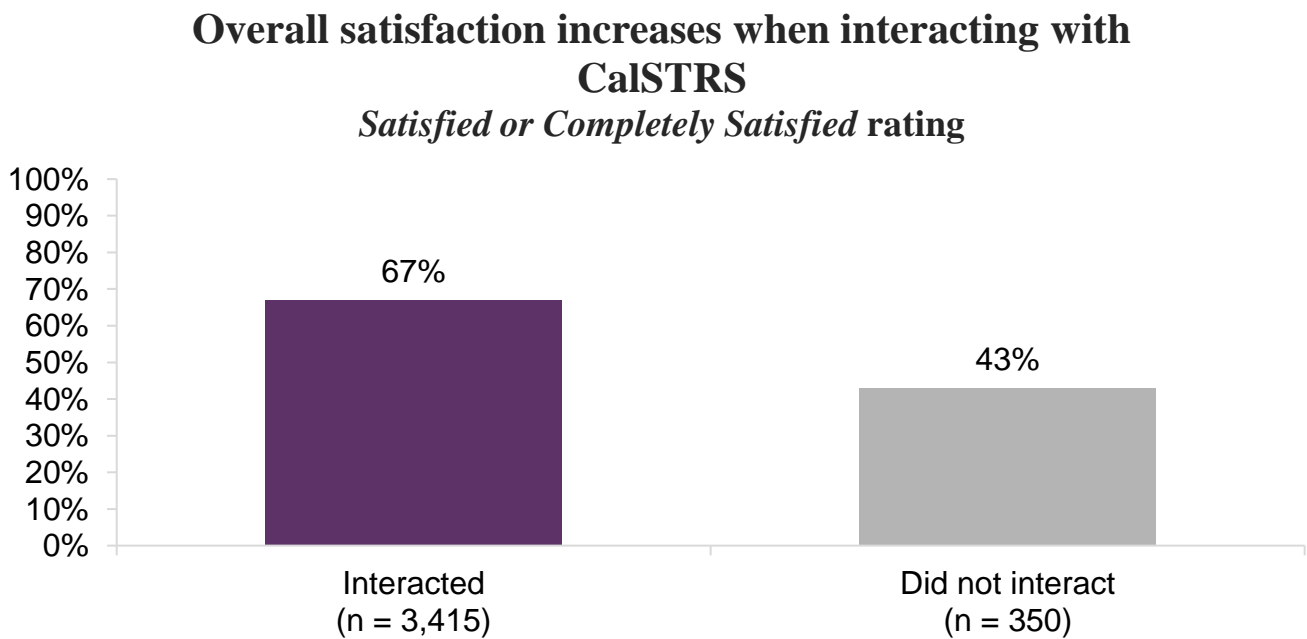
While members reported favorable satisfaction with CalSTRS overall, perceptions vary across life stage. A higher percentage of older members reported being *Satisfied* or *Completely Satisfied* with CalSTRS overall. This is shown in Figure 2 on the next page. This trend is consistent with previous years. Older member groups interact more frequently with CalSTRS, resulting in higher satisfaction ratings. However, younger member groups are not dissatisfied—they are neutral.

Figure 2.



Additionally, 67% of members who interacted with CalSTRS in the past year reported high levels of satisfaction compared to 43% of members who did not interact with CalSTRS, as seen in Figure 3 below.

Figure 3.



Engagement

Engagement is an active assessment of a relationship built over time. Engaged customers are more likely to try new products, speak highly or positively about an organization, demonstrate confidence and trust, and maintain the relationship through trying times.

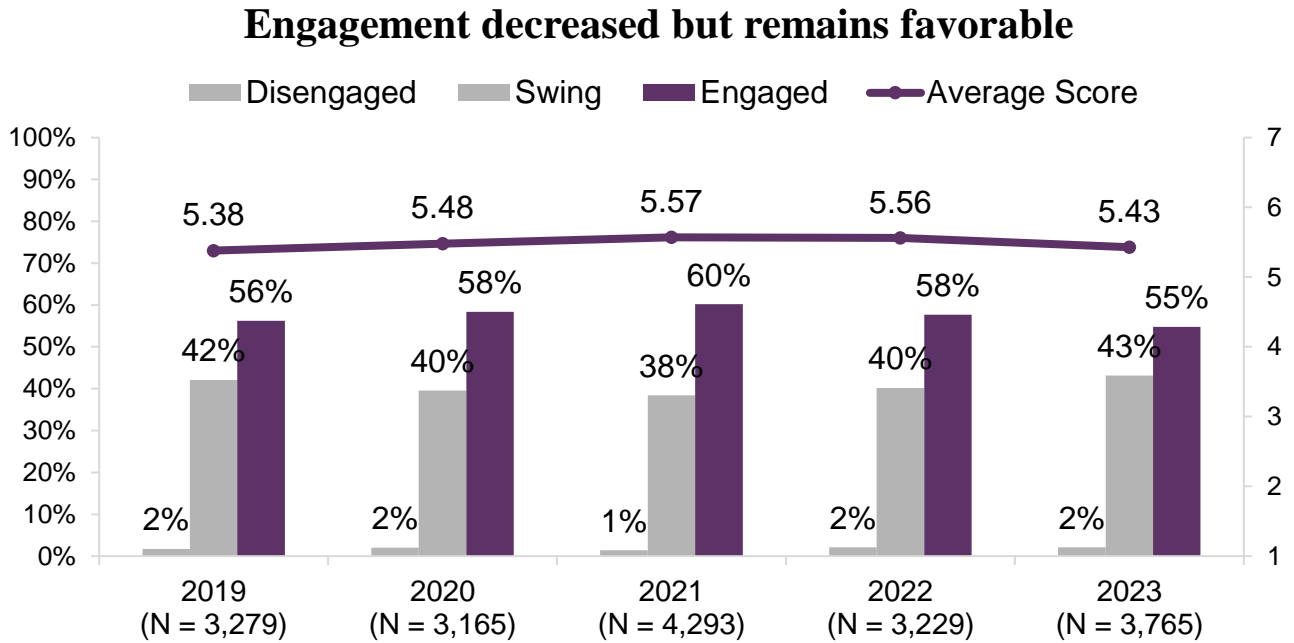
CalSTRS developed a custom set of survey items to assess member engagement. It can be informative to monitor member engagement relative to external events that can impact members but are outside of CalSTRS' purview (such as the economy and inflation).

The member engagement score is calculated using an average of the following five items:

- *How satisfied are you with CalSTRS overall?* (1–7 satisfaction scale)
- *I know CalSTRS operates in my best interest.* (1–7 agreement scale)
- *I feel confident my retirement is secure with CalSTRS.* (1–7 agreement scale)
- *CalSTRS sends communications that are relevant to my needs.* (1–7 agreement scale)
- *CalSTRS acts ethically.* (1–7 agreement scale)

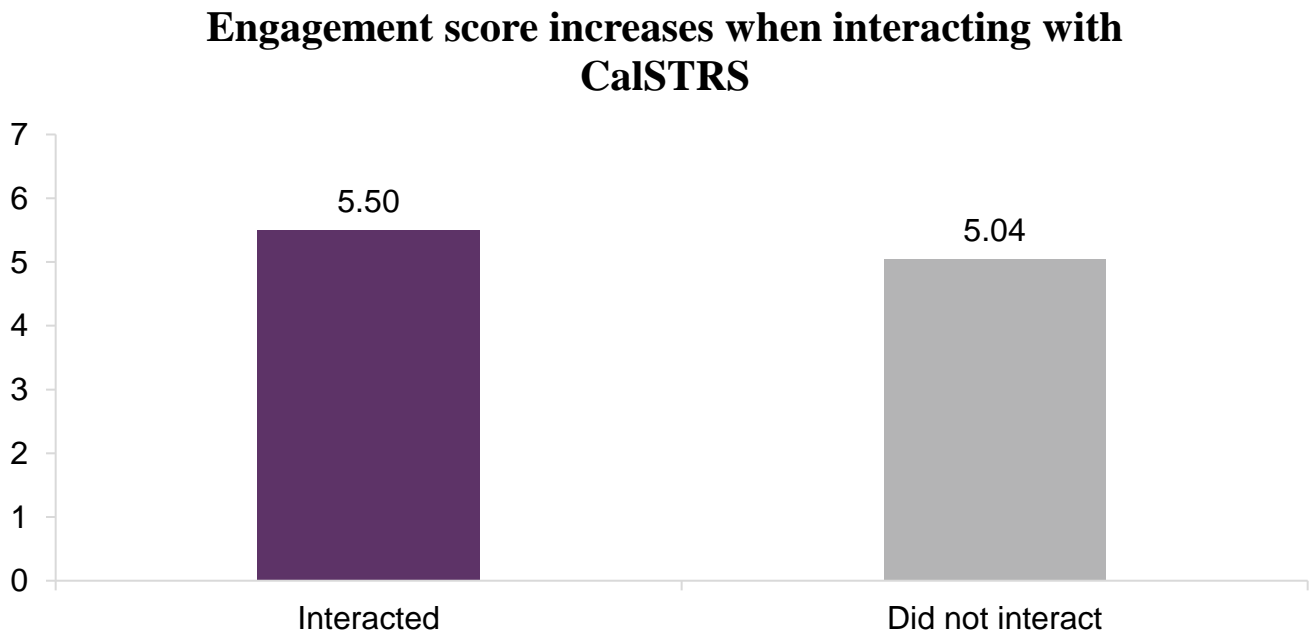
Cut-off scores determine the percentage of members who are engaged, neither engaged nor disengaged (swing), or disengaged. Members with an average score greater than 5.5 are categorized as engaged. Members with an average score less than or equal to 5.5, but greater than 2.5, are categorized as neither engaged nor disengaged (swing). Members with an average score less than or equal to 2.5 are categorized as disengaged. Engagement decreased to 55% in 2023 from 58% in 2022, as seen in Figure 4 on the next page.

Figure 4.



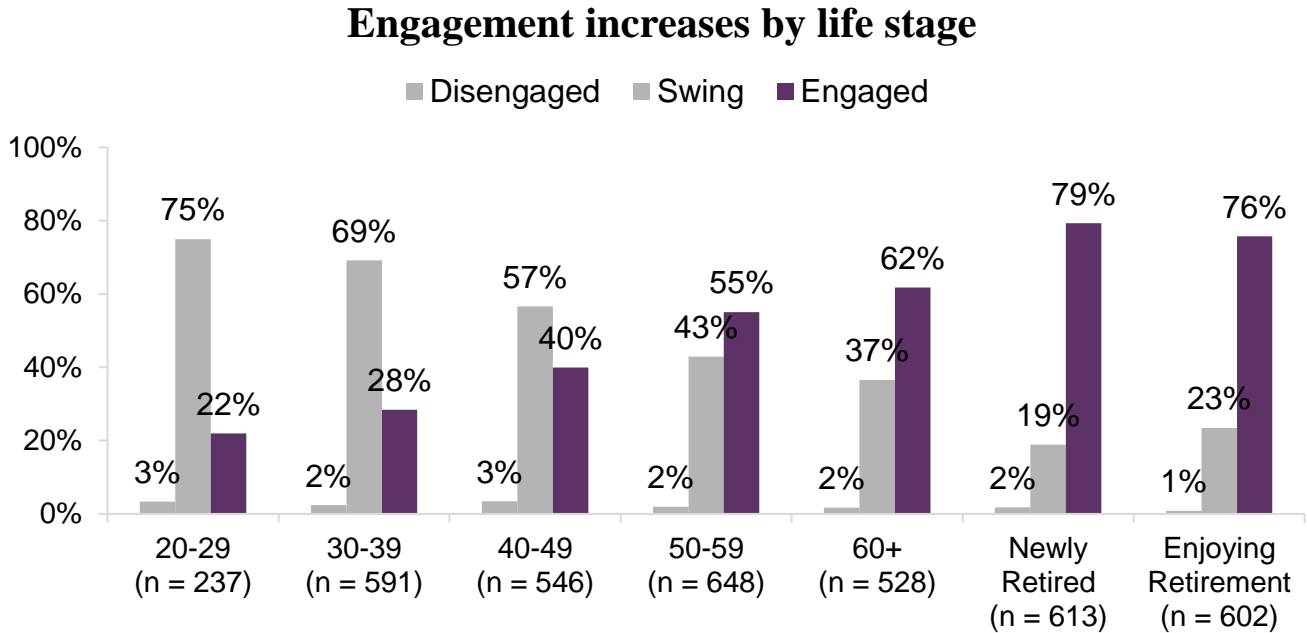
Members who interacted with CalSTRS in the past year reported being more engaged than those who did not, as seen in Figure 5 below.

Figure 5.



The data also suggests engagement increases with age, as seen in Figure 6 below. Members become more engaged with CalSTRS as they approach retirement and then reduce interaction with the organization as their retirement progresses into later life.

Figure 6.



Engagement items

Consistent with prior years, *CalSTRS is an organization I can trust* was the highest rated engagement item at 72% Agree or Strongly Agree (a rating of 6 or 7 on a 7-point scale) as seen in Figure 7.1 and Figure 7.2 on the next page.

Items that received the lowest ratings were *CalSTRS listens to its members* (50%) followed by *CalSTRS operates with transparency* (53%). Neutral ratings (a rating of 3, 4, or 5) for all the engagement items ranged from 26% to 47%. Disagreement (a rating of 1 or 2) with any individual item did not exceed 5%.

Figure 7.1.

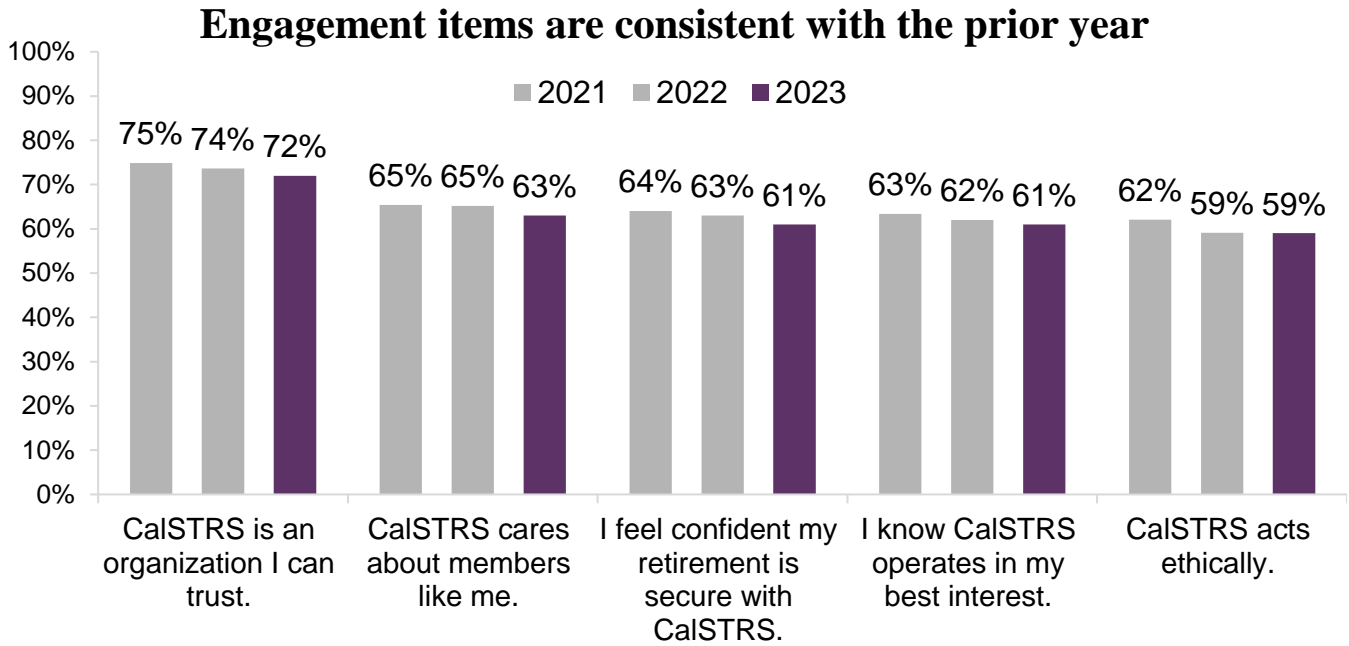
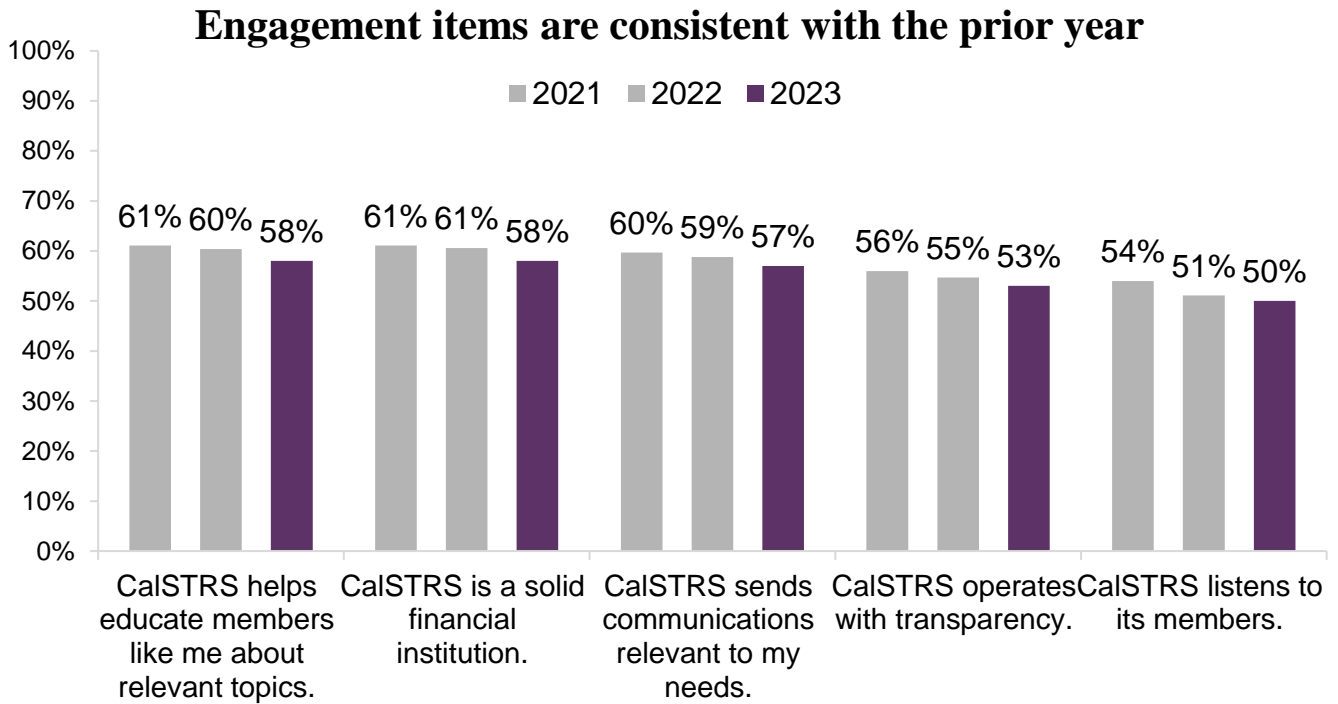


Figure 7.2.

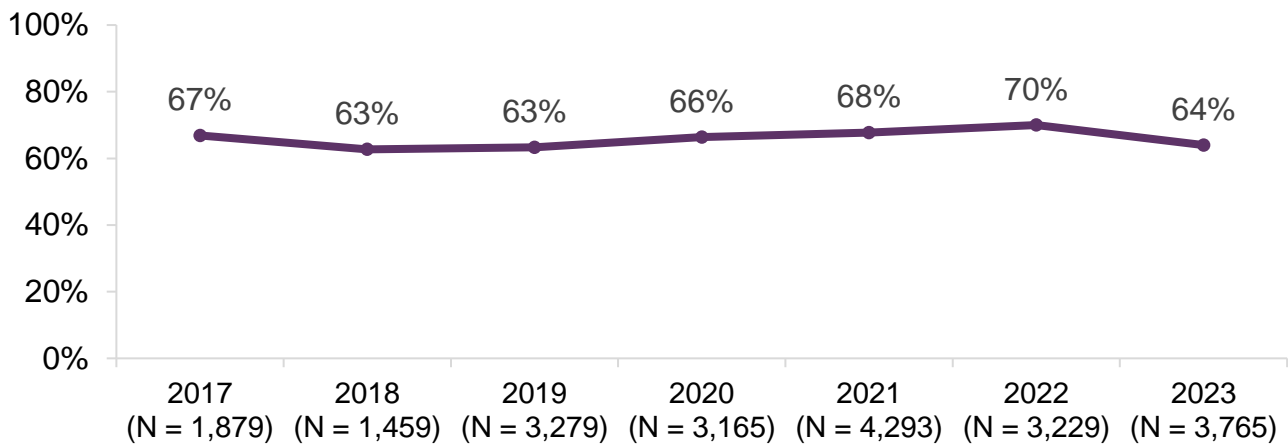


CalSTRS staff and service ratings

Sixty-four percent of members responded *Satisfied* or *Completely Satisfied* (a rating of 6 or 7 on a 7-point scale) with CalSTRS' services, as seen in Figure 8 below. Approximately 33% of members responded neutral (a rating of 3, 4, or 5) toward CalSTRS services, and 2% responded *Dissatisfied* or *Completely Dissatisfied* (a rating of 1 or 2).

Figure 8.

Satisfaction with services decreased but still favorable *Satisfied* or *Completely Satisfied* rating

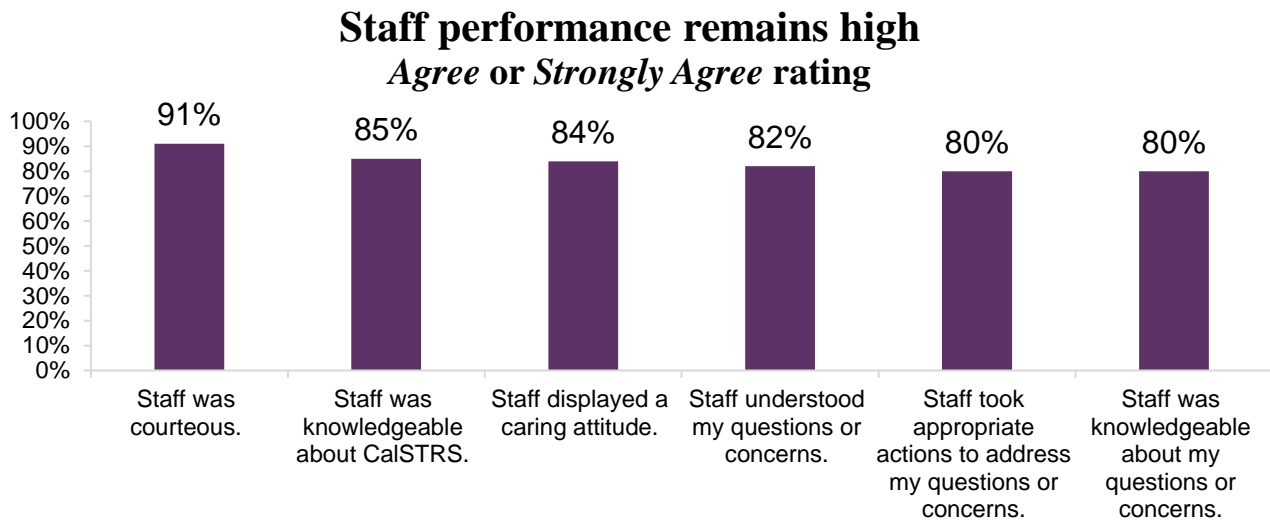


Staff performance

Members were asked to rate their level of perceived effort to reach a CalSTRS staff member. Sixty-three percent responded it was *Easy* or *Very Easy* (a rating of 6 or 7 on a 7-point scale) to reach a CalSTRS' staff member.

Of the 21% of members who indicated they interacted with CalSTRS' staff in the past year, 80% to 91% responded *Agree* or *Strongly Agree* (a rating of 6 or 7 on a 7-point scale) on staff performance measures. Members rated CalSTRS' staff highest on courtesy, as seen in Figure 9 below. While these ratings remain high, all staff performance items decreased 2%–6% from the prior year.

Figure 9.

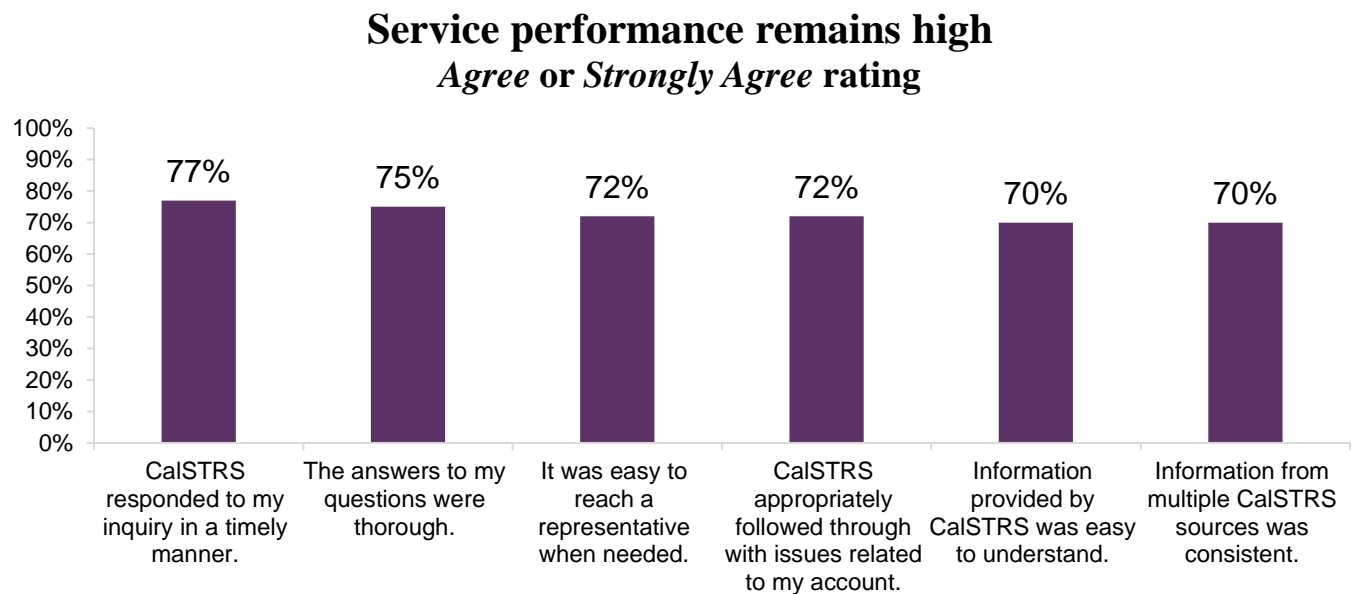


Service performance

Members were asked to rate their perceived level of ease to get a resolution to their concern or question. Fifty-nine percent of members responded it was *Easy* or *Very Easy* (a rating of 6 or 7 on a 7-point scale) to get a resolution to their concern or question.

Between 70%–77% of members responded *Agree* or *Strongly Agree* (a rating of 6 or 7 on a 7-point scale) on service performance measures. The highest rating was for responses to inquiries in a timely manner, as seen in Figure 10 below. While these ratings remain high, the service performance items *The answers to my questions were thorough*, *CalSTRS appropriately followed through with issues related to my account* and *Information provided by CalSTRS was easy to understand* decreased 4%–7% from the prior year.

Figure 10.



Net Promoter Score

The Net Promoter Score is used to gauge the likelihood of a customer to recommend a product or service to a friend or colleague. The score is derived from a single question and reported with a number from -100 to +100, where a higher score represents greater loyalty of customers to a company. Respondents provide a rating between 0 (Not At All Likely) to 10 (Extremely Likely) and the score is calculated by subtracting the percentage of “Promoters” from the percentage of “Detractors.”

Depending on the response to the Net Promoter Score question, the respondent is categorized as follows:

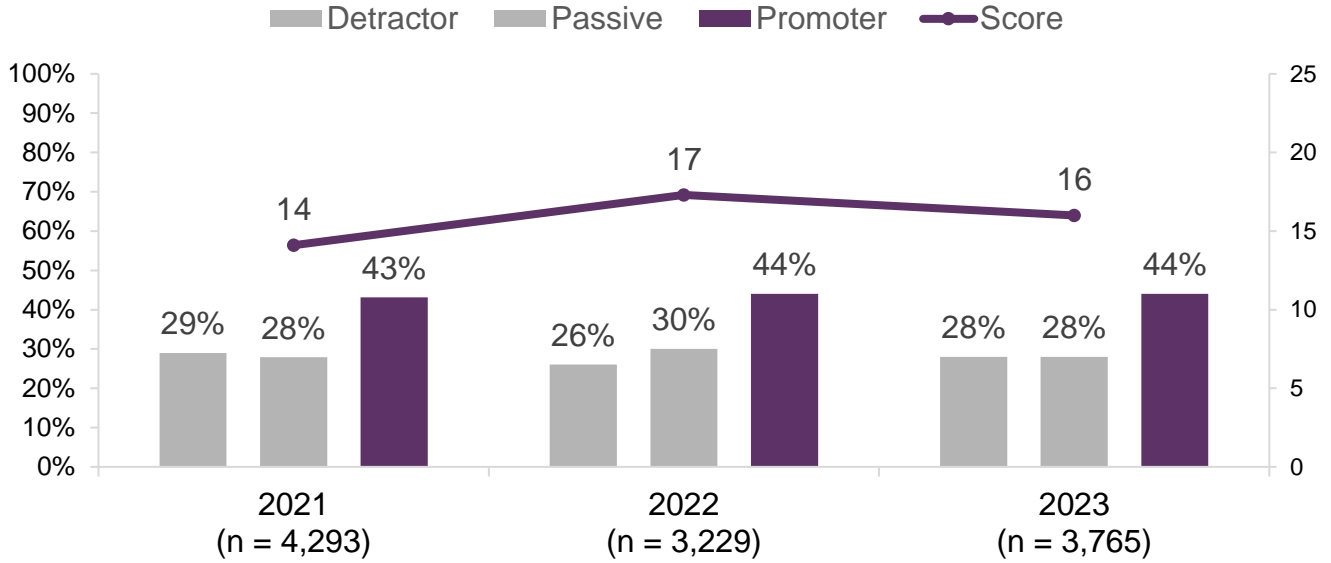
- **Promoters** respond with a score of 9 or 10. They are considered likely to exhibit value-creating behaviors, such as buying more, remaining customers for longer, and making positive referrals to other potential customers. In the case of CalSTRS, it would suggest they are more likely to speak highly and promote the organization to others.
- **Passives** respond with a score of 7 or 8. The behavior of Passives falls between Promoters and Detractors.
- **Detractors** respond with a score of 0 to 6. Detractors are considered unlikely to exhibit value-creating behaviors.

Membership in the Defined Benefit Program is required, meaning CalSTRS does not “compete” for referral business in the traditional sense. To account for this distinction, the Net Promoter Score question was altered slightly to gauge member likelihood to recommend/promote CalSTRS as a *great organization*.

As shown in Figure 11 on the next page, the percentage of promoters was unchanged from the prior year. However, there was a 3% shift from Passives to Detractors, causing the Net Promoter Score to decrease to 16 in 2023 from 17 in 2022.

Figure 11.

Net Promoter Score decreased but promoters consistent



Similar to member engagement, likelihood to recommend/promote CalSTRS increases with age, as seen in Figure 12 below.

Figure 12.

Net Promoter Score increases by life stage

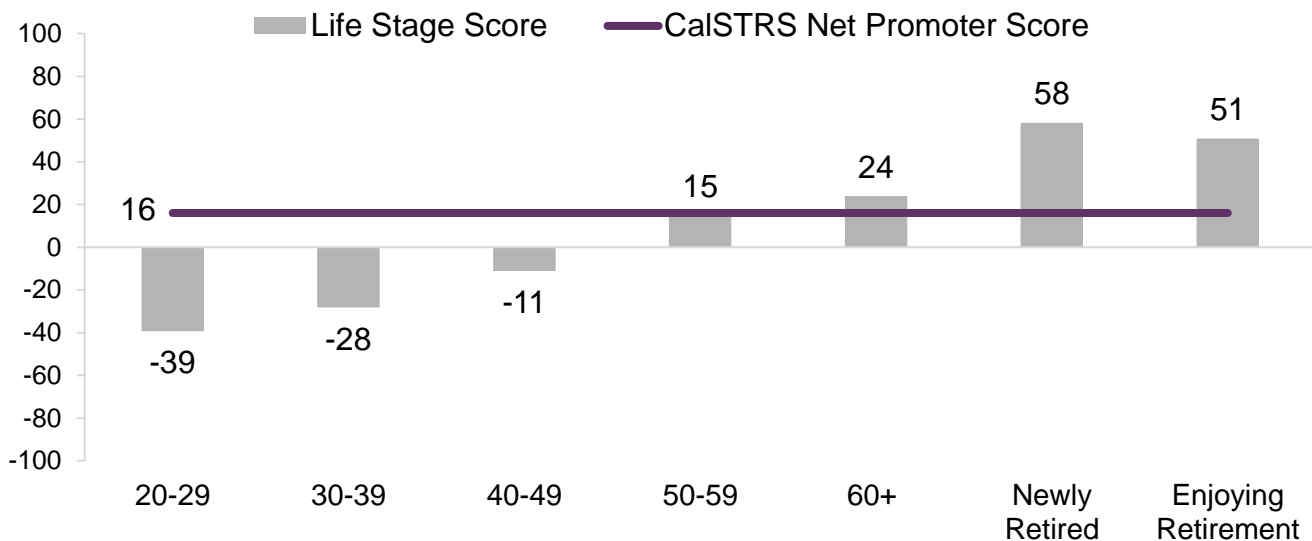
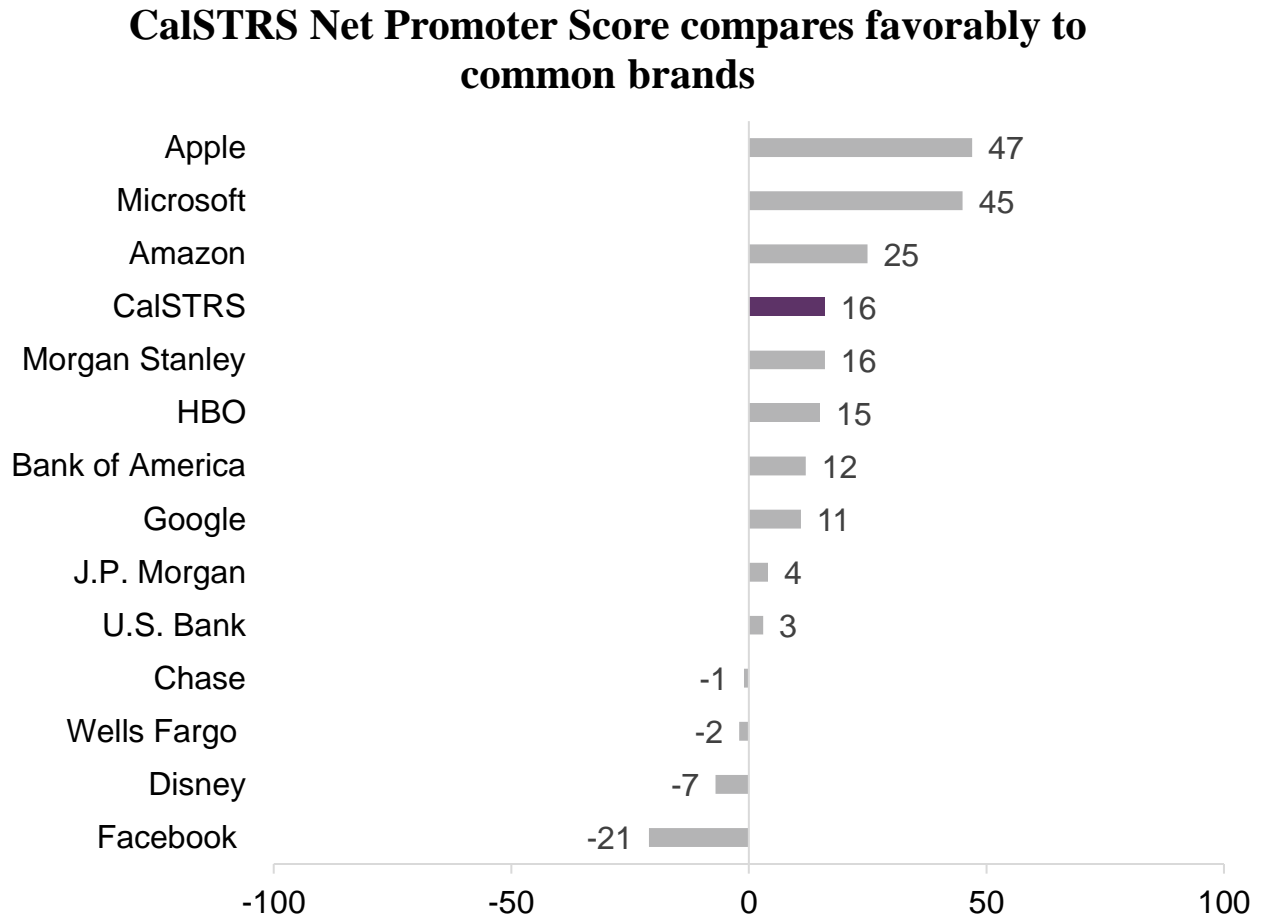


Figure 13 below shows the CalSTRS Net Promoter Score relative to a sample of scores from common brands in 2023. The brand scores were collected from <https://customer.guru/net-promoter-score/benchmarks> as of August 2023.

Figure 13.



Confidence meeting financial needs in retirement

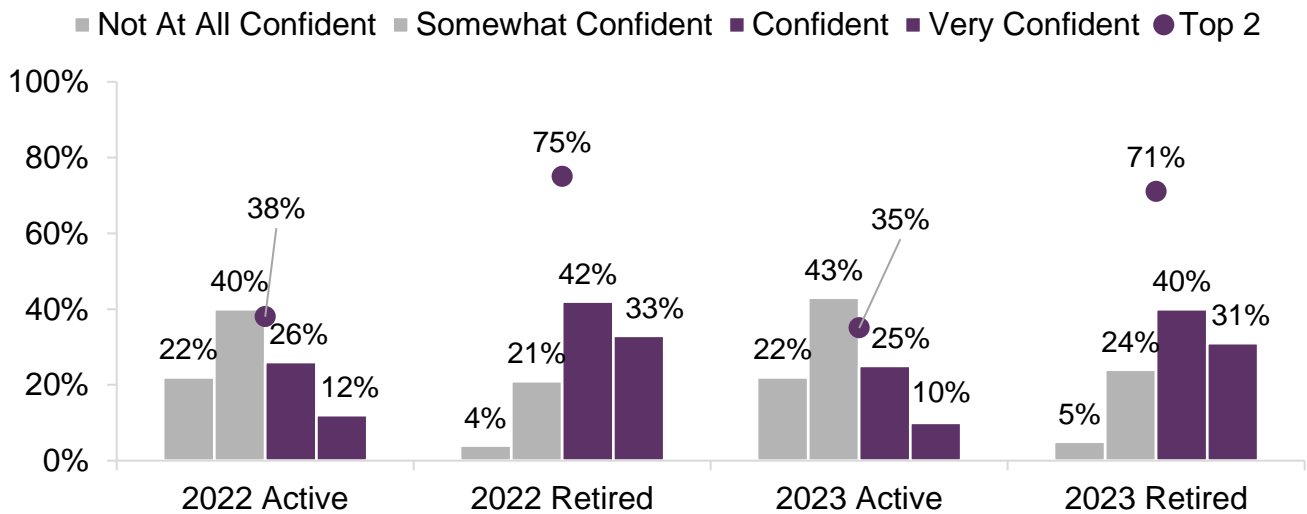
Confidence meeting financial needs in retirement decreased in 2023, as seen in Figure 14 below. Thirty-five percent of active members responded *Confident* or *Very Confident* (a rating of 3 or 4 on a 4-point scale) on the item *How confident are you that you will have enough money to live comfortably throughout your retirement years?*—a decrease from 38% in 2022. Seventy-one percent of retired members responded *Confident* or *Very Confident*—a decrease from 75% in 2022.

An analysis correlating other survey items suggested the decrease in confidence influenced the decrease in overall satisfaction with CalSTRS. [See Overall satisfaction with CalSTRS earlier in this report.](#)

Two items with significant weight driving the decrease in confidence are *The economy* and *Other unplanned expenses*—with the latter a possible proxy for the uncertainty imposed by the high inflationary environment entering 2023.

Figure 14.

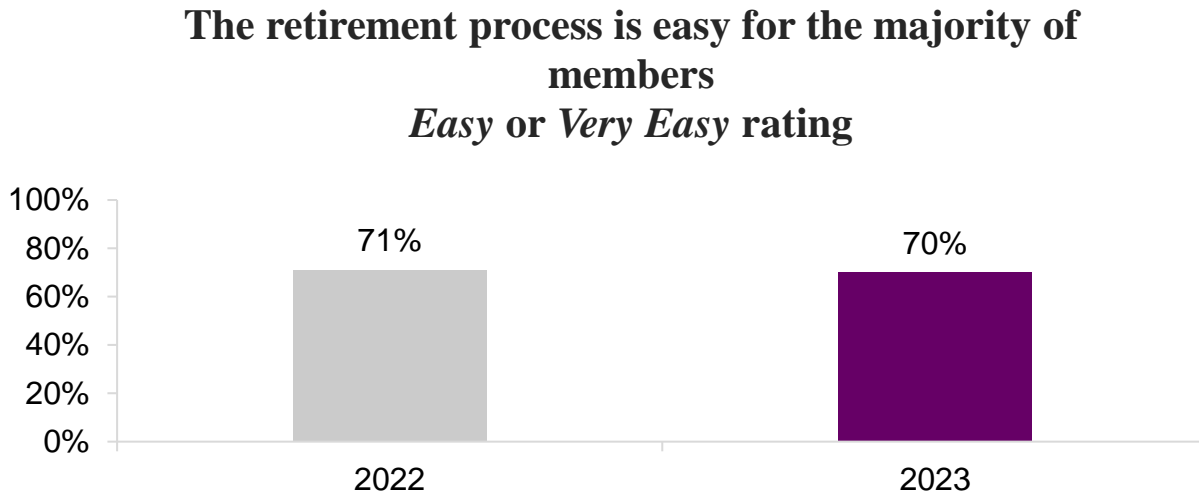
Confidence meeting financial needs in retirement decreased



Satisfaction with retirement

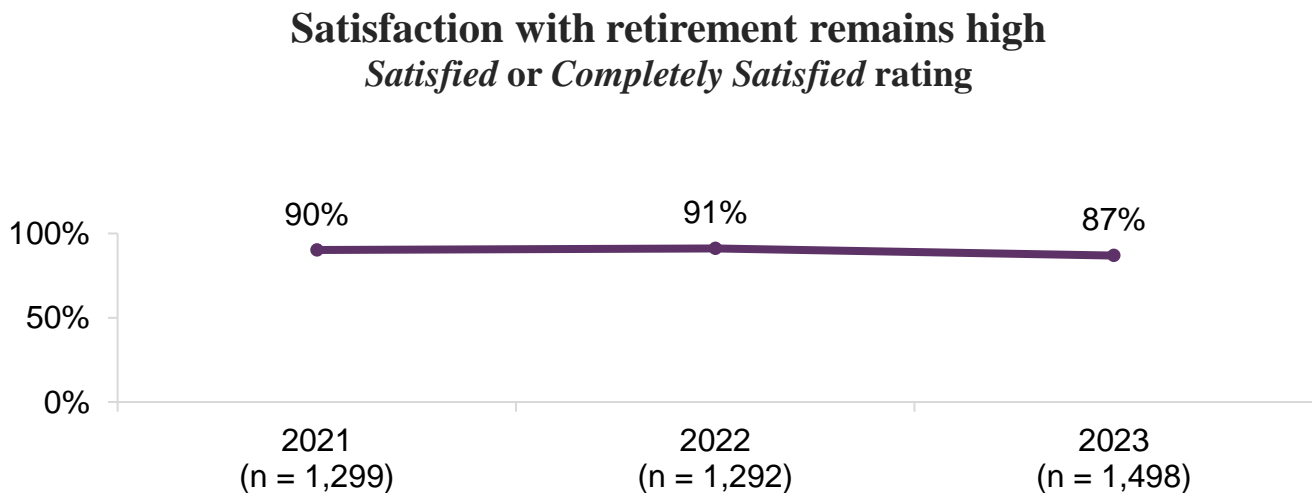
Retired members were asked to rate their level of perceived effort navigating the CalSTRS retirement process. Consistent with the prior year, 70% responded the retirement process was *Easy* or *Very Easy* (a rating of 6 or 7 on a 7-point scale) as seen in Figure 15 below.

Figure 15.



Retired members were also asked to rate their satisfaction with retirement. Consistent with previous years, 87% of retired members responded *Satisfied* or *Completely Satisfied* (a rating of 6 or 7 on a 7-point scale) with their retirement overall, as seen in Figure 16 below.

Figure 16.



Conclusion

The Member Survey is a tool to assess member satisfaction with CalSTRS' staff and services. Overall satisfaction with CalSTRS decreased in 2023. An analysis correlating other survey items suggested the decrease in overall satisfaction with CalSTRS was influenced by the decrease in confidence in meeting financial needs in retirement. As seen in prior years, older members and members who interacted with CalSTRS reported the highest levels of satisfaction.

The survey also explores other customer-focused concepts such as engagement and Net Promoter Score. Engagement and the CalSTRS Net Promoter score decreased in 2023, but similar to overall satisfaction, members who interacted with CalSTRS responded with higher ratings than those who did not interact with CalSTRS.

This annual effort demonstrates CalSTRS' commitment to improve based on member feedback.