



Benefits and Services Committee

Item Number 5 – Open Session

Subject: The Member Experience: Now and into the Future

Presenter(s): Kate LeBlanc

Item Type: Information

Date & Time: January 25, 2023 – 15 minutes

Attachment(s): None

PowerPoint(s): The Member Experience: Now and Into the Future

Purpose

The purpose of this Board item is to update the committee on the member experience when interacting with CalSTRS for benefits planning and education services.

Background

Prior to 2020, all benefits planning, and member education services were provided locally in person at Member Service Centers, satellite locations, and outreach events. Through the pandemic, virtual services were launched, MSCs temporarily closed, and satellite locations permanently decommissioned. A new, digital method to provide members customized preparatory materials and estimates was implemented, resulting in significant reduction of paper waste, improved efficiency through minimizing manual processes, and cost savings associated with printing and mailing.

In October 2021, MSCs were reopened for front counter services while virtual offerings continued. In-person services were gradually expanded while maintaining our statewide virtual offerings. Beginning June 2022, our full suite of services was available for members including virtual, in person, and telephone, and our benefits planning specialists were able to travel to outreach locations to provide services when requested.

Executive Summary

CURRENT OPERATING MODEL

CalSTRS' current operating model for retirement readiness includes high-touch services through multiple access channels. Our members enjoy access to individual and group benefits planning sessions, offered virtually, in person, and via telephone. Benefits planning specialists prepare customized information packets for each member, including personalized estimates.

The integration of virtual services into our standard operations going forward maximizes the use of our statewide resources, lowers administrative and travel costs, and increases access to our services for members through removing barriers such as those related to travel, traffic, time, or physical limitations that may make it challenging for members to visit an MSC.

In addition to our benefits planning session offerings, we provide a broad suite of educational services, including in-person workshops, live online webinars, and extensive resources for our members both print and online. These include in-person and virtual classes with live Q & A, web pages customized to members at each career stage, educational videos available 24/7, online calculators, frequently asked questions compilations, and supplemental savings resources on Pension2 and 403bCompare.com sites.

We conduct extensive outreach activities to engage with our membership, including a year-round schedule of events to serve as a call-to-action for our member populations. Our events calendar for 2023 is designed around the member lifecycle and considers educator availability, aligning with common school break periods and annual milestones. In preparation for our upcoming peak season where we see higher volumes of members accessing our services from approximately February through June, we will be offering weekend sessions on select Saturdays to expand opportunities for educators to engage with us around their schedules.

Throughout our catalog of services, we integrate opportunities to educate our members on supplemental savings to ensure they are equipped with the income they need through retirement beyond the percentage of salary replaced through their defined benefit. In addition to maintaining our 403bCompare.com website, at each of our MSCs, we have specialized staff knowledgeable in conducting sessions and outreach specific to our defined contribution programs in Pension2. Through our recordkeeper, Voya, we provide personalized statement comparison services, targeted email campaigns, and statewide support through their representatives as well.

CUSTOMER PREFERENCES

We are closely monitoring customer behavior patterns and soliciting stakeholder input as we optimize service delivery and continue to see a strong preference for virtual services as well as ready adoption of our encrypted email delivery of customized retirement planning documents prior to sessions. Our scheduling methods allow us to be agile, flexing the ratio of virtual and in person offerings to nimbly adapt to member demand. With less than a year of data at this point,

we expect behavior trends to continue to shift with demographic advancement and as external factors evolve.

MEMBER SERVICE CENTER MODERNIZATION

Members can visit us in person at seven MSCs across California. In addition to providing services at the MSCs, we maintain a presence at multiple outreach locations but have retained the cost savings we gained through decommissioning satellite locations.

All the lease agreements for our outlying MSCs will be expiring in succession from 2023 through 2026, which allows us the opportunity to reimagine how these spaces can change to better serve our evolving member needs. We have established the following objectives for reimagining the MSC experience:

- Focus on front-counter interactions in open-concept designs
- Expand private meeting spaces for benefits planning sessions
- Reduce overall footprint
- Seek to leverage conference spaces outside of our suites
- Assess location to ensure optimal accessibility with statewide presence
- Maintain welcoming atmosphere and high-touch model of personalized service

For each lease we are individually evaluating how to achieve these goals through reconfiguring existing space, relocating to a more desirable suite, or moving to another complex.

The lease agreement for our Santa Clara MSC is the first to expire. We have secured a space in Oakland to replace this MSC that will better serve our bay area population as well as achieve our goals to reduce footprint with a square footage reduction of 39% and significant cost efficiency over the 10-year lease term. We have extended our Santa Clara lease by six months from March to September to align with our target move date to Oakland in Fall 2023. We will continue to partner with our facilities and legal teams to evaluate each MSC and lease strategically to achieve these goals while balancing resources.

SERVICE DELIVERY OPTIMIZATION

Virtual and telephone services were ramped up quickly during the pandemic to continue to provide benefits planning and educational offerings to members with as little disruption as possible. As we transition to a stable hybrid model of both digital and in-person services, we are shifting our focus to optimizing our service delivery as member needs and preferences evolve.

Into 2023 and beyond, we are focused on leveraging technology to expand digital interactivity and member engagement in our virtual offerings. The retirement readiness team is evaluating options for online event management platforms that will provide an easy-to-use, secure centralized platform for workshops and webinars. Additionally, we are identifying opportunities

to advance educational design & delivery using adult online learning principles, as well as evaluating telephone session offerings.

We will continue offering a broad suite of member services across multiple channels and engage with members and stakeholders to ensure we maintain high satisfaction as we optimize service delivery and reimagine the MSC experience.

Strategic Plan Linkage: Goal 2 [of CalSTRS' 2022–2025 Strategic Plan](#): Leading innovation and managing change. Success indicators – Sponsor of financial literacy and financial wellness solutions. Engaged, educated and confident members and retirees.

Board Policy Linkage: [Benefits & Services Committee Charter](#)

Optional Reference Material:

January 27, 2022, Benefits & Services Committee Item Number 4: Retirement Readiness Member Education & Engagement Efforts