Good Practices in Social Security

Good practice in operation since: 2000

The Orange Envelope
A case of the Swedish Pensions Agency

Swedish Pensions Agency
Sweden

Published 2030
Summary

The extensive mailing of the Orange Envelope, the annual statement regarding the public pension system, to all pension savers, creates during one month a season for pension information.

The Orange Envelope is very well known. It shows the importance of working longer and it is a great platform to make pension savers, either via digital channels or through the Pension Agency’s customer service, to get help to understand the full pension and to explain which behaviours lead to a higher or lower pension.

CRITERIA 1

What was the issue/problem/challenge addressed by your good practice?

The Orange Envelope has several objectives:

- Provide an annual statement of yearly pension credits and development of the premium pension.
- Notification (decision) of the deposited pension credits.
- Provide a projection of the national pension at different ages.
- Communicate the principle that there is a direct path between work and retirement - the longer you work, the higher the pension.
- Lead the customer to take advantage of the full pension, that is, in addition to the national pension also occupational pension and possibly private savings.
- Lead the customer to other information services on the website.

In addition to these objectives, the Orange Envelope has also proven to be an excellent platform for messages destined for many people, and it creates a "season" for pension information that makes other concomitant activities possible. E.g. information meetings in public places to give people a picture of their full future pension – which can only be accessed via a web service that is shared between the state and the pension industry, Minpension.se (cf. ISSA Good Practice database).
CRITERIA 2

What were the main objectives and the expected outcomes?

The main objectives coincide with the purposes of the Orange Envelope – primarily to provide annual statements, announce decisions, give projections for the public pension and cross-refer to the Pension Agency’s digital channels and customer service to make a projection for the full pension (which cannot be given directly in the public pension envelope since the projection also contains the occupational pension and private savings).

89 per cent of targeted persons stated that they had received the envelope, 72 per cent have opened it and 66 per cent read some of the content. 75 per cent of the latter group stated that the content, overall, is very or fairly easy to understand.

The Orange Envelope includes a web address and a pin code that will lead the customer into making a projection for their full pension, not just the public pension. 69 percent of recipients noted on the first page of the Envelope that there was a link to the Swedish Pensions Agency’s website. Of these, 40 per cent used the link to access the website.

Three out of five (59 per cent) claim to have noted the pin code. 30 per cent of those who saw the code used it to log in. Furthermore, 75 per cent of those who logged in made a projection for their full pension. Of those who made a projection, nearly nine in ten (87 per cent) found it was fairly or very easy to understand the projection.

All figures are from the survey of the Orange Envelope we do every year (2015 data).

CRITERIA 3

What is the innovative approach/strategy followed to achieve the objectives?

To, via an extensive and well-known postal distribution that reaches all those who are earning / contributing towards a public pension (in Sweden, the majority of the population), create a season and a platform for important information about pensions – projection for the full pension, and knowledge about the behaviours that impact most on pensions.
CRITERIA 4

Have the resources and inputs been used in an optimal way to achieve the set objectives and the expected outcomes? Please specify what internal or external evaluations of the practice have taken place and what impact/results have been identified/achieved so far.

As mentioned, we have good figures for how many people open, read and understand the contents of the Orange Envelope. Our Customer Satisfaction Index for the Orange Envelope is 61.

CRITERIA 5

What lessons have been learned? To what extent would your good practice be appropriate for replication by other social security institutions?

An annual statement is something that many pension institutions send every year to their customers. What we do, that may serve as a good example, is that we use the Orange Envelope to inspire participants to get a picture of their full pension – i.e., not only the state pension but also the occupational pension and possible private savings.

Good examples are also how we utilize the Envelope as a message carrier, and have created a season when pension information is a “current affair” and reaches people through multiple channels.

The Orange Envelope and its message also provide media exposure. The orange colour has made the envelope known, and is virtually synonymous with “all things pensions”. Orange is also the Swedish Pensions Agency’s profile colour.