Managing the pensions advisory service: Fostering a culture of pension awareness

A case of the Derrama Magisterial

Derrama Magisterial
Peru
Summary

The “pension benefit service” that Derrama Magisterial (DM) provides to its members must be accompanied with sufficient ongoing support, including giving information and guidance to teachers. This is the role of the pensions advisory service.

The pensions advisory service aims to promote and raise awareness about the social security system among members through constant outreach, thus forging close and lasting links.

Although it was not part of the original pension benefit service, the advisory service was set up later in light of its initial performance, in accordance with DM objectives and strategies, and with a view to achieving the institution’s vision.

The outcomes achieved by the pensions advisory service were assessed through a control group using targets and indicators, and this highlighted opportunities for continuous improvement.

Through individual visits and structured talks, the institution has provided more information to teachers, bolstering their perception of the quality of its service and gradually increasing awareness of its purpose.

The issue or challenge

What was the issue or challenge addressed by your good practice? Please provide a short description.

In accordance with its vision, DM aims to become a major source of ongoing support for its members in their professional and private lives. With this in mind, it designed a functional and organizational structure that would enable it to deliver one of its main services, namely the provision of pension benefits.

This structure worked well for small-scale operations and/or when members’ needs fell within a certain scope.

In 2012, the institution carried out research on the level of satisfaction with the service provided, assessing a number of aspects including the information offered, which scored below certain other characteristics studied (70 per cent). Furthermore, various complaints identified shortcomings in the information provided, as well as an erroneous perception that interaction with members was offered only on an infrequent, ad hoc basis, and that there was a lack of awareness of the institution’s purpose.

Concerned by these findings, the senior management team decided to establish a number of objectives and strategies to improve the situation.

Addressing the challenge

What were the main objectives of the plan or strategy to resolve the issue or challenge? List and briefly describe the main elements of the plan or strategy, focusing especially on their innovative feature(s) and expected or intended effects.
The following strategic objective was established in order to meet the challenge:

- To reposition the DM pension system, thus establishing a deeply ingrained culture of pension awareness among members and the teaching community, as well as their families.

The following specific objectives were also established:

- To promote and spread awareness of the social security system by visiting the teaching community at large (at home or at work) to forge and strengthen lasting relationships.
- To optimize and increase the number of actual visits to members (at home or at work) to build closer links.

Some of the main strategies laid out were:

- Appointing and managing pension supervisors and advisors to promote gradual growth nationwide.
- Standardizing the work of pension advisors and training them in the social security system.
- Drafting and implementing the national plan for pension system awareness using DM’s different communication channels (Internet, TV, phone, email, etc.), focusing in particular on the provinces.
- Establishing mechanisms to segment teachers in order to focus on their specific needs at each stage in their working lives.
- Building strategic alliances with relevant groups to strengthen relations with their directors and staff.
- Seeking out and participating in events organized by educational organizations and attended by large numbers of teachers.
- Assessing and gathering feedback on the running of the pensions advisory service.

These objectives and strategies were intended to gradually strengthen the pensions advisory service, by bringing in a select group of sufficiently trained professionals who would provide solutions for and information to teachers (members and non-members), thus promoting pension benefits as part of the social security system.

This would make it possible to assess teachers’ needs and build links between them and their families and DM, both during their careers and their retirement.

The pensions advisory service pays individual visits to teachers in their schools (workplaces) or at home in all main areas of the country.

**Targets to be achieved**

*What were the quantitative and/or qualitative targets or key performance indicators that were set for the plan or strategy? Please describe briefly.*

The following main indicators and related targets were established:

- Increase the number of pension advisors (to 34);
- Increase the number of teacher visits per pension advisor (to eight per day);
- Pension advisor customer service rating (80 per cent);
- Awareness of the main purpose of DM (80 per cent).
Evaluating the results

Has there been an evaluation of the good practice? Please provide data on the impact and outcomes of the good practice by comparing targets vs actual performance, before-and-after indicators, and/or other types of statistics or measurements.

Increase the number of pension advisors

- Since 2016, the number of pension advisors nationwide has increased by 42.8 per cent, from 21 to 30, with the largest increase in the provinces.

Increase the number of teacher visits per pension advisor

- The targets for teacher visits have been increasingly achieved: in 2017, the national cumulative figure has so far ranged from a minimum of 75 per cent to a maximum of 134 per cent of the target number of visits.

Pension advisor customer service rating

- In the fourth quarter of 2016, the pension advisor customer service rating given by teachers was 83 per cent in Lima and 77 per cent elsewhere.
- In the first quarter of 2017, the pension advisor customer service rating given by teachers was 89 per cent in Lima and 93 per cent elsewhere, showing an increase on the previous quarter.

Awareness of the main purpose of DM

- In 2015, research showed that providing a pension benefit ranked fifth among the aims teachers ascribed to the organization; however, the offer of a personal pension fund didn’t feature here.
- In the final quarter of 2016, research showed that teachers’ awareness of DM’s purpose was gradually increasing, with the functions of offering a personal pension fund and providing a pension benefit ranking fourth and sixth (out of six possible answers).
- In the first quarter of 2017, awareness had increased further, with the provision of a personal pension fund reaching first place and offering pension benefits reaching second place.

Lessons learned

Based on the organization’s experience, name up to three factors which you consider as indispensable to replicate this good practice. Name up to three risks that arose/could arise in implementing this good practice. Please explain these factors and/or risks briefly.

Some of the crucial factors involved in setting up the pensions advisory service were:

- Support and commitment from DM senior management to achieve the institutional vision.
• Awareness of member teachers’ needs, drawing on almost 50 years of institutional experience, working closely with several generations of teachers in their professional and private lives.
• A sense of customer service and sensitivity among staff with a view to improving quality of service.
• Flexible processes that can adapt to change.

Some of the main risks were:

• Turnover of pension advisors.
• Changes in standards and regulations.
• Lack of supervision and control given the large number of offices and pension advisors nationwide.