



## **INTERNAL AUDIT DIVISION**

### **REPORT 2021/031**

---

#### **Audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund**

**The Pension Administration needs to enhance its client services by means of integrated project management, effective quality control and proactive client outreach**

**23 July 2021**

**Assignment No. AS2021-800-01**

# **Audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund**

## **EXECUTIVE SUMMARY**

The Office of Internal Oversight Services (OIOS) conducted an audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund (UNJSPF). The objective of the audit was to assess the adequacy and effectiveness of internal controls over the effective and efficient delivery of client services by the Pension Administration. The audit covered the period from 1 January 2018 to 31 December 2020 and included a review of risk areas relating to: (i) strategic planning; (ii) client services outsourced to a United Nations agency; and (iii) client services provided by staff of the Pension Administration.

The audit indicated that the Pension Administration needs to enhance its client services by means of integrated project management, effective quality control and proactive client outreach.

OIOS made eight recommendations. To address the issues identified in the audit, the Pension Administration needed to:

- Strengthen integrated planning and project management for its various initiatives relating to client services to maximize their impact in achieving its strategic objectives;
- Design and deliver a comprehensive training programme for call centre agents to ensure that they have the required level of knowledge and skills for their roles; implement post-call surveys to assure the quality of services provided by agents; and review the access rights granted to agents in the Integrated Pension Administration System (IPAS) to ensure that they are assigned only the minimum level of access required for their roles;
- Establish performance targets and indicators for its call centre operations and request the service provider to include these targets and indicators in its performance reports;
- Document and test a disaster recovery plan for call centre systems to ensure that the operations recover within the Recovery Time Objective;
- Ensure that the standard operating procedures pertaining to closure of service tickets and assignment of priority for client enquiries are implemented correctly to ensure that the enquiries are given due priority, and are closed at the appropriate time after they have been resolved;
- Establish a process for periodic review of open and pending client requests in IPAS to ensure that completed requests are closed, and pending requests are followed up;
- Develop and implement a plan for more proactive outreach to clients, taking into account the commonly arising requests, accessibility gaps, and the various modes of communication at its disposal to cater to client needs more effectively; and
- Make more effective use of client satisfaction surveys by performing in-depth reviews to identify areas for system and process improvements, enhancing the accuracy and reliability of statistics, and sharing the survey results with relevant units and sections.

The Pension Administration accepted the recommendations and has initiated action to implement them.

# CONTENTS

I. BACKGROUND	1-2
II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY	2
III. AUDIT RESULTS	2-12
A. Strategic planning	2-3
B. Client services provided by Agency A	3-6
C. Client services provided by staff of the Pension Administration	7-12
IV. ACKNOWLEDGEMENT	12
ANNEX I	Status of audit recommendations
APPENDIX I	Management response

# Audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund

## I. BACKGROUND

1. The Office of Internal Oversight Services (OIOS) conducted an audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund (UNJSPF).

2. UNJSPF was established in 1949 by the General Assembly to provide retirement benefits and social security protection for the staff of the United Nations and other organizations admitted to membership in the Fund. UNJSPF currently has the membership of 25 organizations, and it is administered by the United Nations Joint Staff Pension Board.

3. The Pension Administration’s clients comprise: (i) participants; (ii) retirees and other beneficiaries (hereafter collectively referred to as “beneficiaries”); and (iii) individuals who act on behalf of beneficiaries, such as family members and other interested parties. While the Fund also renders services to its member organizations including the secretariats of the various Staff Pension Committees, these entities are considered as the Fund’s strategic partners in support of clients.

4. The Pension Administration’s client population has grown over the past decade, reaching 134,632 participants and 80,346 beneficiaries as of 31 December 2020. Clients are dispersed over some 190 countries and they receive benefit payments in 15 currencies aggregating approximately \$197 million every month. Clients submit their inquiries through various modes of communication such as email, telephone, online contact form, post mail, fax, and walk-in visit. The Pension Administration uses the service ticketing system (iNeed) to track clients’ inquiries. Certain types of inquiries lead to the creation of a request (workflow) in the Integrated Pension Administration System (IPAS) for their processing. During 2020, about 65,000 tickets were created in iNeed and 11,000 workflows relating to client requests were initiated in IPAS.

5. Managing client inquiries and requests is the primary responsibility of the Pension Administration’s Client Services and Outreach Section (CSOS), which has operations in the Fund’s two main offices in New York and Geneva and two satellite offices in Nairobi and Bangkok. Additionally, the Pension Administration has outsourced call centre services to a United Nations agency (hereafter referred to as “Agency A”) since September 2016. Located in New York and Valencia, the call centres provide support to clients via telephone and email for 18 hours a day from Monday through Friday, excluding holidays. The internal and external resources dedicated to client service operations are shown in Table 1.

**Table 1: Internal and external resources for the client service operations**

Job category	CSOS posts				Call centre posts	
	New York	Geneva	Nairobi	Bangkok	New York	Valencia
Professional	3	1	1	1	-	-
General service	11	5	1	1	-	-
General temporary assistance	2	1	0	0	-	-
Contractor personnel	-	-	-	-	12	4
<b>Total</b>	<b>16</b>	<b>7</b>	<b>2</b>	<b>2</b>	<b>12</b>	<b>4</b>

6. In the 2020 session of the Pension Board, the Chief Executive of Pension Administration presented her organization-wide vision of change for the Fund to become an organization which provides outstanding services to its clients and partners. Through data-driven leadership, critical process improvement, analytics

and modern technology solutions, the Pension Administration's aim is to modernize its operations and improve its service quality, thereby contributing to the overall satisfaction of its clients and partners.

7. Comments provided by the Pension Administration are incorporated in italics.

## **II. AUDIT OBJECTIVE, SCOPE AND METHODOLOGY**

8. The objective of the audit was to assess the adequacy and effectiveness of internal controls over the effective and efficient delivery of client services by the Pension Administration.

9. This audit was included in the 2021 risk-based work plan of OIOS due to the risks associated with client service operations which could potentially affect the quality of services as well as the Fund's reputation.

10. OIOS conducted this audit from February to May 2021. The audit covered the period from 1 January 2018 to 31 December 2020. Based on an activity-level risk assessment, the audit covered risk areas in client service operations which included: (i) strategic planning; (ii) client services provided by Agency A; and (iii) client services provided by staff of the Pension Administration.

11. The audit methodology included: (a) interviews with key personnel; (b) review of relevant documentation; (c) analytical review of data; and (d) sample testing of client inquiries and requests using a stratified sampling method.

12. The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing.

## **III. AUDIT RESULTS**

### **A. Strategic planning**

#### Strategic objectives were established, but the initiatives to achieve them need to be integrated

13. The Pension Administration has established three strategic objectives for 2021-2023 to translate the vision of change into action. These are: (i) simplifying the service experience for clients; (ii) modernizing pension services; and (iii) developing a strong global partnership network.

14. The first objective (simplifying the service experience) stresses the importance of client services and client satisfaction. The Pension Administration decided to launch various initiatives to achieve this objective including: (i) preparation of an inventory of the current ('as is') scenarios, processes and workflows supporting key client service functions and a tactical plan for their modernization; (ii) redesigning of client interactions with digital tools; (iii) development of e-learning modules and revamping of the website; and (iv) introduction of a Customer Relationship Management (CRM) system. At the time of the audit, some projects in support of these initiatives had started, while others were yet to start.

15. While the Pension Administration has implemented the Digital Certificate of Entitlement and provided additional features in the Member Self-Service (MSS) module, it was in the process of implementing various projects relating to client services such as the e-learning module, iNeed dashboard and data import into IPAS. There were also prospective projects such as the introduction of Smart Forms and Chatbot. In addition, the Pension Administration was at the discovery phase of a major initiative to implement CRM. However, these projects were being planned or managed independently from one

another. There is opportunity for minimizing overlaps and harmonizing process interactions by optimal integration of all projects relating to client services.

16. The first step for achieving such integration is to assess the existing scenarios, processes, workflows, system mapping, handicaps and challenges for each process and system (i.e., ‘as-is condition’). Such an assessment was yet to be conducted. The Pension Administration stated that it had engaged a contractor to conduct a study on the current IPAS solution whose scope included performing the ‘as is’ analysis of the IPAS operational processes and proposing alternative solutions to potentially replace certain IPAS modules.

17. The Pension Administration needs to consolidate all small projects and initiatives related to client services under one project umbrella or programme to prevent focusing on partial solutions in isolation. It would be useful to assign a lead manager for the programme to closely work with all stakeholders. The absence of integrated project planning may result in duplicated efforts, waste of resources, and delays in achieving the strategic objectives relating to client services.

**(1) The Pension Administration should strengthen integrated planning and project management for its various initiatives relating to client services to maximize their impact in achieving its strategic objectives.**

*The Pension Administration accepted recommendation 1 and stated that it is preparing a client services delivery model along with a client services strategy and programme. A manager will lead the client services programme. The Fund’s Project Management Office will provide project management support for the execution of the programme and related projects. Recommendation 1 remains open pending receipt of evidence that the various initiatives relating to client services are being managed in an integrated manner to maximize their impact.*

## **B. Client services provided by Agency A**

### **(i) Outsourcing of call centre services**

Cost of call centre operations need to be assessed against peers and industry standards

18. The ‘value for money’ principle requires a comparative analysis of relevant costs and benefits of services against peers in similar industries. The Pension Administration launched its call centre operations in 2016 with five agents in New York on a pilot basis to strengthen the capacity of client services in addressing the significant delays in responding to client inquiries as detailed in OIOS’ report 2017/002. In view of the urgency and criticality of the issues, the Pension Administration entered into a service delivery agreement (SDA) with Agency A in September 2016 at an annual cost of \$914,688. This was done without market research to assess the reasonableness of the cost.

19. In June 2017, the scope of work was expanded by increasing the service hours and placing four new agents in Valencia and another four in New York, adding a further amount of \$687,912 to the annual cost. At the same time, a separate agreement was signed with Agency A for support of the telephony infrastructure and Automated Call Distribution (ACD) system in the amount of \$79,320, which was later increased to \$92,880. In December 2020, the Pension Administration entered into another agreement with Agency A for \$458,880 to further increase the scope of work by adding four agents in New York in support of the Digital Certificate of Entitlement initiative. As a result, the annual cost of call centre operations has reached \$2.15 million, which was more than double the original cost, as shown in Table 2.

**Table 2: Annual cost for call centre services as of 31 December 2020**

Type of services	Number of agents	Annual cost
Call centre services (since September 2016)	5	\$914,688
Call centre services – extension (since June 2017)	8	\$687,912
Telephony infrastructure and ACD system for the call centre (since June 2017)	-	\$92,880
Call centre services to support the Digital Certificate of Entitlements initiative	4	\$458,880
<b>Total</b>	<b>16</b>	<b>\$2,154,360</b>

20. The Pension Administration based its decision of acquiring the call centre services from Agency A on its history of providing service desk support to the various organizations of the United Nations system. However, the Fund did not assess the reasonableness of the service cost against that of other organizations by using metrics such as cost per voice/email contact. Nor did it compare the cost against the industry standard. In its report 2019/132, OIOS had recommended that the Fund should initiate a formal competitive bidding exercise for call centre services in accordance with the principles stipulated in United Nations Financial Regulation 5.12 and General Assembly resolution 63/269 to assure best value for the money spent on such services. The Pension Administration is yet to initiate a competitive bidding exercise for call centre services. It continues to pay for such services without any assurance as to the reasonableness of the costs. The related recommendation in OIOS' report 2019/132 remains open since the Pension Administration is yet to implement it.

**(ii) Management of inquiries and requests**

Need for quality assessment of services provided by call centre agents

21. Since consistent service quality is one of the key elements of client services, all client service personnel are expected to possess the skills and knowledge which are essential to carry out their duties. Since the launch of iNeed, the call centre has handled about 84 per cent of telephone calls, 85 per cent of email inquiries and 8 per cent of online inquiries received by the Fund.

22. At the start of call centre operations in 2016, the Fund provided comprehensive training on pension administration to the five agents who were initially deployed to set up the initial structure and define the scope of services. However, the same extent of training was not provided to agents who joined the call centre after 2016. They were expected to acquire the required skills and knowledge through on-the-job training, regular briefings and meetings.

23. Agents were originally responsible for providing the initial level of support by answering basic questions such as the way to log in to MSS or reset a password (Tier-1). However, since the scope of work was expanded, agents have been responding to an increasing number of inquiries which require more in-depth knowledge of pension administration (Tier-2). In addition, agents were tasked with conducting interviews with beneficiaries in connection with the Digital Certificate of Entitlement initiative and handling calls relating to deaths of beneficiaries. Since the Fund did not conduct post-call surveys to assess the quality of calls responded to by agents, no assessment of the quality of their services was possible. The Pension Administration needs to improve call centre operations by providing appropriate training to agents and by establishing measures to assure the quality of services provided.

System access assigned to call centre agents needs to be reviewed

24. For data security, system users should possess the least access privilege to perform their functions. Call centre agents were assigned the same level of user access in IPAS as CSOS staff. OIOS' review showed that edit access was enabled for personal data, which may not be required for agents to perform

their tasks. The Pension Administration needs to review the level of access assigned to each agent and limit it to the minimum level required for their role.

**(2) The Pension Administration should: (i) design and deliver a comprehensive training programme for call centre agents to ensure that they have the required level of knowledge and skills for their roles; (ii) implement post-call surveys to assure the quality of services provided by agents; and (iii) review the access rights granted to agents in the Integrated Pension Administration System to ensure that they are assigned only the minimum level of access required for their roles.**

*The Pension Administration accepted recommendation 2 and stated that it will take the following actions: (i) a systematic training programme on topics relevant for call centre agents will be prepared and delivered by CSOS and the call centre; (ii) CSOS will design and implement, together with the call centre, a post-call survey for calls handled by the Fund’s call centre; and (iii) CSOS will review whether the system access assigned in IPAS to call centre agents is needed for their daily tasks. The Fund will work with the software vendor to address technical limitations to modify the role assigned to the call centre agents. In the interim, CSOS monitors and controls the activities performed by call centre agents. Recommendation 2 remains open pending receipt of evidence that: (i) a comprehensive training has been developed and delivered to call centre agents; (ii) post-call surveys have been implemented; and (iii) access rights of call centre agents have been reviewed and adjusted as appropriate.*

**(iii) Performance monitoring and reporting**

Need to establish performance targets and indicators for call centre operations

25. Formally established performance targets and indicators help an organization to determine whether the expected level and quality of services have been delivered. Best practices suggest that the performance of service providers should be measured against appropriate performance indicators.

26. The Pension Administration did not establish performance targets and indicators for its call centre operations in the SDAs with Agency A. In the absence of formally established targets and indicators, the Pension Administration did not evaluate the performance of the call centre in a consistent manner.

27. Agency A produced periodic performance reports which included metrics such as the number of emails and phone calls handled each month, call abandon rate, and average call duration. However, the reports did not include metrics which are commonly used by call centres and suggested by best practices, such as the percentage of calls blocked, the average time in queue, and percentage of calls answered within a specified number of seconds, as listed in Table 3.

**Table 3: Major metrics for call centre services which were not available in performance reports**

<b>Types of Metrics</b>	<b>Explanation</b>
Percentage of calls blocked	Percentage of inbound callers that received the busy tone
Average time in queue	Caller’s wait time
Service level	Percentage of calls answered within a specified number of seconds
Percentage of first call resolution	Percentage of calls that caller’s needs are addressed in the first contact
Client satisfaction	Post-call feedback from clients
Aging of unresolved issues	Calls that are carried over/backlog categorized by date range
Average cost per voice contact	The total cost of ownership per client call
Average cost per email contact	The total cost of ownership per client email



28. These indicators would help the Pension Administration to gain better insight into call centre operations, assess the performance of Agency A, and identify areas for improvement.

**(3) The Pension Administration should: (i) establish performance targets and indicators for its call centre operations; and (ii) request Agency A to include these targets and indicators in its performance reports.**

*The Pension Administration accepted recommendation 3 and stated that CSOS will review and liaise with the call centre to include relevant performance metrics and targets in their regular performance reports. Recommendation 3 remains open pending receipt of evidence that performance targets and indicators for call centre operations have been established and included in Agency A's performance reports.*

**(iv) Continuity of call centre operations**

Disaster recovery of call centre operations needed to be improved

29. Disaster recovery plans should be aligned with the business impact assessment. The Pension Administration's business impact assessment set the Recovery Time Objective of client services as one to three days. However, in its business continuity and disaster recovery plan, the Pension Administration did not consider the call centre telephony system and ACD software as critical ICT systems. There was no documented disaster recovery plan or procedure for these systems. The ACD system and its data were hosted in a sole geographical location on high availability servers. The SDA for the ACD system did not include disaster recovery arrangements.

30. Without proper planning, call centre operations may not be able to recover within the Recovery Time Objective (one to three days) in the event of a disaster.

**(4) The Pension Administration should document and test a disaster recovery plan for call centre systems to ensure that the operations recover within the Recovery Time Objective.**

*The Pension Administration accepted recommendation 4 and stated that the Fund's disaster recovery plan covers call systems in New York and Geneva. The Pension Administration will further enhance and test its disaster recovery plan to ensure that critical call centre services can be recovered within the Recovery Time Objective. Recommendation 4 remains open pending receipt of evidence that a disaster recovery plan for call centre systems has been documented and tested.*

**C. Client services provided by staff of the Pension Administration**

**(i) Management of client inquiries and requests**

Need to ensure consistency in the process of handling client inquiries

31. Upon implementing iNeed in 2019, the Pension Administration established standard operating procedures (SOP) to guide the process of handling client inquiries in iNeed. According to the SOP, service tickets are assigned to CSOS staff in New York or Geneva based on the region/member organization from which the requests are submitted. Once a client inquiry is addressed/resolved, the status of the ticket is changed to "resolved." At this point, an automatic notification is sent to the client, informing the completed actions. If no further questions are raised by the client within five business days, the ticket is ready for closure. The SOP also designated 12 types of inquiries as high priority (including death of a beneficiary

and non-receipt of benefit payment, for example), 43 types as a medium priority, and two as low priority. In addition to the high, medium and low priorities, inquiries relating to separation payments which were not made within the normal processing time of 15 business days were considered as a critical priority.

32. The practice of allowing five business days prior to closing of tickets considered as “resolved” was to ensure that clients were satisfied with the Pension Administration’s response. However, this practice was not consistently followed. OIOS’ review of 40,622 service tickets which were resolved by the staff of the Pension Administration as of 31 December 2020 showed that 52 per cent of service tickets were correctly closed after five business days in accordance with the SOP. However, 40 per cent of service tickets were closed immediately after their resolution on the same day. The remaining cases (8 per cent) were not closed for up to 24 months. While the inconsistencies in closing these tickets did not affect the quality of client services, the related data was not reliable for assessing the quality of service provided.

33. Further, the priority of service tickets was assigned differently by the staff of the Pension Administration. Tickets submitted in connection with a beneficiary’s death were given different priorities (high, medium and low), even though the SOP states that such cases should be given high priority. Also, there were at least 12 instances where clients reported that they had not received separation payments for months, but their priority was set as medium or low instead of critical as required by the SOP.

34. These divergent practices had an adverse impact on assessing and assuring the quality of services provided to clients.

**(5) The Pension Administration should ensure that the standard operating procedures pertaining to closure of service tickets and assignment of priority for client enquiries are implemented correctly to ensure that the enquiries are given due priority, and are closed at the appropriate time after they have been resolved.**

*The Pension Administration accepted recommendation 5 and stated that CSOS will review aspects mentioned in the report and identify the required changes to ensure compliance with established procedures for handling client queries. Recommendation 5 remains open pending receipt of evidence that measures have been implemented to ensure consistent and correct application of the SOP in relation to assignment of priority to client enquiries and closure of service tickets.*

Processing of client requests in IPAS has shown noticeable improvement

35. Speedy handling of client requests is important for boosting client satisfaction. When a service ticket in iNeed leads to the creation of a request in IPAS, the Pension Administration closes the ticket in iNeed and manages the request in IPAS. From 2018 to 2020, 25,097 workflows for various types of client requests were created in IPAS, of which 22,735 had been closed. Table 4 shows the average processing time of closed requests in the Pension Administration’s offices in New York and Geneva.

**Table 4: Average number of business days to complete client requests by type**

Type of request	New York			Geneva		
	2018	2019	2020	2018	2019	2020
Request for change of address	42	32	19	8	7	6
Request for information on generic/client service-related matters	13	10	4	18	11	7
Request for benefit estimate	43	39	28	28	11	8
Request for purchase of contributory service	79	52	24	65	32	17
Request for change of residence	103	138	31	131	107	46
Other (validation, restoration, transfer-in/out, emergency fund)	177	155	71	71	72	50
<b>Average number of business days</b>	<b>37</b>	<b>34</b>	<b>17</b>	<b>29</b>	<b>13</b>	<b>8</b>

36. The processing time significantly varied by type of requests, but all have shown noticeable improvement as the New York and Geneva offices reduced the processing time for various types of requests by 24 to 73 per cent in the past three years. The Pension Administration could explore ways to further reduce the processing time for client requests to the extent feasible.

Need to review and dispose of open workflows in IPAS at regular intervals

37. For effective management of client requests, open requests should be followed up in a timely manner. The case status should be up to date to enable the generation of meaningful operational statistics for analysis and reporting.

38. As of 31 December 2020, there were 4,642 open and pending client requests in IPAS, of which 2,903 (63 per cent) have remained open or pending for one to five years. Some of them required action by the Pension Administration to be properly closed in IPAS. For instance, there were 208 client requests where CSOS completed its review but needed to obtain certain information from other sections to complete the workflows. Also, some open requests could have been closed. There were 63 workflows where the Pension Administration denied the client's eligibility for their requests. Since the Pension Administration had already reached a conclusion on clients' eligibility, these requests should have been closed after notifying them of the decision.

39. Based on spot-checks, the Pension Administration found that many of the open requests had been completed, while some required further review and action. Open and pending requests need to be reviewed and disposed of at appropriate intervals to identify long-outstanding requests and maintain the data quality. The Pension Administration initiated a review of open and pending client requests in May 2021.

**(6) The Pension Administration should establish a process for periodic review of open and pending client requests in the Integrated Pension Administration System to ensure that completed requests are closed, and pending requests are followed up.**

*The Pension Administration accepted recommendation 6 and stated that CSOS will conduct a review of open and pending client requests in IPAS. It will introduce a process to regularly close completed requests and follow up pending workflows, as appropriate. Recommendation 6 remains open pending receipt of evidence that a process for periodic review of open and pending client requests has been established and implemented.*

**(ii) Client outreach**

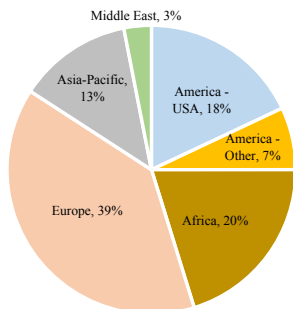
Need to take into account common demands from clients and accessibility gap in providing outreach

40. The Pension Administration considers that provision of consistent quality of services to all clients regardless of their location is one of the activities that assists in achieving its strategic objectives. It opened a pilot liaison office in Nairobi in 2016 and Bangkok in 2021 to provide outreach to clients and member organizations in the region. The Pension Administration's offices in New York, Geneva and Nairobi conducted 281 training sessions from 2018 to 2020 at the request of the member organizations. However, the Pension Administration was yet to undertake outreach activities proactively, based on analysis of client demands and potential gaps in clients' accessibility to its assistance.

41. The Pension Administration's clients were dispersed in various regions of the world. The beneficiary population had higher concentration in Europe (39 per cent) and Africa (20 per cent), as shown in Chart 1. However, 98.5 per cent of beneficiary inquiries came from the United States and countries in the Europe region, as shown in Chart 2. This highlighted the gap in clients' accessibility to the Pension

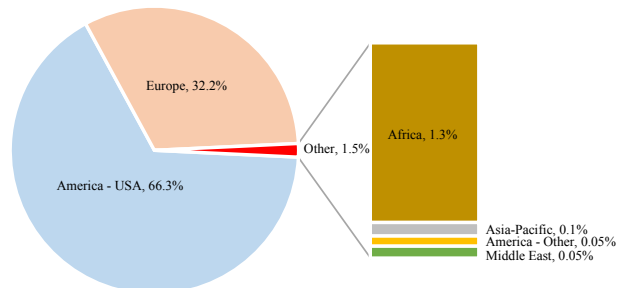
Administration's services among the regions, which may be attributable to differences in time zone, language, and communication infrastructure.

**Chart 1: Regions where beneficiaries reside**



\* Based on 2018 IPAS data.

**Chart 2: Regions where inquiries were submitted**



Source: Based on 95,200 service tickets created in 2019 and 2020.

42. The Pension Administration added French-speaking agents in 2017 and in September 2020, it expanded the coverage of call centre services from 12 to 18 hours a day. Establishing satellite offices in Nairobi and Bangkok was part of its effort to reduce the accessibility gap in the respective regions. Despite these initiatives, the data suggests that more effort was required to narrow the gap.

43. OIOS' review of the client contact history for the past three years showed that the age of clients at the time of their inquiries was concentrated at around 62 years, which was the retirement age of the largest client group as of 31 December 2020. This indicates high demand for pension-related information from retiring participants. The Pension Administration held pre-retirement training sessions in multiple locations. However, since such sessions were provided at the request of the member organizations, not all retiring participants had the same opportunities. As the Pension Administration aims to become a client-oriented organization, it needs to proactively reach out to a wider audience where demands are high so that more clients with information needs could benefit from the learning.

44. Since the office closure in March 2020 due to the Covid-19 pandemic, the Pension Administration has been providing outreach sessions virtually. Since the pandemic has inevitably increased virtual communication, clients may have adapted themselves to such means of outreach. There are opportunities for the Pension Administration to leverage this experience to reach out to a wider audience through increased use of virtual communication, in addition to in-person information sessions wherever possible.

**(7) The Pension Administration should develop and implement a plan for more proactive outreach to clients, taking into account the commonly arising requests, accessibility gaps, and the various modes of communication at its disposal to cater to client needs more effectively.**

*The Pension Administration accepted recommendation 7 and stated that CSOS will enhance the existing outreach plan and develop capacity to proactively reach out to clients while providing clients with easier access to pension briefings. Recommendation 7 remains open pending receipt of a plan for proactive outreach, and evidence of its implementation.*

### **(iii) Performance monitoring and reporting**

#### Need to strengthen the administration and analysis of the client satisfaction survey

45. The Pension Administration recognizes client surveys as an effective tool to identify existing issues and enable quick corrective action, thereby improving client services on a continuous basis. The Pension Administration included client satisfaction as one of the performance goals for the 2018-2019 biennium for the first time and launched a client satisfaction survey in August 2018. Anyone who submitted an inquiry was able to participate in the online survey. OIOS reviewed 1,392 and 1,562 survey responses which were collected in 2019 and 2020, respectively, and noted the following.

##### (a) Anonymity of the survey

46. Due to the anonymous nature of the survey, the Pension Administration could not perform in-depth analysis of client responses. For instance, a client stated that it took six months to receive a widow's benefit after reporting her husband's death and contacting the Pension Administration several times by email and telephone. Without further analysis of this case, the causes of the delay may be left undressed, adding no value to the operations. In another instance, a client indicated that his benefit payment was suspended due to non-submission of certificates of entitlement, but after writing to the Pension Administration seven times, he was told that his certificates had actually been received on time. Due to anonymity of the survey, the Pension Administration could not determine whether this was an isolated incident or there was an operational issue which needed to be corrected.

47. Surveys are a useful tool to identify the possible bottlenecks in processes. But their full value can be realized only if they are fully analyzed to enable systemic improvement by addressing the underlying causes.

##### (b) Accuracy of statistics

48. In the survey, clients were asked to rate their experience on a scale of 1 to 10, with 5 being "good enough". OIOS is of the view that such a midpoint score could represent a neutral view (neither good nor bad). The Pension Administration last reported the survey results in the 2019 strategic framework, stating that 90 per cent of its clients were satisfied. However, OIOS' review showed that 25 per cent of clients had given a rating of 5, and only 57 per cent had given a rating of 6 and above on a scale of 1 to 10. Also, there were at least 40 sets of duplicate responses submitted by the same individuals, which increased the satisfaction rate by 1 to 4 per cent in the affected months.

49. Further, the number of survey responses represented only 2 to 3 per cent of the total inquiries received in 2019 and 2020. The Pension Administration needed to collect a larger number of responses to generate meaningful statistics. In March 2021, the Pension Administration revised the client satisfaction survey by simplifying the design and questions. In the new survey, it replaced the scale of 1-10 with 1 (unsatisfied) to 5 (very satisfied). However, it continued to designate the midpoint (3) as "satisfied" instead of giving clients an option to indicate a neutral feedback. Scales need to be appropriately labelled for clarity and accuracy.

##### (c) Distribution and analysis of the survey results

50. A staff member in CSOS was solely tasked with reviewing survey responses in 2019 and 2020. The staff member reported a few main takeaways from client responses along with statistics to the Chief of CSOS and her deputy on a monthly basis. The information was not further distributed to other staff members in the Pension Administration, or call centre agents. During 2020, there were about 90 comments

relating to the experience with the call centre agents and 300 comments on the Fund’s website. There were also 40 comments relating to certificate of entitlements. These comments need to be disseminated to the respective units and sections to help them improve their operations.

**(8) The Pension Administration should make more effective use of client satisfaction surveys by: (i) performing in-depth reviews to identify areas for system and process improvements; (ii) enhancing the accuracy and reliability of statistics; and (iii) sharing the survey results with relevant units and sections.**

*The Pension Administration accepted recommendation 8 and stated that CSOS will further review the client services survey and related statistics to identify areas for improvement. It will share survey results and related analysis with the relevant sections and units for information and required actions. Recommendation 8 remains open pending receipt of evidence that: (i) client satisfaction surveys are being adequately analyzed to identify improvements; (ii) accuracy and reliability of surveys have been enhanced; and (iii) survey results are being shared with relevant units and sections.*

New performance indicators were being developed

51. For effective performance management, performance indicators should be specific and relevant to the operational processes sought to be assessed. As part of the accountability framework, the Pension Administration measures its performance against indicators of achievement and reports the outcome to the Pension Board. For the biennium 2018-2019, the Pension Administration established its performance targets such as: (i) 80 per cent of inquiries are responded within 15 business days; (ii) 100 per cent of walk-in clients are served; (iii) 90 per cent of telephone calls are answered; and (iv) positive feedback is received in the client surveys.

52. The Pension Administration processed service tickets in iNeed in 4.9 business days on average, and 89 per cent of tickets met the target as shown in Table 5.

**Table 5: Percentage of inquiries responded within 15 business days as of 31 December 2020**

Mode	Tickets resolved/closed	Average response time (business day)	Benchmark achievement
Email	49,018	2.4	95%
Online contact form	26,486	12.1	71%
Telephone	23,248	1.8	96%
<b>Total</b>	<b>98,752</b>	<b>4.9*</b>	<b>89%</b>

\*Weighted average

53. OIOS’ review of the Pension Administration’s performance based on available data indicated that these targets were largely met during the period 2018 to 2020. However, the target of 15 business days was not suitable for certain types of client inquiries. The types of client inquiries ranged from relatively simple ones (such as requests for Unique Identification Number or resetting a password) to more complex issues which require assistance from other units (such as consultations on benefits, legal, tax and other technical matters). While the latter types of inquiry could typically take longer to respond, clients expect a quicker turnaround for the former. Meeting the target of 15 days for simple inquiries does not by itself reflect good quality of service.

54. The performance indicator also did not reflect the priority assigned to client inquiries. Priority reflects the level of urgency; the SOP requires critical and high priority inquiries to be processed within 7 business days instead of 15 business days. Moreover, it did not measure the time taken for processing client

requests in IPAS because the counting stops once the Pension Administration provides an interim response to clients, even though their requests continue to be in process in IPAS. For effective performance management, the Pension Administration needs to develop performance targets and indicators that are relevant and specific to the types of client service activities. In its 2020 session, the Pension Board noted the need for new performance metrics. The Pension Administration was in the process of developing new performance indicators at the time of the audit. OIOS will review the new performance indicators in a separate audit to be conducted in the future.

#### **IV. ACKNOWLEDGEMENT**

55. OIOS wishes to express its appreciation to the Management and staff of the Pension Administration for the assistance and cooperation extended to the auditors during this assignment.

*(Signed)* Eleanor T. Burns  
Director, Internal Audit Division  
Office of Internal Oversight Services

## STATUS OF AUDIT RECOMMENDATIONS

## Audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	C/ O <sup>3</sup>	Actions needed to close recommendation	Implementation date <sup>4</sup>
1	The Pension Administration should strengthen integrated planning and project management for its various initiatives relating to client services to maximize their impact in achieving its strategic objectives.	Important	O	Receipt of evidence that the various initiatives relating to client services are being managed in an integrated manner to maximize their impact.	31 August 2022
2	The Pension Administration should: (i) design and deliver a comprehensive training programme for call centre agents to ensure that they have the required level of knowledge and skills for their roles; (ii) implement post-call surveys to assure the quality of services provided by agents; and (iii) review the access rights granted to agents in the Integrated Pension Administration System to ensure that they are assigned only the minimum level of access required for their roles.	Important	O	Receipt of evidence that: (i) a comprehensive training has developed and delivered to call centre agents; (ii) post-call surveys have been implemented; and (iii) access rights of call centre agents have been reviewed and adjusted as appropriate.	31 December 2022
3	The Pension Administration should: (i) establish performance targets and indicators for its call centre operations; and (ii) request Agency A to include these targets and indicators in its performance reports.	Important	O	Receipt of evidence that performance targets and indicators for call centre operations have been established and included in Agency A's performance reports.	31 December 2022
4	The Pension Administration should document and test a disaster recovery plan for call centre systems to ensure that the operations recover within the Recovery Time Objective.	Important	O	Receipt of evidence that a disaster recovery plan for call centre systems has been documented and tested.	30 September 2022
5	The Pension Administration should ensure that the standard operating procedures pertaining to closure	Important	O	Receipt of evidence that measures have been implemented to ensure consistent and correct	31 December 2022

<sup>1</sup> Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

<sup>2</sup> Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

<sup>3</sup> Please note the value C denotes closed recommendations whereas O refers to open recommendations.

<sup>4</sup> Date provided by the Pension Administration in response to recommendations.



## STATUS OF AUDIT RECOMMENDATIONS

## Audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund

	of service tickets and assignment of priority for client enquiries are implemented correctly to ensure that the enquiries are given due priority, and are closed at the appropriate time after they have been resolved.			application of the SOP in relation to assignment of priority to client enquiries and closure of service tickets.	
6	The Pension Administration should establish a process for periodic review of open and pended client requests in the Integrated Pension Administration System to ensure that completed requests are closed, and pending requests are followed up.	Important	O	Receipt of evidence that a process for periodic review of open and pended client requests has been established and implemented.	31 December 2022
7	The Pension Administration should develop and implement a plan for more proactive outreach to clients, taking into account the commonly arising requests, accessibility gaps, and the various modes of communication at its disposal to cater to client needs more effectively.	Important	O	Receipt of a plan for proactive outreach, and evidence of its implementation.	31 December 2022
8	The Pension Administration should make more effective use of client satisfaction surveys by: (i) performing in-depth reviews to identify areas for system and process improvements; (ii) enhancing the accuracy and reliability of statistics; and (iii) sharing the survey results with relevant units and sections.	Important	O	Receipt of evidence that: (i) client satisfaction surveys are being adequately analyzed to identify improvements; (ii) accuracy and reliability of surveys have been enhanced; and (iii) survey results are being shared with relevant units and sections.	31 December 2022

# **APPENDIX I**

## **Management Response**

UNITED NATIONS JOINT STAFF PENSION FUND  
CAISSE COMMUNE DES PENSIONS DU PERSONNEL DES NATIONS UNIES

NEW YORK (Headquarters)  
P.O. Box 5036, UNITED NATIONS, N.Y., N.Y. 10017  
Tel: (212) 963 -6931; Fax: (212) 963 -3146  
E-mail: [UNJSPF@UN.ORG](mailto:UNJSPF@UN.ORG)  
Cable: UNATIONS NEWYORK  
Web: <http://www.unjspf.org>

OFFICE AT GENEVA  
c/o PALAIS DES NATIONS  
CH - 1211, Geneva 10  
Tel: +41 (0) 22 928 8800; Fax: +41 (0) 22 928 9099  
E-mail: [UNJSPF.GVA@UNJSPF.ORG](mailto:UNJSPF.GVA@UNJSPF.ORG)  
Web: <http://www.unjspf.org>

## MEMORANDUM

Ref: UNJSPF/CEPA/16/07/21

New York, 16 July 2021

To / A: Mr. Gurpur Kumar, Deputy Director Internal Audit Division, OIOS

From / De : Rosemarie McClean, Chief Executive of Pension Administration, United Nations Joint Staff Pension Fund

A handwritten signature in black ink, appearing to read 'Rosemarie'.

Subject / **UNJSPF response to draft report audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund (Assignment No. AS2021/800/01)**

Objet:

1. Reference is made to your memorandum dated 2 July 2021, in which you submitted for the Fund's review and comments, the draft report on the above-mentioned audit.
2. As requested, the Pension Administration's response to the audit recommendations is included in **Annex I**. Clarifications to the observations contained in the report are presented in **Annex II**.
3. The Pension Administration would like to thank OIOS auditors for the detailed review and positive exchanges to strengthen the Fund's client services.

cc.: Mr. D. Penklis, Deputy Chief Executive  
Ms. M. O'Donnell, Chief of Operations  
Mr. D. Dell'Accio, Chief Information Officer  
Ms. C. Cartner, Chief Client Services and Outreach  
Ms. K. Manosalvas, Risk Officer, Audit Focal Point

**Annex I**  
**Management Response**  
**Audit of client services in the Pension Administration of the United Nations Joint Staff Pension Fund**

Rec. no.	Recommendation	Critical <sup>1</sup> / Important <sup>2</sup>	Accepted? (Yes/No)	Title of responsible individual	Implementation date	Client comments
1	The Pension Administration should strengthen integrated planning and project management for its various initiatives relating to client services to maximize their impact in achieving its strategic objectives.	Important	Yes	Chief Executive of Pension Administration	August 2022	The Fund is preparing a client services delivery model along with a client services strategy and programme. A manager will lead the client services programme. The Fund's Project Management Office will provide project management support for the execution of the programme and related projects.
2	The Pension Administration should: (i) design and deliver a comprehensive training programme for call centre agents to ensure that they have the required level of knowledge and skills for their roles; (ii) implement post-call surveys to assure the quality of services provided by agents; and (iii) review the access rights granted to agents in the Integrated Pension Administration System to ensure that they are assigned only the minimum level of access required for their roles.	Important	Yes	Chief Client Services	December 2022	The Pension Administration will take the following actions: (i) A systematic training programme on topics relevant for call centre agents will be prepared and delivered by Client Services (CS) and Call Centre. (ii) CS will design and implement, together with the Call Center, a post call survey for calls handled by the Fund's call centre. (iii) Client Services will review whether the system access assigned in IPAS to call centre agents is needed for their daily tasks. The Fund will work with the software vendor to address technical

<sup>1</sup> Critical recommendations address those risk issues that require immediate management attention. Failure to take action could have a critical or significant adverse impact on the Organization.

<sup>2</sup> Important recommendations address those risk issues that require timely management attention. Failure to take action could have a high or moderate adverse impact on the Organization.

<b>Rec. no.</b>	<b>Recommendation</b>	<b>Critical<sup>1</sup>/ Important<sup>2</sup></b>	<b>Accepted? (Yes/No)</b>	<b>Title of responsible individual</b>	<b>Implementation date</b>	<b>Client comments</b>
						limitations to modify the role assigned to the Call Centre Agents. In the interim, CS monitors and controls the activities performed by the Call Center Agents. Call Centre Agents are subject to a confidentiality agreement as defined in the MoU between UNICC and UNJSPF, which extends to ICC Staff and Contractors; and their "Employment contract" references the UN Staff Regulations and Staff Rules regarding the Standards of Conduct for the International Civil Service.
3	The Pension Administration should: (i) establish performance targets and indicators for its call centre operations; and (ii) request Agency A to include these targets and indicators in its performance reports.	Important	Yes	Chief Client Services	December 2022	CS will review and liaise with the call centre to include relevant performance metrics and targets in their regular performance reports.
4	The Pension Administration should document and test a disaster recovery plan for call centre systems to ensure that the operations recover within the Recovery Time Objective.	Important	Yes	Chief Information Officer / Chief Enterprise Operations Section	September 2022	The Fund's disaster recovery plan covers call systems in New York and Geneva. The Pension Administration will further enhance and test its disaster recovery plan to ensure that critical call centre services can be recovered within the Recovery Time Objective.
5	The Pension Administration should ensure that the standard operating procedures pertaining to closure of service tickets and assignment of priority for client enquiries are	Important	Yes	Chief Client Services	December 2022	CS will review aspects mentioned in the report and identify required changes to ensure compliance with established procedures for the handling client queries.

<b>Rec. no.</b>	<b>Recommendation</b>	<b>Critical/ Important<sup>2</sup></b>	<b>Accepted? (Yes/No)</b>	<b>Title of responsible individual</b>	<b>Implementation date</b>	<b>Client comments</b>
	implemented correctly to ensure that the enquiries are given due priority, and are closed at the appropriate time after they have been resolved.					
6	The Pension Administration should establish a process for periodic review of open and pended client requests in the Integrated Pension Administration System to ensure that completed requests are closed, and pending requests are followed up.	Important	Yes	Chief Client Services	December 2022	CS will conduct a review of open and pended client requests in IPAS. CS will introduce a process to regularly close completed requests and follow up pending workflows, as appropriate.
7	The Pension Administration should develop and implement a plan for more proactive outreach to clients, taking into account the commonly arising requests, accessibility gaps, and the various modes of communication at its disposal to cater to client needs more effectively.	Important	Yes	Chief Client Services	December 2022	CS will enhance the existing outreach plan and develop capacity to proactively reach out to clients while providing clients with easier access to pension briefings.
8	The Pension Administration should make more effective use of client satisfaction surveys by: (i) performing in-depth reviews to identify areas for system and process improvements; (ii) enhancing the accuracy and reliability of statistics; and (iii) sharing the survey results with relevant units and sections.	Important	Yes	Chief Client Services	December 2022	CS will further review the client services survey and related statistics to identify areas for improvement. CS will share survey results and related analysis with the relevant Sections and Units for information and required actions.

---

**Annex II**  
**Factual comments and clarifications to the Detailed Results of the audit of client services**

**Client services provided by Agency A**

**Paragraph 22** The Fund wishes to clarify that intensive training was provided to call centre agents when call centre operations were first established. This comprehensive training was needed to set up the initial structure and define the services to be provided and ensure that agents were equipped to adequately deliver the tasks assigned to the call centre.

Subsequently, any new staff joining the Call Centre attended in depth pension briefings and received extensive on the job training. Refreshing training is regularly provided through regular participation in team meetings, training sessions and discussions on specific topics.

**Client Services provided by the staff of the Pension Administration**

**Paragraph 33** The Fund notes that while the priority of death tickets and queries from clients who had not received their regular monthly benefit payments might be differently assigned by staff, death and payment stopped cases are handled with priority, as confirmed by the average number of business days taken by the Fund to complete client requests.

**Paragraph 46** The Fund plans to review the client satisfaction survey to allow clients providing their contact details for subsequent follow up in specific circumstances. Moreover, the Fund has other mechanisms in place for submitting client queries as the survey is not intended to be a two-way communication mechanism.