California Public Employees' Retirement System

The California Public Employees' Retirement System (CalPERS), headquartered in Sacramento, California, is the nation's largest public pension fund. CalPERS provides health benefits to 1.3 million members and retirement benefits to more than 1.6 million public employees, retirees, and their families. The CalPERS Customer Contact Center fields more than 650,000 phone calls a year with 80 full-time and 20 part-time agents.

Challenge

In the contact center, customers come first, as evidenced by their aggressive customer service goals: their target abandon rate was less than 5%, and they wanted customer wait times to be no longer 2 ½ minutes.

CalPERS experiences peaks throughout the year. The first two weeks of January – a new year where retirement checks change with tax and health premium deductions – are particularly difficult, along with tax season, open enrollment periods, Mondays, and the days following holidays. Workforce management helps manage the peaks to a certain extent, but CalPERS needs to avoid over-staffing.

Between budgetary issues, mandatory furloughs, and periodic peaks, it's difficult for CalPERS to make its goals, explained Debbie Hanson, the assistant division chief for the CalPERS Customer Contact Center.

"We're a state agency, so we definitely don't have an unlimited budget to hire for peak call volumes," Hanson said. "However, we also can't let our members wait on hold – that defeats our mission to provide quality service. Long wait times impact the callers' perception of the service we provide, and it is reflected back to our agents when they answer the phone."

> ### HIGHLIGHTS
> - **56% improvement in ASA during peaks**
> - **Nearly 3.5 years of hold time avoided**
> - **53% improvement in abandon rate during peaks**

Solution

When VHT and CalPERS first began working together, it was apparent that the Virtual Hold solution could definitely help manage hold times for the contact center, but the Virtual Hold business case analysis (BCA) revealed something else.

"We had around 80 permanent, full-time agents, which is pretty good staffing for 4.5-minute phone calls," Hanson said. "But the BCA showed us that our agents were consistently taking 6.5- to 7-minute calls. Virtual Hold helped us see that we needed to add some part-time staff."

Results

By bumping up staffing a little bit and adding the Virtual Hold solution, CalPERS immediately began seeing positive results in its customer service goals and operational efficiency.

"We are consistently meeting and exceeding our customer service goals," Hanson said. "We're way below our 2.5-minute wait time goal, and we're actually looking at lowering that goal now."

When the contact center is meeting its customer service goals, the benefits are seen throughout the contact center. Agent morale is up, while vacancy is down. Instead of hearing complaints about the hold time, agents are hearing, "thank you." It's clear: Callers don't mind waiting when they're not on the phone, Hanson explained. And happier callers mean that agents are able to perform their jobs in a more pleasant environment.

"Virtual Hold really balances out our phone volumes and gives us a chance to catch our breath," Hanson said. "Even when it gets really busy, we're working a regular work day."

Relieving customer and agent frustration aren't the only positive outcomes of adding Virtual Hold.

"With Virtual Hold, we were able to avoid repeat calls and let our customers hang up the phone. Our phone bill was cut by a third in just part of the fiscal year," Hanson said. "It's more than paid for itself and has really balanced out our workload."