UNJSPF

Pension Administration
2021-2023 Strategy

Client-focused
Action-oriented
Relations-builder
Efficacy-driven

Report on the implementation of the C.A.R.E. Strategy 2021-2023

June 2023

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A Message from Rosemarie McClean, Chief Executive of Pension Administration

The United Nations Joint Staff Pension Fund (UNJSPF) has continuously grown since its inception in 1949. At the end of 2022, the Fund was administering retirement, death, disability, and related benefits for staff of its 25 member organizations, serving over 143,612 participants and 83,988 retirees and beneficiaries.

With the C.A.R.E. Strategy, the Fund's Pension Administration (PA) has aimed to achieve the vision of being a service-oriented pension fund, which provides outstanding, high-quality services for UNJSPF member organizations, participants, retirees, and beneficiaries globally.

To support this vision, three strategic pillars were identified - to simplify the client experience, to modernize pension services, and to develop a strong, global partnership network. These objectives have guided our undertakings over the past years and, as evidenced in this report, the promise of improved services has been fulfilled.

While delivering on the 2021-2023 Strategy, PA has also successfully met and exceeded performance targets and dealt with significant operational disruptions, such as the COVID-19 pandemic and payment challenges related to geopolitical situations. Let me acknowledge the hard work of PA staff, who both carried out the Fund's core mission and transformative projects.

This report provides a review of the many achievements under the C.A.R.E. Strategy 2021-2023 and its implementation. Our journey to improve the Fund continues.

Rosemarie McClean
Chief Executive of Pension Administration
June 2023

Development of the C.A.R.E. Strategy in 2020

In 2020, the Fund's client base was growing and ageing, technology was rapidly advancing, and our global environment was changing. To become an outstanding service provider, we needed a guiding strategy and focus on addressing issues, continuous improvement, and adaptation to client needs. Although the Fund was in good financial health, the Pension Administration lacked a forward-looking, organization-wide, strategic plan and vision. Structural changes were needed, a coordinated strategy was missing, and staff morale was low. The Fund needed to build trust and confidence between the Fund and its staff, clients, stakeholders, and decision-makers.

The Pension Administration (PA) needed to address the following challenges urgently:
- Processes needed to be critically reviewed to gain efficiency, in light of the growing client base and to improve service delivery.
- There was a lack of new technology to provide innovative services to participants.
- There was no change management capability.
- Data management was spread across the Fund.
- Communications with our clients and stakeholders needed to be improved.
- Trust with stakeholders needed to be strengthened.
- To respond to these challenges, PA developed the 2021-2023 C.A.R.E. Strategy, which was welcomed and endorsed by the United Nations Joint Staff Pension Board and the United Nations General Assembly in its resolution 75/246 of 2020.

The aim was to transform and improve PA operations and relationships with its clients, partners, and stakeholders.

Like other entities, the Fund's operational environment has been affected by the COVID-19 pandemic. In the case of PA, the COVID-19 pandemic was also an opportunity to accelerate its transformation, as digital means of interacting with clients and partners became indispensable.

The C.A.R.E. Strategy 2021-2023

MISSION

To deliver:

- a simplified client experience
- a modernization of pension services
- a strong global partnership network

VALUES

UN values:

- integrity, professionalism, respect for diversity; and
- innovation, partnership and service

VISION

To be a pension fund that provides outstanding service globally

The three pillars

PILLAR 1: SIMPLIFY THE CLIENT EXPERIENCE

The objective of this pillar is to make client service and client satisfaction the priority. This will be done by developing a comprehensive approach to client services, going paperless, making pension understandable, and empowering our partners.

PILLAR 2: MODERNIZING PENSION SERVICES

The Fund recognizes that service requirements and the "future of work" is changing. The second pillar of the strategy focuses on operational excellence and revitalizing people and processes as well as preparing for the future of work - enabling automation to free human resources for work that adds value. Transformation shall become part of the Fund's work culture, with the ambition to be the driving force for change and continuous improvement.

PILLAR 3: DEVELOP A STRONG GLOBAL PARTNERSHIP NETWORK

A more systematic coordination of internal and external communication activities with participants, beneficiaries, and retirees, as well as other stakeholders, will be created.

Key achievements

PILLAR 1: SIMPLIFY THE CLIENT EXPERIENCE

1. **To modernize and simplify interactions with clients:**
   - The Pension Administration (PA) developed a new global Client Service Delivery Model and established a dedicated client services structure in 2021 to provide high-quality services, in a timely and proactive manner.
   - A review of the performance of the Contact Centre was carried out in 2022 resulting in major improvements to call response times and the ability to handle the growing demand.
   - A comprehensive service catalogue was developed for client services and service-level agreements were defined with a goal to reduce average resolution time from 15 to 5 business days for high priority cases.
   - PA has become almost paperless with the percentage of incoming e-documents growing from 38 per cent in 2019 to 80 per cent in 2023. Several digital transfers and self-service functions were introduced:
     » In April 2020, secured email addresses for separation documents coming from member organizations were created and in December 2020, the document upload function in Member Self-Service (MSS) was launched.
     » In February 2021, the Digital Certificate of Entitlement (DCE) for retirees and beneficiaries was launched to replace, as an option, the paper-based form that they must send to the Fund annually as proof of life. Almost 24,000 DCEs were issued as of June 2023, representing more than a third of the eligible population using this service. The DCE won the 2022 United Nations Secretary-General Award in the innovation and sustainability category and, most recently, the Social Impact Award from the Government Blockchain Association.

» In April 2021, cost-of-living adjustment (COLA) letters were made available in MSS for registered retirees and beneficiaries, representing 56 per cent reduction in printed and mailed related letters.

- New payment channels through the UN Treasury were successfully piloted in Chile and Peru. This prepared the Fund to quickly set up new payment channels when disruptions occurred in Mali, Afghanistan, and Russia.

2. To make pension clearer:

- Interactive and user-friendly communication materials have been developed in the past three years, including a new website, 11 pension eLearning modules, and 20 animation videos to explain pension matters to our participants, retirees, beneficiaries, and partners.
- Moreover, the frequency of our newsletter was increased from quarterly to monthly in 2019, allowing all participants, retirees, and beneficiaries to stay informed of the latest developments on pension matters.

3. To strengthen collaboration with partners/employing organizations:

- A dedicated unit was established in October 2020 to liaise, coordinate, and provide guidelines and training for member organizations' pension specialists and HR partners.
- A new site for member organizations was launched in April 2023 as a one-stop shop for our partners, which provides an outreach calendar, news, announcements, a directory of UNJSPF focal points, links to various Business Intelligence Dashboards, such as the status of pension interface transmission, a reference library, and regular IPAS updates.

PILLAR 2: MODERNIZING PENSION SERVICES

1. To establish business transformation as part of the Fund's culture and structure:

- The Business Transformation Unit (BTU), Data Analysis Unit (DAU), and Project Management Office (PMO) were created in 2021.
- BTU has trained 103 staff on Lean Six Sigma and process improvement methodologies and identified more than 50 projects in the past two years.

- DAU started to support well-informed decision-making processes with a view to ensuring data accuracy and consistency and facilitating the collection, analysis and communication of data.
- PMO organized training to develop project management skills within Pension Administration (PA).

2. To improve data analysis and reporting:
- Several operational key performance indicators (KPIs) were developed in 2021 for core processes and services and are actively monitored for performance management. Further KPIs have been identified for the next phase of the C.A.R.E. Strategy for 2024 and beyond, with performance targets for each strategic goal.
- Significant progress was made on financial interfaces with member organizations/reporting entities in the past years, improving quality of data transfer with further automation and data cleansing.
- PA is in the process of defining a data strategy and a data governance model that fosters accountability, quality, and standards.

3. To modernize tools and processes:
- The final report of the independent audit of IPAS, PA's ERP, was issued in December 2021, confirming the stability of the system; IPAS has benefited from continuous improvements since its introduction and specifically in the past three years.
- Seven Robotic Process Automations (RPA) have been implemented and six are under development. The RPA Citizens Network was launched across PA to promote the use of automation.
- Since January 2023, a new system (KOFAX Total Agility) is used to scan and index all incoming documents and automatically trigger workflows. Previously, these documents required either manual intake or printing and scanning. In addition, the new system includes automatic signature verification, which will further provide accuracy in the Fund's process of verifying document and client identity.
- Key processes and associated systems and tools were aligned and streamlined, including cost-of-living adjustment (COLA), contribution and participation, change of country of residence, estimates, and staff extensions.

PILLAR 3: DEVELOP A STRONG GLOBAL PARTNERSHIP NETWORK

To increase trust and confidence between the Fund and its staff, clients, stakeholders, and decision-makers and to raise the Fund's profile:

- After the Fund's visual identity was refreshed in September 2020, Pension Administration (PA) developed a communication strategy for 2021-2023, jointly with the Office of Investment Management. The Fund's communication strategy was endorsed by the Pension Board in July 2021.
- The Chief Executive of Pension Administration has been conducting regular briefings for Staff Pension Committees (SPCs) of member organizations and decision-makers of the UN General Assembly throughout the year, aimed at updating stakeholders on the Fund's performances and progress of the C.A.R.E. Strategy's implementation.
- With COVID-19 preventing in-person interactions, Client Services started to organize virtual briefings and pre-retirement seminars in 2020, reaching more than 28,000 participants, retirees and beneficiaries just in 2021; virtual events have become a permanent feature of the Fund's outreach efforts.
- More than 75 training sessions, mostly in a virtual setting, have been organized since November 2021 for pension focal points and SPC secretaries as well as HR partners in member organizations.
- In 2023, the Chief Executive and the Representative of the Secretary-General for the investment of the UNJSPF assets held a first-of-a-kind global town hall open to all participants, retirees, and beneficiaries, gathering over 3,000 attendees. It is planned to become an annual event.
- Internally, staff positive feedback on PA's culture has noticeably improved, as evidenced by the results of the 2021, 2022, and 2023 Leadership Culture Assessment (LCA), with a positive rating from staff improving from 57 per cent to 68 per cent in three years.

C.A.R.E. Strategic Plan 2021-2023 - progress at a glance

Pillar 1 - Simplify client experience			
Objectives	**To modernize and simplify interactions with clients**	**To make pension clearer**	**To strengthen collaboration with partners/employing organizations**
Actions	• To transform the Fund into a paperless organization ✓ • To introduce a Client Relationship Management (CRM) system → • To collect client feedback and insight through enhanced client survey → • To streamline bank transfers in select countries → • To introduce "smart forms" → • To verify the quality of beneficiaries' banking information →	• To modernize the website's look and feel and contents ✓ • To create new series of videos ✓ • To create e-learning modules ✓	• To create an online knowledge-sharing platform ✓ • To develop dashboards and metrics for partners' service delivery ✓ • To strengthen collaborative capacity/ mechanisms ✓ • To develop standard operating procedures for the separation process →
Highlights / Achievements	• Separation documents are now received electronically from member organizations for timely processing • Digital Certificate of Entitlement (DCE) Over a third of eligible population of retirees and beneficiaries have enrolled • The percentage of incoming e-documents has grown from 38 per cent in 2019 to 80 per cent in 2023 • COLA letters available in MSS for registered retirees and beneficiaries – 62 per cent reduction of printed and mailed letters • New local payment channels in Chile and Peru Alternative payment channels in Afghanistan, Mali and Russia • New system is used to scan and index all incoming documents which automatically trigger workflows • Manual and automated controls were introduced to ensure the quality of banking information	• Consolidation and modernization of the Pension Administration (PA) and Office of Investment Management (OIM) website • 20 animation videos to explain pensions available in English, French, and Spanish • Seven e-learning modules for pension specialists and four e-learning modules for participants, retirees and beneficiaries released • Automated pre-separation letter providing relevant pension information sent to participants of UN Family	• Established a dedicated unit to support partners and member organizations (OCLU) • A new member organizations portal was launched as a one-stop shop for all our partners • Dashboards for member organizations were launched including unsubmitted separation documents, monthly payment reconciliation, participants reconciliation exceptions, human resources and finance interface key metrics and indicators • End-to-end Separation Process Review with UN Family entities and SPCs

✓ Achieved

→ In progress

••• Deferred

	Pillar 2 – Modernizing pension services	
Objectives	**To establish business transformation as part of the Fund's culture and structure** **To improve data analysis and reporting** **To modernize processes** **To adapt internal processes to the future of work**	
Actions	• To establish a Continuous Improvement Programme ✅ • To harmonize contributions calculation methodology across member organizations and reporting entities ➡️ • To change or upgrade the Fund's Enterprise Resources Planning systems, IPAS and Oracle EBS ⚫ • To enhance performance and accountability across all Fund's processes ➡️ • To implement monthly contribution reconciliation across member organizations – reporting entities ➡️ • To conduct pilot projects for Robotic Process Automation ✅ • To assess quality and efficiency gains across value stream against required capacity ➡️	
Highlights / Achievements	• Continuous Improvement Programme, Suggestion Box for idea generation and Lean Six Sigma launched and operational 103 operational staff trained on Lean Six Sigma and more than 50 projects were identified in the past years • Several key performance indicators in Operations, Finance and Client Services have been developed and are being monitored monthly • HR and Finance Interfaces serve as a means to automate exchange of data with member organizations and to improve data quality • New financial Interfaces either at stage 2 and 3 for ICAO, IMO, UNESCO, UNICEF, WFP, and WIPO • Improvement of the bank reconciliation process • Seven Robotic Process Automations (RPA) have been implemented and six are being developed. An RPA Citizen Network has been created within PA staff to identify new opportunities	

	Pillar 3 – Develop a strong global partnership network	
Objectives	**To increase trust and confidence between the Fund and its staff, clients, stakeholders, and decision-makers**	**To raise the Fund's profile**
Actions	• Participants, retirees, and beneficiaries – to modernize the website and merge Pension Administration (PA) and Office of Investment Management (OIM) websites ✅ • To issue regular communication, including website articles, the monthly newsletter, the annual letter, and the annual report ✅ • To launch campaign to explain pension matters and process changes ✅ • To create accounts in social media of relevance ✅ • To interact with participant's groups through UN town hall meetings or other settings ✅ • SPCs and focal points – to meet regularly, and brief about technical issues as well as progress on the Strategy implementation ✅	• Decision-makers and stakeholders - to provide accurate and relevant information to the Pension Board, UN General Assembly and Committees, as well as to stakeholders ✅ • To meet stakeholders all year long, with a schedule of briefings aiming at updating on the Fund's performances and progress of the Strategy implementation ✅ • To identify pension networks and events and to participate where the Fund can raise its profile or benefit from exchange of experience ✅ • Staff – to modernize the intranet ✅ • To conduct regular staff surveys ✅ • To conduct regular town hall meetings ✅ • To update staff regularly on news and topics of interest ✅ • To define annual messaging priorities for senior staff ✅
Highlights / Achievements	• Joint PA-OIM Communication Strategy, improved communication, increased transparency and trust with all stakeholders • Regular meetings and large-scale outreach to member organizations • Participation and briefing of relevant networks • Briefings for SPC secretaries, SPC members, and decision-makers of the UN General Assembly all year round	• A modern extranet for the Board and its committees was launched to improve access to information and key documents • Improved Leadership Culture Assessment results by 11 percentage points from 2021 to 2023 • Improved internal communication through the new intranet, regular town hall meetings, and newsletters • A new induction programme for new staff has been implemented to integrate them better within the Fund

Where we are now

2019 (Pre-COVID-19)	2021	2022	2023
Key figures			
131,583 participants 79,975 benefits in payment	137,261 participants 82,312 benefits in payment	143,612 participants 83,988 benefits in payment	147,200 participants (projected) 85,200 benefits in payment (projected)
US$ 2.70 billion of periodic benefits US$ 2.69 billion of contributions	US$ 2.97 billion of periodic benefits US$ 2.98 billion of contributions	US$ 3.13 billion of periodic benefits US$ 3.12 billion of contributions	Data not yet available
Key indicators			
88.3% of initial pension cases processed within 15 days	90.5% of initial pension cases processed within 15 days	93.3% of initial pension cases processed within 15 days	92.1% of initial pension cases processed within 15 days year to date (May 2023)
100% of payroll issued on time	100% of payroll issued on time	100% of payroll issued on time	100% of payroll issued on time as of May 2023
1 minute 23 seconds average call response time	1 minute 23 seconds average call response time	1 minute 02 seconds average call response time	Data not yet available
Physical documents received: 61.3% Electronic documents received: 38.7%	Physical documents received: 17.56% Electronic documents received: 82.44%	Physical documents received: 19.28% Electronic documents received: 80.72%	Data not yet available
Not applicable	7,732 Digital Certificates of Entitlement issued	15,282 Digital Certificates of Entitlement issued	More than 24,000 Digital Certificates of Entitlement issued as of June 2023
Not applicable	Leadership Culture Assessment Agreement rating: 57%	Leadership Culture Assessment Agreement rating: 65%	Leadership Culture Assessment Agreement rating: 68%

How we got here

1. Starting our transformation

- In 2020, as the Strategy was being developed, the Pension Administration (PA) also prepared for further transformation and modernization with staff training on Lean Six Sigma, continuous improvement pilot projects and the Suggestion Box.
- In 2021, PA formally started its journey of "performing while transforming", implementing fundamental changes and improvements including people, processes, and technology, and in close partnership with all stakeholders. Gender, HR, learning and development and communication strategies and a Client Service Delivery Model (see chapter 3 below) were developed to complement the C.A.R.E. Strategy.

2. Aligning our structure

PA has aligned its structure to deliver the required transformation as follows:

- In 2020, a dedicated unit in Operations, Operations Client Liaison Unit (OCLU), was established to support partners and member organizations.
- In 2021, the following structures were established:

  » the Client Services Service (CSS), to provide high-quality, timely and consistent services to clients globally;

  » the Business Transformation Unit (BTU), to create a dedicated capacity for business transformation and continuous improvement as per its mandate and significantly contributed to change in PA;

  » the Data Analysis Unit (DAU), to support PA's objective of being a data-driven organization, as well as monitoring and advising on the Fund's long-term funding, solvency, and sustainability; DAU's activities have also included the development of PA's data strategy and data governance framework;

  » the Project Management Office, to support the implementation of projects, to track progress and to align project priorities with the C.A.R.E. Strategy.

- In 2022, the following structural changes were implemented:

  » the Finance function was centralized in New York and the concerned Geneva staff were redeployed to strengthen PA's client services and pension entitlement functions.

  » a new consolidated unit, Business Support Services Unit (BSSU), was created to provide learning and development, human resources, and facilities management support services to PA and the Office of Investment Management. The consolidation of this business support function aimed to ensure a Fund-wide alignment and integration of processes and a more effective allocation of resources.

- In 2023, the Risk Management Unit (RMU) was created to strengthen the Pension Administration's risk management capabilities. The Unit advises on implementing and effectively operating the risk management framework. The Unit assesses, monitors, and reports on enterprise risks, and oversees the design and operation of the Fund's internal control framework. The Unit also liaises with internal and external oversight bodies and analyses and supports the implementation of audit recommendations.

3. Transforming client services - foundation

- In 2021, as part of the C.A.R.E. Strategy and to frame the mission of the newly created Client Services Service (CSS), a new global Client Service Delivery Model (CSDM) was developed.
- The new Client Service Delivery Model focuses on four key principles:

  » client-oriented organization: we have a culture of client orientation across all functional areas of the Fund.

  » global service provider: we deliver services aligned with clients' needs in various locations and time zones.

  » timely, high-quality, and consistent services: we provide timely, high-quality, and consistent services regardless of location.

  » empowering clients with self-services and simplified interfaces.

- To implement the new Client Service Delivery Model, eleven action items were identified.

4. Our work on organizational culture

- In 2021, the Pension Administration embarked on an organizational change journey, with the first Leadership Culture Assessment (LCA), using the UN System Leadership Framework as a basis to reflect upon team practices.
- Based on the feedback, key priorities were identified; managers, staff and Culture Champions volunteers worked to strengthen our culture; several new initiatives and projects were implemented with very good outcomes.
- In 2022, we witnessed a measurable improvement in the second round of the LCA, with positive rating increasing by 8 per cent from the 2021 results.
- We launched the third round of LCA in 2023 to check in on how we are doing. Again, positive ratings increased by 3 per cent from the 2022 results.
- Changing culture takes time and is an ongoing process. We will continue our journey.

Pension Administration LCA results in 2023 and 2021
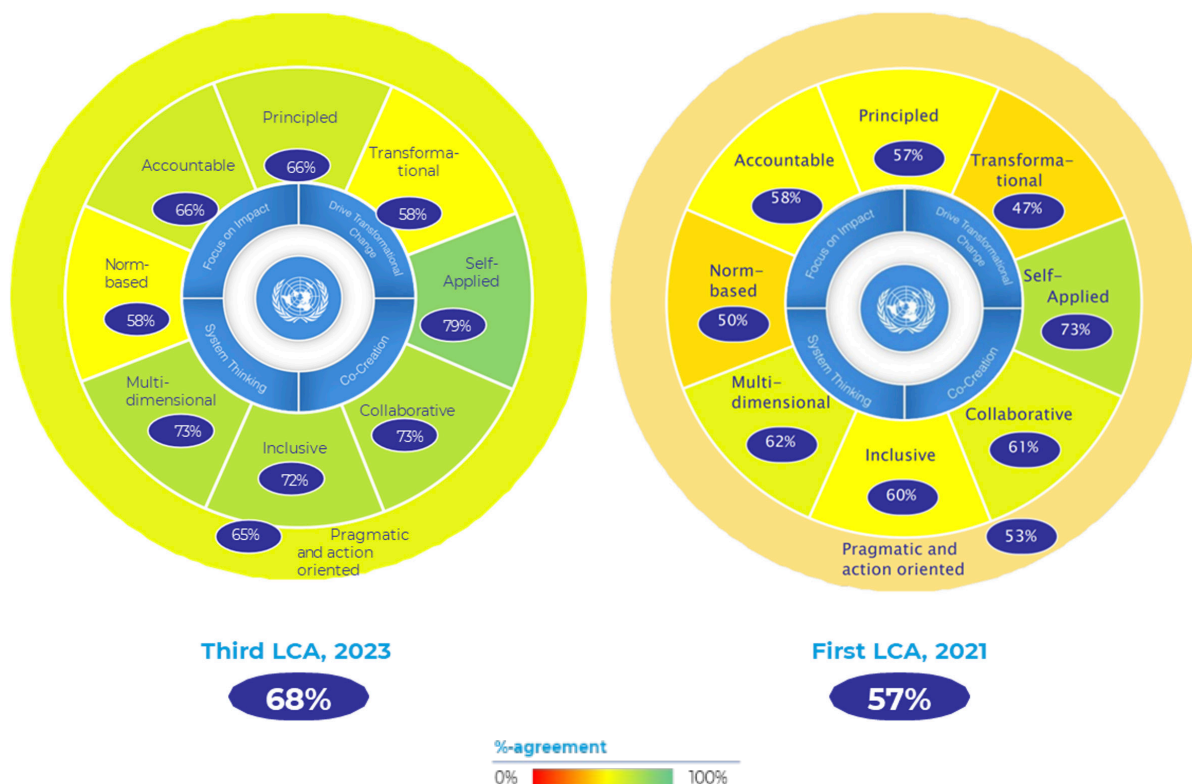
Third LCA, 2023 — 68%

First LCA, 2021 — 57%

%-agreement
0% 100%

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