

Would You Recomme

Occasionally, as a customer, you feel really moved about a product you buy or a service experience. Maybe you ate at a restaurant and the food was so good that you had to tell someone? Or you had poor service and you felt you had to warn other people? Perhaps you just liked the idea of the new organic, locally sourced restaurant you visited and you want to tell all your friends about it.

The quality of a service or the merits of a product can sometimes make such an impact on you that you spread the word about it.

The Pensions Trust asked a sample of members about their pension schemes and the likelihood they would recommend the scheme and The Pensions Trust to others. We found that over 40% of the members surveyed have recommended the scheme or The Pensions Trust to one of their colleagues.

Why we Measure Customer Satisfaction

The Pensions Trust is a pension scheme that exists solely for its members – you! So, we want to know how we are doing.

We also measure customer satisfaction to see what else we can do to encourage more people to recommend us, because we know that a lot of our members join on the strength of a personal recommendation. The more joiners we have, the more we can improve our products and services and keep our costs low.



Member Survey

Earlier this year, we surveyed a sample of our members to find out which factors were most important to them and how well we were doing at satisfying them on these.

The 18 most important factors were initially identified by a small group of members. We then asked a randomly selected much larger sample of members to give us marks out of 10 for these factors. We also asked them to rate the importance of each factor.

What Satisfies You

The table opposite sets out how satisfied members are with each of the factors that we surveyed, together with a comparison with our previous survey carried out in 2004/05 for those factors that remained the same.

It is pleasing to note that 13 of the 18 requirements received average satisfaction scores of 8 and above, suggesting that members on the whole are satisfied with The Pensions Trust's performance.

This compares with 10 out of 17 factors that scored 8 and above in the 2004/05 survey.

Members were most satisfied with the 'accuracy of the response provided', recording an average satisfaction score of 8.71. This is followed by the 'helpfulness of staff' and 'quality of guidance/information provided', receiving average scores of 8.57 and 8.54 respectively.

What Doesn't Satisfy You

Like three years ago, the highest scoring requirements are generally related to staff and the provision of information, whereas the lower scoring requirements tend to relate to financial matters.

Problem solving ability (complaint handling) scored lowest at 6.58 with investment performance scoring 7.17.

The Bigger Picture

Our overall success in satisfying our members has been measured by a Satisfaction Index™. The index attaches greater weight to the

and a Friend?

more important factors as scored by members themselves. The resulting index is a weighted average score which is expressed as a percentage. The Pensions Trust's Satisfaction Index for members is now 80.9%, which is a small improvement over the 2004/05 score.

To put The Pensions Trust's score into context, this index is compared with over 400 similar sets of figures for other customer service organisations. We are pleased that once again our performance is in the top 40% of the satisfaction league table. As before, our aim is to improve on this and to be in the top 25%.

Our pensioner members are our most satisfied customers (with a score of 88%). Whilst deferred members are our least satisfied group (79.3%), this score has improved significantly from our last survey, reflecting the greater contact we now have with deferred members.

Priorities for Improvement

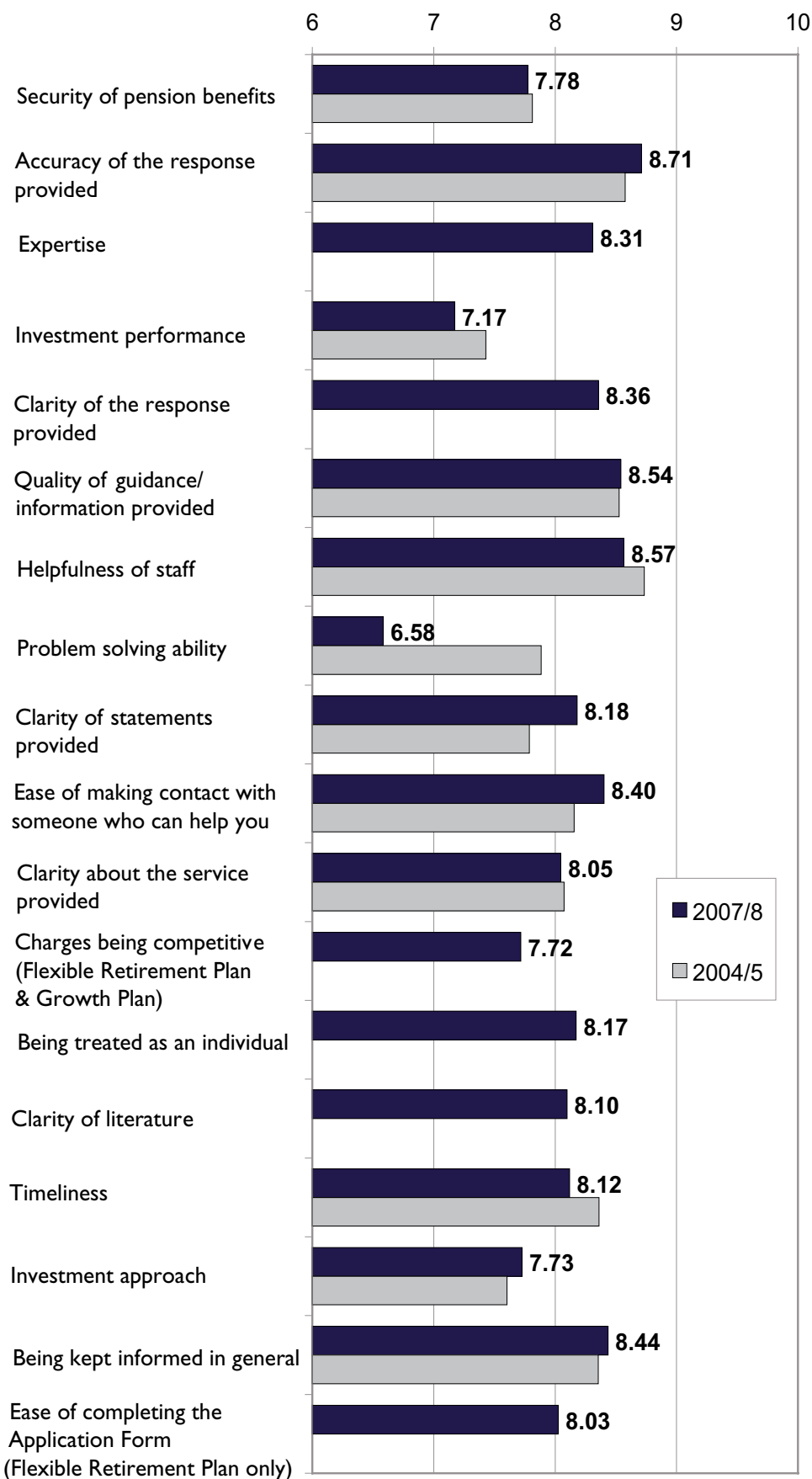
Based on the feedback we received, we plan to improve the following key areas:

1. Security of pension benefits
2. Investment performance
3. Problem solving ability
4. Quality of guidance/information provided

1. Security of pension benefits

It is clear that members perceive that their benefits may be at risk when, in reality, the benefits are protected to a large degree under the current pensions legislation. This perception can be based upon a number of factors such as the negative media coverage on pensions.

Satisfaction Ratings



Action: In a future issue of Intouch we will explain to members what the ‘actual’ risks are in relation to their pension benefits.

2. Investment performance

Below target relative investment performance over recent years has been a concern for the Trustee and this was also identified as a priority for improvement by the previous survey. We have now diversified the three main investment funds, removed some investment managers and appointed new ones with the aim of providing more consistent long-term investment performance.

As reported elsewhere in this issue of Intouch, the relative performance of the important Global Equity Fund has recently improved and hopefully this will continue and extend to meet the targets we have set. The performance of all the funds is carefully reviewed by the Investment Committee each quarter to assess both immediate past performance and the prospects for each manager being able to meet their performance objectives over the time periods that they have agreed with us. We have done a lot of work on investment strategy but acknowledge that we have not told members exactly what we have done and why we have done it.

Action: In a future issue of Intouch we will include an article that will help demystify investments and investment strategy and our approach to this.

3. Problem solving ability

The score that stands out and perhaps needs some further explanation, is the one to do with ‘Problem solving ability’. In our survey three years ago

we put this question to all the customers that were surveyed. This time round we targeted only those members that had raised a complaint or issue with The Pensions Trust. Only 13 people responded to this question and the satisfaction score was reasonable for active members (8.14) and deferred members (7.50) but the three pensioner members scored us very poorly (2.33).

Action: Although the numbers of members responding here are small we are well aware that bad news travels much faster than good news. We will review our complaints process and will seek further views from members on our complaint handling procedures.

4. Quality of guidance/ information provided

Though the score for this factor was good, we recognise that members’ ratings for this factor can be affected by such things as our helpfulness, timeliness, expertise and how we treat each individual member.

We are currently looking at whether we can offer greater flexibility over how members contact The Pensions Trust (be it by telephone, via email, through the website or by post).

Where possible, we will ensure that we are able to deal with members in the manner that they want to be dealt with, which means equipping our teams with the skills that they need to meet our aim of providing ‘excellent’ customer service.

Action: Where we can, we will give members more choice on how we communicate with each other and we will also improve the customer-focus requirements

in our recruitment and training programmes.

So, would you recommend us?

We continually strive to improve our service to encourage more people to recommend us, and we thank you if you took part in the recent survey.

However, we know that customer satisfaction isn’t the only reason why you recommend us. Many of you are



aware of the importance of saving for retirement, and you share this with friends and family. The State Pension will cover only the bare essentials, and is becoming payable later and later in life. Some of you will point out that not joining the pension scheme means not taking advantage of the employer pension contribution, which is part of the salary package. Pension scheme membership might be the key to other important benefits, such as life cover and dependants’ benefits. Even with all the other demands on people’s pockets, the question today is perhaps not so much can you afford to join your pension scheme but rather can you afford not to?

We were delighted to learn that over 40% of members surveyed said they have recommended The Pensions Trust (or one of its schemes) to a colleague. Could you?