CRM and Campaign Management: A Powerful Pair for Public Pension Administration

INTRODUCTION

As today's public pension systems have embraced modernizing their operations to achieve next-level performance, they have placed particular emphasis on two critical elements of modern public administration systems (PAS). Comprehensive customer relationship management (CRM) and campaign management ensure that members receive current, targeted communications about benefits, and administrators collect member activity and demographic data for future personalized campaigns, respectively. These two capabilities are of even greater concern due to the coming demographic shift known as the "gray tsunami," where roughly 73 million baby boomers will be at least 65 years old in 2030, marking their collective entrance into retirement.[1] For the U.S.' roughly 5,000 public sector retirement systems[2], the impending wave of baby boomer public servant retirees -- further augmented by those who opted for early retirement due to the pandemic -- will necessitate increased member communication for dedicated, personalized campaigns about important retirement process information, so members can make the most appropriate and informed retirement decisions.

THE PUBLIC PENSION/MEMBER RELATIONSHIP

U.S. state and local public sector retirement systems and their members have a unique relationship. In exchange for their public sector tenure, members are served by their respective pension systems, who provide critical retirement process information so they can make the most appropriate planning decisions. This involves systems communicating with members via timely alerts about deadlines, contributions, service time records, and relevant legislation that could affect their eligibility and overall payouts. Even if members themselves are not proactive, retirement systems need to communicate the financial simulations and calculation tools, so members always have complete retirement information at their disposal.

CAMPAIGN MANAGEMENT AND CRM: A POWERFUL COMBINATION

With comprehensive campaign management and CRM, retirement systems can support emails, texts, physical letters, and secure messages, while working in tandem with digital self-service to encourage ongoing member engagement. Individual campaign examples/use cases include:

- Locating/Updating beneficiaries

- Paperless delivery sign-up (for member and employers)

- Direct deposit registration

- Educational seminar registration

- System scholarship program promotion/application

Through robust CRM, administrators can develop complete profiles of member activity and demographics, to analyze and personalize future digital member experiences. Combined, campaign management and CRM can build a secure repository for member data, personas, and analytics, as well as an ongoing, collaborative communications experience.

Creating and recording retirement activity for each member account is another key function of campaign management and CRM. In particular, developing thorough, transparent reports for members and regulators and maintaining up-to-date contact information, so benefits can be dispensed regularly and received promptly. Pension systems that do not perform proper due diligence to locate members for benefits payouts can receive stiff penalties, including multimillion-dollar fines. Another feature specific to CRM is enabling administrators to track member activity and analyze the resulting data to better understand member preferences for future personalized campaigns to encourage further member engagement.

CONCLUSION

Robust CRM and targeted campaign management constitute a powerful pair for targeted, personalized communication and accurate data collection, analysis, and reporting for accurate benefits payout and member retirement education. With these capabilities, pension administrators can develop and maintain collaborative member relationships, to establish secure, sound retirements for all.

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1   "2020 Census Will Help Policymakers Prepare for the Incoming Wave of Aging Boomers," U.S. Census Bureau, December 2019
2   States Info, https://www.nasra.org/states