



# Finding the Right Solution for Public Pension Upgrades

## INTRODUCTION

As public pension systems nationwide upgrade their core solutions to enhance member service, choosing the right solution has become paramount. The selection process can be complicated, especially with so many pension administration system (PAS) options, and the decision could influence organizational success for years to come. By conducting a system assessment at the start of the process, public pension administrators can choose a solution that can meet changing member and industry needs, while maximizing the value of the pension system's investment.

## A BASIC SELF-ASSESSMENT

To start the PAS selection process, pension administrators should perform a basic self-assessment to determine their current and future business and technology needs. Most importantly, they should consider how the potential solution would address these requirements as they evolve and grow. Administrators can ask themselves the following questions to help select the best solution:

- **What are the anticipated or expected benefits of the prospective solution?** Although individual pension systems may have specific needs based on the size of their member constituencies, solutions should automate business processes for streamlined benefits processing, reduce manual workloads to decrease dependence on staff, and enhance self-service for increased member satisfaction.
- **Will the prospective solution meet short- and long-term needs?** Pension systems need to consider prospective solutions based on their future technology needs and anticipated environment. Administrators must also balance the potential system adoption with what they estimate will occur in the immediate future and over the long term. They should also be aware of any possible disruption scenarios, where the system may need extra operational support.
- **Can the prospective solution evolve?** Can the system adapt and evolve in the future? It is crucial that the system's technology adapt to solve future problems and maximize ROI. Outmoded technology is one of the most common reasons organizations must change platforms and providers. The right solution can resolve this issue for decades to come.

- **What additional system features will support the new system investment?** Besides the eventual cost savings from new system efficiencies, are there other features that further justify the investment? Tailored user experiences, advanced data security practices, and seamless integration with medical/disability partners, plan administrators, and/or other government entities are other important factors that pension systems should consider before investing in large-scale implementations.

These questions should enable pension administrators to determine many current and future technology considerations before proceeding to vendor review and selection.

## FURTHER CONSIDERATIONS

Public pension systems cannot work in isolation and expect to be effective for the long term; they must be able to adjust when policies or plan rules change. They must also be able to tackle business issues as they arise without disrupting current core processes. These are important concerns to raise with vendors when reviewing actual solutions. Before a more involved vendor discussion, administrators should also be aware of the vendor's reputation for delivering solutions on time and on budget, security options to protect member data from external and internal threats, and disaster recovery capabilities.

## CONCLUSION

The scrutiny and prioritization of solution preferences are worth the effort for a platform that enables more efficient pension benefits processing, enhanced member self-service, and can solve current and future business challenges. With the right solution in place, public pension systems can establish a platform for growth and long-term success.

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