



PASA eAdmin Working Group

EAdmin – Focusing on a Saver -Centric Experience

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E-Admin - Focusing on a Saver-Centric Experience

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1 Executive summary

eAdmin has evolved beyond automation or the simple use of technology. The focus now is how we leverage technology to deliver an improved saver experience. Covid-19 accelerated digital adoption across all sectors and this has driven wider acceptance of digital channels with a move away from paper-based processes and communications.

DC Schemes are leading the way in driving saver engagement by ensuring saver portals have engaging content and financial wellbeing modelling tools to help savers make better decisions about retirement.

In other parts of financial services, companies are leveraging Artificial Intelligence and Machine Learning to deliver hyper-personalised digital experiences. To deliver a personalised saver experience in pensions, the data fundamentals must be in place. i.e. complete, and accurate data including behavioural data to develop the right personas and user journey.

Data quality remains one of the key challenges in delivering automated calculations, but regulatory requirements of dashboards and GMP equalisation (GMPE) are driving the increased focus on data. Improving self-service saver portals is also facilitating an increased focus on data quality.

Within financial services, companies have spent the last part of the 21st century investing heavily in data, infrastructure and User Experience ('UX') to facilitate end-to-end processing and a seamless end-user experience. The pensions sector can now adopt best practice and leverage this work.

The pensions landscape continues to evolve (e.g. transfer regulations in November 2021) and administrators need to be adaptable and flexible to incorporate these changes without reintroducing manual workarounds. Key challenges for the pensions industry include paper-based records, outdated legacy systems and complex manual processes. Legislation requiring paper-based communications and an ingrained culture of cautiousness has meant the industry hasn't always pioneered technology changes.

Administrators are capacity constrained because of a number of regulatory changes as well as resource shortages in the market, but competitive advantage can be achieved by those brave enough to innovate and adopt technologies proven in other sectors. When he was Pensions Minister, Guy Opperman challenged the industry on the lack of long-term vision in pensions¹. Having a holistic view of eAdmin and recognising it as an investment in improving overall saver experience is one key element in addressing this. Investing in eAdmin isn't as daunting as stakeholders may anticipate and the costs associated with making these changes are an essential investment. An initial focus on tactical, short-term fixes has meant the overall benefits haven't been unlocked. It's important to

¹Pensions Expert article 09 March 2022: <https://www.pensions-expert.com/Law-Regulation/Opperman-slates-lack-of-long-term-vision-in-pensions-hints-at-reshuffle>

have stakeholder buy-in at all levels of an organisation, as well as a clear vision and measurable objectives to quantify improvements.

In 2022, the eAdmin working group conducted 25 interviews with Third Party Administrators (TPAs), Professional Trustees, In-house administration teams, advisers and the Pension Protection Fund to discuss these issues and the key outcome was a strong desire to deliver a better saver experience.

The following chapters address the findings of the interviews undertaken and include guidance on how we can leverage developments in other parts of financial services to deliver better outcomes for savers. There's no one size fits all, but there are steps to be made in improving data quality, processes and ultimately driving the sector forward. Appendix A includes additional guidance on assessing progress against best practice.

2 Key Findings from the interviews

An overwhelming majority of participants confirmed eAdmin is a 'must have' in today's environment and have set aside the required budgets. Developments are prioritised by assessing the saver experience, operational efficiency, environmental impact and regulatory requirements, and are no longer purely based on a Return On Investment /Cost view.

In the interviews, it was clear regulatory requirements (dashboards and GMPE) are driving change. Schemes need to ensure they have a clear data management plan to ensure enhancements aren't tactical and short term. To achieve change, enhancements need to be both the back-end (areas hidden from savers including infrastructure, data storage and calculations) and front-end (the website or app a saver will interact with).

Behind the Scenes (back-end): Data and Calculations

Data quality is a pre-requisite for an optimal infrastructure and efficient end to end processing. The top reported priorities administrators are all data dependent, and include:

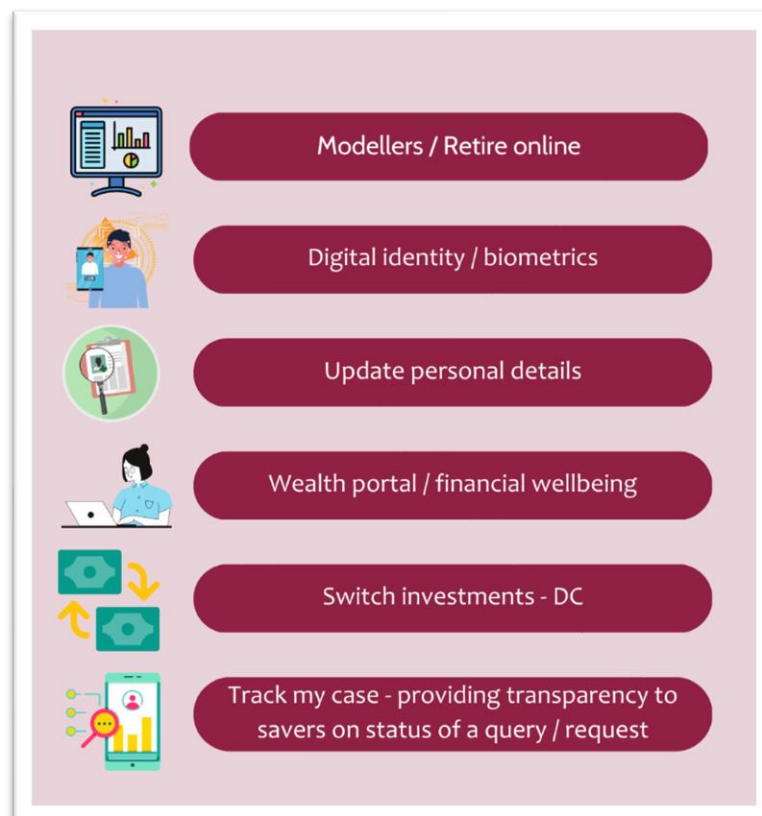
- Dashboards
- GMPE
- Automation of calculations and processes due to admin resource constraints
- Application Programming Interfaces to enable all systems to connect and building process efficiencies
- Track my case - providing transparency to savers on the state of a query (the server work required to map the admin workflows to saver friendly stages)

Saver Facing (front-end): Portal/Apps

Online portals are key to engaging and retaining savers. Improving saver engagement can be achieved with the following enhancements:

- Personalised saver communications sent at appropriate times (birthday, key life events, time to retire)
- Saver communications highlighting the eAdmin enhancements being made
- Saver forums (including user test groups), feedback and surveys
- Simple, user friendly and jargon free portal navigation

Top priorities across all those interviewed include:



Investing in technological innovation is key, not only to drive down costs, but also for schemes to be able to deliver.

3 Data

Data underpins every aspect of running a pension scheme and good quality data is critical to the effective management and delivery of pension benefits. Having clean, digitised data is the foundation to build and improve automated processes and meet regulatory requirements.

The PASA Data Working group (DataWG) published Guidance on [data management plans](#) in March 2021 (and further Guidance on [data management plans and controls](#) in November 2021). In July 2022, additional Guidance on [Dashboard data accuracy](#) was published.

3.1 Data store and Digital Records

In order to create a solid foundation on which to build and improve automated processes, where possible schemes should implement the recommendations described in the eAdmin WG's earlier paper², and invest in data quality and storage.

Defining a data strategy and documenting a data architecture requires specific data skills. Large financial services firms may appoint a Chief Data Officer or Data Governance Office³ to ensure there's consistency in how data is managed across the organisation. Schemes are resource-constrained and hiring data specialists could add capacity by working with pension subject matter experts and ensuring data quality management is conducted in a holistic way. Currently, new functionality is added or 'bolted on' to legacy infrastructure, resulting in hybrid processes with inefficient manual checks. This will continue to be a barrier to change because it constrains scalability.

All data (personal saver data and calculations) should be captured in a database. Paper records or PDF documents can be scanned and indexed to the specific saver. To capture unstructured data from paper based records or PDF documents, industry leading firms implement form recognition software i.e. Optical Character Recognition, to map form fields and store this data in a database.

Current position

The interview research conducted confirmed:

- The majority of large schemes have digital saver records on a database, and
- The relevant documents have been scanned and stored digitally

² [e-Admin Journey People and Technology Working Together](#)

³ The Data Governance Institute defines DGO as "a centralized organizational entity responsible for facilitating and coordinating Data Governance and/or Stewardship efforts for an organization"

Please see Appendix 1 for details on how you can use the table below to rate how your scheme scores on Data storage.

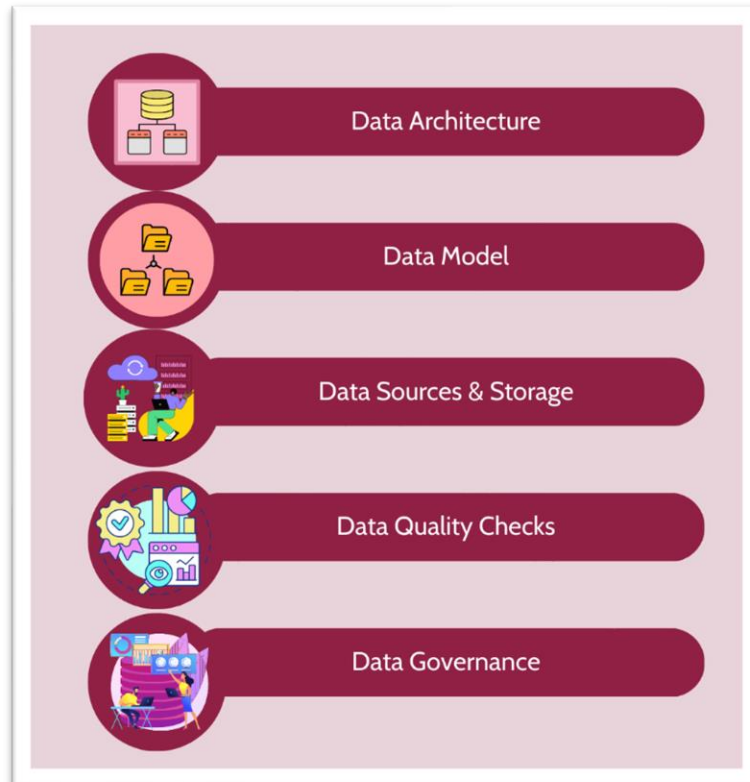
What good looks like	Current RAG rating	Revised RAG rating
All saver records stored on a database		
All historical records stored digitally and no paper based records		
Minimal manual intervention		
Relevant documentation scanned and stored digitally		
Developed and adopted common data standards		
Ability to extract a defined or full saver data cut for administration transitions and de-risking exercises without manual intervention (i.e. at a push of a button)		
A well-defined data strategy ⁴		
Documented data architecture ⁵		
Data specialists working alongside pension subject matter experts		

3.2 Data Quality and Data Management

Data management is an ongoing process and one-off exercises performed for specific projects are insufficient to maintain overall data quality. Data cleansing is a business-critical component of data management, and regular, structured data cleansing can have wide reaching benefits for the scheme.

⁴ **Data strategy** refers to the tools, processes, and rules which define how to manage, analyse, and act upon business data. A data strategy helps you make informed decisions based on your data. (Source: <https://www.stitchdata.com/resources/data-strategy/>)

⁵ **Data architecture** is a framework for how IT infrastructure supports your data strategy. The goal of any data architecture is to show the company's infrastructure how data is acquired, transported, stored, queried, and secured. A data architecture is the foundation of any data strategy. It's the 'how' when implementing a data strategy. (Source: <https://www.bmc.com/blogs/data-architecture>)



The data cleansing process involves reviewing and updating incomplete, incorrect, improperly formatted, duplicated or irrelevant information. This is the foundation upon which a solid infrastructure is built. TPAs and in-house administrators which can't successfully implement and maintain an effective data cleansing programme will be limited in what they can achieve (in terms of efficiency, automation and access). There are also gaps related to personal saver data which can be filled by leveraging external data sources/services. These include:

- existence and mortality checks
- verification services for bank details and physical address.

Current position

The interview research conducted confirmed:

- The majority of TPAs do monthly mortality checking for UK savers, annually for international and use a variety of service providers
- Dashboards, GMP Equalisation and Buy-out projects drive data cleanse
- Saver Portal self-service is helping to keep personal data up to date and work is being done to understand saver behaviours and sending 'nudges' at the relevant time

What good looks like	Current RAG rating	Revised RAG rating
Created and maintaining a Data Management Plan ⁶		
A data team focused on ongoing data quality management		
A self-service saver portal allowing savers to update personal details directly (encourage updates at least annually)		
Nudging savers at the appropriate time		
Mortality checks on full saver population annually		
Existence (living as stated) checks performed by 3 rd parties		
Benefit audit		

3.3 Dashboards

Dashboards have the potential to transform how people access and view their pension information. The industry is now focused on the practical realities and challenges of dashboards. A real issue for dashboard compliance is being able to digitally interrogate records to return a 'find' message. For most organisations, the investment and technical complexity required to connect to pensions dashboards means working with an Integrated Service Provider (ISP) may be a preferred solution.

The PASA Dashboards Working Group published guidance in December 2021 on Data Matching Criteria (DMC), with an [interim update](#) published in August 2022. Further updated guidance will follow in 2023.

Data accuracy is key and schemes should be working towards having a high level of confidence in the accuracy of surnames, DOBs and NINOs for deferred and active members, though other match criteria will likely be required to increase matching rates. This will involve continual, systematic checking of the accuracy of actual values held in these data elements (source: <https://www.pasa-uk.com/wp-content/uploads/2022/08/August-22-PASA-DMC-Guidance-update-FINAL.pdf>)

⁶ Please see PASA Data Working Group Data Management Plan Guidance and Ongoing Data Management and controls Guidance <https://www.pasa-uk.com/guidance/data/>

PASA hosted a [webinar on Dashboards Value Data](#) in September 2022 which included a slide showing the simplified dashboards ecosystem, shown below.



Simplified Dashboards Ecosystem

“We acknowledge that our proposals are ambitious and that making a success of Pensions Dashboards is a significant task for both Government and industry. But Dashboards are an essential part of our plans to modernise the pensions industry and make it fit for the 21st century digital age. Dashboards will open huge opportunities to reunite individuals with lost pots and transform the way people think about and plan for their retirement.”

Ministerial foreword to the 31 January 2022 DWP consultation

The connection deadline timetable will be a challenge for some schemes, but the upside is the legal requirement to meet dashboard standards will drive data accuracy and technology improvements.

All schemes should know their connection date (which can be found in [The Pensions Dashboards Regulations 2022](#)). Schemes must ensure they have a data management plan, a good understanding of the completeness, validity and accuracy of saver data and a plan to connect to the dashboards ecosystem.

TPR has created a [checklist for preparing to connect to dashboards](#) which will be updated again in 2023.

Current position

The interview research conducted confirmed:

- TPAs/in-house teams have selected their route to connection

What good looks like	Current RAG rating	Revised RAG rating
There is a data management plan in place to ensure data remains accurate		
Connection deadline is known		
Route to connection has been selected — building own interface or using a (new or existing) third party’s solution (12-18 months before deadline)		
If connecting directly — familiarity with the Pension Dashboard Programme’s (PDP) connection process and registered intention to connect directly. (12-18 months before deadline)		
If connecting directly — started the connection process. (6-9 months before deadline)		
If connecting through a third party —familiar with PDP’s connection process and have all the necessary information and support in place to connect (6 weeks before deadline)		
Understand what personal data will be received from the system to help match savers to their pensions.		
Assessed the accuracy and digital accessibility of this data		
Put in place plans to improve the accuracy and digital accessibility of this data (if required)		
Delivered improvements to data accuracy and have processes in place to ensure this is maintained. (0-3 months)		
All relevant data is now digital and processes are in place to ensure this is maintained (0-3 months)		

4 Automation

The benefits of automated standardised processes are clear: not only do they enable transparency and accountability but they free up people to focus on more value add tasks. The level of automation achievable is scheme dependent and reliant on the quality of the data. Generally, larger schemes have higher levels of automation. Small schemes tend to be less automated, as enhancements could be cost prohibitive.

The majority of administrators have integrated payroll, treasury and accounting systems. Many still require physical certificates, but there's a move toward digital ID verification and biometrics. Saver portals now facilitate uploading scanned documents and administrators are moving away from requiring physical death certificates. Some firms have dispensed with certificates entirely and use online services or commercial solutions for digital ID verification (using a GDPR compliant data set for address histories, voter records, passport records, DVLA databases etc).

Other financial services sectors have been using biometrics to perform secure identity checks for years – they incorporate biometric technology into their existing processes and develop innovative ways to use Artificial-Intelligence systems (and even social media) to trace missing savers and identify fraud. Identity services solutions will be at the heart of the Pensions Dashboard project and will be central to a firm's operations.

The increased risk of fraud and scams on transfer requests can be mitigated by using external specialists in biometric and ID verification for proof of life/existence and tracing services. Overseas saver payments can also be checked using FCA and Global Sanctions Watch lists to ensure the right person is being paid.

Current position

The interview research conducted confirmed:

- Over 80% of calculations are automated, and have integrated Payroll, Treasury and Accounting

What good looks like	Current RAG rating	Revised RAG rating
100% of calculations are automated (no manual calculations)		
Integrated payroll, treasury and accounting		
No manual inspections of physical certificates		
Digital identity (applies machine learning to scan documents to ensure not fraudulent)		
Digital identity verified using biometrics		
No bespoke processes		

5 Portals/Apps

Portals or Apps are critical in improving engagement as these are the savers access point to their pension.

Specialists in UX and behavioural science are available to ensure saver journeys are well understood, with intuitive and engaging actions. Administrators developing portals should seek guidance to ensure they are built with the end user in mind. In addition, saver communications should be reviewed to ensure they are simple, user friendly and jargon free. Short financial education and guidance videos (<2.5 minutes) another option of the preferred medium for savers.

For savers to make informed decisions in retirement, they need a view of all their financial assets. In addition to a holistic view of financial wellbeing, retirement is a major life event and the emotional aspects should also be covered. Trustees and employers should focus on all aspects of retirement and provide forums/communities where experiences can be shared.

Engaging savers has been a challenge especially for defined benefit (DB) schemes, but a key lesson to be learned from DC, is to focus on holistic financial wellbeing guidance through modelling tools and financial education.

A saver portal is a website designed for savers to have easy access to static information on their accounts (payslips, benefit statements, educational content, etc). Forgetting passwords creates friction and generates the most portal queries. Portals have therefore been created where savers can access materials and complete forms without the need to remember their login.

A self-service portal takes the concept one step further, by offering savers information and resources to help them find answers and resolve their issues. Savers can now update personal details, bank details and even retire online.

Self-service portals benefit savers by enabling them to quickly access and update their information. They also benefit schemes by building efficiencies and allowing administrators to focus on value add activities and allow trustees and employers to get information about the health of their scheme.

Communication is key in notifying savers about upcoming changes and maintaining re-engagement. Adding web chat and ensuring communication is conversational offers additional options and support to savers. Using voice assistants like Alexa or Siri adds further access options.

Using behavioural science frameworks and ongoing user testing/forums can help to better understand saver behaviours (such as saver mindsets and goals). This understanding will feed and leverage AI to work with big data and allow a more personalised experience to be delivered at each user touch point. Digital engagement is available to anyone, anywhere, at any time.

Current position

The interview research conducted confirmed the following was widespread:

- Basic portals for sharing scheme information and documents
- Email addresses captured for some savers
- Self-service saver portals available
- Surveys and saver feedback were undertaken

What good looks like	Current RAG rating	Revised RAG rating
Portals are available		
Email addresses stored for all savers		
Personalisation		
24-7 support		
Web chat/conversational and easy access		
Voice assistants (Alexa, Siri, Google Home)		
Jargon free communications		
UX and behaviour scientists working with pension subject matter experts		
Surveys and saver feedback		
Saver forums		
Educational short videos and online content explaining relevant actions		
Biometric login and no passwords		
Digital inclusion policy / strategy		
Continuous saver testing from build phase to business as usual (focus on saver journey and less on administrator journey)		

6 Challenges

The last couple of years have been challenging for the pensions industry. Covid-19, GMPE and other regulatory changes, together with capacity and cost constraints have resulted in a lack of investment in eAdmin. Data continues to be the biggest barrier to change and needs to be addressed. Data impacts all aspects of a scheme and fixing all data issues can be daunting. All schemes should document a data strategy/data management plan and then prioritise data remediation, and dashboards will require all common data to be cleansed on an ongoing basis.

For DB schemes, legacy infrastructure and paper based records continue to be a barrier together with the fact there are limited actions savers can take to encourage them to use a saver portal or app.

Saver engagement has been a key challenge for most schemes and to increase engagement, fundamental changes need to be made. For both DC and DB schemes, the saver journey should be simple and easy to understand.

To deliver across all aspects of eAdmin requires a strategy and long term plan involving data and UX specialists. The importance of having a forward looking approach to eAdmin cannot be overestimated. Investment will drive efficiency, unlock capacity constraints and drive better saver engagement.

7 Conclusion

It's been over two years since the start of the pandemic and our working habits have been truly transformed as a result, demonstrating change is possible if the motivation is there.

The interviews confirm having an online capability, supported by automated processes, is key for delivering an engaging saver experience. Saver self-service provides flexibility and creates capacity for already constrained administration resource including out of working hours support.

Most schemes can see the benefit and efficiencies eAdmin brings with and would classify it as a 'must have'. Moving to an automated environment means pensions firms will be well placed to face the challenges not only for tomorrow, but for the foreseeable future.

Appendix A – RAG status

To assist in assessing the maturity for each of the areas covered above, we suggest a simple method of assigning a RAG status per row of ‘What good looks like’ in the tables within this Guidance. The overall section status is then based on the majority, e.g. if 5 out of 6 are Red, the section rating is Red. You could then set a reminder to rate again in 6 months, 12 months, 18 month to see your progress

1 Green = on track

- Fully meeting the recommendation at an appropriate level for your organisation.

OR

- Recommendation is on track to be achieved in next 12 months.

2 Amber = being managed, needs to be closely monitored

- Partially meeting the recommendation at an appropriate level for your organisation.

OR

- Recommendation is on track to be achieved in next 12 months.

3 Red = cause for concern, action required

- Not meeting the recommendation at an appropriate level for your organisation.

OR

- Recommendation is not on track to be achieved in next 12 months.



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