



BOARD OF RETIREMENT

Staff Report

File #: 19-741

Agenda Date: 2/6/2020

Agenda #: 3.

FROM: Colin Bishop, Chief of Member Services

SUBJECT: Engagement of ICMI Consulting for phone system and call-center consulting services

RECOMMENDATION:

Recommend that the Board approve the engagement of ICMI Consulting for phone system and call-center consulting services, in an amount not to exceed \$78,000.

BACKGROUND:

Several months ago, SBCERA staff began researching consultants to conduct a comprehensive assessment of our current phone system. This assessment will feed into the phone system replacement project which was outlined in SBCERA's Triennial Strategic Plan for Fiscal Years 2020-2022. While SBCERA's phone system has been targeted for replacement for some time, the importance of this project has been underscored by two separate system outages which disabled SBCERA phone services in late 2019. In addition to exploring a phone system solution which can withstand similar service disruptions, we are looking for a call-center product which can help improve customer service by accelerating call routing, minimizing queue time, and making better use of metrics. We also plan on taking a more deliberate approach to training for our staff, to include best and leading customer service practices from both the public and private sectors. Additionally, we expect the chosen consultant to partner with us on what we anticipate as a highly technical and complex procurement process for a replacement phone system.

To assist with the project, SBCERA contacted four major customer contact/call-center consulting firms, and received a set of proposals from each. All proposals were professional and comprehensive, and the International Customer Service Management Institute ("ICMI") was selected as the preferred vendor. Through their written proposal, work samples, and discussions with SBCERA, ICMI's team demonstrated a thorough understanding of the technology, workforce management, and customer service aspects of this project in a way that we feel provides the best value of the four proposals. Additionally, ICMI demonstrated a clear understanding of SBCERA's procurement process and provided a strong list of both public and private sector client references. They have also worked with a number of public pension systems both in California and around the country, and had an understanding of our business operations and needs which was unique in both breadth and depth among the four firms who made proposals.

Phase 1 of the project will consist of the assessment, while Phase 2 consists of the procurement. (All proposers provided an estimate for Phase 1, and ICMI also provided an estimate for Phase 2 based on further discussions.) We expect Phase 1 to include the following elements: (1) an analysis of our current phone system solution and call-center services (covering both technology and business practices), (2) a determination of what our ideal future state will be, and (3) a clear path to that future

state. Phase 2 will include the development of our technical and operational needs and requirements, creation of a Request for Proposal ("RFP"), vendor evaluation and selection, and vendor negotiation. ICMI is a leading consultant in the customer contact industry, and as a result of their size and structure were also able to add additional value to their proposal at no additional cost, including online customer service training courses for SBCERA staff, as well as paid attendance to two major customer service industry events. More details on ICMI's proposal for both phases can be found in Exhibits A and B attached herein, and a table listing all the proposing firms along with their estimated project costs and timelines is included below.

Firm Name	Phase 1 Estimate	Proposed Timeline	Phase 2 Estimate
ICMI	\$39,000*	12 weeks	\$39,000***
Strategic Contact	\$24,900	7 weeks	Not formally scoped
Velocity Consulting	\$44,000**	8-15 weeks	Not formally scoped
West Monroe Partners	\$99,500	4 weeks	Not formally scoped

*Includes the following for no additional cost: 20 seats for online training courses, one paid attendance at ICMI training symposium, and one paid attendance at ICMI's national expo. Total retail value of these items is approximately \$8,184.

**Includes options for customer support training and member needs analysis.

***Phase 2 is expected to run approximately 13-15 weeks.

If this recommended action is approved by the Board at its February meeting, ICMI expects that it could begin its work shortly thereafter (upon completion of the contract with SBCERA), with a target for completion of Phase 1 sometime in summer 2020, with Phase 2 to follow thereafter.

BUDGET IMPACT:

Costs for Phase 1 of this item are included in the budget for the current fiscal year. Costs for Phase 2 will be factored into the budget for the fiscal year ending June 30, 2021.

STRATEGIC PLANNING GOAL/OBJECTIVE:

Operational Excellence & Efficiency

Superior Service Experience

STAFF CONTACT:

Colin Bishop

Joe Michael

ATTACHMENTS:

Exhibit A: Phase 1 proposal from ICMI

Exhibit B: Phase 2 proposal from ICMI