

Improve Borrowers' Access to Quality Customer Service

Goal Leaders: Kathleen Smith, Deputy Chief Operating Officer, Federal Student Aid, and Frank Brogan, Delegated the duties of Assistant Secretary Postsecondary Education, Office of Postsecondary Education (OPE)

Theme: Education, Training, Employment and Social Services

Overview

Goal Statement

- By September 30, 2019, Federal Student Aid will improve customers' access to and availability of quality customer service by decreasing the overall average speed of answer to 60 seconds or less, decreasing abandoned rates to three percent or less, and requiring all non-default federal student loan servicers to expand and standardize call center hours.

Challenge

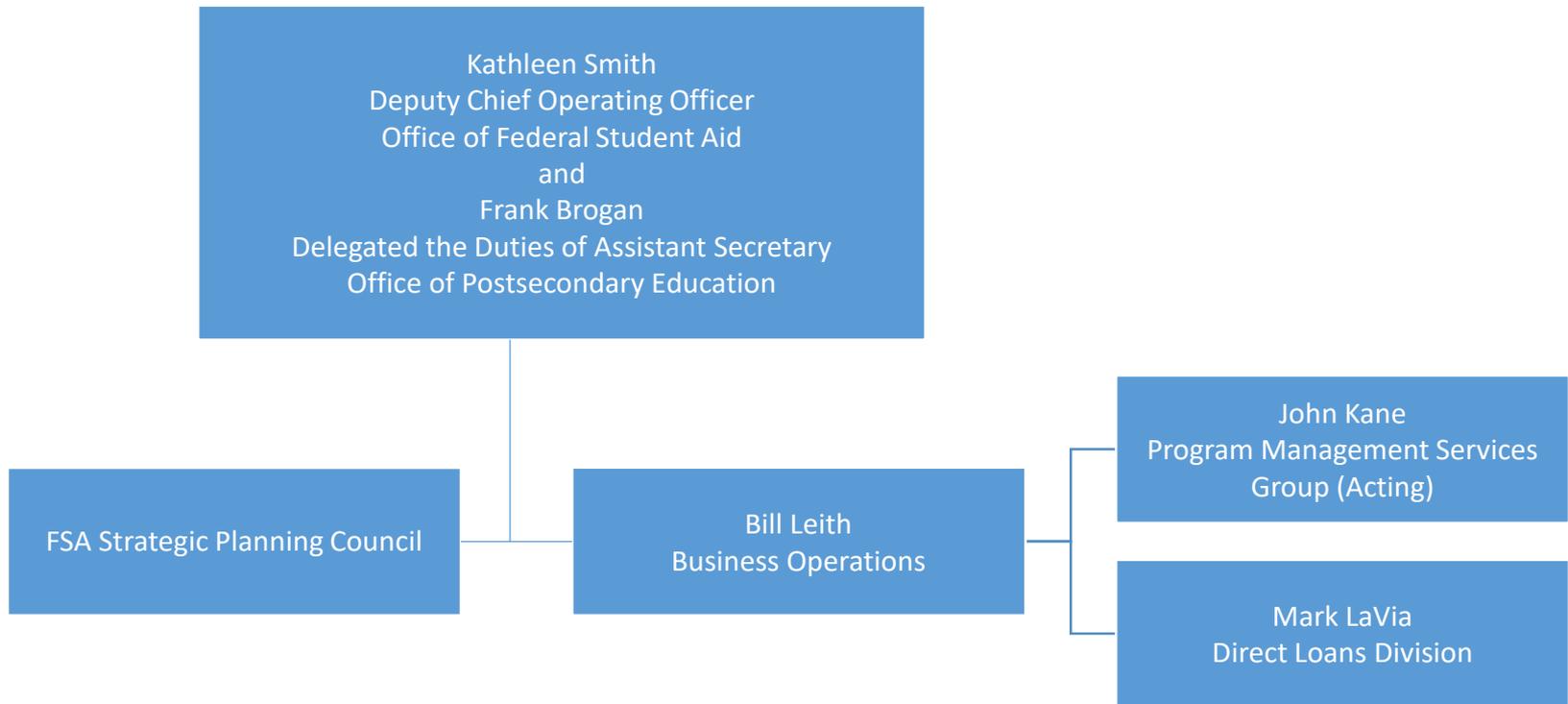
- To provide enhanced access to real time, high quality, agent-available, customer service given the volume of borrowers and the diversity of their service requirements.

Opportunity

- Improving speed of response will allow customers to have expanded access to information and resources they need to successfully manage their federal student loans, which will empower students and help them to successfully manage their federal student loans and reduce the risk of delinquency and default. For customers with unique and complex borrower scenarios, the increased opportunity for human interaction may also lead to more effective problem resolution.

Leadership

Visual representation of the goal team governance structure:



Goal Structure & Strategies

The Department will achieve this APG through phases designed to positively impact two aspects of customer service: call center hours of operation and quality standards of response.

Number of call centers with expanded hours:

Servicers shall implement the following expansion of core call center hours:

- **Phase 1**- by 6/30/18, incoming borrower calls will be received from Monday through Friday (7 am ET to 11 pm ET)
- **Phase 2**- by 3/31/19, incoming borrower calls will be received from Monday through Friday (7 am ET to 2 am ET)

Number of call centers that meet or exceed the quality standard for Average speed to answer (ASA) and abandon rate (AR) for incoming calls:

Servicers shall meet or exceed the following monthly average speed to answer (ASA) and average abandon rate (AR) service levels for all incoming calls:

- **Phase 1**- by 6/30/18, monthly ASA \leq 70 seconds and monthly AR \leq 3.50%
- **Phase 2**- by 3/31/19, monthly ASA \leq 65 seconds and monthly AR \leq 3.25%
- **Phase 3**- by 9/30/19, monthly ASA \leq 60 seconds and monthly AR \leq 3.00%

Summary of Progress – FY 18 Q1

In FY18 Q1, FSA drafted the proposed call center hours and requirements for required for student loan servicers to implement the phases and actions needed to accomplish this APG based on the traditional model for servicing.

In FY18 Q2, a solicitation for FSA's Next Generation Financial Services Environment (NextGen) was issued. The rapid development of NextGen necessitates a broader evaluation of expanding call center hours, while still addressing customer service through improved ASA and AR metrics. The NextGen servicing environment potentially introduces a material change in the otherwise traditional call center approach to servicing borrowers. This includes planning towards a broader and more cost-effective self-servicing mobile platform and methods of connecting borrowers to servicers through mobile messaging.

In FY18 Q1-Q4, FSA will continue to communicate with servicers regarding expectations for improvements to ASA and AR metrics.

Key Milestones

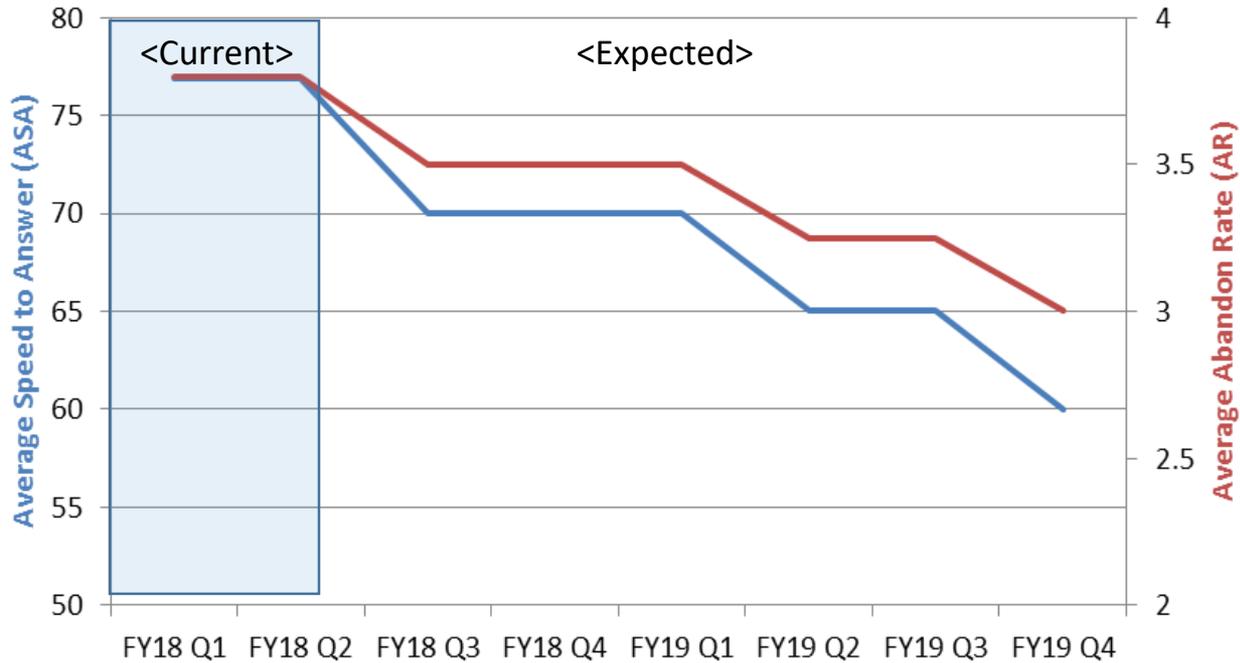
Each implementation phase links to a key milestone towards achieving this APG.

Milestone Summary					
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
In FY18 Q1, FSA drafted the proposed call center hours and requirements for required for student loan servicers to implement expanded call center hours and improved ASA and AR metrics.	3/31/18	On-track	N/A	Bill Leith	
In FY18 Q1, FSA plans to develop and finalize servicers' contract modification.	3/31/18	Delayed	N/A	Bill Leith	* See footnote below
In FY18 Q1 and Q2, FSA plans to assess the scope and cost-benefit of expanding call center hours while concurrently developing and launching NextGen.	6/30/18	On-Track	N/A	Bill Leith	* See footnote below
Track, monitor, and report the number of servicers that offer expanded hours (7 am to 11 pm ET)	6/30/18	Delayed	N/A	Bill Leith	* See footnote below
Track, monitor, and report the number of servicers that meet or exceed ASA <= 70 seconds, and AR <= 3.50%.	6/30/18	On-Track	N/A	Bill Leith	
Track, monitor, and report the number of servicers that meet or exceed ASA <= 65 seconds, and AR <= 3.25%.	3/31/19			Bill Leith	
Track, monitor, and report the number of servicers that offer expanded hours (7am to 2 am ET)	9/30/19			Bill Leith	
Track, monitor, and report the number of servicers that meet or exceed ASA <= 60 seconds, and AR <= 3.00%.	9/30/19			Bill Leith	

*Implementation of the FSA Next Generation Financial Services Environment may temporarily impact the traditional servicing environment during the APG timeline, and could adversely affect the implementation or outcomes of one or more of the Key Milestones.

Key Indicators

FSA aims to improve the Average Speed to Answer (ASA) from 76.9 seconds to 60 seconds and the Abandon Rate (AR) from 3.8% to 3% over the period.



Servicers shall meet or exceed metrics for expanded call center operation hours, average speed to answer (ASA) and average abandon rate (AR) service levels for all incoming calls.

Data Accuracy and Reliability

Data will be collected from federal servicers through servicers' quarterly reports.

For metric (a) the query will be "how many call centers have expanded hours meeting or exceeding the defined times." For metric (b) the query will be "how many servicers met the standards for quality?" ASA and AR metrics will be obtained for each servicer.

The data will be verified and validated by FSA's data review team (DRT) and vetted the FSA leadership prior to being released as part of the Department's strategic reporting. Feedback received directly from customers, via the FSA Feedback System and other sources, will be used to determine the trends in customer satisfaction with the changes in customer service hours and the reduction in ASA and AR.

The Department monitors delinquency and default rates for all borrowers and takes necessary steps to assist borrowers in avoiding and mitigating these and other negative borrowing circumstances. The goals articulated in this APG illustrate one of the steps the Department is taking to assist borrowers and improve overall borrower performance.

Additional Information

Contributing Programs

Organizations:

- Office of Federal Student Aid
- Federal loan servicers

Program Activities:

- Contractual modifications
- Monitoring and reporting by federal loan servicers
- Monitoring by the Office of Federal Student Aid

Regulations:

- As required by contract

Tax Expenditures:

- Reallocation of funding

Stakeholder / Congressional Consultations

The Department conducted Congressional consultation as part of the development of its FY 2018-22 Strategic Plan and the FY 2018-19 APGs.