



**EU-CHINA**

Social Protection Reform Project  
中国欧盟社会保护改革项目

## **Component 1**

# **EVALUATING SOCIAL SECURITY PERFORMANCE**

## I - List of Typical Social Security Performance Indicators

Indicators		Definition
<b>Personal coverage Indicators</b>		Number of persons insured Number of the insured as contributors Number of benefit recipients Number of persons as targeted population for coverage Number of working-age persons as targeted for coverage Number of persons as targeted potential beneficiaries
<b>Benefits Indicators</b>	<b>Long-term Cash Benefits</b>	Relation average benefit and pre-benefit low and high-income groups. Average benefit as a percentage of poverty line.
	<b>Short-term Cash Benefits</b>	Relation average benefit and pre-benefit low and high-income groups. Average benefit as a percentage of minimum wage or poverty line. Average days in which the beneficiary has received benefit payments Proportion of UI beneficiaries having exhausted their entitlement
	<b>Health Care</b>	Real reimbursement rates' comparison (income groups) Real reimbursement rates' comparison (spending groups) Co-payment rates' comparison (income group) Co-payment rates' comparison (spending group) Utilization rates' comparison (income group) Average days of inpatient treatment Average cost of inpatient treatment
<b>Financial Indicators</b>	<b>Revenue</b>	Total revenues Contributions as a percentage of the total Subsidies as a percentage of the total Investment incomes as a percentage of the total
	<b>Expenditure</b>	Total expenditure Total expenditure as a percentage of the total revenue Benefit payments as a percentage of the total expenditure Administration costs as a percentage of the total expenditure Marketing costs as a percentage of the administration expenditure
	<b>Balance</b>	Total annual balance Total accumulated reserve Accumulated reserve as a percentage of the current year expenditure
	<b>Investment</b>	Total investment Total investment as a percentage of GDP Total investment as a percentage of domestic capital market Portfolio of investment Average return rate Average return rate as a percentage of the market rate
<b>Management Indicators</b>	<b>Registration</b>	Registration rate (employer) Registration rate (worker) Registration rate (self-employed workers)
	<b>Income Collection</b>	Contribution collection rate
	<b>Benefit processing</b>	Ratio of the total claims submitted to that processed Average days from claim submission to the first benefit payment issued
	<b>Enforcement</b>	Detected / registered ratio (employers, workers, independent workers; in number) Detected / registered ration (employers, workers and independent workers; in %) Detected under-declared contributable earnings Detected / recovered contribution Detected / recovered contributions as a percentage of the total contribution Detected / recovered benefit deceit Detected / recovered benefit deceit as a percentage of the total benefit expenditure
	<b>Complains / Appeals</b>	Total complaints / appeals raised Total complaints / appeals settled Average days from submission to settlement
	<b>Public Relation</b>	Consultation ratio
	<b>Staff Capacity</b>	Average clients per staff member Average claims processed per staff member Share of the staff having university or higher degree Share of the staff trained so far Average remuneration as a percentage of that of the public sector

## II - Selected Indicators - Clients' Satisfaction

	INDICATOR	CORRELATE WITH
Accessibility	Nb. of social security offices	Distance from clients, public transports access, opening hours
	Nb. of front desk staff	Nb. of clients to serve, nb. of social risks (branches) to be addressed
	Nb. of clients received	Nb. of clients to serve, per category of client
	Nb. of communications received	Nb. of files treated, per type of communication
Equal Treatment	Nb. of claims received	Nb. of clients, nb. of staff handling claims
	Nb. of claims treated	Nb. of claims received, nb. of insured persons for related risk
	Nb. of claims rejected	Nb. of claims received – <i>to be positive, this indicator should show a negative trend</i>
	Nb. of post benefits requests handled	Nb. of benefits awarded or in award, nb. of beneficiaries
Professional Approach	Nb. of staff trained	Total nb. of staff – per job, per level. <i>Refers to prospective methods for human resources forecast</i>
	Nb. of staff in contact with clients	Nb. of clients, per type. Nb. of claims received or treated. Nb. of requests handled. Nb. of communications received
	Nb. of outside inspections	Nb. of outlets to visit per type ( <i>hospitals, social care, vocational training, banks, tax authorities, enterprises ...</i> )
	Nb. of desk audits	Nb. of departments, sections, offices ... to be audited, nb. of complaints received
Learning processes	Nb. of quality reviews conducted	Nb. of social security offices, nb. of outside contact points for clients, nb. of enterprises
	Nb. of complaints received	Nb. of clients, nb. of benefit claims handled, nb. of communications received – <i>to be positive, this indicator should show a negative trend</i>
	Nb. of survey questionnaires received	Nb. of clients, nb. of benefit claims, nb. of questionnaires issued
	Nb. of public relations campaign launched	Nb. of outlets for contacting clients, nb. of enterprises registered, nb. of administrative units covered
	Nb. of statistical indicators monitored	Types of clients, types of beneficiaries, types of risks covered

### III – Workload indicators

Measuring the (actual, ideal or desired) workload attached to a given position within a social security administrative structure has to be initiated from the quantifiable output attached to this position.

In other words, if the *raison d'être* of a position is to process benefit claims before payment is made, workload will be estimated in relation with the number of claims treated. If the position is about making accounts, the workload will be measured with reference to the number of items entered in the accounting books. If the position is related to developing or maintaining specialized software, the indicator will be the number of analysis or branches of analysis completed or the number of adjustments made as the case may be. If it has to deal with registering new entrants in the social security system, the workload index will be that of newly insured members or employers or beneficiaries, etc.

Raw numbers, such as residents in the community serviced by a social security Agency or outlet, number of insured persons, number of workers in local enterprises or number of enterprises under the jurisdiction of an agency will seldom represent a useful indicator for workload estimates – inasmuch as not all residents are social security clients, not all insured persons call upon social security services, not all enterprises are liable to inspection over the same period of time, etc.

Performance indicators such as those mentioned under I above, and to large extent clients' satisfaction indicators identified in part II are to be considered as forming the basis for developing meaningful workload indicators for most of social security staff positions.

However, knowing what to measure and how to measure it is obviously not sufficient for establishing the ratio considered as optimal between numbers of staff in charge of a certain task and the magnitude of the said task, i.e. the normal productivity expected from appropriately performing staff members.

In other words, assuming for example that in a given administrations 2,000 new pension benefits are awarded over one given year and that 5 staff members are occupied full time processing such benefits, the resulting ratio of 400 pensions/staff/year – or more or less 2 pensions/staff/working day - maybe nothing but an average reflecting a situation, and not an indicator useful for planning purposes.

Additional data required to achieve a level of information that would actually be an input into scientifically planning for required staffing levels may therefore logically include the average time necessary for the processing of a claim. Assuming this time is estimated at 4 hours of work (half day) for the claims benefit specialist, there would be an overall coherence between the statistical average – 400 pensions/staff/year – and the estimated time needed, viz. 0.5 day x 2,000 new benefits, i.e. 1,000 w/days or roughly speaking 5 w/years (average of 200 working days per year).

This latter figure – that of the time required for processing a claim from the moment it reaches the specialist until that when payment is ready to be made - is indeed one upon which it is highly difficult to decide, especially but not exclusively in a non-computerized environment.

On the one hand, not all claims are of equal complexity<sup>1</sup> and, on the other hand, many claims cannot be fully processed upon first examination of the file, additional documents, information, evidences... having to be requested from the future beneficiary. A lot of valuable working time is lost because of these back-and-forth movements, all the more because staff processing the claims require, whenever they freshly consider an application, some preparation to fully get at grips with the

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<sup>1</sup> There is a considerable difference between the time required for processing the pension benefit of a claimant working all his/her career in a large enterprise with a well performing human resources department helping him/her collect all requested documentation, and that to be allotted to reviewing and processing the claim of an insured person with multiple employers and possibly registration with a variety of social insurance funds – case of dozens of millions of workers when vesting of rights will become possible across pooling areas.

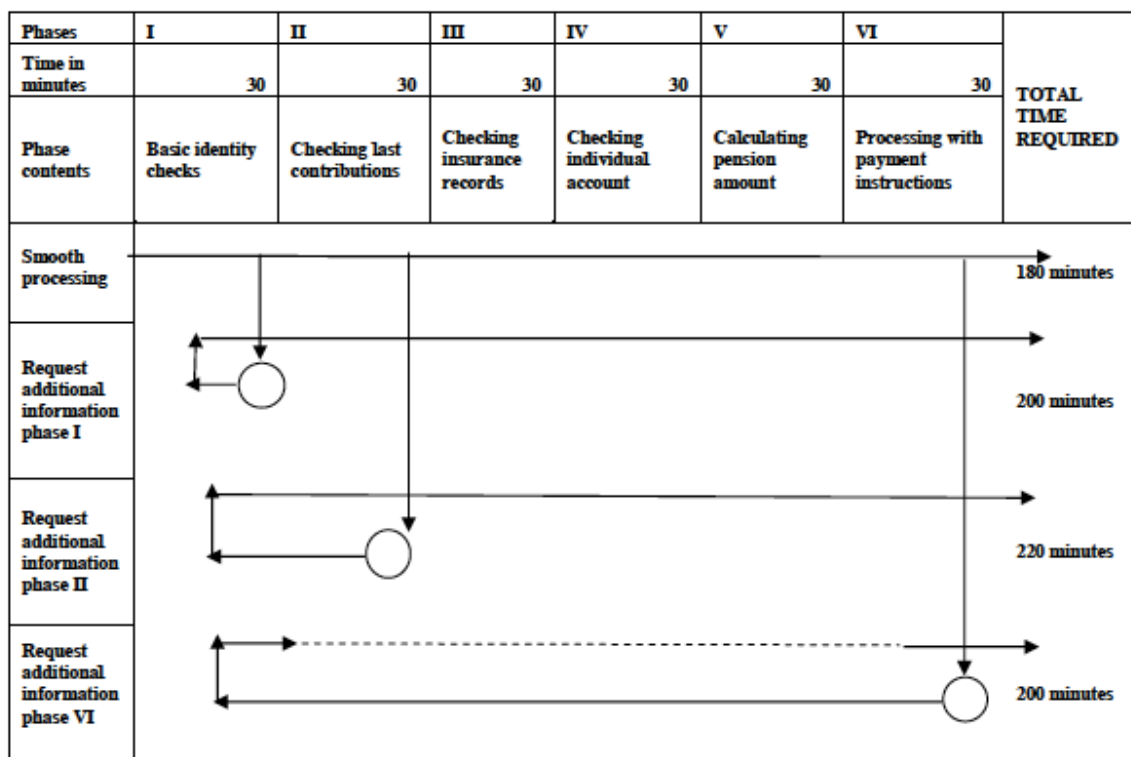
contents of the file and the substance of the individual situation.

In other words, if processing of the claim has to be interrupted for requesting additional information, the processing cannot be resumed from the point it had reached. Staff have to come back a step behind in the process, and summarily re-familiarize themselves with the case – all the more when, for rationales of organization, the file once completed does not reach back to the staff who initially dealt with it.

Chart 1 below provides an (hypothetical) illustration of delays that may occur in total time required for desk treatment of a pensions claim when the process needs to be interrupted for collecting additional information.

**Chart 1**

**Influence of interruptions in time required for claims processing**



In short, one may expect that in comparison with the time required for the smooth processing of an otherwise straightforward pension claim – or indeed any other cash benefit – may be increased by up to 25 % for each request for additional information – this in case steps already duly completed in the process do not have to be performed again (i.e. assuming work done is not lost, see illustration in chart 1 for the case of additional information requested after completing phases I to V), and account not being taken, of course, of the workload imposed upon other staff whenever a request for additional information originates from the claims processing specialist.

Since the determination of standard workloads for a given position may in fact serve a dual purpose, namely to facilitate forecasting in human resources, but also to allow for a quantifiable approach to staff individual performance, it is extremely important that those workloads:

- be seen by staff as decided upon in a fair and equitable manner, otherwise the overall working climate may be negatively affected; and at the same time that they
- correspond to the reality, otherwise forecasts based on them will rapidly appear as irrelevant and even counter-productive.

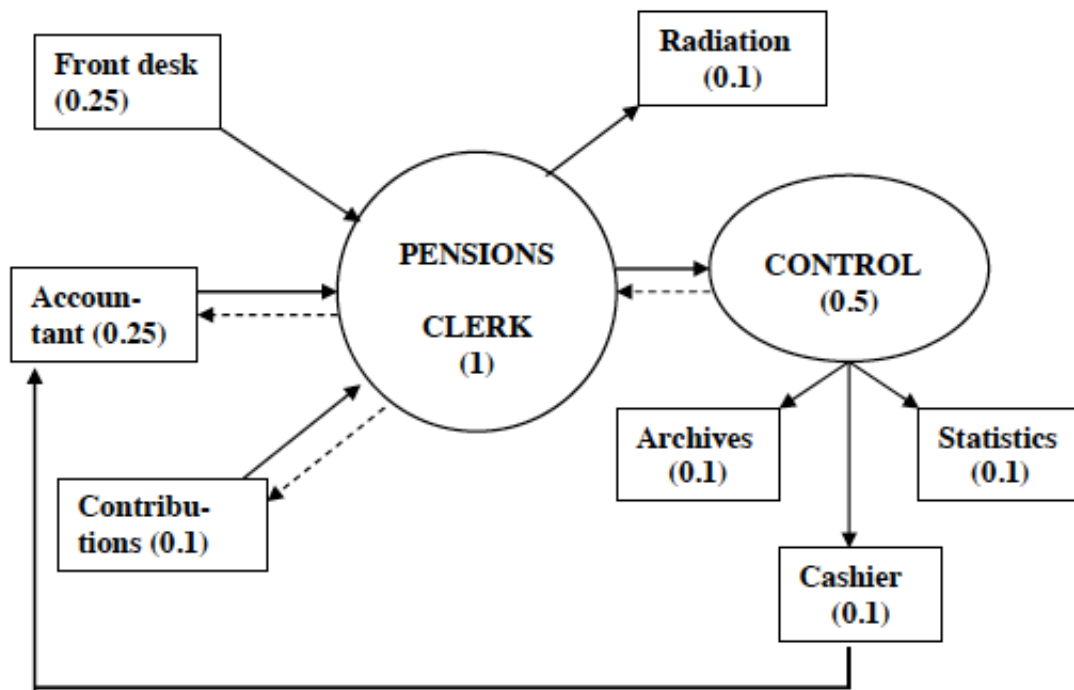
It therefore appear as advisable that the definition and measurement of workloads be decided upon in full collaboration with the staff members concerned – for example asking those staff to themselves propose the level they consider adequate, subject to validation by the competent line manager to

ensure that time required be not too much over-estimated.

Workloads have to be first established on an Agency by Agency basis, since standards are heavily influenced by actual working environment (e.g. the degree of computerization, or indeed the intrinsic quality of staff members). The upper level should collect all standards established at the operational level, in order to look after overall consistency and, if warranted, draw the attention of specific Agencies on the questionable level they might have established for the standard workload attached to that or the other position.

In terms of coherence, Agencies establishing workloads for individual positions need to pay attention to the risk of bottlenecks that may affect the smooth functioning of a whole working process.

**Chart 2**  
**Workflow – Pensions**



The above diagramme, derived from the example already provided above, indicates the risks of bottleneck if, for example, the number of controllers appear as insufficient in comparison of those of pension clerks. In other words, the efficiency in claims processing acquired through the posting of an adequate number of benefits clerk may be jeopardized if not enough controllers are entrusted with validating the proposed pension awards.

Workload evaluation appears to be all the more complex, that the jobs concerned are linked to a higher number of other positions – and become in a sense dependent upon requirements from others.

For example, while one may appreciate how many entries an accountant safely performs over one working day, the total number of entries, i.e. the global workload dependent upon accountants cannot be determined in the absence of an appropriate evaluation of the actual performance in other departments, in terms for example of adjustments to individual accounts, processing of pensions or other benefits, payment of salaries and other allowances, purchases and other financial commitments, etc.

Jean-Victor Gruat, 2011 – rev. Feb.2017