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## Increase Your Diet of SMAC in Pensions Systems

The convergence of social, mobile, analytics and cloud (SMAC) technologies means that pension systems have an increasing number of digital opportunities to address people's multiple—and sometimes snowballing—needs across every phase of life and deliver public service for the future.

Some governments are devouring SMAC opportunities. For instance, India is introducing mobility initiatives aimed at helping government reach about five million people. The Indian government recently invested approximately US\$16.3 million into its new cloud environment.<sup>1</sup> Through the Electronic Delivery of Service Bill, India mandates that government will deliver all public services electronically in the next eight years, allowing Indian citizens to electronically access services such as passports, ration cards and driving licenses.<sup>2</sup>

Today's pensions systems are sampling SMAC, but few have fully adopted a digital diet. Are they missing opportunities for pensions transformation to strengthen their digital backbone of the organization and deliver public service for the future?

### Feeding citizens' hunger for digital

Pensions have digitized some front-office functions, but people increasingly expect pension systems to provide personalized services through the same easy and accessible digital channels and tools that keep them connected in other areas of their lives. When customers expect most—if not all—citizen-facing services to be available digitally, digital services are no longer just nice to have, they are a business necessity.

The rising number of users of digital government services is proof positive of demand. The unemployed in the UK are a good example. In August 2011, only around 1 in 10 (15.1 percent) of new claims for the Jobseeker's Allowance were made online. By August 2012, the figure was 3 out of 10 (32.1 percent); and by August 2013, 8 out of 10 claims (82.5 percent) were made online.<sup>3</sup>

SMAC services also enable government agencies to connect with constituents beyond citizens. For example, the Australian Taxation Office (ATO) is aiming to provide mobile services and tools that business owners can access on a tablet or smartphone so that they can manage their taxes on the go.<sup>4</sup>

### Has automation become your "comfort food?"

Pensions agencies are fully reliant on back office automation—and perhaps they've become too comfortable. What happens if digital fails? The reality of post-austerity staffing levels is that there is no people-based business continuity. IT failure has a large and growing price. The average cost of data center downtime by minute has risen by 41 percent since 2010.<sup>5</sup> There is also a price for your pensions members, too, because your system downtime can mean their cheque doesn't get there on time.

Pension systems need to build back office resilience to ensure business continuity. By creating an "always on" IT infrastructure, your pensions system can support the nonstop demands that members and stakeholders place on your processes, services and systems.



## Focus on the cake, not the icing

On the outside, many pensions systems have invested in digital front and back office functions. But what's beneath the surface? These functions will not run successfully without a strong digital core as the underpinning.

Creating a digital infrastructure will enable a data supply chain that consolidates citizen and business data stores and connects data across tax, labor and human services agencies to create a more holistic picture of pension members. A strong and connected data supply chain can also drive down costs and drive up efficiency for mission productivity.

The California Public Employees' Retirement System (CalPERS) leadership brought its 49 independent legacy systems into an integrated, Web-based platform, converting 3.2 billion health and pension records in the process. Now, around the clock service options are available for business partners, members, dependents and beneficiaries. The integrated platform has reduced the time it takes to implement changes by 83 percent and since launching, the system has had only two hours of unplanned downtime.<sup>6</sup>

## Sink your teeth into digital

Being more productive—providing better pension and social security outcomes at lower cost—is at the heart of pension transformation. By digging into digital opportunities, pension organizations can maximize resources, automate administrative processes and build a digital core that sets the agency on firm technology footing—delivering public service for the future.

For more about today's digital opportunities in SMAC, read the full Accenture Technology Vision 2014 at [accenture.com/techvision](http://accenture.com/techvision) or contact:

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## References

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- <sup>2</sup> Accenture, "Digital Government: Pathways to Delivering Public Services for the Future", p. 16, January 2014
- <sup>3</sup> <https://www.gov.uk/government/news/jobseekers-embrace-digital-revolution>
- <sup>4</sup> Accenture, High Performers in IT: Defined by Digital, p 20, 2013
- <sup>5</sup> Emerson Study; The Lowdown on Data Center Downtime: Frequency, Root Causes and Costs; [http://www.emersonnetworkpower.com/en-US/Solutions/ByApplication/DataCenterNetworking/Data-Center-Insights/Pages/Causes\\_of\\_Downtime\\_Study.aspx](http://www.emersonnetworkpower.com/en-US/Solutions/ByApplication/DataCenterNetworking/Data-Center-Insights/Pages/Causes_of_Downtime_Study.aspx)
- <sup>6</sup> Accenture; "California Public Employees' Retirement System (CalPERS): Integrated Pension and Benefits System" online at <http://www.accenture.com/us-en/Pages/success-acn-california-public-employees-retirement-system.aspx>

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