



## Agency Priority Goal Action Plan

# Improve Borrowers' Access to Quality Customer Service

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# Overview

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## Goal Statement

- By September 30, 2019, Federal Student Aid (FSA) 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 call rates to three percent or less and requiring all non-default federal student loan servicers to expand and standardize call center hours.

## Challenge

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

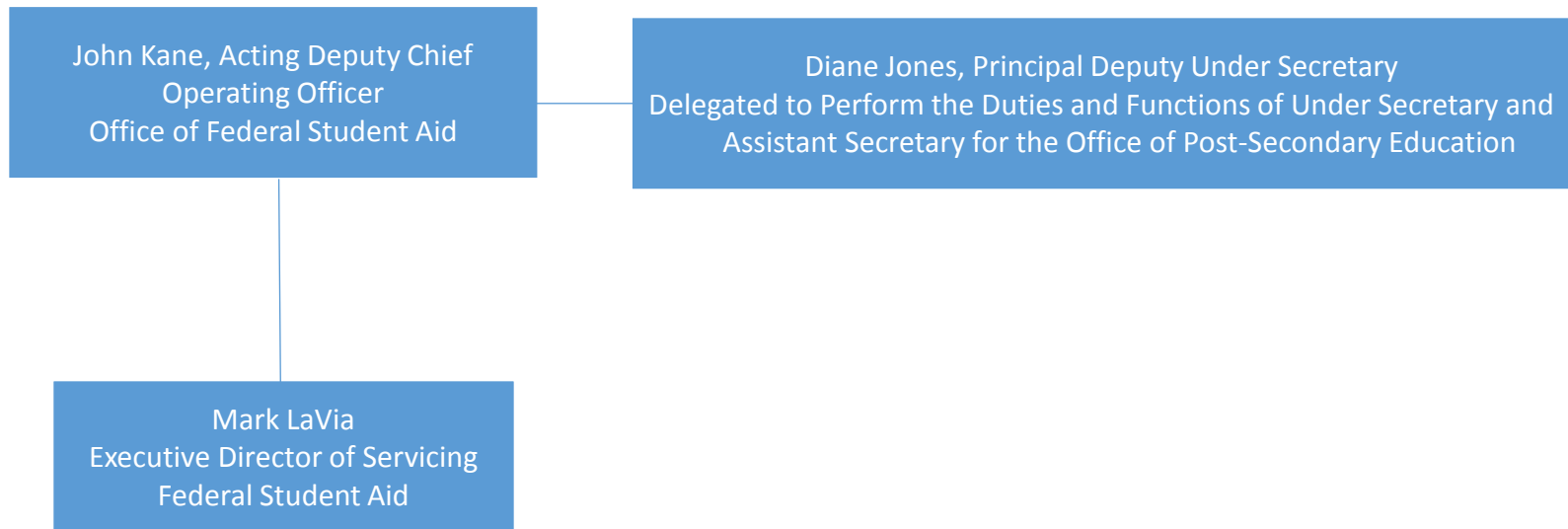
## Opportunity

- Improving speed of call center responses will allow customers to have more complete 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

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Visual representation of the goal team governance structure:



# Goal Structure & Strategies

The Department initially planned to achieve this APG through phases designed to positively impact two aspects of customer service: call center hours of operation and quality standards of response. For FY 2019, the Department will continue to measure improvements for quality standards of the call centers (i.e., average speed to answer (ASA) and abandoned rate (AR)), but will no longer pursue expanding call center hours.

Servicers shall meet or exceed the following monthly average speed to answer (ASA) and average abandoned 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%

With the Department's transition to a new paradigm of student loan processing, [Next Generation Financial Services Environment \(Next Gen\)](#), the Department will revise this APG and monitor the following metrics in FY 2019:

- Number of downloads of the myStudentAid mobile app;
- Number of customers submitting the FAFSA via a mobile platform – either through the myStudentAid mobile app or mobile-optimized FAFSA.gov;
- Number of customers checking loan balances via the myStudentAid mobile app; and
- Number of visits (sessions) to the redesigned StudentAid.gov site.

# Summary of Progress – FY 18 Q4

- During FY 2018, Federal Student Aid (FSA) made significant strides toward the implementation of the Next Generation Financial Services Environment (NextGen). NextGen will provide a transformative experience for borrowers, and FSA customers in general, as they seek to make informed decisions about applying for aid, attending school, and repaying their student loans.
- While the planning for NextGen continues, FSA is focused on maintaining quality customer service for borrowers within the current loan processing and delivery environment. FSA will continue to communicate with servicers regarding expectations for improvements to average speed to answer (ASA) and average abandoned rate (AR) for incoming calls. FSA will take appropriate measures to re-align ASA and AR metrics.
  - FSA surpassed ASA target with an FY 2018 actual of 66 seconds, which is an improvement of 10.93 seconds over FY 2017.
  - FSA did not meet the AR target with an FY 2018 actual of 3.9%.
- To measure the overall customer satisfaction level throughout the student aid life cycle, FSA calculated a weighted score for the American Consumer Satisfaction Index (ACSI) surveys for applicants, students in school, and borrowers in repayment. The FY 2018 score of 70.6 percent is higher than the FY 2017 score of 69.9 and indicates small improvements across three groups of individuals that span the student aid lifecycle. Among the three sub-groups, the highest satisfaction rates were for Free Application for Federal Student Aid (FAFSA) applicants (77 percent), followed by borrowers with Department-held loans (69 percent), and borrowers who are presently in school (61 percent).

## Next Steps:

- FSA will continue to monitor ASA and AR rates to discernable interruptions in servicing attributable to NextGen implementation.
- FSA will conduct outreach activities, and monitor adoption, related to the MyStudentAid mobile app and mobile FAFSA submission/completion rates.

# 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 FY 2018 Q1, FSA drafted the proposed call center hours and requirements for student loan servicers to implement expanded call center hours and improved ASA and AR metrics.	3/31/18	Suspended	N/A	Bill Leith	* See footnote below
In FY 2018 Q1, FSA planned to develop and finalize servicers' contract modification.	3/31/18	Suspended	N/A	Bill Leith	* See footnote below
In FY 2018 Q1 and Q2, FSA planned to assess the scope and cost-benefit of expanding call center hours while concurrently developing and launching NextGen.	6/30/18	Suspended	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	Suspended	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	Not Met	N/A	Bill Leith	** See footnote below
Track, monitor, and report the number of servicers that meet or exceed ASA <= 65 seconds, and AR <= 3.25%.	3/31/19			Bill Leith	** See footnote below
Track, monitor, and report the number of servicers that offer expanded hours (7am to 2 am ET)	9/30/19	Suspended		Bill Leith	* See footnote below
Track, monitor, and report the number of servicers that meet or exceed ASA <= 60 seconds, and AR <= 3.00%.	9/30/19			Bill Leith	** See footnote below

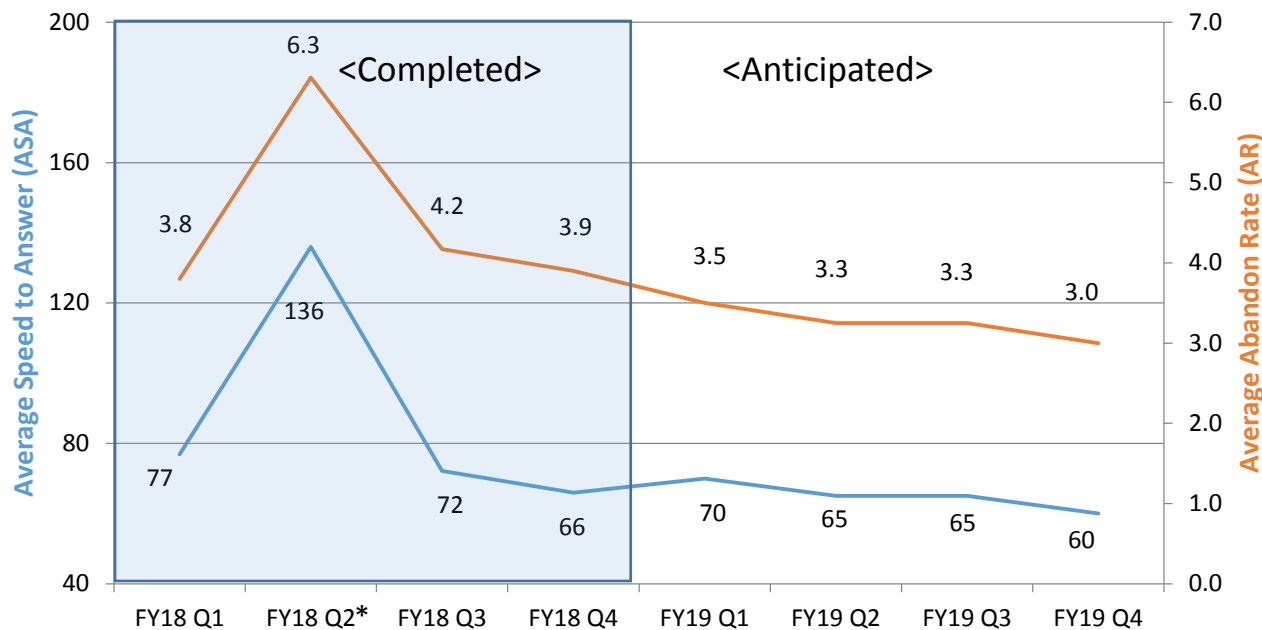
\*After this strategy was formalized, the Department began to plan for a new paradigm of student loan servicing, the Next Generation Processing and Servicing Environment (NextGen), which will have a much more profound impact on borrower access and will make expansion of call center hours both unnecessary and counter-productive to focusing limited resources on launching NextGen.

\*\*Implementation of NextGen may temporarily impact the current servicing environment during the APG timeline, and could adversely affect average ASA and average AR metrics. FSA will monitor these metrics and respond appropriately.

# Key Indicators

FSA aims to improve the Average Speed to Answer (ASA) to 60 seconds and the Abandoned Rate (AR) to 3% over the period. The chart below shows the Q1 – Q4 actuals.

Average ASA and AR Rates  
Across Federal Servicers



\* January is historically a peak period for servicing. FSA is monitoring rates and addressing expectations with servicers where metrics are falling outside of expected trends, resulting in higher than normal ASA and AR rates for Q2.

# Data Accuracy and Reliability

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Data are collected from federal servicers through servicers' quarterly reports.

For average ASA and AR rates, the query will be, "How many servicers met the standards for quality?" ASA and AR metrics will be obtained and averaged across servicers.

The data will be verified and validated by FSA's data review team (DRT) and vetted by 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 average ASA and average AR metrics.

The Department monitors delinquency and default rates for all borrowers and takes necessary steps to assist borrowers in avoiding and mitigating delinquencies and defaults. The goals articulated in this APG illustrate steps the Department is taking to assist borrowers and improve overall borrower performance.



# Additional Information

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## Contributing Programs

Organizations:

- Office of Federal Student Aid
- Federal loan servicers

Program Activities:

- 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