

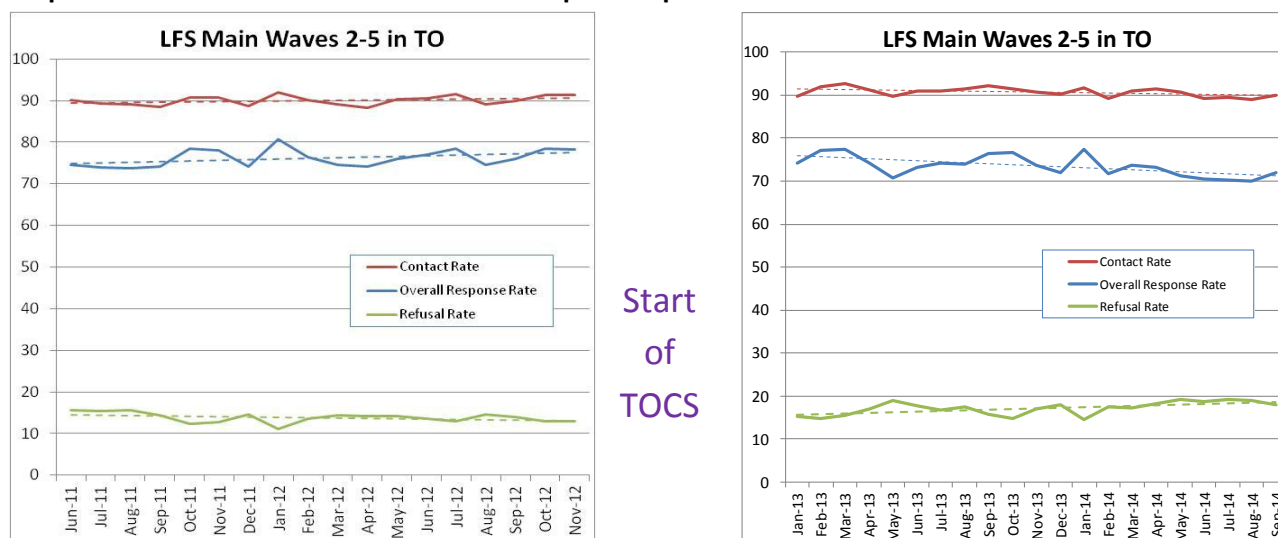
Response rates in Telephone Operations

Telephone Operations response rates for the LFS are falling, in common with the trends in response for other surveys. The overall trend in refusals from Jun 2011 to Sep 2014 is up – where we’re now at almost 20% refusals. Mirroring this, the trend in response is going down, and we’re hovering around 70% response for Waves 2-5 Main cases.

One of the main events of this timeline is the introduction of the new Telephone Operations Call Scheduler, also known as TOCS, at the end of November 2012. Interestingly, the trend in refusals from Jun 2011 to Nov 2012, i.e. pre-TOCS, is down and the trend in response is up. The trend in refusals from Jan 2013 to now (post TOCS) is up and the trend in response is down. Charts 1 and 2 show this.

Charts 1 and 2

Response for LFS Main cases Waves 2-5 in TO pre and post TOCS



We also see a similar pattern for LFS Boost cases Waves 2-4. We don’t think there is a problem with TOCS, but it may be how we deal with refusals now that TOCS has come in, which is discussed below.

Looking at the quarterly response, we can see that there was a step change in the refusal rate in the April-June quarter of 2014, where it went from 16.5% in JM14 to 18.8% in AJ14, a rise of over 2 percentage points. This caused a similar step change in response rates, with a drop of a similar amount. We can see though, that there has been a peak in refusals in the AJ quarter in some of the recent years, noticeably 2011 and 2013.

Table 1

Quarterly response rates for LFS Main cases in TO, Waves 2-5

| | JM11 | AJ11 | JS11 | OD11 | JM12 | AJ12 | JS12 | OD12 | JM13 | AJ13 | JS13 | OD13 | JM14 | AJ14 | JS14 |
|-----------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Response | 75.7 | 70.6 | 73.9 | 76.9 | 77.3 | 75.8 | 76.2 | 75 | 76.3 | 72.5 | 74.8 | 74.1 | 74 | 71.6 | 70.7 |
| Contact | 90.4 | 87.3 | 89.1 | 90.1 | 90.4 | 89.7 | 90.1 | 89.6 | 91.5 | 90.6 | 91.5 | 90.8 | 90.5 | 90.4 | 89.4 |
| Refusals | 14.7 | 16.7 | 15.1 | 13.2 | 13.1 | 14 | 13.9 | 14.5 | 15.2 | 18 | 16.8 | 16.7 | 16.5 | 18.8 | 18.8 |

The refusal rate rose in AJ13 and has never gone back to what it was pre-TOCS.

How do refusals work with the current system

If a case is coded as an initial refusal, and the interviewer codes it as “try again this wave”, then it is put into a refusals group. Resource is then allocated to work on those refusal cases. The duty manager each day has a

responsibility to allocate at least one interviewer for at least 2 hours a day, one hour between 9am and 3pm and one between 3pm and 9pm. Within the refusals group, the cases are scheduled following the usual prioritisation rules – based on number of calls so far, when they’ve been called before and so on. This could mean that cases that have only recently been coded as a refusal are prioritised over cases that were coded as a refusal some time ago. This is because of the prioritisation rule about number of calls, where a case with fewer calls so far would be prioritised over one with more calls. We may need to think about this.

How did refusals used to work with the old system

Pre-TOCS, interviewers would code a refusal, write a description of the situation, and then have to print it out and take it up to the desk. These case printouts would be put into a folder, and each day the duty manager would manually look through the refusals to see which ones should be tried again and when. They would then allocate resource to trying these. Did this mean that interviewers were less likely to code a refusal because they had to take it up to the desk?

So why the increase in refusals?

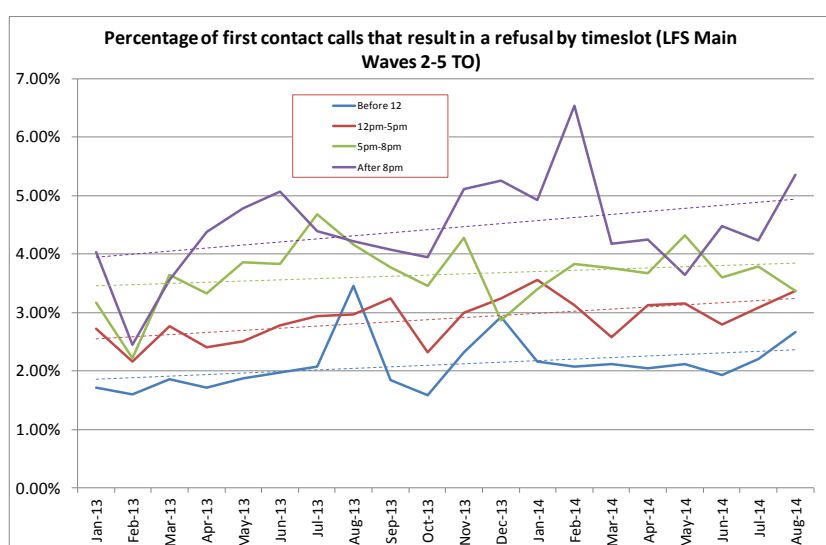
There are a number of reasons why we might have seen firstly the step change in refusals in recent months, but also the overall upward trend to refusals since TOCS was introduced. Overall though, the rise in refusals must either be because we’ve had a rise in the number of initial refusals, or because we are managing to convert less of the same number of initial refusals – or, a combination of both.

Looking firstly at initial refusals, we look at the percentage of first contact calls to LFS Main cases in the TO, Waves 2-5 that are coded as initial refusals. There has been a rise in this percentage since January 2013, from around 2.5% of first contact calls, to around 3.5% of first contact calls that get coded as initial refusals. This could explain the overall rise in refusals, but as it is a gradual change, and not particularly prevalent in the AJ quarter, that doesn’t explain the big step change.

So we then want to look at a) whether the change in initial refusals is because of an increase at particular times of the day b) whether the increase is clustered to particular interviewers and c) whether the conversion rate has also changed over time, which brings us on to the second possible reason for the overall rise in refusals.

Chart 3

% of first contacts resulting in refusals by timeslot



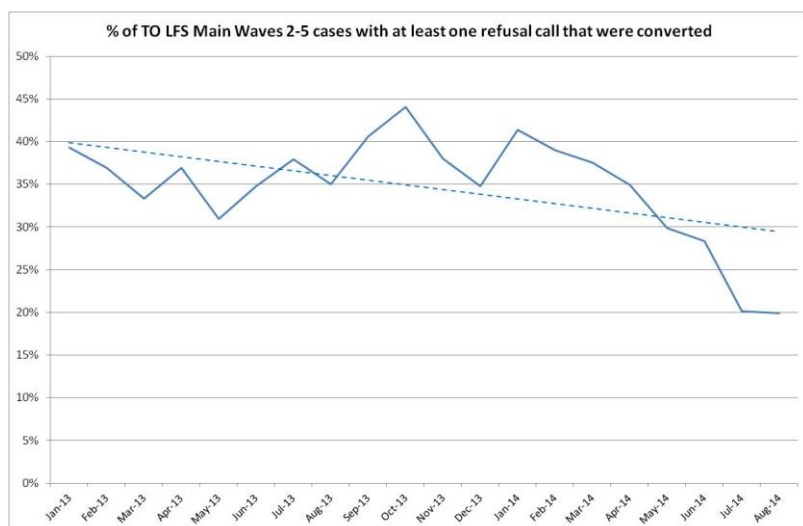
Looking at the first contact calls to cases (Chart 3), the after 8pm timeslot is the one where first contacts are most likely to result in refusals, and there has been a slight upward trend in the percentage of first contact calls resulting in refusals in this time slot, which is more obvious than the upward trends in other time slots. The timeslot where first contact is least likely to result in a refusal is the morning timeslot.

Of course, we could be seeing less refusals in the morning because the interviewers who tend to work days are more experienced and therefore better at converting reluctance. It could also be that the respondents we're most likely to get during the day are less likely to refuse. There are a few interviewers whose refusal rates look a bit high, however, these aren't generally consistent across quarters – probably because managers are picking up on this via MI and talking to the interviewers about it. We have recently held a session with managers to make sure they all know how to interpret MI, with particular emphasis on refusals.

Looking at the conversion rate of refusals, Chart 4 below shows that in the last few months, the % of cases with at least one initial refusal that are converted has dramatically dropped.

Chart 4

% of TO LFS Main Waves 2-5 cases with at least one refusal call that were converted



We've been on a downward trend since January 2014, with fewer of the initial refusals being converted. However this is particularly noticeable since April/May of this year. This could explain the step change in refusals for that quarter.

This brings us on to looking at the issue of conversion. It looks like we're managing to convert less refusals now than we were 12 months ago. There are a number of possible reasons for this. Firstly, it could be due to capacity reasons – we may not have enough resource to dedicate what we need to refusals. The chart below shows the staff counts over the last few years. Since June/July this year we've been at the lowest in terms of headcount that we have been since Winter 2012/13 – when the recruitment freeze was on. However you can see that we generally seem to follow the same pattern – a peak after a recruitment round and then it dips until we do another round. Ideally we would have ongoing recruitment, however in practice this is difficult to arrange because of the commitments of the training team and the resource both the recruitment and the training require from TO managers. We are also progressing recruiting via an agency at the moment, and we're hoping we can use this in the future to cover us over periods of shortage (such as Christmas) or when we're struggling to recruit permanent staff.

Does the fall in capacity mean that we are putting less resource into trying refusals and therefore does this explain the rapid fall in the % of cases being converted?

Chart 5

Staff counts in Telephone Operations

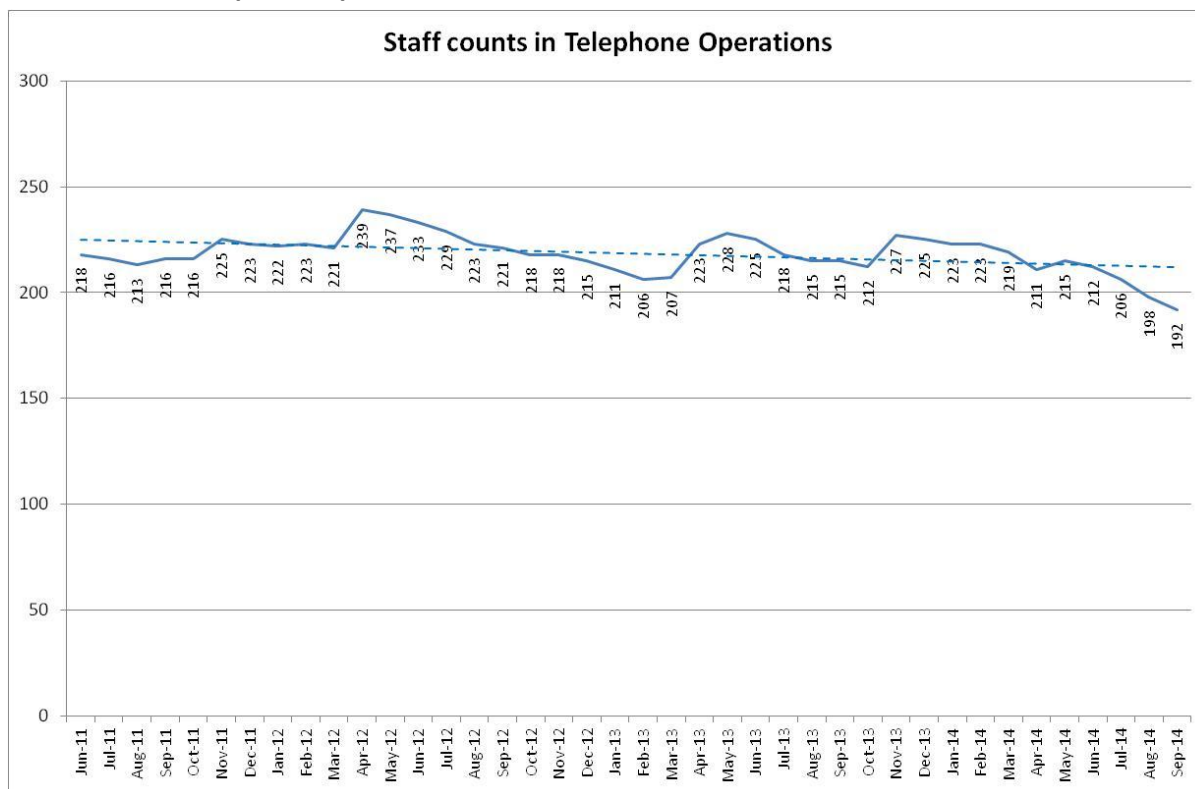
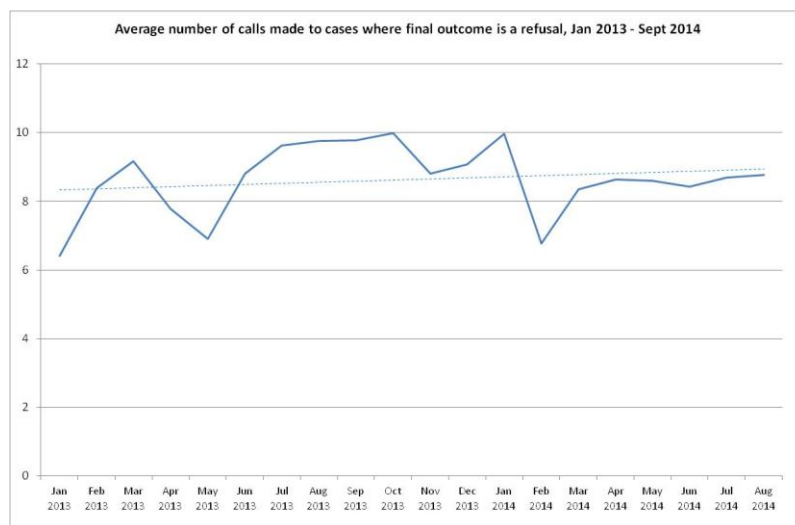


Chart 6 right shows the average number of calls made to refusal cases since January 2013. The trend is a slight upward one, but overall the average number has hovered around 9. The average has been slightly low since about March than it was in the second half of last year. This could have contributed to the step change in refusals.

If we look at both the capacity and the average number of calls together, to see if there is a pattern emerging, we see that it does look like since Jun 2013, the trend in capacity and the trend in average number of calls to refusals are both going down.



We have checked whether there has been a drop in the % of cases that are coded to “try again this wave” or a rise in the % of cases that are coded to “try again next wave”. There was a step change in both of these from JM13-AJ13 but since then both have been fairly steady, until the most recent quarter (JS14). In JS14 we saw a decrease in the % of cases being coded as “try again **this** wave”, from around 28% to around 24%. Before that, it was fairly steady at 28% so that wouldn’t explain the big rise in refusals in AJ14. Similarly, we saw an increase in the % of cases being coded as “try again **next** wave” in JS14 but before that it remained fairly steady. This is something I have asked the managers to keep an eye on using their MI, and address with any interviewers that have had a rise or fall in these indicators.

Recent developments

Recently we've seen a decrease in refusals and increase in response for weeks 43L and 43M. Response went up from around 70% to around 73% for those weeks. We think this was because the new cases for 44A were not loaded properly, so we had more resource than normal to work on the old work. We saw an increase in response for week 43L after this happened. We then tried the same thing the following week (allocating more resource to 43M) – which we could do due to it being the end of a quarter. At the end of a quarter, there are two different questionnaires – e.g. One for JS14 and one for OD14 happening at the same time. They are treated like two different surveys and interviewers are allocated to them by the duty manager.

The rest of the time (i.e. mid quarter) all the cases are loaded as one survey and the call scheduler prioritises them based on how many calls they've had etc – resulting in at the beginning of the week the new work being prioritised. This means we don't usually have much if any resource working on the old work at the beginning of a week. In this instance, all the work was tried until it ran out in each time slot, including refusals.

If we wanted to do this throughout the quarter, it is possible to be able to split our resource between old and new work, as we could allocate the week's work to different groups in TOCS. However, this would require changes to SDC systems, and due to SDC being a priority at the moment, we wouldn't be able to do that until at least the AJ15 quarter. In the meantime, we will do what we did this time at the end of every quarter and put more resource than normal onto the old work to make sure it is all tried.

What else are we doing to improve things?

- We're reviewing refusals training given to all staff
- We're giving training to managers on MI so they can pick up any issues
- We're reviewing which interviewers we use to convert refusals, and **when** we do that work
- We're making sure we do allocate at least 2 hours a day to refusals by at least one trained interviewer
- We're thinking about our most productive working times and the capacity we have at those times, to see if we're working as productively as we can.
- We're continuing to recruit including via an agency to get back up to optimum capacity

What are we trying to achieve?

- Better trained staff
- Better operational management of LFS work, particularly refusals
- Optimum capacity

Summary

Overall it looks like the reason for the rise in refusals is a combination of a rise in initial refusals and a drop in the % we're converting. This seems to be partly due to capacity and partly due to training issues. We are dealing with both of these issues and will continue to monitor the situation. Additionally, refusals are most likely to happen after 8pm, so we are considering what we can do about that. We also have to ask ourselves the question, is this part of the natural trend? We know refusals are going up in general across surveys, so how much of what is happening is down to what we've identified – the capacity and training issues – and how much is down to the natural trend? Finally, we always have to think about the trade off of capacity versus efficiency – recently, we've been managing to maintain response at 70% despite having 20 or 30 fewer staff than we had this time last year, so are we being more efficient in getting that response rate?