

VI - CUSTOMER SERVICE

This chapter discusses customer service functions for Verizon NY organizations serving residential consumers, small businesses (\leq \$9,500 total billed revenue (TBR) annually), medium businesses ($>$ \$9,500 and \leq \$150,000 TBR annually), large businesses ($>$ \$150,000 and \leq \$ 1 million TBR annually), and/or premium businesses (\geq \$ 1 million TBR annually).

A - BACKGROUND

In New York State, Verizon has been required by the New York Public Service Commission (NYPSC) to monitor and report on the four following types of service quality measures:

- Verizon Incentive Plan (VIP) Retail Service Quality Plan
- Verizon's Intrastate Special Services Process Improvement Program
- New York State Service Quality Standards for Telephone Companies
- New York Special Services Guidelines

The specific service quality measures that are directly affected by Verizon call center operations are contained in:

- Verizon VIP Retail Service Quality Plan
- New York State Service Quality Standards for Telephone Companies

Both groups of service quality measures are similar and deal with answer time performance, as shown in *Exhibit VI-1*.

Exhibit VI-1**CALL CENTER SERVICE QUALITY (PERFORMANCE) MEASURES****VIP RETAIL SERVICE QUALITY PLAN**

Service Element	Nomenclature	Threshold Performance
Business office	% answered within 30 seconds	80% or greater
Repair service bureau	% answered within 30 seconds	80% or greater
Operator assistance	Average answer time (seconds)	3 seconds or less

NEW YORK STATE SERVICE QUALITY STANDARDS FOR TELEPHONE COMPANIES

Service Element	Nomenclature	Threshold Performance
Business office	% answered within 30 seconds	80% or greater
Repair service bureau	% answered within 30 seconds	80% or greater
Operator assistance (*)	% answered within 10 seconds	90% or greater
Operator assistance (*)	Average answer time (seconds)	3 seconds or less

(*) New York companies may choose which of these two measures to report.

Verizon NY customer service functions include call centers (provisioning and repair centers) and other complementary sales organizations that serve consumers, small businesses, medium businesses, large businesses, and/or premium businesses. The Verizon NY functions are spread across numerous organizations, with each typically a separate and distinct organization. This discussion is organized as follows:

- A. Business offices – call centers that handle calls from consumer and business customers with respect to order/provisioning, billing, and collections issues
- B. Repair centers – call centers within the Verizon Repair Response Center (VRRC) organization that handle repair issues for consumer and general business customers
- C. Directory and operator assistance – call centers that provide directory assistance or operator assistance services
- D. Customer perceptions – specific mechanisms (and associated organizations) for identifying customer perceptions and for handling customer complaints

BUSINESS OFFICES

The following business office organizations, which focus on different types of customers, are described in this section of the chapter:

- Consumer Sales, sometimes also referred to as the Consumer Sales & Service Center (CSSC) organization (residences)
- Business Sales and Billing Centers (BSBC) (small businesses)
- Multi-Channel Market (medium businesses)
 - Business Solutions Group (BSG)
 - Complementary Sales
- Enterprise Solutions Group (ESG) (large and premium businesses)
- Receivables Management (collections)

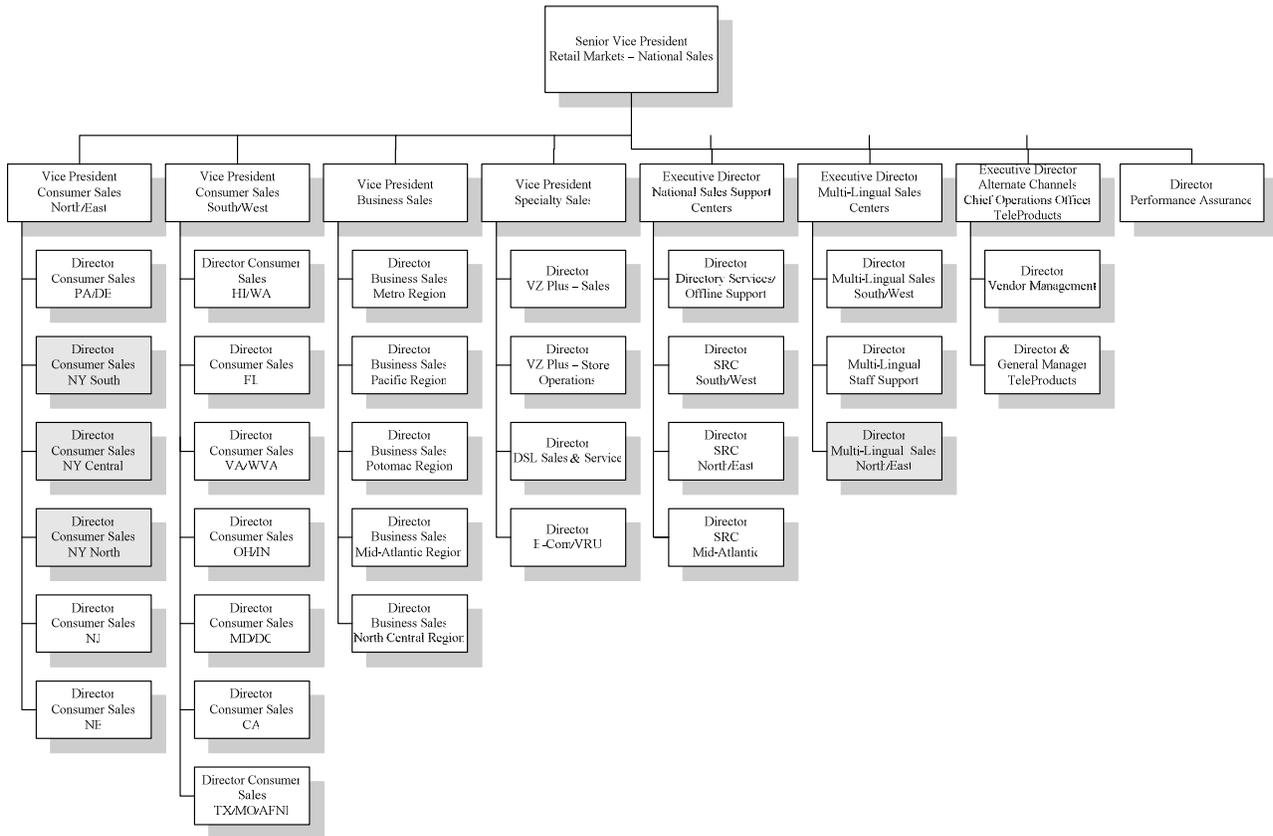
All of these business office organizations have call center operations, though the ones handling medium, large, and premium business also perform other customer service functions.

Consumer Sales Organization

Call centers that handle calls from consumer (residential) customers with respect to order/provisioning and billing issues are located within the Consumer Sales organization. *Exhibit VI-2* illustrates the organizational structure of the Consumer Sales organization, which serves Verizon NY residential customers.

Exhibit VI-2

**CONSUMER SALES ORGANIZATION
INSTALLATION ORDER/PROVISIONING
CONSUMERS**



* Shaded boxes indicate centers directly serving Verizon NY customers.

Exhibit VI-3 lists consumer call centers that perform installation order/provisioning activities.

Exhibit VI-3

**CONSUMER SALES CALL CENTERS
INSTALLATION ORDER/PROVISIONING
CONSUMERS**

NY Sub-groupings	# Locations/ Approximate Staffing	Locations	Operating Hours
NY South	6/876	Long Island	8 A.M.–6 P.M. Monday–Friday
		Long Island	
		Long Island	
		Staten Island	
		Uptown Manhattan	
		Westchester	
NY Central	4/914	Bronx	8 A.M.–6 P.M. Monday–Friday
		Queens	
		Westchester	
NY North	5/653	Binghamton	8 A.M.–6 P.M. Monday–Friday
		Buffalo	
		Elmira	
		Kingston	
		Saratoga	
Multilingual (a)	3/456	Manhattan-3rd Floor (Spanish)	8 A.M.–6 P.M. Monday–Friday
		Manhattan-4th Floor (Spanish)	
		Queens (Chinese/Korean/Russian/Vietnamese)	
Disabilities	1/53	Marlborough (MA)	8:30 A.M.–5:30 P.M. Monday–Friday

(a) Serving Spanish-, Chinese (Cantonese and Mandarin)-, Korean-, Russian-, and Vietnamese-speaking consumers

Although not part of the Consumer Sales organization, Verizon NY also has a call center organization in Troy, NY, that handles calls regarding new service installations prior to customers being turned over to the VRRC organization for repair requests.

Customers speaking Spanish, Chinese (Cantonese and Mandarin), Korean, Vietnamese, or Russian are provided a direct customer service telephone number for language-assisted service. Currently, approximately one million Verizon NY customers have requested that Verizon NY provide customer service using a language other than English. Their expressed needs are identified in the customers' account, and if these customers dial the 800 telephone number normally used by English-speaking customers, the system automatically routes these calls to a dedicated multilingual call center. If customers with language barriers call Verizon NY and do not speak one of the languages supported internally by Verizon NY, call centers may use AT&T's interpreter service to assist with these calls. Vietnamese, for example, is one of the languages where Verizon NY uses AT&T interpreter service.

The typical organizational structure for a call center within the Consumer Sales organization is illustrated in *Exhibit VI-4*.

Exhibit VI-4

**TYPICAL CALL CENTER ORGANIZATIONAL STRUCTURE
CONSUMER SALES**

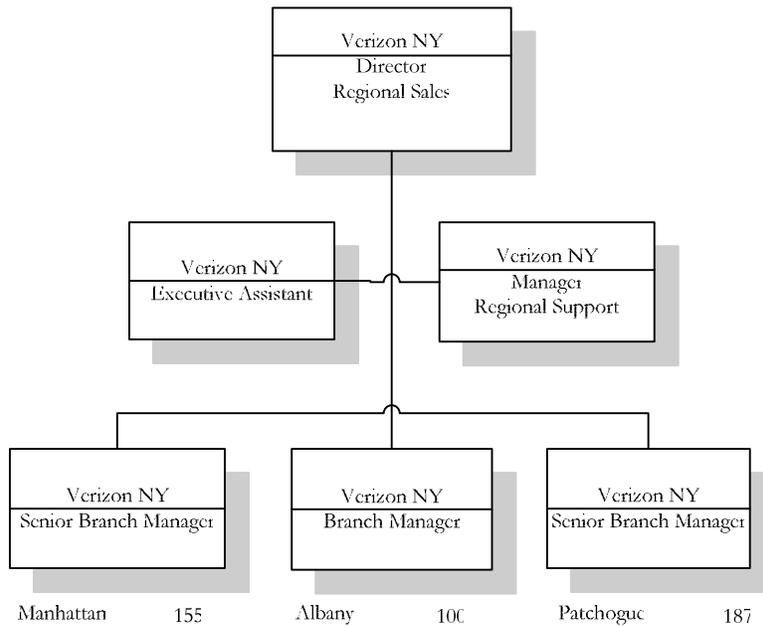
Typical Positions	Reports To
Call Center Manager	Director, Consumer Sales, NY Regional Area
1 Administration Manager (absence/union grievances) (no representatives report to this position)	Call Center Manager
1 Force Manager (automated call distributor (ACD), scheduling, lunch, close, etc.) (no representatives report to this position)	Call Center Manager
Team Leaders (directly supervising and coaching representatives)	Call Center Manager
Customer Service Representatives (CSRs)	Team Leaders

Business Sales and Billing Center Organization

Exhibit VI-5 illustrates small business call centers that perform installation order and provisioning activities for business customers whose Verizon revenue is \leq \$9,500 annually. The operating hours for the three locations are 8:30 A.M.–5:00 P.M., Monday through Friday.

Exhibit VI-5

BUSINESS SALES AND BILLING CENTER ORGANIZATION INSTALLATION ORDER/PROVISIONING SMALL BUSINESSES



During DCI's review, a Portland (ME) office (two Team Leaders and 21 representatives) was responsible for Winback activities (activities that center on winning a customer back who has left Verizon NY for another provider), including ported orders and resold orders for which the customer is returning to Verizon but not enrolling in the Freedom package (unlimited local, regional toll, and long distance calls, plus five free calling features). Previously, when Albany was part of the New England organization, Verizon believed it made sense to have Winback activities done in Portland. Now that Albany is included in Verizon NY, New York Winback activities are being transitioned back to New York, with the Portland Winback office scheduled for elimination by the end of year (EOY) 2004, provided movement of work constraints allow it.

Starting in August 2004, the Verizon BSBC organization expanded its multilingual services in New York to serve customers speaking Spanish, Cantonese, Mandarin, and Korean languages.

The typical BSBC organizational structure is illustrated in *Exhibit VI-6*.

Exhibit VI-6

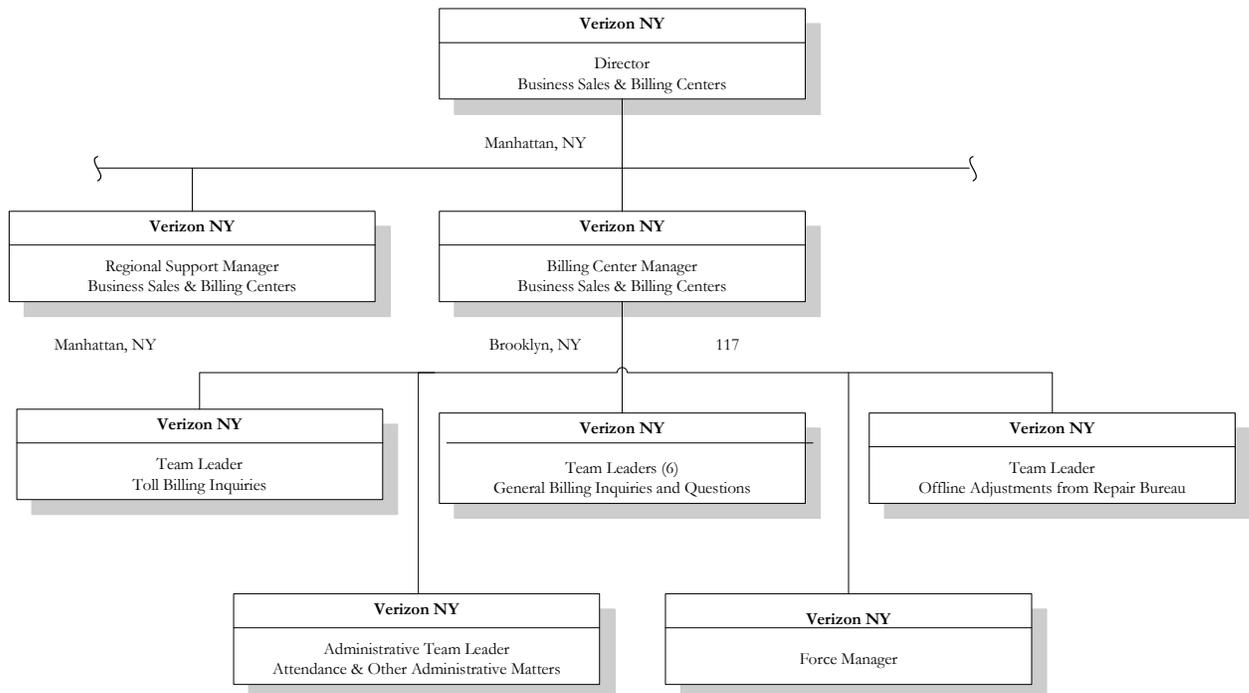
TYPICAL BSBC ORGANIZATIONAL STRUCTURE

Typical Positions	Reports To
Branch Manager	Regional Sales Director, BSBC
Team Leaders (TLs) (directly supervising and coaching Customer Service Representatives)	Branch Manager
TL Help Desk (or Service Order Error Correction (SOEC) Manager in Albany) (escalations, corrections, and offline work, such as Centrex orders, billing, troubleshooting)	Branch Manager
1-2 Force Manager(s) (scheduling of staff to meet service level and adherence targets) (no representatives report to this position)	Branch Manager
1 Administrative Team Leader (attendance) (no representatives report to this position)	Branch Manager
1 Quality Team Leader (customer care index (CCI) measures and non-premise visit group) (no representatives report to this position)	Branch Manager
1 Training Team Leader (training) (no representatives report to this position)	Branch Manager
Sales Leaders(s) (coach, develop, and provide feedback to representatives for achieving sales results)	Branch Manager
Product Support Specialist(s) (subject matter experts for data products, such as long distance and DSL)	Branch Manager
Customer Service Representatives	Team Leaders
Regional Support Manager	Regional Sales Director, BSBC
Winback Office (Portland, ME)	Regional Sales Director, BSBC

Most business office organizations also handle billing calls as well as order/provisioning calls. However, in January 2002, when billing calls were approximately 30% of all calls, BSBC segmented its billing calls (inquiries and questions) into a single call center. The Billing Center, located in Brooklyn, NY, is the only separate center within Verizon NY that specializes in billing inquiries and questions. It reports to the BSBC Director, as shown in *Exhibit VI-7*, and has 109 representatives and eight clerks.

Exhibit VI-7

BUSINESS BILLING CENTER ORGANIZATION



The BSBC Director is centralizing all offline sales and billing centers. As a result, the Brooklyn team that is handling offline adjustments will be moving to Manhattan in 2004. Additionally, the Training, Sales, and Quality Leaders, although working in Brooklyn, now report to the BSBC Regional Support Manager, as also shown in *Exhibit VI-7*.

Although typical calls include resolution of billing questions or issues and review of a customer's records for cost efficiency, representatives at this center may also be involved in upselling customers when they call in.

Forecasting of call volumes is done in 15-minute increments and scheduling of tours is conducted for the upcoming two weeks, based on seniority of representatives (with preferences defined semi-annually). Hours of operation are 8:30 A.M.–5:00 P.M., with tours starting at 8:30 A.M., 8:45 A.M., and 9:00 A.M.

Multi-Channel Market Organization

Exhibit VI-8 lists medium business call centers that perform installation order/provisioning activities for business customers whose Verizon revenue is > \$9,500 and ≤ \$150,000 annually. The Multi-Channel Market organization also includes the Complementary Sales organization, which manages the activities of authorized agents that serve medium and large businesses.

Exhibit VI-8

**MULTI-CHANNEL MARKET ORGANIZATION
INSTALLATION ORDER/PROVISIONING
MEDIUM/LARGE BUSINESSES**

Organization Name	NY Sub-groupings	# Locations/ Approximate Staffing	Locations	Operating Hours
Multi-Channel Market Organization	Business Solutions Group	4/261	Exton, PA	8:30 A.M.–5:30 P.M. Monday–Friday
			Manhattan, NY (West 36 th)	8:30 A.M.–5:30 P.M. Monday–Friday
			Manhattan, NY (Pearl Street)	8:30 A.M.–5:30 P.M. Monday–Friday
			Garden City, NY	8:30 A.M.–5:30 P.M. Monday–Friday
	Complementary Sales	7/321 plus 41 Authorized Agent organizations	Various	Various

Both the Business Solutions Group and the Complementary Sales organizations are part of the Multi-Channel Market organization. In essence, the Complementary Sales organization competes with Verizon's internal medium and large business call centers.

The BSG organization provides sales and support functions for approximately 16,000 customers who are located primarily in the Manhattan and Long Island geographic areas. These accounts each have a dedicated account manager. Additionally, when referred by BSBC, BSG employees attempt to sell to, as well as support, small business customers when such accounts involve complex services. These accounts, however, do not have a dedicated account manager.

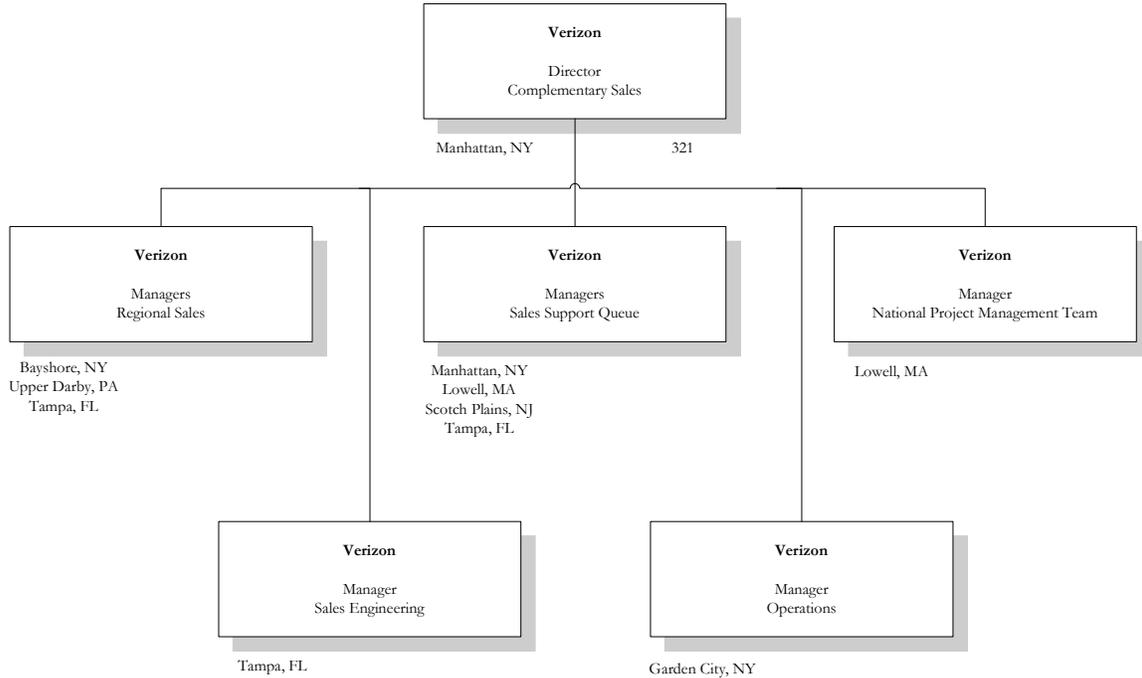
There are six BSG groups (in four geographic locations), as follows:

- The Exton, PA, group is comprised of 31 Account Managers (AMs) (sometimes referred to as Inside Sales Managers) who minimally call accounts 4x/year. These Account Managers are partnered with 15 Account Executives (AEs) and 15 Sales Engineers (SEs) who are NY-based.
- The 230 West 36th (Manhattan, NY) group is comprised of two Field Sales Managers plus selected Sales Engineers.
- One Pearl Street (Manhattan, NY) group is comprised of: 16 Business Development Managers (BDMs) who are responsible for smaller business sales; two Field Sales Managers; two Business Development Account Managers (who resource to BDMs and SEs on a post-sales basis where “sales” equates to “contract,” not “order”); and selected Sales Engineers.
- Another Pearl Street group is comprised of 44 post-sales/implementation employees, including the Manager, three Team Leaders, five Specialists, 21 Special Representatives (who implement high-end orders offline), 14 Online Billing Representatives, and two Order Typists.
- The Garden City, NY, group is comprised of: 42 employees (three Team Leaders and 39 representatives) who take inbound calls (online IDC); 15 employees (one Team Leader and 14 representatives) who perform offline work on cases built by Account Managers; 17 Special Representatives who perform both offline and online work; and two Order Typists, with the remaining employees involved in quality functions headed by one Team Leader.
- The Operations Manager group is comprised of: two Quality Trainers; one Service Advocate who is involved with repair issues (having three repairs within 30 days requires special attention); two Proposal Support employees; and one Compensation Specialist.

The Complementary Sales organization, as illustrated in *Exhibit VI-9*, works indirectly through authorized sales agents to provide sales and support functions for telephone company (TelCo) (excluding wireless) products and services.

Exhibit VI-9

COMPLEMENTARY SALES ORGANIZATION



The following major groups are included within this organization:

- Regional Sales Managers (3) who manage authorized agents, with New York split between two of the three managers, specifically the Bayshore, NY, and the Upper Darby, PA, managers
- Sales Support Queues (4), with Manhattan, NY, handling New York activities
- National Project Management Team, which handles project management for “large” projects
- Sales Engineering, which provides pre-sales technical assistance, including proposals
- Operations, which provides assistance to the Director of Complementary Sales for any other activities (including CEO forums, training, channel management, etc.) that are not covered in other groups

Thirty-three authorized agents represented Verizon in 2003. In 2004, eight agents were added, for a total of 41 agents. In 2004, however, Verizon started the Verizon Solution Partner Program (VSPP), where agents are segmented into tiers by level of yearly sales quota, as follows:

- Authorized agents (<\$250,000)
- Authorized gold agents (\$250,000–\$1 million) (all 33 of the current agents will go into this tier)
- Authorized platinum agents (starting in 2005) (\geq \$1 million), who will sell voice over Internet protocol (VoIP) and long distance services

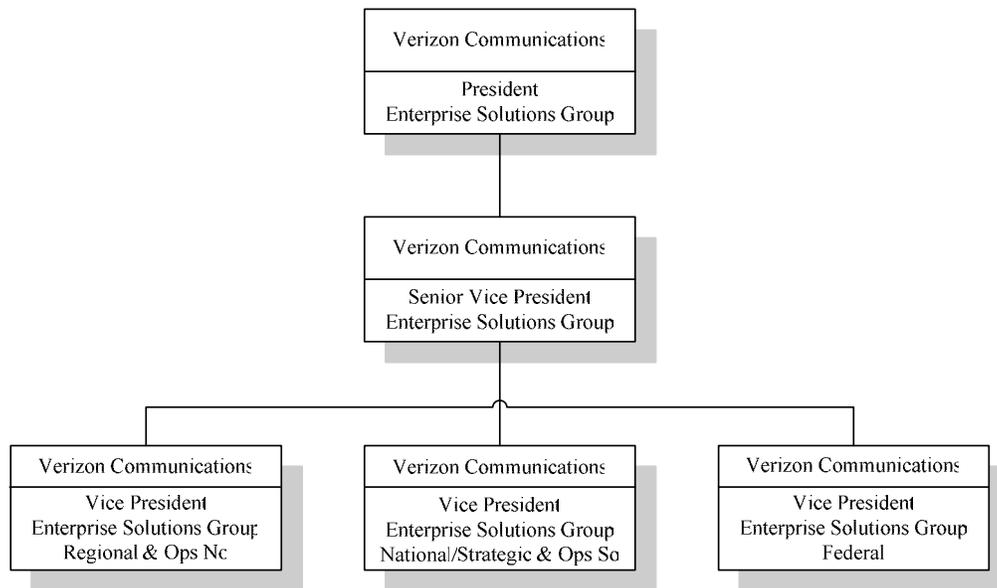
All 41 agent companies are paid solely on a commission basis, as specified in their contracts with Verizon. Each contract extends for a three-year period and is “re-upped” annually, based on the agent company’s market plan and forecast. However, if an agent mistreats a customer, Complementary Sales (CS) management can immediately make the contract null and void. Because of its staffing shortage, the organization is looking for ways to push work, through use of technology, to agents. In late 2003, because of the November 2003 early retirement program, a significant delay in processing agents’ requests developed. As a result, the CS organization has been authorized to pay for overtime until 2004 year-end.

Enterprise Solutions Group Organization

Exhibit VI-10 illustrates the Enterprise Solutions Group organization, which handles large and premium businesses (including customers who buy limited-service offerings). Its “call center” functions (typically referred to as Customer Contact Centers (CCCs)) report through the ESG Regional & Operations North organization.

Exhibit VI-10

ENTERPRISE SOLUTIONS GROUP ORGANIZATION



The enterprise segmentation is based on several primary market research studies in which Verizon analyzed the entire business telecommunications market with goals to:

- Establish an appropriate demarcation between enterprise and the general business segments
- Identify actionable segments within the enterprise market

The breakdown is heavily based on behavioral factors (whose criteria led to sophistication curves across multiple factors), including:

- Number of locations
- IT staff size and capabilities
- Telecom spending
- Geographic scope of business, including employee size

Enterprise segments (Tiers 1, 2, and 3) are driven by customer groupings across these multiple criteria. Ranking within segments is driven by forecasted growth component and TBR. TBR is highly correlated with segment delineation and Verizon NY considers it extremely useful for identification when all customer criteria are not available. All business accounts are measured at the customer's parent corporate entity and a TBR threshold level of \$150,000 (network and customer premises equipment (CPE)) is used to divide accounts between the ESG and the BSG organizations. In this manner, the ESG is assigned all accounts with TBR of \$100,000 or more annually, with the following exceptions:

- State and federal government accounts default to the ESG.
- Local and county governments adhere to the \$150,000 rule.
- Emergency 911 (E911) accounts default to the ESG.
- Public education, including K-12, public universities, and colleges, default to the ESG.
- Private education follows the \$150,000 rule.
- Accounts totally out-of-franchise default to the ESG.

Exhibit VI-11 lists the CCCs, which process order/provisioning and repair requests, respond to billing inquiries, and provide service management services for business customers whose Verizon revenue is > \$150,000 and ≤ \$1 million annually (large), whose Verizon revenue is ≥ \$1 million annually (premium), or who buy limited-service offerings. Additionally, an Originating Controlling Office (OCO) and a Maintenance Controlling Office (MCO)—which typically includes Central Office (CO) Technicians who are handling provisioning and maintenance requests—also take calls directly from ESG customers on an inquiry basis for provisioning and maintenance testing.

Exhibit VI-11

**ENTERPRISE SOLUTIONS GROUP ORGANIZATION
INSTALLATION ORDER/PROVISIONING
LARGE/PREMIUM BUSINESSES**

NY Sub-groupings	# Locations/ Approximate Staffing	Locations	Operating Hours
Manhattan	5/319 (d)	Southern & Midtown Manhattan (a)	9:00 A.M.–5:00 P.M. Monday–Friday
		Greater Metro (Brooklyn) (a)	9:00 A.M.–5:00 P.M. Monday–Friday
		OCO (b)	8:00 A.M.–5:00 P.M. Monday–Saturday
		MCO (c)	24x7

- (a) Customer Contact Centers
 (b) Originating Controlling Office (orders/installations)
 (c) Maintenance Controlling Office (maintenance/trouble reports)
 (d) Includes MCO repair organization

This organization handles more than just typical “business office” functions, as follows:

- Customer Contact Center
- Maintenance Controlling Office
- Originating Controlling Office

Exhibit VI-12 illustrates the typical positions for each group:

Exhibit VI-12

**TYPICAL ORGANIZATIONAL STRUCTURE
LARGE/PREMIUM BUSINESSES**

CCC

Typical Positions	Reports To
CCC Manager	Directors-NY Regional & National Accounts and Enterprise Transport Accounts
Team Leaders	CCC Manager
Representatives	Team Leaders
Special Representatives	Team Leaders
Specialists/Project Managers	CCC Manager
Service Manager	CCC Manager
Staff Support Function	CCC Manager

OCO

Typical Positions	Reports To
OCO Manager	Directors-NY Regional & National Accounts and Enterprise Transport Accounts
OCO Team Leaders	OCO Manager
OCO Technicians/Testers	OCO Team Leaders

MCO

Typical Positions	Reports To
MCO Manager	Directors-NY Regional & National Accounts and Enterprise Transport Accounts
MCO Team Leaders	MCO Manager
MCO Technicians/Testers	MCO Team Leaders

A CCC is essentially a call center organization that is responsible for the following activities:

- Orders/provisioning
- Billing
- Service management (maintenance)

The MCO organization is like a repair call center, where CO Technicians who are not part of the Field Operations group within a central office take calls and test lines before turning them over to the Field Operations group, if necessary, for maintenance and repair activities. The CO Technicians open trouble tickets, perform testing, and undertake customer satisfaction activities, such as testing again once repair has been completed.

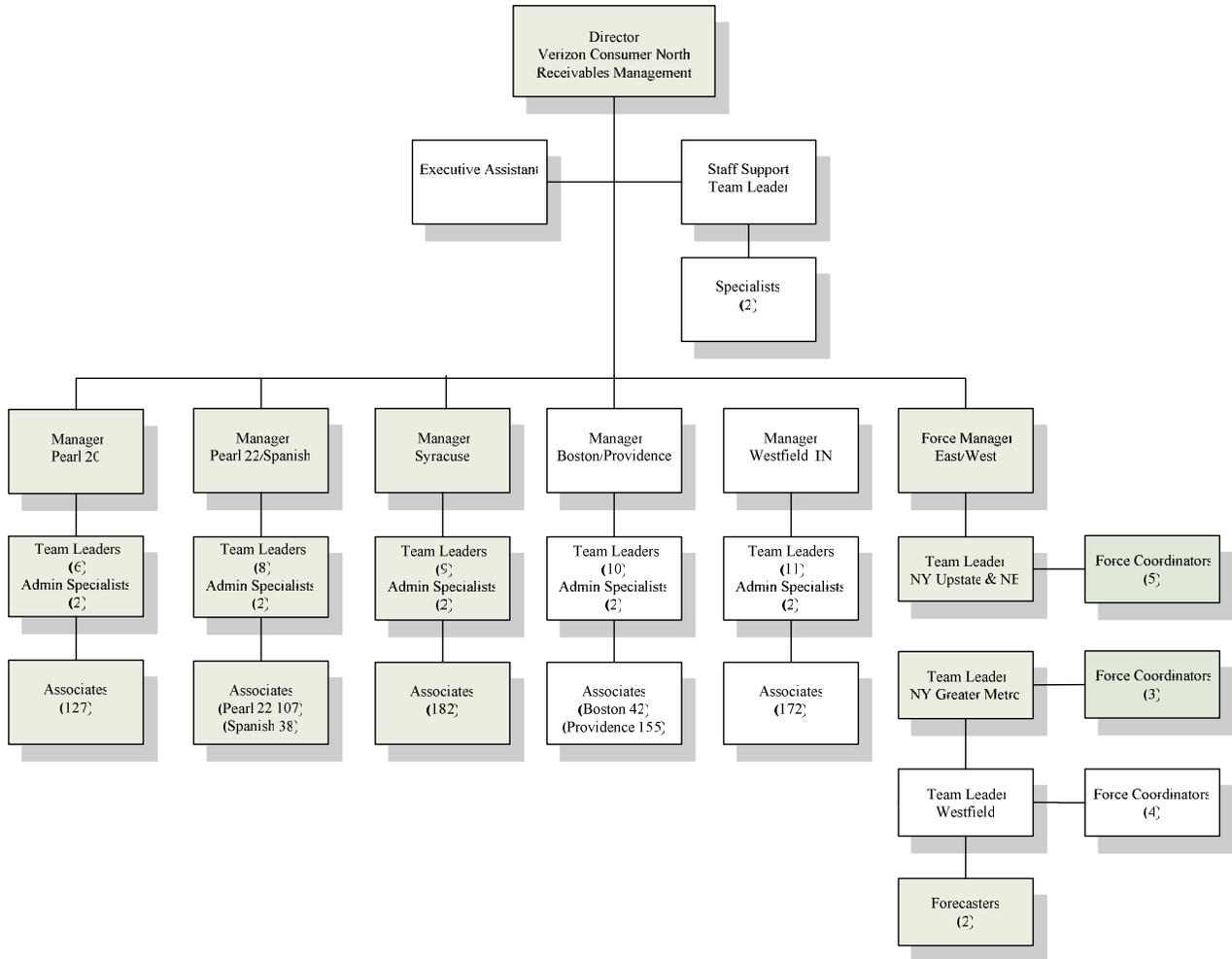
The OCO organization controls order/provisioning of installation orders. This activity is an operations staff support function that tracks results, implements action plans, performs quality assurance, monitors metrics, etc. A CO Technician/Tester must call the customer back, unless the customer wishes to receive an online status of installation progress.

Receivables Management (Collections) Organization

The Director, Verizon Consumer North, Receivables Management eventually reports into the VP Receivables Management organization in Philadelphia, which holds responsibility for receivables management (or collections) involving consumer, general business (<\$50,000), and ESG (>\$50,000) customers, although wholesale customers are not included. Credit verification (upfront creditworthiness) is not part of the receivables management function. Rather, it is handled by another organization in Ewing, NJ, for New York customers. The Director is responsible for four centers in New York, two in New England, and one in Indiana, as shown in *Exhibit VI-13*. In addition, the Director is charged with other support functions. In total, the headcount for this organization is approximately 81 management and 823 associates.

Exhibit VI-13

RECEIVABLES MANAGEMENT ORGANIZATION



Employees in shaded boxes directly or indirectly serve Verizon NY customers.

The New York centers include:

- Pearl Street (Manhattan) 20 (English)
- Pearl Street 22 (English)
- Syracuse (English)
- Pearl Street 12 (Spanish)

All English outbound dialer calls originate in Syracuse, which has 60 representatives who are dedicated to conducting dialer outbound calls. The hours of operation are 10:00 A.M.–8:45 P.M. Syracuse was selected because its productivity and absenteeism were better than they were in other locations. Representatives in all three New York locations take inbound calls and make manual outbound collection calls. Inbound English callers go to the first available representative at the three English-speaking call centers, regardless of location. Spanish callers, on the other hand, are directed immediately to the Spanish-speaking call center on Pearl Street in Manhattan. Additionally the Spanish team does outbound dialer calling between 8 A.M.–6 P.M.

For inbound representatives in New York City and Syracuse, the hours of operation are 8 A.M.–6 P.M. Inbound calls after 6:00 P.M. go into the automated voice response system (VRS). Callers cannot leave messages, but they can check account balances, use pay-by-service via a third-party vendor to pay their bills, set up payment arrangements, and request duplicate bills.

The Force Manager oversees two forecasters who forecast call volumes and build capacity plans; others within the Force group are responsible for day-to-day scheduling operations.

In NY, collections calls involving \$425 million annually are completed, which typically include:

- Inbound calls regarding billing/sales or questions on bills (10% misdirected calls)
- Overdue monies, of which approximately 47% (English 48% and Spanish 29%) are outbound calls and the balance are inbound calls in New York

The collections' timeline is as follows:

- A bill is sent to a customer.
- If the customer does not pay within 25 days, then on the 26th day, a final disconnect notification is sent to the customer advising him/her to pay within an eight-day window or risk service interruption (approximately seven million notices are sent each year, resulting in approximately six million inbound calls).
- Although not required by the NYPSC, early verification calls (EVCs) asking for payment are made as a courtesy between the fifth and eighth day of this window.
- On the ninth day (the first day after the eight-day window), outbound calls (10:00 A.M.–8:45 P.M.) are made.
- On the tenth day, outbound calls (5:00 P.M.–8:45 P.M.) are made.

[redacted]

- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]
- [redacted]

[redacted]

Team Leaders perform 20 observations per week for 20 to 25 representatives, either side-by-side or remotely in an observation room.

Call Volumes

Exhibit VI-14 illustrates staffing levels for consumer call center organizations versus call volumes for 2001, 2002, 2003, and 2004 (through May 2004). [redacted]

Exhibit VI-14**CONSUMER
CALL VOLUMES VERSUS STAFFING LEVELS**

[redacted]

Exhibit VI-15 illustrates staffing levels for general business organizations versus call volumes for 2001, 2002, 2003, and 2004 (through May 2004). [redacted]

Exhibit VI-15

**GENERAL BUSINESS
CALL VOLUMES VERSUS STAFFING LEVELS**

[redacted]

According to Verizon NY management, the decline in call volumes for both consumer and general business organizations is a direct result of increased local exchange competition, as well as increasing substitution of wireless and broadband services. The BSBC expected headcount to drop faster than call volumes starting May 2004, when they moved a large portion of offline functions to an offline center.

Process Flows

The following list briefly describes the steps Customer Service Representatives (within consumer and general business organizations, but not collections) follow when responding to calls:

- Thank you for calling Verizon. My name is _____. May I verify the number you're calling about is _____? Thank you. And can I verify who I am speaking with? Do I have permission to access your records? My goal today is to provide you with outstanding service. How may I help you today?
- Determine customer request and then give an assurance of help such as, "I'll be happy to place that order for you."
- Express empathy if applicable.
- Resolve the customer's original request.
- Fact-find to uncover clues that will enable the offering of products and services.
- If the customer is calling to place a new line or move order, the representative must give the neutral PIC/LPIC (for end users, their primary interexchange carrier is designated as PIC for interLATA toll subscription and as LPIC for intraLATA toll subscription) statement advising the customer of his or her choice in local toll and long distance carriers.
- Representatives are required to bridge to sales on all applicable orders as a means of increasing customer satisfaction and potentially reducing customer bills through the addition of various package offerings.
- Resolve and attempt to overcome objections.
- Close the sale.
- Explain how to use products and services.
- Offer any/all applicable service numbers, such as installation, repair, home voicemail help desk, DSL help desk.
- Recap what was done, how much the customer will be charged, when the service will be installed/working, and any help numbers.
- Ask if the customer has any additional questions.
- Thank the customer for choosing Verizon and ask the outstanding question: My goal today was to provide you with outstanding service. Have I done so?
- Note the customer's account with a complete and proper notation.

While detailed scripts are not provided to Verizon representatives, a negotiation guide involving new service orders is provided to representatives in which the information that is discussed between representatives and customers is detailed. Additionally, training and testing are done when a representative is first hired and throughout his or her tenure to foster competency.

Once orders have been taken, the appropriate dispatch resource center (DRC) within the Field Operations group is held responsible for installation activities.

Unlike general business customers, large/premium business customers can contact CCC representatives for orders/provisioning or repair requests. Also, because of the large size of these customers (and the resulting complexity of their requests), they may also directly contact Special Representatives (who are managing the installation projects), MCO Technicians, or OCO Technicians.

Computer Systems

Automated Call Distribution Systems

The various call center organizations use slightly different call distribution mechanisms, as illustrated in *Exhibit VI-16*. The Resource Allocation Center (RAC) in Irving, Texas, is responsible for forecasting call volumes and for setting staffing requirements for each of the various call center organizations. Individual call center management holds responsibility for staff scheduling. The call distribution mechanisms, plus the forecasting and monitoring systems used for these organizations, are listed in *Exhibit VI-16*.

Exhibit VI-16

FORECASTING & MONITORING SYSTEMS USED

Customer Type	Call Distribution Mechanism	Forecasting & Monitoring System Used
Consumer	Virtual call center in which ACD shares calls throughout the state, with preference given to the local call center of a customer's call; ACD also keeps a % upstate	RT1000/EMPSx
Multilingual	Based on language	RT1000/EMPSx
Small Business	Virtual call center in which ACD shares calls throughout the state, with preference given to the office that is idle the longest	EMPSx
Medium Business	Only two inbound centers (Manhattan and Garden City) to which callers call in directly to the designated center	EMPSx
Large/Premium Business	Callers call in directly to the designated consumer care center or to the MCO or OCO, directly if they desire.	RT1000
Billing	Only one center for BSG organization	EMPSx
Collections	Only one Verizon NY center	RT1000 (expected to move to EMPSx in summer of 2004)

The forecasting and monitoring systems currently used are not standardized across business office organizations, as Verizon is moving from RFS Forecaster to Employee Management & Planning System (EMPSx) for forecasting and scheduling purposes. EMPSx is a graphical user interface (GUI) that overlays RT1000 (or other switches), tracks time, and also provides input to payroll systems.

The RAC is responsible for annual call volume forecasts. Throughout the year, the RAC also provides forecasts to local call center management two (or more) weeks in advance, based on 30-minute increments (if RFS Forecaster is used) and 15-minute increments (if EMPSx is used). Many factors, including call volumes, average handle time (AHT), occupancy, percentage of abandoned calls, percentage of busies, historical trends, and anticipated strategy changes are used for forecasting. Force Managers at local centers have access to RFS Forecaster or EMPSx and use one or the other for scheduling purposes. A conference call is held weekly (usually on Monday) among the RAC, Force Managers, and Force Champions (if applicable) to discuss any events in the upcoming two weeks. Each day's adjustments can then be made, based on actual activity. The RAC is responsible for real-time management of volumes. It watches intra-day activity, interacting verbally or by instant message (IM) with call center management to adjust requirements so that local management can react to these changes and alter staffing, as necessary. If higher than expected call volumes occur, centers typically schedule lunches or breaks at different times, switch to "all hands on board" (moving from offline work to online work), postpone training, or use voluntary (or occasionally, forced) overtime to address the situation. Conversely, if lower than expected call volumes occur, centers typically schedule training, perform coaching, have representatives work on offline/outbound work, or "sell" time (allow unpaid time off). (Note that the RAC does not develop forecasts for the collections organization, which develops its own forecasts.)

Verizon NY managers typically do not instruct representatives to suspend selling when volumes are high and workload is heavy, as Verizon places a strong emphasis on sales. Verizon NY strongly believes that every call should include a sales component, as availability of new functionality, billing packages, and features is important to rendering a happy customer. With access lines decreasing each year, Verizon NY is trying to save each customer and prevent her/him from leaving because s/he is unhappy or perceives that s/he is being overbilled.

Application Systems

The computer systems currently used by the various customer service organizations that serve consumers and general business customers are listed in *Exhibit VI-17* and *Exhibit VI-18*.

Application systems used by consumer call centers include those described in *Exhibit VI-17*.

Exhibit VI-17**CONSUMER CALL CENTER SYSTEMS**

A105T	Used only by managers to reset representatives' passwords in service order processor (SOP)
A21T	Used by managers to reset representatives' passwords in ICRIS
Adobe Acrobat Reader V4.05	Used to read PDF files
BMEX	Used to view the availability of products for customer accounts
CACS ICU	Used when processing customers who are behind in their payments, also known as Collections
CACS ICW	Collections
CTLR	Payroll system
EZ Reference	Methods and procedures for online documentation
FACS NY	Used to determine available facilities at a premise
ICRIS ICE-ICS	Used to access customer accounts in LI, Queens, Westchester, and Brooklyn
ICRIS ICU	Used to access Upstate NY accounts
ICRIS ICW	Used to access Manhattan, Staten Island, and Bronx accounts
LIVE WIRE NY	Used to retrieve telephone numbers and to check for working service
Loop Management Operations System (LMOS) HOST	Used by repair and installation to determine what work has been done at a premise, by city
LMOS	Provides details for the state
MITS NY 1, MITS NY 2, MITS NY SY 1, MITS NY SY 2	All MITS systems are training databases that are used in initial representative training
Lotus Notes V4.6.2a	E-mail system
Matrox Desk Magnifier	Allows vision-impaired agents to magnify a portion of their computer screen
RMDS AWB	Reports Management & Distribution System
CASH	Used to retrieve representative and office sales on daily, weekly, & monthly bases
CASH	Used to maintain representative/office sales codes
SOP NY	Service order processing
Starlog/Call Manager V2.13	Call Manager provides the representative with customer information, based on customer input to a voice response unit (VRU)
VZPEOPLE	Intra-company list of all Verizon employees
WFA-DO NY	Same as LMOS application
Workflow Manager V2.0	System that distributes and tracks work with offline centers
XEA	Used to check the switch to verify PIC/LPIC carriers

Application systems used by general business call centers include those described in *Exhibit VI-18*.

Exhibit VI-18**GENERAL BUSINESS CALL CENTER SYSTEMS**

A105T	Used only by managers to reset representatives' passwords in SOP
A21T	Used by managers to reset representatives' passwords in ICRIS
Adobe Acrobat Reader V4.05	Used to read PDF files
BMEX	Used to view the availability of products for customer accounts
CACS ICU	Used when processing customers who are behind in their payments, also known as Collections
CACS ICW	Collections
CTLR	Payroll system
EZ Reference	Methods and procedures for online documentation
FACS NY	Used to determine available facilities at a premise
ICRIS ICE-ICS	Used to access customer accounts in LI, Queens, Westchester, and Brooklyn
ICRIS ICU	Used to access Upstate NY accounts
ICRIS ICW	Used to access Manhattan, Staten Island, and Bronx accounts
Handbook Online	Information and rates on all company services
LIVE WIRE NY	Used to retrieve telephone numbers and to check for working service
LMOS HOST	Used by repair and installation to see what work has been done at a premise, by city
LMOS	Provides details for the state
MITN NY 1, MITN NY 2, MITN NY SY 1, MITN NY SY 2	All MITN systems are training databases that are used in initial representative training
Lotus Notes V4.6.2a	E-mail system
ONE BILL	Used to arrange for a single bill from Verizon that encompasses a customer's regional and long distance service
OLO	Used to identify whether a customer qualifies for DSL service
SMARTS	Used to retrieve representative and office sales on daily, weekly, & monthly bases
SMARTS	Used to maintain representative/office sales codes
SOP NY	Service order processing
Starlog/Call Manager V2.13	Call Manager provides the representative with customer information, based on customer input to a VRU
VZPEOPLE	Intra-company list of all Verizon employees
WFA-DO NY	Same as LMOS application
Workflow Manager V2.0	System that distributes and tracks work within offline centers
XEA	Used to check the switch to verify PIC/LPIC carriers

BASES II is a Web-based system that is used by the BSG and Complementary Sales organizations as a case management and communications tool that overlays other Verizon legacy systems. BASES II is a Verizon-developed system that has evolved since its implementation in 1999. It allows agents to submit their requests for service directly to Verizon call centers, thereby allowing them to spend more time selling. Once sales employees sign a contract with a customer, a “case” is logged into BASES II and is tracked throughout its implementation lifecycle, as follows:

- Unassigned
- Assigned to associate
- In progress
- Pending (physical work completed but still requires follow-up of first bill)
- Final completion

Application systems used by ESG have recently moved towards more extensive use of the ESG customer portal on Verizon’s Web site. Verizon NY management believes that when representatives understand the ESG customer portal, they are better able to help customers who are using the portal directly. The portal, referred to as Enterprise Direct (eDirect), is an online account management tool that supports online bill view, e-repair, and e-ordering capabilities. Quarterly enhancements are scheduled for eDirect, and customers are notified of new modules and features through an application bulletin board.

Other systems used by ESG include:

Exhibit VI-19

ESG APPLICATION SYSTEMS

WFA-DO	Work Force Administration – Dispatch Out (WFA-DO) manages the dispatch of installation and repair work requests to dispatch technicians via Common Agent Desktop (CAD) to WFA-DO. The repair agent also uses the system to verify the status of work requests.
WFA-DI	Work Force Administration – Dispatch In (WFA-DI) manages the dispatch of installation and repair work requests to central office technicians via CAD to WFA-DO. The repair agent also uses the system to verify the status of work requests.
WFA-C	Work Force Administration – Control (WFA-C) tracks and controls orders.
TIRKS	Change design
Enterprise Direct	Web portal
Request Net	Used to determine availability of T1–T3 lines
CSAL	Dictionary
Galaxy	General list of services by type code (higher-end customers only)

Systems used by the Billing Center are similar to those used by general business offices, although the following systems were noted as those used most frequently:

- ICRIS
- Express Track (long distance)
- E-mail messages

The primary system used by the Collections organization is the ECHOS collection system, which was developed in New York. Behind ECHOS is the TRIAD system, which uses a behavioral scoring mechanism to determine when and to whom to send notices. In the last six months, a front-end Web-based GUI called iCollect was added on top of ECHOS to help representatives navigate through screens. Other systems include:

- Lotus Notes
- ICRIS (although representatives generally do not use this system)
- MTAC (PD) (which is being phased out)

Service Quality Measures

Exhibit VI-20 and *Exhibit VI-21* illustrate service level (SL) results (percent answered within 30 seconds) by month (March 2002–May 2004) for residential (consumer) and general business organizations respectively, as reported to the NYPSC. With only a few exceptions, business office organizations have consistently met the “80% within 30 seconds” target over this time period.

Although routinely above the 80% target, *Exhibit VI-20* illustrates that service level results for consumer call centers have been gradually declining, although 2004 results in some centers are improving slightly. The most noticeable drop in results happened in September 2003, which was the month when Hurricane Isabel hit New York City.

Exhibit VI-20

**% ANSWERED WITHIN 30 SECONDS
FOR CONSUMER (RESIDENTIAL) CALL CENTER ORGANIZATIONS
MARCH 2002–MAY 2004**

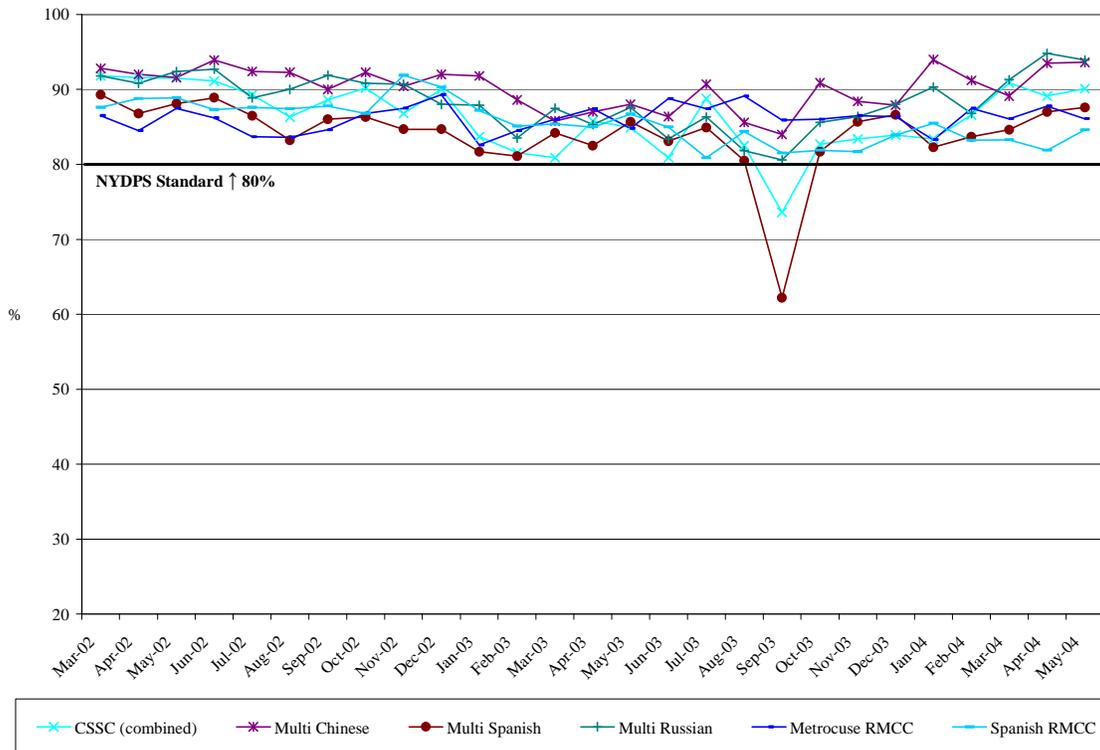
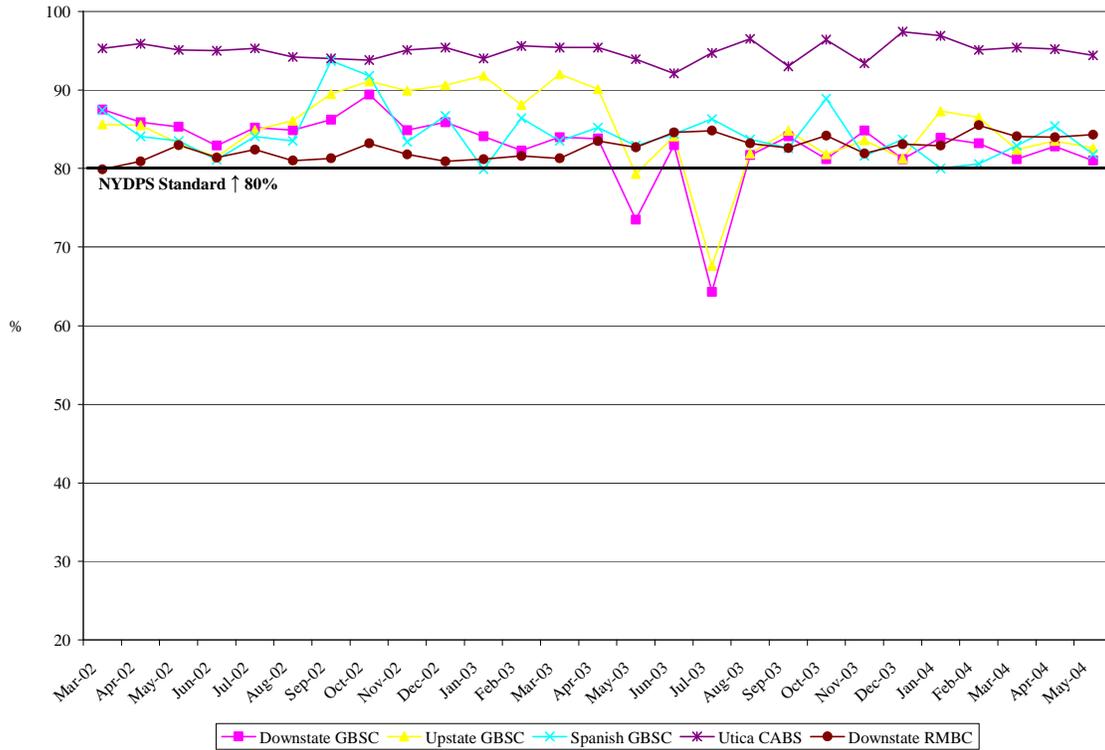


Exhibit VI-21 illustrates that, generally, most general business call centers have favorably met the 80% target; however, the most noticeable drops below 80% happened in May and July of 2003. These dips resulted from a marketing effort in May for the Freedom package, which generated unanticipated volumes, and pre-strike activity in July.

Exhibit VI-21

**% ANSWERED WITHIN 30 SECONDS
FOR GENERAL BUSINESS CALL CENTER ORGANIZATIONS
MARCH 2002–MAY 2004**



Verizon NY business office call center organizations routinely use many typical service quality measures for customer service organizations, including those illustrated in *Exhibit VI-22*.

BUSINESS OFFICE PERFORMANCE MEASURES

Performance Measure	CSSC	BSBC Billing	BSG	ESG	Collections	Comments
Answer time performance						
Service level of 80% of calls answered within 30 seconds (based on 10% busies and 15% abandoned calls)	Y	Y	Y	Y	Y	Prior to the Verizon Incentive Plan (VIP), when the Performance Review Plan (PRP) was in effect, the target was 90% within 20 seconds, excluding busies and abandoned calls.
ASA	N	N	N	Y	N	ASA was used as the primary answer time performance target when PRP was in effect.
Call statistics other than answer time performance						
#/% busies	Y	Y	N	N	N	
#/% abandoned calls	Y	Y	N	N	N	
AHT (in seconds or minutes), which is typically comprised of average talk time (ATT) and average wrap time (AWT)	Y	Y	N	Y	Y	Most use AHT directly; however, Collections uses ATT plus AHT on exception basis against “normal” found in center.
Customers on hold (in seconds)	Y	Y	N	N	N	
Occupancy rate (% online talking with customers)	Y	Y	N	N	N	
Adherence to schedule (% time talking to customers or available for talking with customers)	Y	Y	Y	Y	Y	Collections also uses adherence to forecast with \pm 5% target.
% absenteeism	Y	Y	Y	Y	Y	
Observations and reviews						
Observations/representative/month (locally) either by side-by-side observations with immediate or follow-up coaching sessions or by remote observations using live audio of customers and representatives	Y	Y	Y	N	Y	5 observations/representative/month and 5 quality and productivity reviews/representative/month for collections organization # varies among other call center organizations; calibration session also held where Team Leaders meet together in an observation room to make sure that each is handling observations in a similar fashion.
Observations/representatives/center (nationally)	Y	Y	N	N	N	2/representative/month—CSSC and BSBC only
Desk reviews	N	N	Y	Y	N	5/representative/month—BSG 3/representative/month—ESG
Service order accuracy	N	Y	N	N	N	20 reviews monthly—Billing Center 5/representative/month—BSBC

BUSINESS OFFICE PERFORMANCE MEASURES

Performance Measure	CSSC	BSBC Billing	BSG	ESG	Collections	Comments
Customer satisfaction						
Customer care index (customer satisfaction) scores (twice monthly by representative, team, call center, and district)	Y	Y	Y	N	Y	
Pell City “how would you rate the representative” question (85% target)	N	Y	N	N	N	
Frequency of “touching” a customer	N	N	Y	N	N	4x/customer/year or quarterly module penetration (QMP) by AMs, 12 premise visits/week by AEs, and 10 premise visits/week by BDMs
Revenues (sales) or expenses						
Revenues/representative/month	Y	Y	Y	N	N	
Sales (VZ points) (daily by representative, team, call center, and district)	Y	Y	N	N	N	Consumer and BSG, exclusive of Billing Center
Balance performance and product sales in compensation	N	N	Y	N	N	
Sales funnel activity in progress (not yet revenue) equal to 300% sales	N	N	Y	N	N	
Balance performance of sales team (to encourage all to sell)	N	N	Y	N	N	
Online revenue productivity on year-to-date (YTD) basis	N	N	Y	N	N	
New orders flow	N	N	N	Y	N	
Adjustments, with 7% improvement (reduction) over prior year	N	Y	N	N	N	Billing Center only
Dollars collected by center and district	N	N	N	N	Y	
Expenses (salaries/wages; overtime)	N	N	N	N	Y	
Others						
Teamwork and partnering	N	N	Y	N	N	
Right party connect rate (RPCR) (60% target)	N	N	N	N	Y	RPCR is used as a means of measuring effectiveness in reaching decision-makers.
Right time to call (RTTC)	N	N	N	N	Y	Driven by call volumes

Included among the recognition and incentive programs used by centers to achieve performance targets are:

- Written commendations from a Director or Call Center Manager to a Customer Service Representative
- Reading/communication of commendation line or written feedback from customers
- Certificates
- Contests
- Traveling CCI trophy based on prior month's figures
- Daily CCI pulse
- CCI prize patrol (snacks)
- Highlighting sales, "in your seat," or positive attitudes
- Trips (such as broadband "Field of Dreams" program)
- Other targeted sales campaigns, such as vacation trips

To manage absence, some Call Center Managers employ mechanisms such as home visits or "sunshine clubs" (voluntary activity whereby employees contribute \$3/month for flowers (or such) for fellow employees).

VRRC ORGANIZATION

The Verizon Repair Response Center organization is responsible for call center operations involving repair requests for consumer and general business customers. The ESG organization, as previously discussed in *Section A – Business Offices*, is responsible for large and premium business customers.

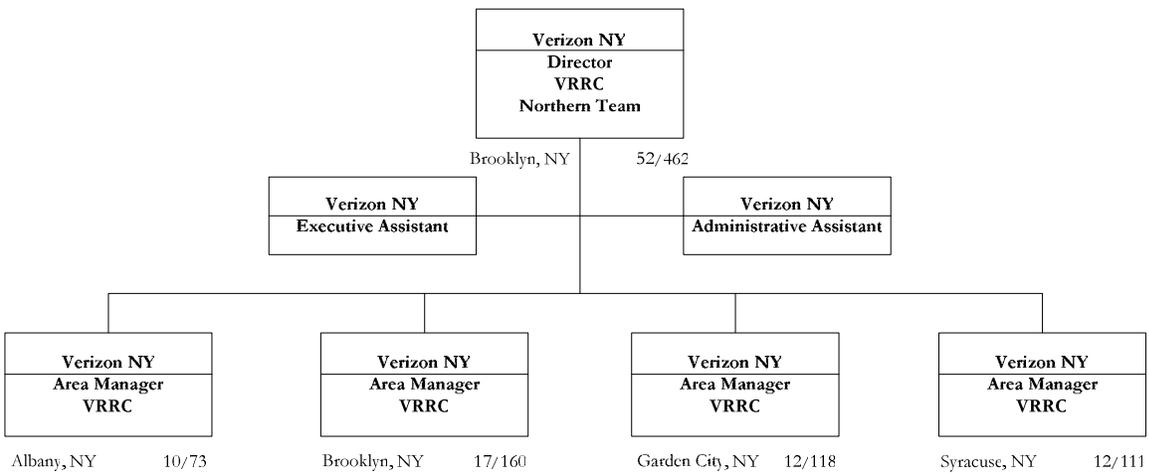
Once logged into systems by VRRC or ESG staff, repair requests are then transmitted electronically to the Dispatch Resource Center organization (as discussed in *Chapter VII – Field Operations*), which actually performs repairs.

Organization and Staffing

The New York State VRRC organization, headed by the Director, VRRC, is shown in *Exhibit VI-23*.

Exhibit VI-23

NEW YORK VRRC ORGANIZATION



* Headcount figures below boxes indicate management/associate-staffing levels that report to the position in the box.

Exhibit VI-24 lists repair call centers serving consumer and business customers.

Exhibit VI-24

CUSTOMER SERVICE ORGANIZATIONS
REPAIR

Type	Organization Name	NY Sub-groupings	# Locations/ Approximate Staffing		Locations	Operating Hours
Repair (a)	VRRC	NY	4/575	84	Albany	6:00 A.M.–9:00 P.M. Monday–Saturday
				178	Brooklyn (c)	8:00 A.M.–9:00 P.M. Monday–Saturday (d)
				131	Garden City	7:00 A.M.–MIDNIGHT Monday–Saturday (d)
				124	Syracuse (d)	24 x 7
Repair (b)	ESG-Large and Premium	Manhattan	1/80		MCO (e)	24 x 7
		Remainder of NY (Albany/Long Island)	1/75		MCO (e)	24 x 7
Post-Installation	VOICe (order inquiry)	NY	1/120		Troy	8:00 A.M.–6:00 P.M. Monday–Friday

(a) Includes trouble reports and testing of lines for consumer, small businesses, and medium businesses

(b) Includes trouble reports and testing of lines for large and premium businesses; see *Business Offices* section

(c) Serving Spanish-speaking customers as well as English-speaking customers

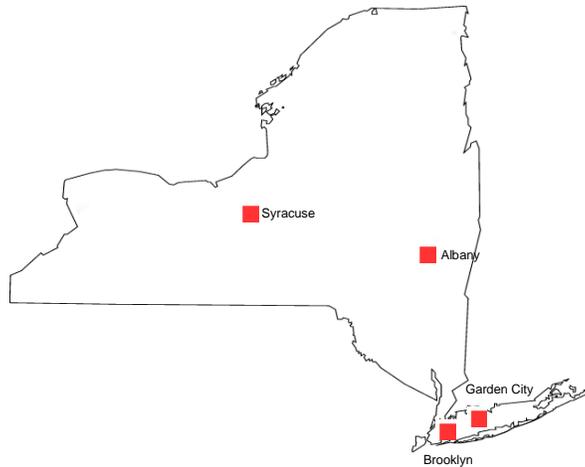
(d) 7:00 A.M.–12:00 MIDNIGHT every third Sunday, when coverage is rotated among Brooklyn, Garden City, and Syracuse

(e) Maintenance Controlling Office (maintenance/trouble reports)

Exhibit VI-25 shows where each of the VRRC call centers is located in New York.

Exhibit VI-25

VRRC LOCATIONS

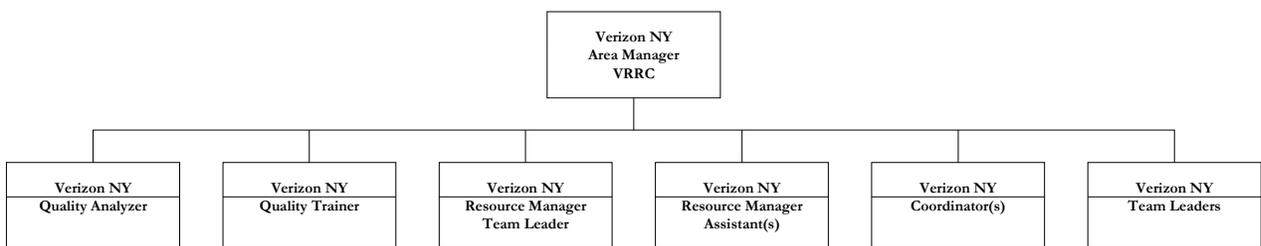


Both the Albany and Garden City centers are co-located with DRCs, while the Syracuse and Brooklyn centers lie just a few blocks away from a DRC. During 2003, two other centers (White Plains and Manhattan) closed and employees were relocated to Brooklyn.

The typical organizational structure for a VRRC call center is illustrated in Exhibit VI-26.

Exhibit VI-26

TYPICAL VRRC CALL CENTER ORGANIZATIONAL STRUCTURE



Call Volumes

Exhibit VI-27 illustrates VRRC staffing levels versus call volumes for 2001, 2002, 2003, and 2004 (through May 2004). [redacted]

Exhibit VI-27

**VRRC
CALL VOLUMES VERSUS STAFFING LEVELS**

[redacted]

Process Flows

Customer Service Associates (CSAs) take all types of trouble reports and perform tests thereon. Most calls occur between 10:00 A.M. and 2:00 P.M. If CSAs work at any time between 6:00 P.M. and 6:00 A.M., they get differential pay for all hours worked on their shift. All VRRC employees are full-time, except for a few CSAs in Syracuse. Use of split shifts or part-time workers (other than the few CSAs in Syracuse) is not available to Verizon management because of constraints involving union contracts. According to Verizon NY management, VRRC employees tend to be seasoned employees with little churn occurring. Their longstanding loyalty is likely due to the poor economy and an increased pay scale given for expanded duties. Slow time, if it occurs, usually happens from 2:00 P.M. to 5:00 P.M. Verizon NY gives CSAs the option to sell time (leave work without pay) when this situation occurs.

Alternatively, customers may visit Verizon's Web site (<http://www.verizon.com>) to make a request for service. The repair portion of the Web site, referred to as eRepair, allows a customer to enter a repair report. It also offers the customer troubleshooting information and provides test results that allow the customer to determine whether or not s/he wishes to enter a report. If at that time the customer opts not to enter a report, the information is placed on hold, for 48 hours, in case the customer later determines s/he really needs to enter a report. eRepair also offers the customer the opportunity to check the status of his or her prior trouble, to edit or update information provided (such as the contact number), and to cancel the report if the trouble has been resolved.

All four centers have similar process flows. Repair calls go to 890-6611 (consumer) or 890-7711 (business), although both types of calls come through to the centers. Calls come into a voice portal, which was implemented in August 2003. It can process calls wholly, without the aid of a live person, or a caller can opt to talk with a CSA. CSAs (or the VRU) take information from a customer and perform a mechanized loop test (MLT). Disposition is based on what the customer says and on the verification code; however, in the case of discrepancies, what the customer says rules. The commitment clock (which varies by region and DRC) drives the date that the CSA commits to the caller for scheduled repair work. The CSA has no control over the clock; but in emergency situations, when the caller needs quick service, the CSA can override the clock, based on a back-down procedure, to no less than four hours. If a caller still wishes faster service, then the CSA can personally call the DRC to ask if faster service is possible.

The Resource Management Group (RMG), located in Valhalla, NY (Westchester County), is responsible for forecasting call volumes and for setting staffing requirements for each of the four New York repair centers. Forecasting in minute increments is done two (or more) weeks out. Once forecasting has occurred, individual call centers are responsible for scheduling staff. Although most centers post staffing schedules two weeks out, at least one center posts its schedules four weeks out. If higher than expected call volumes occur, centers typically schedule lunches or breaks at different times, switch to “all hands on board” (moving from offline work to online work), postpone training, or use voluntary overtime to address the situation. Conversely, if lower than expected call volumes occur, centers typically schedule training, perform coaching, or “sell” time (allow unpaid time off).

Each day at 1:30 P.M., the VRRRC call centers have a conference call with RMG staff to discuss forecasting and scheduling for the next day. At the same time, they will assess the previous day’s situation.

Witness, a new monitoring system, was implemented in 2003. Under this system, VRRRC management staff may listen to a call’s audio of the CSA and customer as well as view the CSA’s keystrokes as they traverse screens. Team Leaders are required to conduct five calls/CSA/month in 2004 (four in 2003). This requirement serves as a coaching tool for CSAs, not as a means of disciplining them; however, if a CSA continues to experience problems, VRRRC management can use progressive discipline.

Verizon NY has implemented an initiative involving its standard dispatch model (SDM) to move offline work, when possible, from DRC to VRRRC employees. Employees retest troubles (using the SCRUBBER system), and if results are good, they call customers back as a means of eliminating additional dispatches.

Computer Systems

Automated Call Distribution Systems

Although the various Verizon call center organizations use slightly different call distribution mechanisms, the VRRRC call centers consistently use the same automated call distribution process. All VRRRC call centers are essentially one virtual call center in which the ACD system first points to a local switch; however, if local representatives are busy, then a call goes to the first available representative, regardless of location.

The forecasting and monitoring system used by VRRC call centers is RPS Forecaster (RT1000). Call volumes are forecasted initially on an end-of-day basis and are then distributed throughout the day, based on thirty-minute periods, in which 10:00 A.M.–10:30 A.M. is typically the busiest time of day. The distribution also changes seasonally. Forecast AHT is also varied by time of day. Volumes, plus typical AHT and SL, are factored into forecasts to meet service quality objectives. This procedure results in a daily schedule of 30-minute increments. The RMG team, therefore, can let each call center know how many tours of duty they need each day, including the number of staff needed for each 30-minute period. They typically use figures showing that representatives are available for call-taking 66% of their time. Besides scheduled absences, the RMG team takes unexcused absences into account by “padding” its required staff by 10%.

Application Systems

The computer systems currently used by the various repair organizations (except the Enterprise Solutions Group) are listed in *Exhibit VI-28*.

Exhibit VI-28

COMPUTER SYSTEMS USED

System	System Description
CTI Screenpop	Computer Telephony Integration (CTI) allows for the proper routing of calls to correct centers (business office, billing, or repair) to reduce misdirected calls.
CAD	CAD is a client/server-based application that allows for the entry and management of trouble reports.
CTLR	CTLR is a payroll system that is used by one administrative clerk through which individual agents are paid. The data is taken from the force ACD computer and fed daily into CTLR. The force computer is monitored daily by the Resource Management Assistants (RMAs) in charge and is approved weekly by the second-line manager.
DEXTER	DEXTER is a call-logging system that is used to refer escalations to the Lead CSA or the supervisor.
LDWEB	The Long Distance Web System (LDWEB) allows entry of trouble reports for toll-free, personal toll-free services (PTFS), out of region, and complex customers. It interfaces with expressTRAK, which provides customer information and carrier name, to enter the trouble report.
MLT	An MLT is performed by the central office to detect several things: faults such as opens, short circuits, AC and DC tests, busy conditions, draws and attempts to break dial tone. It can be used to apply voltage to dry a cable pair in an attempt to clear noise. It will allow the user to apply tone to the line to alert the customer of a receiver that is off hook. It can be used to interrupt a conversation or to make a test call from the customer's line. The MLT result marries with the DELPHI system and provides a recommendation as to the correct routing on the CSA screen.
Online Handbook	Electronic handbooks included on Verizon's internal Web site
SCRUBBER	SCRUBBER automatically retests and handles pending dispatch-out plain old telephone service (POTS) troubles. If a trouble is identified as a test OK (TOK) or as a customer premise equipment (CPE), SCRUBBER attempts to obtain the customer's consent to close out the trouble report. Any fallout is routed to the VRRC in Albany for discussion with the customer.
Starmem	Starmem captures a "snapshot" of the switch, ICRIS (billing), SOP (service orders), and LMOS (line records). It then presents the data to the user on one screen. It also makes a comparison to ICRIS with the switch and then highlights the differences.
vRepair	Replacement for LMOS system
Witness	CSA monitoring system (audio and screen/keystrokes capture capabilities)

The CAD system is the front-end repair system that interfaces with the vRepair system, which was implemented in 2003 as part of a national Verizon rollout. It is a client/server-based application, which was developed internally by Verizon to allow for entry and management of trouble reports. Not only does it act as a front end into Verizon's trouble management systems, but it also allows the user to have single sign-on access to a host of back-end legacy systems. It enables users to perform the following functions:

- Enter trouble reports
- Review trouble reports, line record information, and trouble history
- Add modify remarks
- Access and use the work list
- Hand off trouble reports
- Test trouble reports
- Close trouble reports

Approximately four years ago, CAD was implemented with LMOS as its back-end system; in 2003, LMOS was finally replaced by vRepair. Little learning was required when vRepair replaced LMOS because the primary learning curve occurred when CAD was implemented. That is because VRRC employees previously used a character-based front-end system for data entry. CAD allowed uniform entry via user-friendly screens with Windows pop-ups. CAD with vRepair also allows immediate testing (MLT) and the ability to add multiple reach numbers, including e-mail addresses.

The application is used by all VRRC associates, as well as those in order inquiry center (VOICE) and large business service center (LBSC) locations.

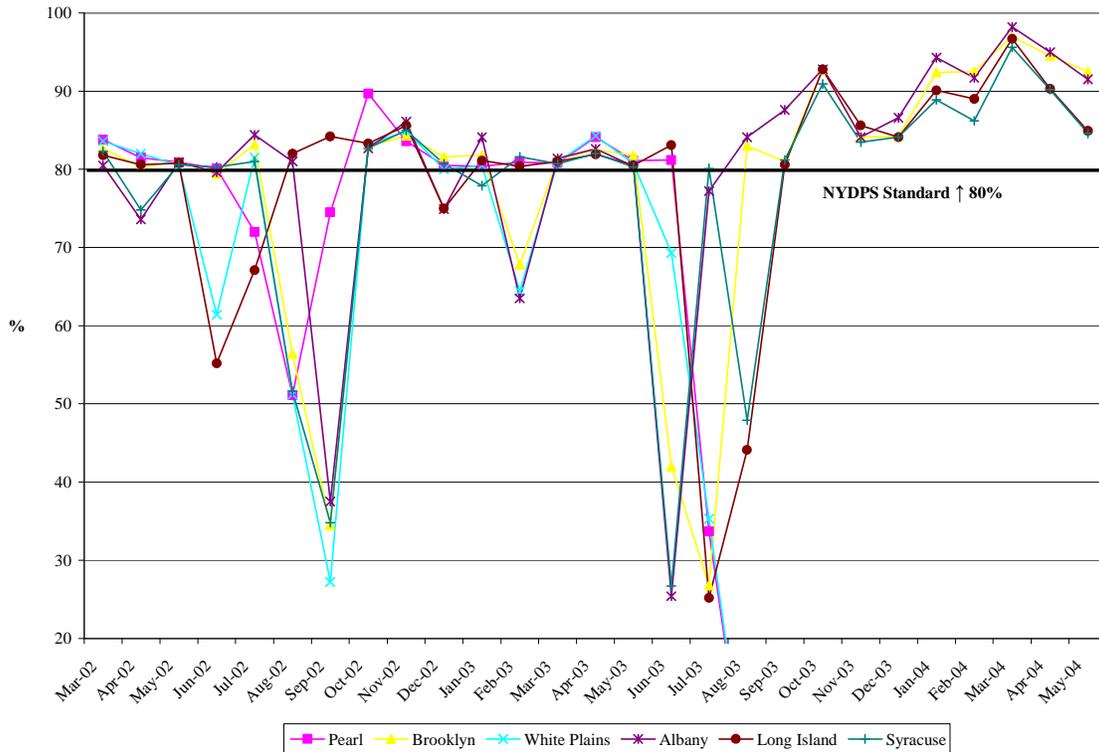
The new Witness system, or "eQuality Balance," is an automated agent-monitoring tool that gives call center managers, supervisors, and other quality assurance personnel the ability to analyze and improve call quality and agent efficiency by allowing call centers to record and review both voice and data (screen) actions of Customer Service Representatives. eQuality Balance, therefore, allows supervisors to monitor not only how well agents are verbally interacting with customers but also how well agents are using in-house software applications. By allowing supervisors to monitor, review, and evaluate agents as well as maintain the system from their desktop and current phone system, Verizon considers eQuality Balance a tool in maximizing supervisor productivity. Additionally, eQuality Balance evaluations can help supervisors identify problem areas, issues, trends, and opportunities.

Service Quality Measures

Exhibit VI-29 illustrates service level results per month (March 2002–May 2004) by call center for the VRRC organization, as reported to the NYPSC. As shown, repair call centers have, at times, experienced service level results below the 80% target (unfavorable), although all four existing centers have begun to routinely achieve the target as of late 2003.

Exhibit VI-29

**REPAIR SERVICE BUREAU % ANSWERED WITHIN 30 SECONDS
MARCH 2002–MAY 2004**



Of these, in September 2002, Pearl Street, Brooklyn, and White Plains were the only three centers generating service inquiry reports (SIRs). Of these three, only the Brooklyn center is still operational.

Verizon NY VRRRC management indicates that it routinely uses many typical service quality measures for customer service organizations, including:

- Answer time performance
 - Service level target of 80% within 30 seconds (based on 10% busies and 15% abandoned calls, and exclusion of all calls handled wholly by the voice portal)
 - Average speed of answer (ASA) (no VIP target, but prior to the VIP when the PRP was in effect, the previous target was 16 seconds)
- Average handle time (in seconds), which is typically comprised of ATT and AWT; since January 1, 2003, the AHT target has been less than or equal to 250–270 seconds, depending on the center, although previously it was 280 seconds.
- Average hold time (in seconds)
- #/% busies and abandoned calls
- Occupancy rate (80% online talking with customers)
- Adherence to schedule
- Observations/representative/month (locally)
- Observations/representatives/center (nationally)
- Customer care index scores
- % absenteeism

In 2002, monitoring and control of absenteeism was removed from Team Leaders' responsibility and was centralized into one Resource Management Team Leader's role at each call center.

Reporting used to manage results includes:

- *Daily Access Report* looks at daily (midnight to midnight) and cumulative data for SL, ASA, and number of busies.
- *Plan/Revised Plan/Offered Report* is a session report that is used to report intra-day actual call volume in comparison to forecasted call volumes; actual SL, AWT, and cumulative month to date through session. It arrives at 10:00 A.M., NOON, 2:00 P.M., and 3:30 P.M.
- *At a Glance Report* is used to post end-of-month data for regulatory purposes. It arrives monthly, about two business days following month-end. For 2003, VRRRC's objective was 260 seconds (230 ATT plus 30 AWT). For 2004, the objective has been lowered to 250 seconds, with wrap time staying the same. The "stretch" figure, however, is 240 seconds. Percent occupancy, which has an 80% objective, is the amount of time spent talking with customers. If actual results are higher, then training sessions and meetings are held.
- *Service Level Report* is used to report end-of-day results and month-to-date data by center.
- *Consumer Response Team (by Day for the Current Month to Date)* is a Web-based SL report that is available on a daily basis (showing daily and month-to-date results). The manager does not automatically receive it; rather, s/he must go get it.

Other reports not included in official Verizon responses but mentioned by management include:

- *Schedule to Actual Adherence Report* received daily
- *Exception Report*, which discusses any code against CSA to take offline
- *Schedule to Actual Adherence Report* (handwritten) received daily
- *Agent Performance Report*

Mid-month and end of month, the Verizon Customer Measurements Services (CMS) group provides CCI results by region (Liberty, Island Metro, and Capital) and by CSA.

Key items that VRRRC looks for in customer care index reports are:

- Ease of reaching representative
- Helpfulness of person taking call
- Explanation of steps to clear call

Besides reporting CCI scores, Verizon also has a centralized function that performs VRRC observations across the entire Verizon footprint. Since 2003, New York observations have been performed by the North Calibration Team (NCT), which also covered New England, Wisconsin, and Washington. Starting in 2004, Verizon is moving towards a National Calibration Team (NCT), with four groups combined into one national team. The NCT performs observations of VRRC representatives and provides monthly feedback to local Team Leaders using a national observation form. (It is the same one used by Team Leaders in NY.) The NCT also conducts special studies to determine where the entire Verizon organization can improve. Other NCT activities include monthly calibration conference calls, which were initially conducted on a center-by-center basis but are now conducted across multiple centers as centers become familiar with the process.

The eQuality system/national observation form is used to score representatives. The eQuality system records both screens/keystrokes and audio of calls, thereby allowing the NCT and the individual centers to review calls live or at any later point in time. eQuality was placed in operation in March 2003, with the last center becoming operational by September 2003. In 2003, NCT performed at least one observation/representative/month, although it conducted more if it could. In 2004, NCT is more aggressively performing two observations/representative/month. The form contains 141 questions; however, the score is based on the number of correct responses divided by the number of opportunities (the number of applicable questions, as all questions may not be applicable) for all observations made on a representative. Results are developed for each representative and are then aggregated by team, center, and VRRC (NY) in total. Targeted results are 95% at all levels.

Since the North Calibration Team became fully operational in September 2003, it has monitored center management scores, compared those scores to its own scores, and developed combined scores. For the period spanning September 2003 through January 2004, NCT's scores fell consistently below center management scores. Only in September 2003, for center management scores, did VRRC (NY Total) achieve the 95% target, although individual centers in selected months did achieve the target.

Recognition, such as candy bars and certificates, is given for 100% scores. Conversely, if NCT gives a representative a zero score, then the Team Leader/Trainer/Center Manager is notified and given five days to conduct coaching or training. (If selected opportunities are given a zero score, then the entire observation is scored zero.) What action is taken is left up to management at the individual center. Sometimes, the center management requests that NCT perform additional observations on a representative with poor scores. If a representative receives a zero score two months in a row, a notification is sent to the representative's Team Leader and Center Manager to address the situation.

DIRECTORY & OPERATOR ASSISTANCE

Operator and directory assistance (DA) functions in New York are provided by Verizon's LiveSource (LSC) organization. Prior to November 17, 2003, both functions reported to the employee who is now the Director of the New York (NY)/New England (NE) Directory Assistance organization. On November 17, 2003, responsibility for operator assistance functions was moved to the Director of the Potomac Directory Assistance and East Call Completion (CC) organization.

Directory Assistance

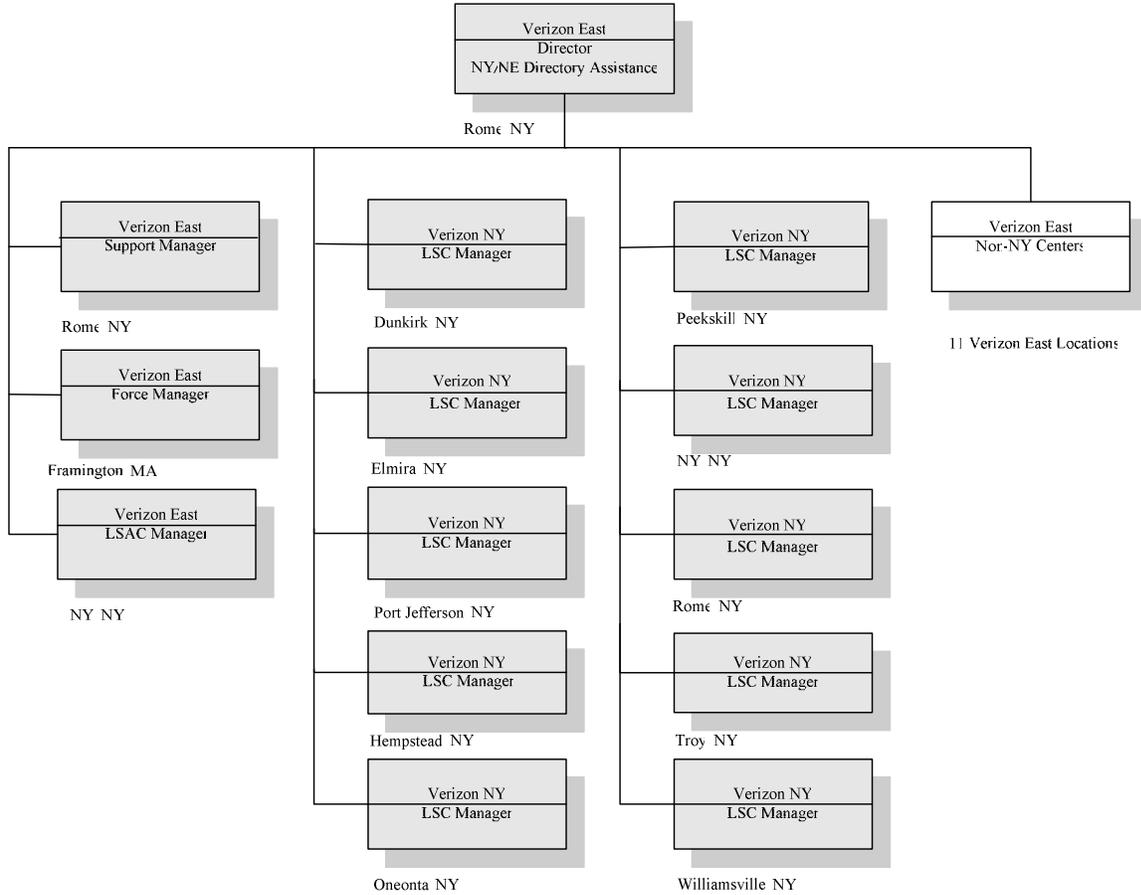
The LiveSource Directory Assistance organization is responsible for 411 calls.

Organization & Staffing

Verizon NY directory assistance functions are managed by the Director of the NY/NE Directory Assistance organization within the LiveSource organization. The DA organization consists of 21 total centers, 10 in New York (down from 20 in 2000) and 11 in New England, as shown in *Exhibit VI-30*.

Exhibit VI-30

LIVESOURCE DIRECTORY ASSISTANCE ORGANIZATION



Employees in shaded boxes directly or indirectly serve Verizon NY customers.

The New York centers report to five LSC managers (a–e), as shown in *Exhibit VI-31*.

Exhibit VI-31**VERIZON NY DIRECTORY ASSISTANCE CENTERS**

Direct Report	NY Locations	Hours of Operations
a	Troy	9:00 A.M.–5:00 P.M. Monday–Friday, no weekends
	Oneonta	8:00 A.M.–5:00 P.M. Monday–Friday
b	Dunkirk	8:00 A.M.–5:00 P.M. Monday–Friday
	Elmira	8:00 A.M.–5:00 P.M. Monday–Friday
	Williamsville	8:00 A.M.–5:00 P.M. Monday–Friday
c	Pt. Jefferson (185)	24x7 with one weekend/quarter off (when Hempstead works)
	Riverview (NYC)	7:30 A.M.–11:30 P.M., plus two to four weekends
d	Hempstead	7:00 A.M.–11:00 P.M. Monday–Friday
	Peekskill	9:00 A.M.–5:00 P.M. Monday–Friday, no weekends
e	Rome (35)	8:00 A.M.–5:00 P.M. Monday–Friday

The Director oversees four direct reports, who manage centers (a–d), and one Support Manager, who is responsible for processes, attendance, grievances, and other administrative matters for the entire NY/NE organization, in addition to handling the Rome, NY, center (e). Among all centers are 15 Team Leaders and 676 Operators. On average, a 32–35:1 ratio of Operators to Team Leaders exists.

The Director of Force on the LiveSource Executive Director’s staff, located in Framington, MA, is responsible for forecasting staffing needs in 15-minute increments. Such staffing breakdown is provided to each center two weeks in advance. For scheduling purposes, a clerk at each center is responsible for providing bi-weekly inputs (vacation/disability, etc.).

Call Volumes

Exhibit VI-32 illustrates staffing levels for the Directory Assistance organization versus call volumes for 2001, 2002, 2003, and 2004 (through April 2004). [redacted]

Exhibit VI-32**DIRECTORY ASSISTANCE
CALL VOLUMES VERSUS STAFFING LEVELS**

[redacted]

[redacted]

Process Flows & Systems

The entire state of New York is handled as one virtual call center, with calls going to the first available operator in the state, regardless of location. As the operator's job is strongly focused on the activity of taking 411 calls, procedures for such are extensively detailed in Verizon's *LiveSource Operating Guidelines* documentation. To ensure operators follow these procedures and treat customers in a "delightful" manner, a Team Leader monitors calls through keyboard headsets. Systems used include Volt Delta hardware and Verizon software, with no Internet access allowed.

Performance Measures

Reporting includes computer-based reports where the Director of Directory Assistance can view productivity performance, including any of the calls within the last seven-day period, if desired, and manual statistical-based performance reports.

The primary performance metrics used by Directory Assistance management include:

- Customer serving time (CST) (similar to ATT in other call center organizations, although service to customers is considered first priority, with CST given second priority)
- Answer time performance (not a regulatory target, as both VIP and New York standards are operator, not directory, assistance targets)
- CCI scores
- Absenteeism
- Financial/overhead (O/H) daily results

The stated goal of this organization is to provide "delightful" service, especially given the competitive environment in which Verizon finds itself. Recognition is given for productivity, attendance, safety, and milestones (birthdays and service anniversaries). Examples of such recognition include:

- Pizza parties
- Certificates
- 1,000 letters/month to representatives at their homes
- Walking around to meet/greet all employees

Operator Assistance

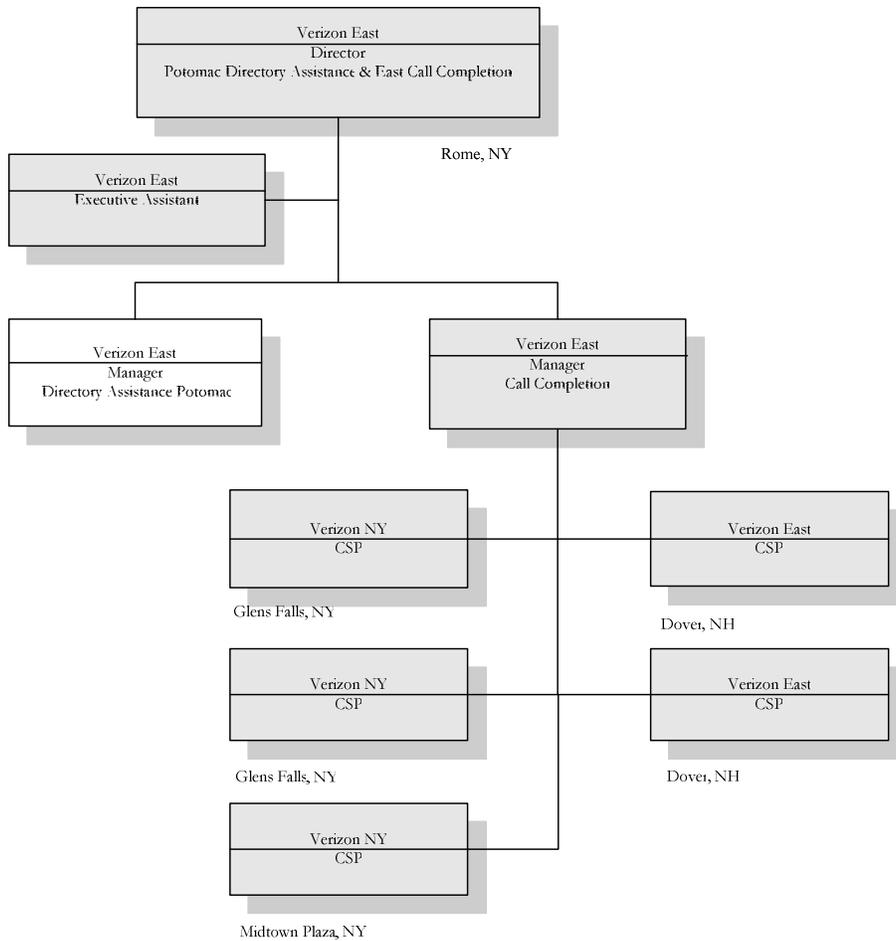
The LiveSource Call Completion organization is responsible for operator assistance or “dial zero” calls.

Organization & Staffing

Verizon NY operator assistance or “dial zero” calls are managed by the Director of the Potomac Directory Assistance and East Call Completion organization, as shown in *Exhibit VI-33*.

Exhibit VI-33

POTOMAC DA AND EAST CC ORGANIZATION



* Employees in shaded boxes directly or indirectly serve Verizon NY customers.

The Call Completion group handles “dial zero” calls for New York and New England. In late 2003, responsibility for this function moved from the person who is now the Director of the NY/NE Directory Assistance organization to the Director of Potomac DA and CC organizations. Three call completion centers, as shown in *Exhibit VI-34*, handle Potomac/NY calls:

Exhibit VI-34

VERIZON NY OPERATOR ASSISTANCE CENTERS

Locations	Hours of Operations	# Operators/ # Customer Service Partners
Glen Falls, NY	6:00 A.M.–MIDNIGHT	106/2
Midtown Manhattan, NY	9:00 A.M.–6:00 P.M.	46/1
Dover, NH	24x7	106/2

[redacted]

Exhibit VI-35

**CALL COMPLETION
CALL VOLUMES VERSUS STAFFING LEVELS**

[redacted]

Calls are dropping approximately 20% year-over-year (ranging 10% to 30% in recent years) as access lines decline. The effect is that Verizon NY management believes that it has a significant surplus of staff in the Call Completion organization. In 2001, the Call Completion organization started addressing the situation by using the full-force adjustment plan. Again in 2001, this group was first to declare a surplus. Unlike other Verizon NY groups, the Call Completion organization was not part of the arbitration and was not required to rehire staff. After last year's contract negotiations, however, layoffs are no longer an option. Although Verizon management can encourage employees to transfer to other Verizon NY positions, it cannot force employees to take other positions. Most operators who are interested in taking other positions have already done so. Because of the surplus, the Call Completion organization also attempts to "sell" time to allow staff to take unpaid time off as follows:

- Time off in 15-minute increments
- Days off
- Family leaves of absence (LOAs)
- Educational LOAs

Even with these changes, Verizon NY management estimates that this group has 30 to 50 more employees than are needed at any one time.

Process Flows & Systems

All three centers operate as one virtual call center, with calls going to the first available operator, regardless of location. Based on union requirements, 67% of the operators and calls are located within New York. The Call Completion organization is now taking approximately 95,000 total calls per day and 63,000 calls per day in NY alone. In February 2003, NY had 82,000 calls per day, while in February 2004, NY was down to 63,000 calls per day, a 23% decrease in volume. The system used by "dial zero" operators is the Discovery system (by Volt, an outside vendor).

Performance Measures

The Call Completion organization monitors both customer-based and financial-based performance measures.

Customer-based measures include:

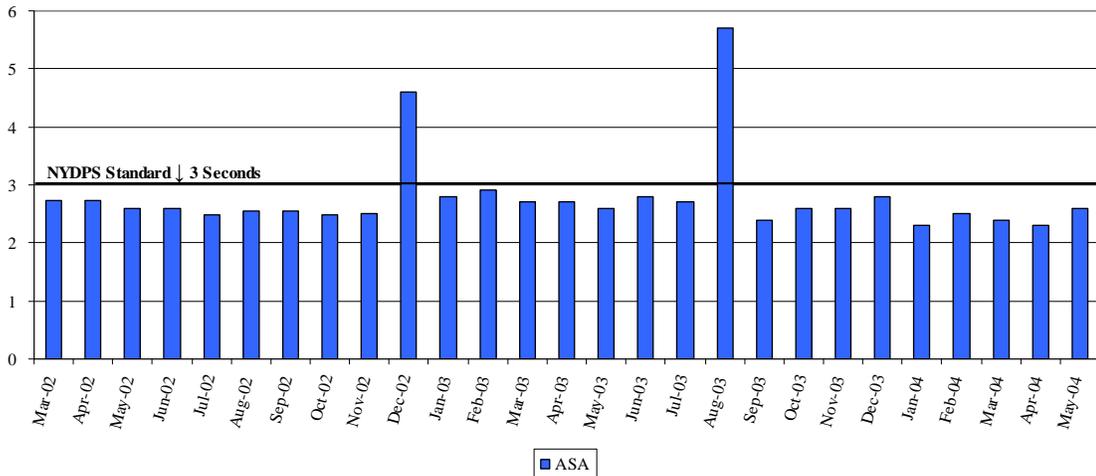
- Answer time
- Internal sampling of calls
- High-level complaints

In New York, service providers may elect to report answer time for the operator assistance function as either: (a) average speed of answer, with a target of three seconds or less; or (b) percentage of calls answered within 10 seconds, with a target of 90% within 10 seconds. Verizon NY reports ASA. According to Verizon NY management, ASA usually runs two to three seconds. Under VIP (since March 2002), in only two months during this period has ASA risen above three seconds, specifically in December 2002 (attributable to weather, including two feet of snow in two separate storms) and August 2003 (attributable to a blackout that impacted much of the East Coast). The only month in the prior year that rose above the target was September 2001, which included 9/11.

Exhibit VI-36 illustrates ASA from January 2001 to February 2004.

Exhibit VI-36

OPERATOR ASSISTANCE ASA



The group samples two to three calls/center/day to determine the percentage of customer delight. The target is 75% delight (which is 4.8 or higher on a 1–5 scale.) The lowest percentage delight has been 70%. For the first two months of 2004, NY’s score has been 80%.

The high-level complaint target is intended to decrease the number of complaints by 10% in 2004 over 2003. In 2003, this group had 40 complaints, so the 2004 target is 36.

Financial-based measures include:

- Overhead
- Call service time (similar to AHT in other call center organizations)
- Absenteeism
- Overtime

According to Verizon NY management, overstaffing has impacted the results of some of these measures.

- The target for overhead paid to work but not handling calls is 40%; unfavorably, this group has been running 44% to 45%.
- The call service target is 21.4 seconds; this group is running at 21 seconds, or slightly under target.
- The absence target is 5%; this group is running at 3.8% to 4.5%, although in early 2002, it was 6% to 7%. Verizon NY management indicates that because operators realize that there is a surplus of staff, they feel good about their jobs and are dedicated to keeping them.
- Although this group has an overtime target, there is no overtime allowed because it is not necessary as a result of overstaffing.

CUSTOMER PERCEPTIONS

Service quality consists of two things: the actual service quality that is delivered to the customer (usually measured via some type of “hard” performance indicator) and the customer’s perception of that service quality (which is generally much more difficult to quantify and can only be measured through some type of direct interaction with the customer, such as by a customer survey or focus group). “Hard” indicators consist of the performance statistics, such as service level (80% within 30 seconds) or average speed of answer in seconds. “Soft” indicators include the results of interviews with both management and non-management personnel (including call center managers and personnel), call center observations, call center management system and procedural reviews, and other external indicators, such as the results of any Verizon customer surveys.

Verizon NY has various mechanisms for scrutinizing customer perceptions, including:

- Customer surveys (CCI scores and Pell City ratings)
- Customer complaint handling
- Monitoring of calls through observations

Customer Surveys

CCI Scores

CCI is an external measure of a customer’s perception of service as provided by Verizon. These opinions are obtained through a systematic survey process that is conducted by a third-party, independent market research firm, which randomly selects customers on a daily basis, following their recent contact with Verizon staff (call center or field operations employees). These surveys afford the customer the opportunity to rate specific process attributes and overall performance. In addition, they provide the customer with a chance to comment on what Verizon did well or where opportunities for improvement existed. The results are provided twice monthly and represent the percentage of customer who rate performance as “very good” or “outstanding, often referred to as the “Top 2 of 5” scores.

Each center must meet CCI targets that identify the percentage of completed interviews achieving scores of four (very good) or five (outstanding) out of five, often referred to within Verizon NY as the “Top 2 of 5.” Calls receiving a score of three (satisfactory) or below are not considered appropriate by Verizon NY management. Scores based on these observations are posted via an internal Web site twice monthly on a nationwide basis. Salary (for managers) and team awards are often based on how well teams reach their objectives.

Survey results by region for general business provisioning, general business repair, consumer provisioning, and consumer repair are shown in *Exhibit VI-37*, *Exhibit VI-38*, *Exhibit VI-39*, and *Exhibit VI-40* respectively, for 2001, 2002, 2003, and 2004 (through April 2004). Questions underlying these scores deal with issues involving both representatives and technicians.

Exhibit VI-37 illustrates CCI scores (percentage in the Top 2) for general business provisioning in 2001, 2002, 2003, and 2004 (through April 2004). [redacted]

Exhibit VI-37

GENERAL BUSINESS PROVISIONING CCI SCORES

[redacted]

Exhibit VI-38 illustrates CCI scores for general business repair in 2001, 2002, 2003, and 2004 (through April 2004). [redacted]

Exhibit VI-38

GENERAL BUSINESS REPAIR CCI SCORES

[redacted]

Exhibit VI-39 illustrates CCI scores for consumer provisioning in 2001, 2002, 2003, and 2004 (through April 2004). [redacted]

Exhibit VI-39

CONSUMER PROVISIONING CCI SCORES

[redacted]

Exhibit VI-40 illustrates CCI scores for consumer repair in 2001, 2002, 2003, and 2004 (through April 2004). [redacted]

Exhibit VI-40

CONSUMER REPAIR CCI SCORES

[redacted]

To develop these CCI scores, customer surveys regarding Verizon NY's service quality are conducted by a third party. Under this survey plan, individuals who have made one or another of the following Verizon contacts are called:

- Business solutions request and inquiry (person who recently called a business office and spoke to a representative regarding a bill question or inquiry about products, services, or policy)
- Business solutions repair (business customer who recently called to request a repair or who spoke with a technician)
- Consumer request and inquiry (person who recently called a business office and spoke to a representative regarding a bill question or inquiry about products, services, or policy)
- Consumer repair (residential customer who recently reported a problem or spoke with a technician)
- Business solutions provisioning (business customer who placed an order or spoke with a technician)
- Consumer provisioning (residential customer who placed an order or spoke with a technician)
- Enterprise large business 3 (annually surveys large business Tier 3 customers regarding their overall relationship with Verizon over the prior six months; customers must have contacted Verizon Communications within the previous six months with a request for provisioning, a repair, and/or with a billing inquiry)
- Enterprise large business 2 (annually surveys large business Tier 2 customers regarding their overall relationship with Verizon over the prior twelve months, including experiences with provisioning, repair, and/or billing inquiries)

Verizon uses a customer measurement framework to analyze survey results, which, according to management, it uses to drive process improvement and to develop service-related practices and procedures. This framework, which is a tool for identifying and prioritizing customer requirements, focused on customer loyalty and retention and addressed two key questions:

- What drives customer buying decisions?
- What does Verizon measure internally to ensure that it consistently delivers what customers need?

Verizon strongly believes that customers who provide higher overall performance ratings are much less likely to consider switching their local telephone service providers. Therefore, the Verizon Customer Measurement Services (CMS) group periodically meets with field organizations and business leaders to review survey results and to identify opportunities for improvement.

Pell City Rating

The BSG call centers (including the Billing Center organization) also mentioned a Pell City rating. The targeted percentage for this rating is 85% or higher. Implemented in April 2002, BSG customers who have recently placed service orders with Verizon NY are surveyed. The purposes of the survey are:

- To ensure that customers have received the products they ordered
- To ensure that customers are satisfied with their products
- To evaluate the performance of the representative who took the order

On average, six surveys per representative are completed each month. Each surveyed customer is asked the following question: “As a Verizon customer, would you rate the representative who took your order as: outstanding, very good, satisfactory, not so good, or poor.” Answers of “outstanding” and “very good” count as one point each, while responses of “satisfactory,” “not so good,” or “poor” count as zero points. Responses are tallied and averaged as a percentage. For example, a representative with six surveys, including one “satisfactory” and five “outstanding” scores, would average 83% for the month (five outstanding responses at one point each divided by six total surveys conducted).

The BSG organization uses this survey for coaching and as a monthly qualifier for compensation and incentives. [redacted]

Customer Complaint Handling

Besides complaint handling performed directly by individual call center organizations, three other major Verizon NY organizations formally process customer complaints. They include:

- Customer Relations NYPSC Complaint Handling (Albany, NY)
- Presidential Help Line (PHL) (Manhattan, NY)
- Executive Team Handling (Manhattan, NY)

Customer Relations NYPSC Complaint Handling

Under the jurisdiction of the New York Public Service Commission, the Office of Consumer Services (OCS) of the New York Department of Public Service (NYDPS) is responsible for assisting consumers who are experiencing difficulties with a service provider. Verizon comprises approximately 35% of New York’s NYPSC complaints. The Customer Relations NYPSC Complaint Handling organization within Verizon NY is responsible for addressing these complaints. This organization is comprised of a manager, seven case writers, and two clerical workers. The case writers, who are the key employees addressing NYPSC complaints, typically have 15 to 20 years of experience in business office/operations functions and are especially trained in handling customer complaints.

The NYPSC complaint-handling process for Verizon NY changed in June 2002, when OCS implemented a Quick Resolution System (QRS) in its efforts to reduce consumer difficulties and to provide timely resolution to consumers who experience problems. Beginning in 2003, executive correspondence complaints (August) and consultant complaints (October) were no longer automatically chargeable complaints, although complaints are automatically chargeable if related to Verizon NY being non-compliant with laws regarding pay phones.

Complaints can be made to the NYPSC by one of the following methodologies:

- Telephone
- Postal mail
- Electronic mail message
- Fax

Once it is logged into the NYPSC's VeCTR system by OCS staff, OCS normally sends complaint notices to Verizon's Customer Relations organization via electronic mail message, using a Lotus Notes application. Such notices can also be sent via fax or telephone when technology problems prevent electronic mail messages.

In the past, the primary methodology for Verizon NY to receive notices was via extraction of data from the NYPSC's VeCTR system (database server) and automatic transferal of it to Verizon's customer tracking system. Currently, in addition to receiving notices via electronic mail message, Verizon NY continues to extract data in this manner. This procedure allows the complaint to automatically come up on the case writer's screen within Verizon's customer tracking system. A short delay (usually no longer than an hour or two) may occur between the time an OCS staff enters a case into VeCTR and the time the Lotus Notes notice is sent, if a letter needs to be scanned by OCS and is included with the Lotus Notes application.

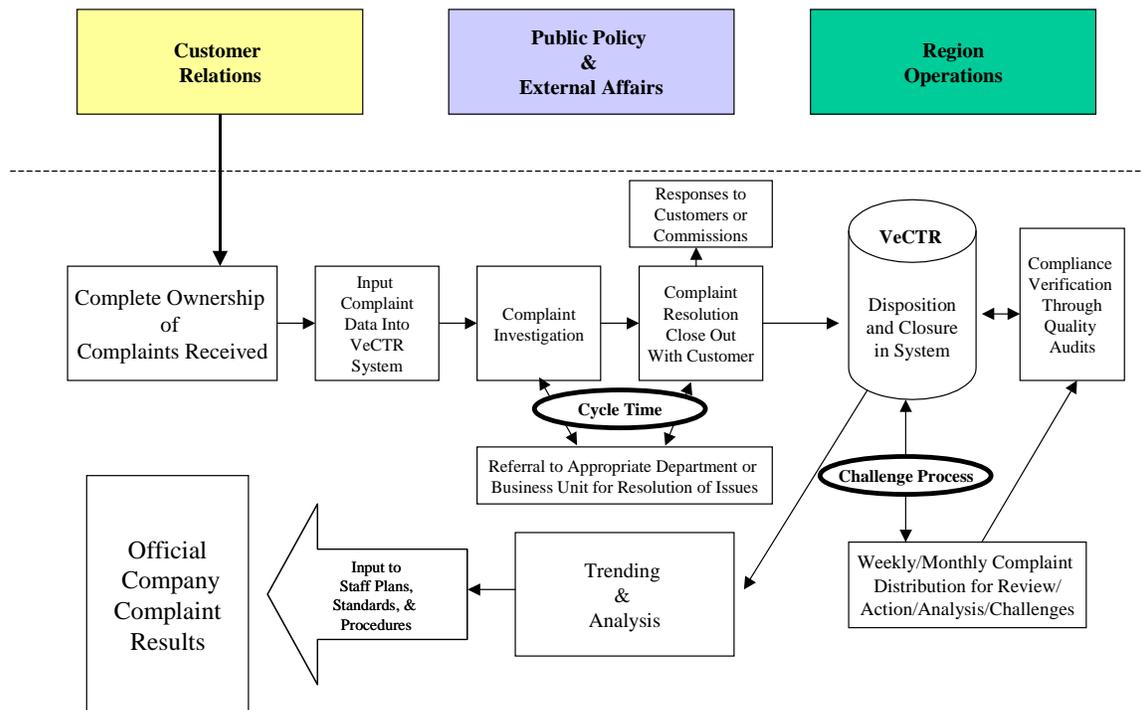
The first time a complaint is logged into VeCTR by the NYPSC, it is generally considered a QRS case and is not chargeable to Verizon NY. If it is a collection- or service-related issue, Verizon NY is obligated to contact the customer within two working hours to acknowledge the complaint; otherwise, the customer must be contacted by the close of the business day following receipt of the case. After the Customer Relations NYPSC Complaint Handling organization receives the complaint, the case writer directs it to the appropriate Verizon group and works with the points of contact. Verizon NY requires that these actions begin within four hours of the time that initial contact is made with the complaint initiator. Verizon NY is then obligated to notify the NYPSC within 14 calendar days (or five calendar days for executive correspondence cases) that the QRS case has been resolved. Previously, Verizon NY used an Excel spreadsheet to notify the NYPSC of resolution; however, in January 2004, Verizon NY began using a secure NYPSC Web site.

If, up to 60 days after Verizon NY’s response to the NYPSC regarding a customer’s QRS case, a customer contacts OCS and expresses dissatisfaction with the manner in which Verizon NY attempted to resolve the issue, the complaint is logged into VeCTR as a Standard Resolution System (SRS) case. In a similar manner to a QRS case, Verizon NY is obligated to contact the customer within two working hours to acknowledge the complaint. Verizon NY is then required to conduct an investigation and to provide comprehensive reporting (using a specified format) to the NYPSC within 10 calendar days. The case can be closed even if a customer is not satisfied with the resolution, although Verizon NY may be required to provide additional information to OCS staff in selected cases. Special handling occurs in certain cases, specifically, failure to respond to executive correspondence cases within five days or to a consultant case within 14 days results in automatic reclassification as an SRS case. If a customer contacts OCS after 60 days have elapsed from the date of Verizon NY’s response (filing using QRS procedures), a new case is filed using the QRS procedures.

Exhibit VI-41 graphically displays the Customer Relations complaint-handling process.

Exhibit VI-41

COMPLAINT-HANDLING PROCESS



If Verizon NY does not receive complaints in a timely manner, then the customer may call back again before Verizon NY receives the complaint. If that were to happen, or if OCS staff were to make a mistake in classifying a complaint notice, Verizon NY can contact OCS staff and request a change based on OCS correction procedures. However, once a complaint has been closed following the SRS process, Verizon NY cannot appeal OCS's actions.

OCS recently established a customer service response index (CSRI) that is used to compare the level of customer service and the responsiveness provided by utility companies on a monthly basis. On May 31, 2003, OCS began notifying service providers of the pending implementation of this index. On September 24, 2003, modifications were made to the CSRI and were announced to the utility companies. Starting with April 2004 data, utility companies were able to view draft data. Effective August 2004, OCS began reporting the customer service response indices and publishing them on the Commission's Web site.

Executive Team Handling

The Executive Team Handling (ETH) organization, which handles complaints resulting from contacts through senior Verizon executives, is comprised of a manager and five executive complaint handlers. This group monitors response times (days to close) and requires 100% satisfaction in resolving a customer's complaint.

Presidential Help Line

The Presidential Help Line organization, comprised of a manager and 23 representatives, is an escalation team that handles complaint referrals from all lines of business within the Verizon NY organization, although complaint initiators can call PHL directly if they know the customer support telephone number (1-800-483-7988) or the customer support Web site address (<http://www22.verizon.com/CustomerSupport/ContactUs/Index>).

Monitoring of Calls through Observations

Most local call center organizations have a target for the number of representative observations to make each month (usually three to five calls per representative each month). Additionally, an external organization (not reporting to Regional Managers) performs approximately 50 observations/center/month (for business office call centers) and two observations/representative/month (for VRRC call centers). Although primarily used by call center management for coaching purposes, monitoring of calls allows management to obtain insight into the perceptions of its customers in regards to Verizon NY activities.

Local monitoring of calls for general business and consumer call centers is conducted through side-by-side observations, with immediate or follow-up coaching sessions, as well as through remote observations using live audio of customers and representatives. The VRRC organization, however, also has the ability to visually capture screens/keystrokes when conducting its observations. Call centers for large and premium customers (Enterprise Solutions Group), on the other hand, typically do not conduct observations for coaching purposes, but rather perform desk reviews. Alternatively, Verizon NY management meets frequently with these customers to obtain insights into their relationships.

B - FINDINGS

Business Offices

Finding VI-1 Business Office Organizations Have Generally Achieved New York Regulatory Standards (Service Levels) Involving Service Quality.

Exhibit VI-42 illustrates that, generally, most consumer call centers have favorably met the 80% target; however, the most noticeable drop below 80% happened in September 2003, which was the month when Hurricane Isabel hit New York City.

Exhibit VI-42

**BUSINESS OFFICE % ANSWERED WITHIN 30 SECONDS
CONSUMER
MARCH 2002–MAY 2004**

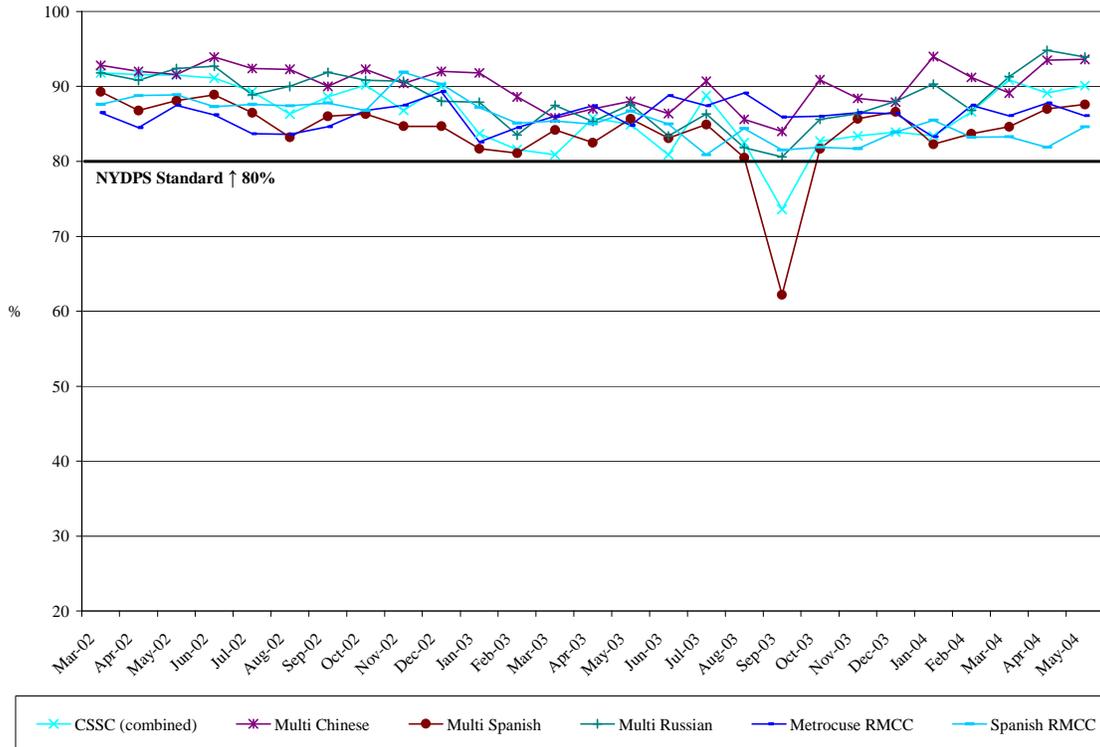
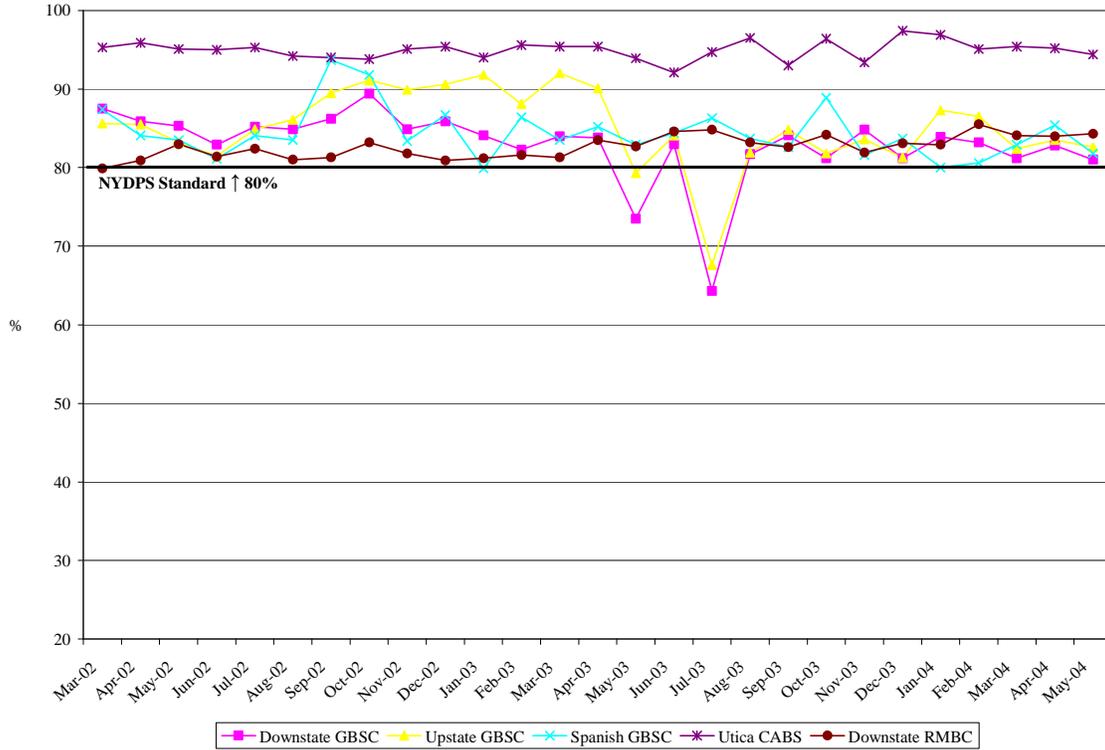


Exhibit VI-43 illustrates that, generally, most general business call centers have favorably met the 80% target; however, the most noticeable drops below 80% happened in May and July of 2003. According to Verizon NY management, these dips were attributable to a marketing effort in May for the Freedom package, which generated unanticipated volumes, and pre-strike employee concerns in July.

**BUSINESS OFFICE % ANSWERED WITHIN 30 SECONDS
GENERAL BUSINESS
MARCH 2002–MAY 2004**



Finding VI-2 Business Offices Have Not Taken Advantage Of Recording Technology That Is Available To VRRC Centers For Effective Monitoring Of Representatives.

Local monitoring of calls for VRRC call centers is also conducted through side-by-side observations with immediate or follow-up coaching sessions, as well as through remote observations where recordings of both screens/keystrokes and audio of calls between customers and representatives are available. Although local monitoring of calls for general business and consumer call centers is similar in nature, these centers are not currently capturing screens/keystrokes when remotely observing calls. According to Verizon NY, these centers do not use eQuality due to union restrictions involving the Communications Workers of America (CWA). Yet the VRRC has been able to deal with these restrictions and to implement the eQuality system. This system records both audio and video of each call, which allows managers to review calls live or at any time thereafter. It is also used by a centralized function that performs VRRC observations across the entire Verizon footprint. The eQuality system was placed in operation in March 2003, with the last VRRC call center operational by September 2003.

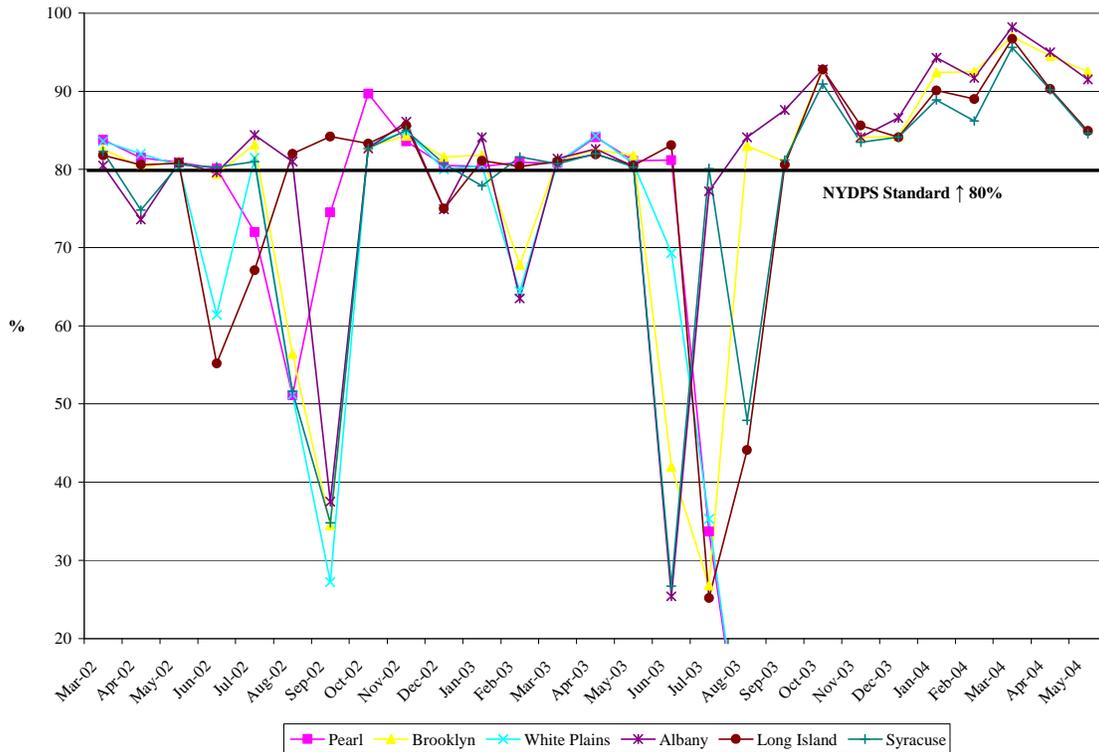
VRRC Organization

Finding VI-3 The VRRC Organization Has Experienced Difficulty In Routinely Achieving The New York Regulatory Standards (Service Levels) Involving Service Quality.

Exhibit VI-44 illustrates service level results per month (March 2002–May 2004) by call center for the VRRC organization. Three of these call centers (Brooklyn, Pearl Street, and White Plains) were consolidated into one center in Brooklyn in July 2003 to gain efficiencies. As shown, all six VRRC centers have, at times, experienced service level results below the 80% target (unfavorable), especially in the summers of 2002 and 2003, although SIRs were generated only in September 2002 by Pearl Street, Brooklyn, and White Plains. According to Verizon NY management, most problems in responding to repair requests occur in summer months, when repair requests are usually up (because of wet weather or storms) and staffing is down (because of vacations and increased absences).

Exhibit VI-44

**REPAIR SERVICE BUREAU % ANSWERED WITHIN 30 SECONDS
MARCH 2002–MAY 2004**



VIP service level results by center for VIP PY1 and PY2, as shown in *Exhibit VI-45*, indicate that only Albany in PY2 achieved the 80% target.

Exhibit VI-45

ANNUAL VIP SERVICE LEVEL RESULTS BY CENTER PER PLAN YEAR

Center	PY1	PY2
Pearl	78.25	72.18
Brooklyn	74.65	77.03
White Plains	71.69	70.10
Albany	75.73	80.68
Long Island	78.09	76.50
Syracuse	74.44	76.04

Of these, in September 2002, Pearl Street, Brooklyn, and White Plains were the only three centers generating SIRs. Of these three, only the Brooklyn center is still operational.

As discussed later in *Finding VI-10*, ASA within the VRRC organization is highly dependent on call volumes. When ASA is up, that means that service level is also negatively impacted. To say that the VRRC organization should simply increase staff to address these problems does not look at the root cause as to why ASA or service level results are unfavorably high. Call volumes are too high, which is indicative of the many out-of-service (OOS) and service-affecting (SA) conditions that Verizon NY customers experience. Refer to *Chapter VII – Field Operations* for a detailed discussion of key issues causing poor OOS and SA results. DCI's analysis was further supported by the observations made by DCI consultants in repair call centers, where callers were repeatedly calling back because of repair problems.

Finding VI-4 Verizon Has No Plans To Aggressively Market The Use Of eRepair Web Pages.

The repair portion of Verizon's Web site, referred to as eRepair, allows a customer to enter a repair report. It offers the customer troubleshooting information and provides test results that allow the customer to determine whether or not they wish to enter a report. If the customer opts not to enter a report at that time, the information is placed on hold, for 48 hours, in case the customer later determines s/he really needs to enter a report. eRepair also affords the customer the opportunity to check the status of his or her prior trouble, to edit or update information provided (such as contact number), and to cancel the report if the trouble has been resolved.

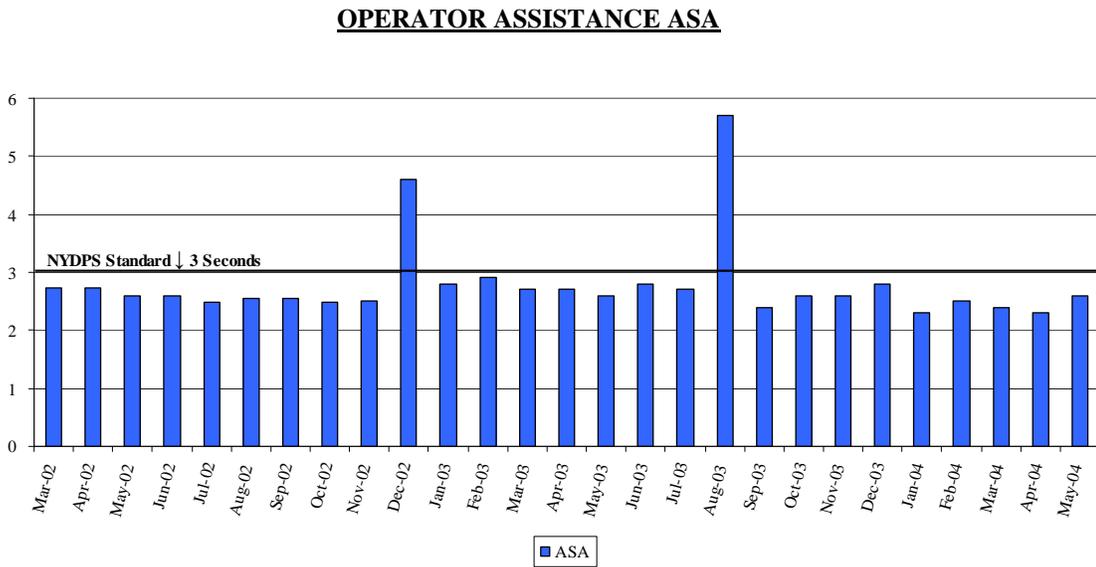
At this time, Verizon has no plans to market the eRepair site on its own, as it is marketed as part of the overall Verizon.com site, even though the VRRC organization has sometimes had poor service level results in recent years.

Directory Assistance & Call Completion Organizations

Finding VI-5 A Surplus Of Operators Allows The Call Completion Organization To Consistently Achieve Its Regulatory ASA Target Of 3 Seconds Or Less.

As shown in *Exhibit VI-36*, the Call Completion organization is generally achieving its regulatory ASA target of 3 seconds or less.

Exhibit VI-46



Verizon NY management indicates that a primary reason for its success in this area is that it has ample staffing to address its “dial zero” calls. The Call Completion staffing levels have been decreasing as “dial zero” calls decline, as discussed in *Section C of Chapter VI – Customer Service*. Alone, it does not indicate that staffing levels continue to be too high. However, other indicators, such as a fairly high overhead target, may. The internal target for overhead paid to work but not handling calls is 40% or less, a fairly high target. Verizon NY results indicate that it has not been able to achieve this target. Recent results show 45%.

Customer Perceptions

Finding VI-6 Chargeable Complaints Reflect Verizon NY’s Difficulties In Achieving Repair Performance Targets Involving OOS And SA Conditions.

The purpose of the NYPSC changing to a QRS process in 2002, where a telephone, gas, cable, electric, or water utility has an opportunity to address NYPSC complaints before they are considered chargeable, is based on three attributes:

- Helping customers by addressing complaints more quickly
- Helping regulated organizations by lowering the number of complaints
- Helping the PSC by having fewer complaints to handle

The NYPSC expected the number of chargeable complaints (all NY-based companies) to drop by 50% when QRS was implemented. By mid-2004, OCS reported that, in fact, 87% of complaint calls were resolved as a QRS case. For April–May 2004, Verizon’s results, at an approximate 93% drop, have exceeded the norm. Additionally, with the publication of draft CSRI results, Verizon NY has made good progress in reducing the number of old and unresolved cases.

The NYPSC does not expect a telephone company to have a zero chargeable complaint rate, as OCS management understands that a regulated entity cannot satisfy all of its customers. However, the NYPSC does closely monitor the number and nature of complaints. Publishing CSRI results is one avenue that does put the public’s focus on a company’s results, thereby encouraging companies to improve service.

By and large, however, the greatest number of Verizon NY complaints continue to result from delayed repair and service outage. Next highest on the list of complaints is poor customer service, where customers perceive that the company does not care.

Finding VI-7 As Measured By CCI Scores, Customer Perceptions Of Verizon NY Are Lower Than Expected In Some Areas And Are Trending Unfavorably In Others.

Exhibit VI-37 through Exhibit VI-40 as previously illustrated show CCI scores for general business provisioning, general business repair, consumer provisioning, and consumer repair for each of the three New York regions.

- [redacted]
- [redacted]
- [redacted]
- [redacted]

In each category (general business and consumer), [redacted]

When reviewing detailed results underlying these scores, most of the lowest scores tended to revolve around questions involving Verizon NY’s inability to resolve problems or mistakes quickly and to keep customers informed of requests (with or without technician), although repair scores also included difficulties regarding ease of reaching/using automated systems. It should be noted that, starting in 2004, scores involving the resolution of problems or mistakes quickly were deleted from CCI questions and no longer scored.

Finding VI-8 Verizon NY's Misdirected Calls Are At Unacceptably High Levels, Yet There Is No System For Tracking These Calls.

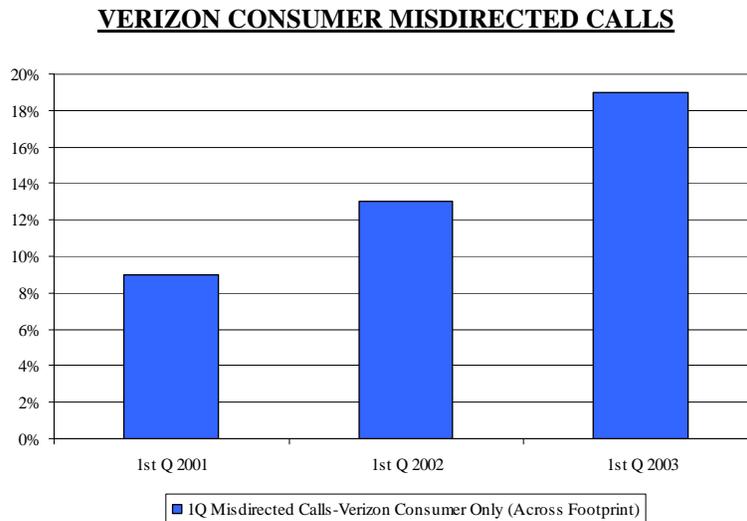
Since the introduction of voice response units (VRUs), Verizon NY believes that much improvement has been made in reducing the number of misdirected calls. Consequently, Verizon does not track these calls on a consistent, ongoing basis. However, because Verizon indicates that it is still concerned with the expense associated with such calls, it states that special studies are occasionally done.

Furthermore, in regards to misdirected calls, Verizon NY was unable to find a Verizon employee for us to interview.

Although available documentation on these special studies was provided to DCI in a data response, it represented Verizon-wide data and did not necessarily reflect New York performance. It was minimal in scope, thereby providing little definitive information for DCI consultants. However, what was provided raised many concerns in regards to Verizon NY's actual performance if these results were to approximate Verizon NY's performance.

For example, *Exhibit VI-47* illustrates that the number of misdirected calls in the Consumer Sales organization across the Verizon footprint is increasing, not decreasing, as Verizon management indicated in their data response.

Exhibit VI-47



In its data response, Verizon also indicated that, based on the opening statement or subsequent fact-finding, 27% of the calls were misdirected calls. *Exhibit VI-48* provides statistics by organization. It also seems to indicate that a large number of calls are misdirected, especially for calls to the Consumer Sales and VRRC call center organizations, designated as RMCC/Multilingual/Other CSSC and Repair organizations,

respectively. The Business Office organization, referred to as BSC, appears to be lower at 3%. Other uncertainties exist in regards to the other organizations, such as what Miscellaneous 13 is. It is also unknown what time period this study covers.

Exhibit VI-48

MISDIRECTED CALL PERCENTAGES BY ORGANIZATION

Organization	% Misdirected Calls
Residential (RMCC)	39%
Repair	13%
Multilingual	8%
PhoneCharge	6%
DSL	6%
Carriers	10%
Other CSSC	6%
Miscellaneous 13	15%
BSC	3%
VOICe	3%
VZ Wireless	2%
Risk Assessment Center	2%
Directory	2%
Verizon Online	1%

Of additional concern during this review, DCI consultants noted a considerable number of misdirected calls during visits and observations at Verizon NY call centers.

Overall Customer Service

Finding VI-9 Verizon NY Call Center Organizations Effectively Use Tools And Techniques To Manage Workload And Staffing Requirements.

For Business Office call centers, the RAC is responsible for real-time management of volumes. It watches intra-day activity, interacting verbally or by instant message (IM) with call center management to adjust requirements, so that local management can react to these changes and alter staffing, as necessary. The RAC is responsible for annual call volume forecasts. Throughout the year, the RAC also provides forecasts to local call center management two (or more) weeks in advance, based on 30-minute increments (if RFS Forecaster is used) and 15-minute increments (if EMPSx is used). Many factors, including call volumes, average handle time, occupancy, percentage of abandoned calls, and percentage of busies, are used for forecasting. Force Managers at local centers have access to RFS Forecaster or EMPSx and use one or the other for scheduling purposes. A conference call is held weekly (usually on Monday) among RAC, Force Managers, and Force Champions (if applicable) to discuss any events in the upcoming two weeks. Each day's adjustments can then be made based on actual activity. The RAC is responsible for real-time management of volumes. It watches intra-day activity, interacting verbally or by instant message with call center management to adjust requirements, so that local

management can react to these changes and alter staffing, as necessary. If higher than expected call volumes occur, centers typically schedule lunches or breaks at different times, switch to “all hands on board” (moving from offline work to online work), postpone training, or use voluntary (or occasionally, forced) overtime to address the situation. Conversely, if lower than expected call volumes occur, centers typically schedule training, perform coaching, or “sell” time (allow unpaid time off).

For VRRRC call centers, since December 2003, the New York Resource Management Group is part of the Resource Management Team (RMT), a New York-based team that coordinates New York repair centers only on a statewide basis. The forecasting and monitoring system used by VRRRC call centers is RPS Forecaster (RT1000). Call volumes are forecasted initially on an end-of-day basis and are then distributed throughout the day, based on thirty-minute periods, in which 10:00 A.M.–10:30 A.M. is typically the busiest time of day. The distribution also changes seasonally. Forecast AHT is also varied by time of day. Volumes, plus typical AHT and SL, are factored into forecasts to meet service quality objectives. This procedure results in a daily schedule of 30-minute increments. The RMG team, therefore, can let each call center know how many tours of duty they need each day, including the number of staff needed for each 30-minute period. They typically use figures showing that representatives are available for call-taking 66% of their time. Besides scheduled absences, the RMG team takes unexcused absences into account by “padding” its required staff by 10%.

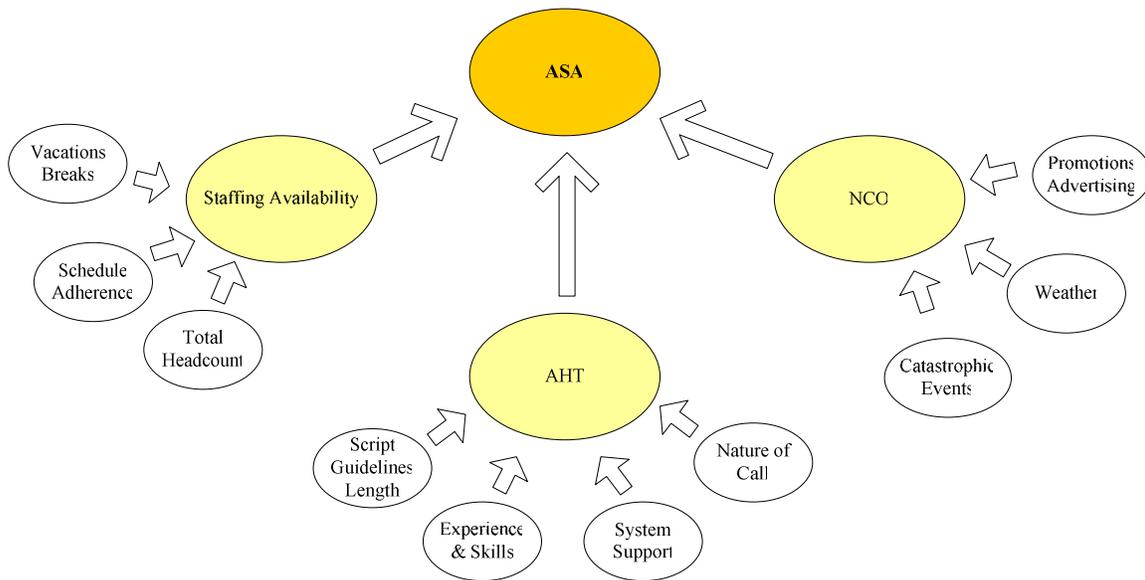
The LiveSource organization also uses similar techniques for forecasting volumes and setting staffing requirements.

Finding VI-10 Key Performance Drivers Exist For The Different Call Center Types, Requiring Managers To Use Different Techniques To Manage To Performance Results.

The relationship of various call center performance factors can be best expressed using the diagram in *Exhibit VI-49*.

Exhibit VI-49

RELATIONSHIP OF KEY PERFORMANCE DRIVERS



When ASA increases, service level (80% within 30 seconds) is negatively impacted; therefore, performing an analysis of key performance drivers helps in identifying how to manage to regulatory performance results. ASA is generally dependent on three independent factors (variables): workload (or incoming call volumes), staffing levels, and the time required in handling each call; therefore, various metric relationships were examined to help identify problem areas, including:

- ASA versus number of calls offered (NCO) or incoming call volumes
- ASA versus average handle time (AHT), which is comprised of both talk time and wrap time
- ASA versus staffing levels (end-of-month (EOM) headcount)

The results of DCI's analysis indicate that each of the various types of call centers has different key performance drivers, as summarized in *Exhibit VI-50*. The extent of correlation between ASA and each of the identified factors is depicted as "strong," "mildly strong," or "weak" based on DCI's use of regression analysis.

Exhibit VI-50**RESULTS OF DCI KEY PERFORMANCE DRIVER ANALYSIS**

Type of Center	Call Volumes	AHT	Staffing
VRRC	Strong	Mildly strong	Mildly strong
General Business	Weak	Strong	Weak
Consumer	Weak	Strong	Strong

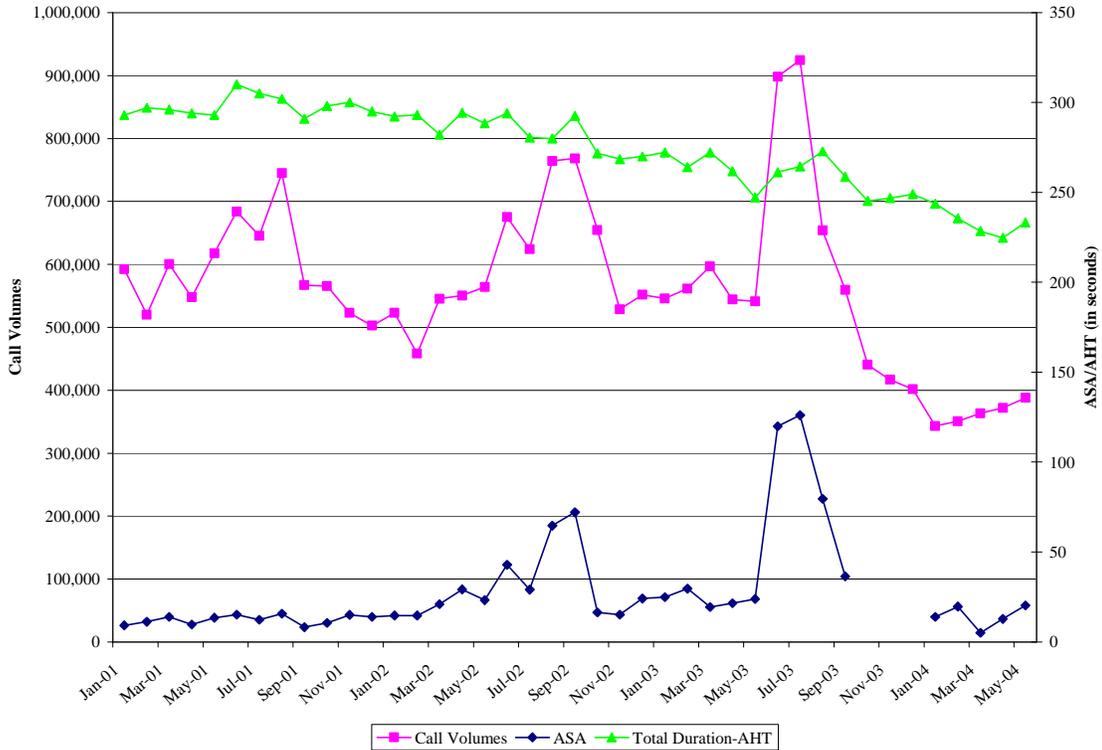
The results are fairly intuitive, but they are backed by data analysis that was performed by DCI consultants, as described on the following pages.

VRRC

Exhibit VI-51 displays incoming call volumes, ASA, and AHT from January 2001 through May 2004 for the VRRC organization.

Exhibit VI-51

VRRC
FACTORS HISTORICAL DATA



* October – December 2003 ASA not available

Exhibit VI-52, Exhibit VI-53, and Exhibit VI-54 depict the degree of relationship among these factors for the VRRC organization, based on DCI’s use of regression analysis for analyzing these relationships.

Exhibit VI-52 illustrates a strong relationship of NCO to ASA, which is also the strongest relationship among the three factors.

Exhibit VI-52

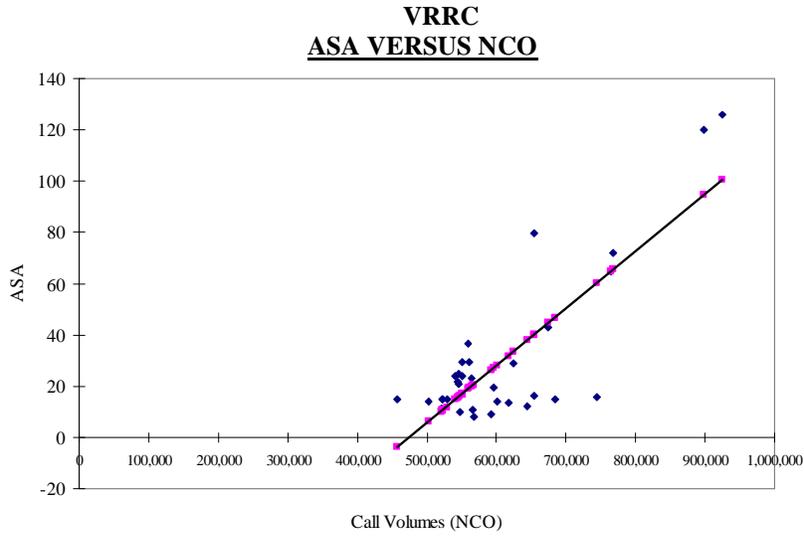


Exhibit VI-53 shows the relationship of staffing levels to ASA, which is mildly strong but not nearly as strong as that of NCO.

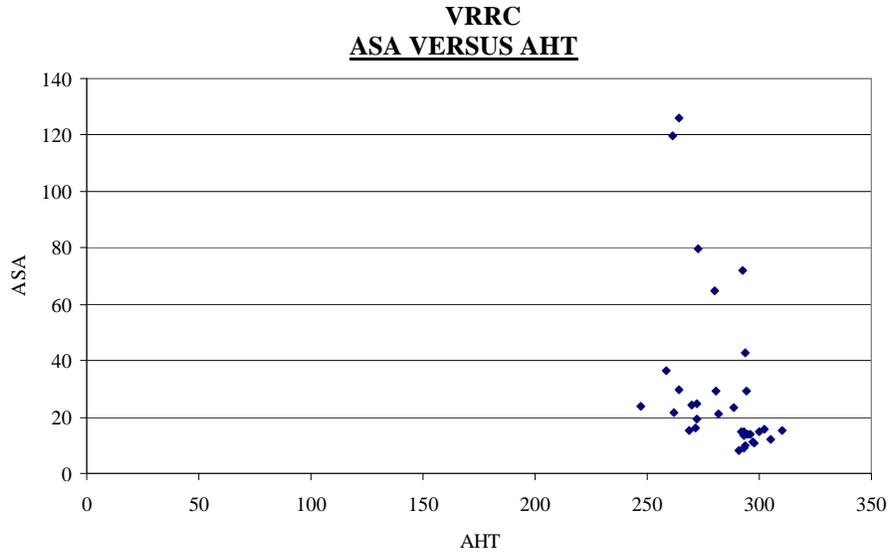
Exhibit VI-53

VRRC
ASA VERSUS STAFFING LEVELS

[redacted]

Exhibit VI-57 shows the relationship of AHT to ASA, which is mildly strong but not nearly as strong as that of NCO.

Exhibit VI-54



Business Office—General Business Customers

Exhibit VI-55 displays incoming call volumes, ASA, and AHT from January 2001 through May 2004 for the general business call centers of the Business Office organizations.

Exhibit VI-55

**GENERAL BUSINESS CALL CENTERS
FACTORS HISTORICAL DATA**

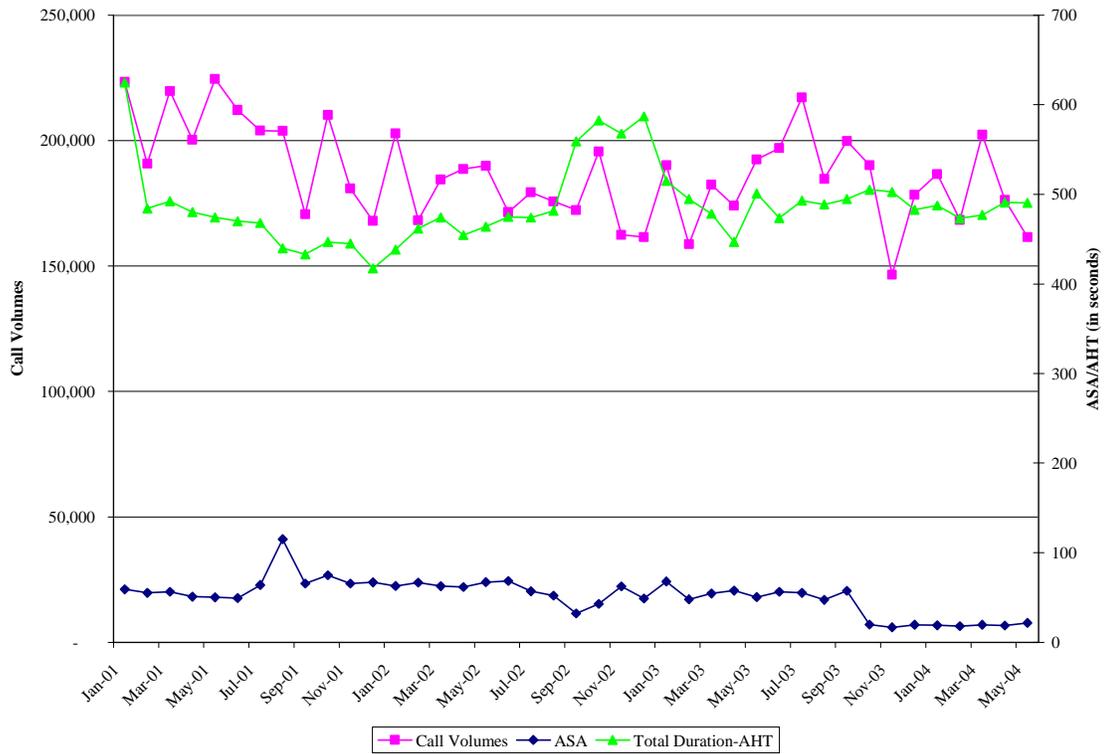


Exhibit VI-56, Exhibit VI-57, and Exhibit VI-58 depict the degree of relationship among these factors for the general business call centers of the Business Office organizations, based on DCI’s use of regression analysis for analyzing these relationships.

The strongest relationship for general business call centers is AHT to ASA, although it is only a mildly strong relationship, as shown in *Exhibit VI-56*.

Exhibit VI-56

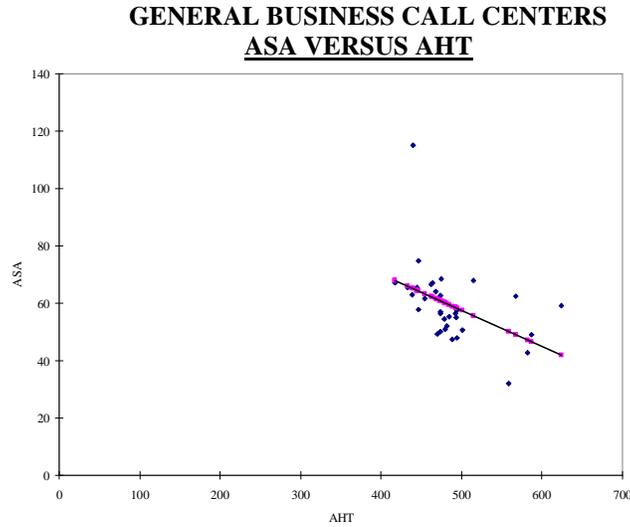


Exhibit VI-57 illustrates that a weak relationship between NCO and ASA exists.

Exhibit VI-57

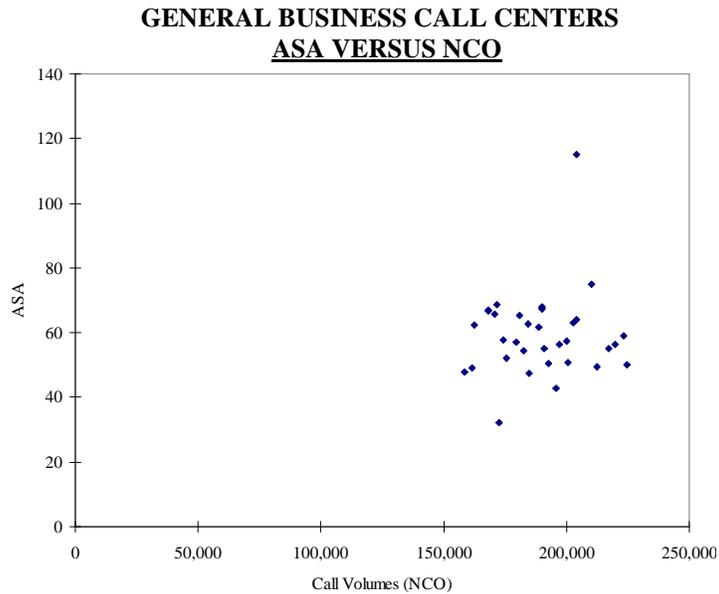


Exhibit VI-58 illustrates that [redacted]

Exhibit VI-58

**GENERAL BUSINESS CALL CENTERS
ASA VERSUS STAFFING LEVELS**

[redacted]

Business Office – Consumer

Exhibit VI-59 displays incoming call volumes, ASA, and AHT from January 2001 through May 2004 for the consumer call centers of the Business Office organizations.

Exhibit VI-59

**CONSUMER CALL CENTERS
FACTORS HISTORICAL DATA**

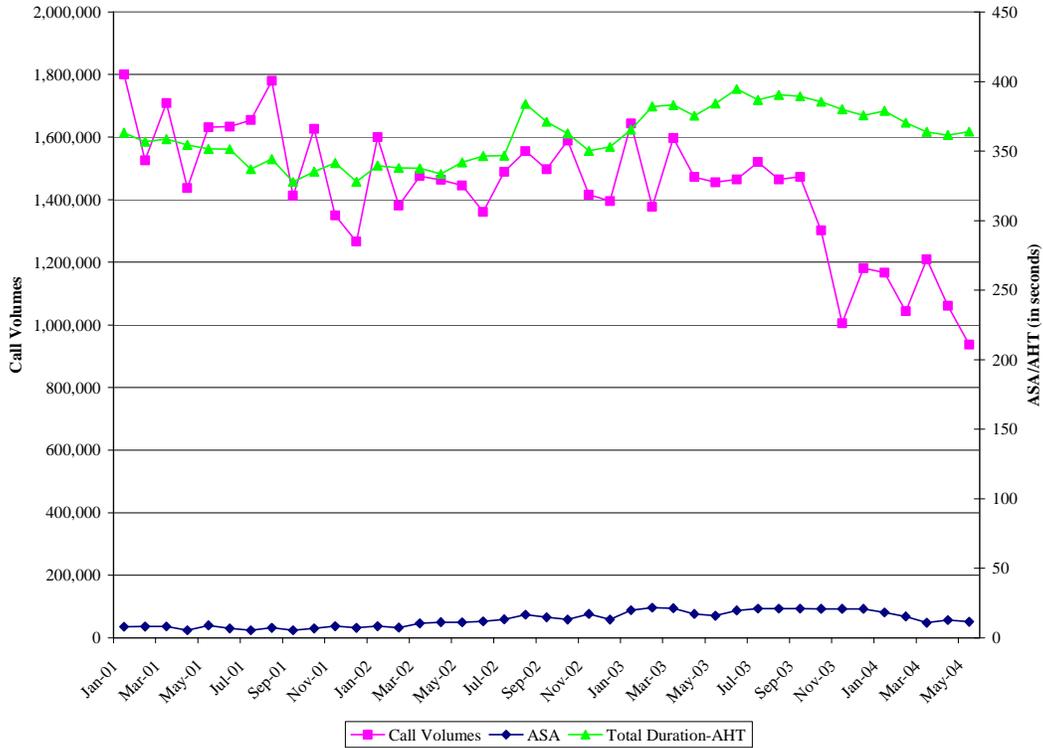


Exhibit VI-60, Exhibit VI-61, and Exhibit VI-62 depict the degree of relationship among these factors for the consumer call centers of the Business Office organizations, based on DCI's use of regression analysis for analyzing these relationships.

[redacted]

Exhibit VI-60

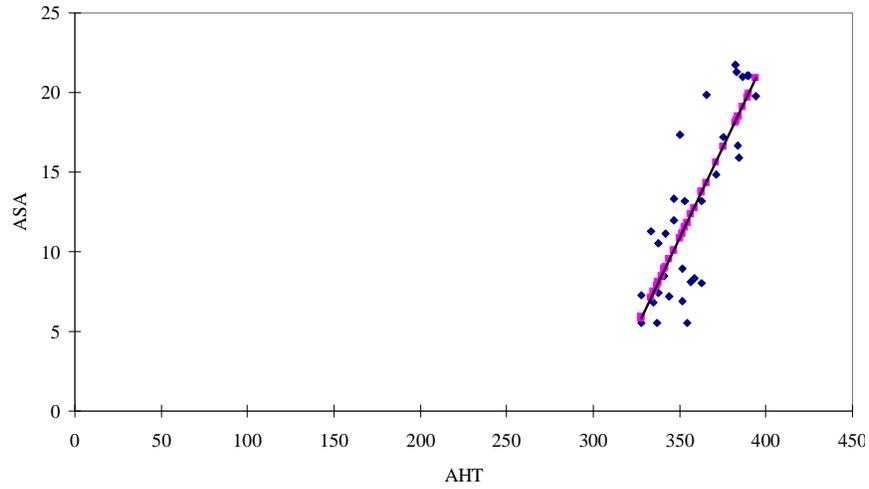
**CONSUMER CALL CENTERS
ASA VERSUS STAFFING LEVELS**

[redacted]

Exhibit VI-61 illustrates that AHT also has a strong relationship to ASA for the consumer call centers.

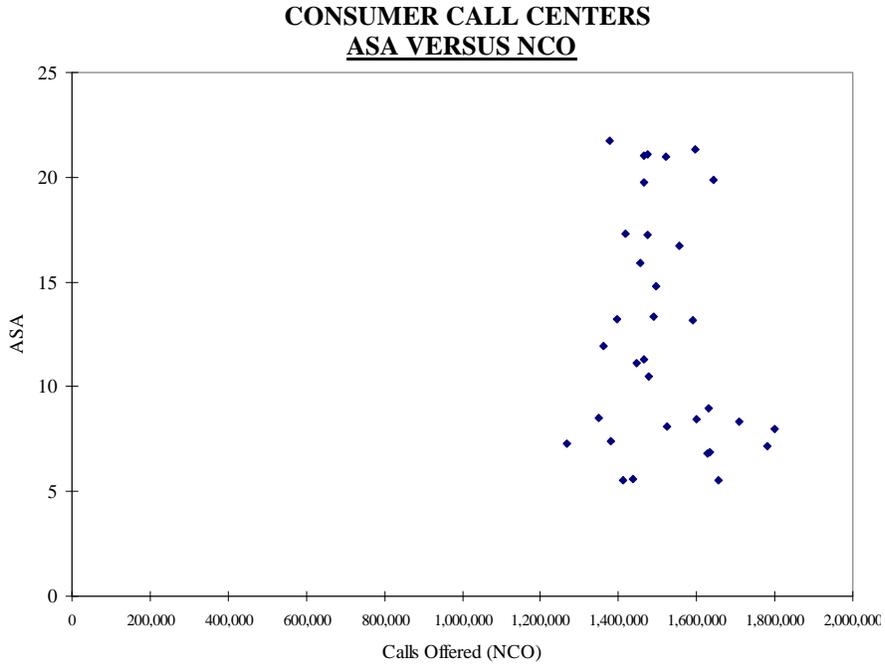
Exhibit VI-61

**CONSUMER CALL CENTERS
ASA VERSUS AHT**



On the other hand, *Exhibit VI-62* illustrates that call volumes have a weak relationship to ASA for consumer call centers.

Exhibit VI-62



C - RECOMMENDATIONS

Business Offices

Recommendation VI-1 **Investigate Use Of eQuality System By Business Offices To Take Advantage of Technology For Recording Screens And Keystrokes. (Refer To Finding VI-2.)**

The only impediment to using such technology appears to be the relationship of Verizon NY's Business Office organization with the CWA, as the VRRC organization has been able to find a way to implement it. Use of this technology would permit Business Office call centers to more effectively manage their operations. Verizon NY management should begin discussions with CWA immediately in 2004, so as to consider the possibility of implementation in a timely manner.

VRRC Organization

Recommendation VI-2 **Promptly Address DCI's Findings For The Field Operations Area As A Means Of Reducing The Number Of Calls To VRRC Call Centers; Then, Investigate Whether Changes To Staffing Levels At VRRC Call Centers Are Required. (Refer To Finding VI-3.)**

The performance results at VRRC centers are linked to performance results in the field operations area. Verizon NY will not be able to resolve VRRC's high volumes without also addressing the out-of-service and service-affecting issues found in the field operations area. Refer to *Chapter VII – Field Operations* for a detailed discussion of actions that Verizon NY needs to take to improve field operations.

Once this process has been started, Verizon NY should investigate whether staffing levels should be augmented.

Recommendation VI-3 **Develop An Action Plan To More Aggressively Market The Use Of eRepair Web Pages. (Refer To Finding VI-4.)**

Besides reducing call volumes by addressing field operations problems that are causing higher call volumes, Verizon NY should also aggressively market the use of eRepair Web pages so as to reduce the workload of VRRC representatives. Verizon NY could also include such marketing in messages customers receive when waiting in queue to speak with a representative. Increased use of Web pages will also allow the VRRC organization to do more, without the need for additional staffing.

Directory & Operator Assistance

Recommendation VI-4 **Continue To Encourage Surplus Operators To Look Elsewhere Within Verizon NY As Long As Regulatory Targets Are Met. (Refer To Finding VI-5.)**

According to Verizon NY management, a large number of operators have already elected to take other assignments within Verizon NY. Although Verizon NY cannot require operators to leave, it should continue to encourage surplus operators to look elsewhere within Verizon NY for alternative positions as long as regulatory targets are met. Also, as long as surplus operators exist, as individuals leave the organization, Verizon NY should not replace them.

Customer Perceptions

Recommendation VI-5 **Develop An Action Plan To Address Low Scores And Negative Trends In Customer Satisfaction Scores. (Refer To Finding VI-7.)**

Verizon NY needs to develop a formal action plan to repair scores that are trending downward and, in some cases, lower than expected. In particular, it should pay attention to questions involving Verizon NY's inability to:

- Resolve problems or mistakes quickly
- Keep customers informed of requests

This action plan should be a detailed and comprehensive improvement plan, with detailed listings of tasks, schedules, milestones, and assigned responsibilities, and should be developed by 2004 year-end.

These issues, like many in the customer service area, are indicative of the many problems that Verizon NY is facing in the repair area.

Recommendation VI-6 **Implement Formal Mechanisms For Tracking, Monitoring, And Minimizing Misdirected Calls. (Refer To Finding VI-8.)**

Verizon NY indicates that representatives have the ability to transfer customers, as needed, using the telephone system's features on their desktop. The transfer policy varies by location; however, in general, it requires representatives to do the following:

- Apologize for the inconvenience
- Explain which department handles the customer's request
- Provide the customer with correct office telephone number
- Perform "escorted" transfer to correct workgroup
- Close contact immediately

Such a policy does not minimize the frustration that callers may have; therefore, Verizon NY should implement formal mechanisms for tracking, monitoring, and minimizing misdirected calls.

Overall Customer Service

Recommendation VI-7 Address Answer Time Performance Regulatory Targets By Reducing Repair Call Volumes. (Refer To Finding VI-10.)

The primary area where Verizon NY is having difficulties in achieving its answer time performance targets is within the VRRRC organization. Three key performance drivers can typically impact answer time performance: call volumes, average handle time, and staffing levels. As ASA decreases, service level targets (80% within 30 seconds) are easier to achieve.

Based on DCI's regression analyses, of these three drivers, call volumes have the strongest relationship with ASA within the VRRRC organization, although average handle time and staffing levels also impact it. To have the most impact, therefore, Verizon NY must then reduce repair call volumes. Some of the actions that should be taken include:

- Address recommendations in the field operations area (discussed in *Chapter VII – Field Operations*).
- Lower call volumes through increased use of eRepair Web pages (referenced previously in *Recommendation VI-3*).