



Veterans Affairs
Canada

Anciens Combattants
Canada

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AUDIT OF VAC'S TELEPHONY SERVICE

Audit and Evaluation Division

Canada 

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EXECUTIVE SUMMARY

An effective and efficient phone system is crucial to providing Veterans, their families, and service providers with access to information from VAC staff. The National Contact Centre Network (NCCN) provides a central point of contact for external callers to obtain general information and request benefits and services. NCCN Analysts either answer questions or immediately transfer callers to staff who can better respond to a caller's inquiry.

The objective of the audit was to assess the management control framework, compliance with applicable policies and processes, and performance against the service standard. The scope of the audit includes telephony services between April 1, 2014 and July 31, 2015.

The audit team observed that VAC's relevant policies and procedures were generally clear and up-to-date. NCCN Analysts and Veteran Service Agents were found to have a high level of compliance with processes and their decisions were appropriate and well documented.

To ensure compliance with the policy, the following action must be taken:

- Ensure that the service standard results are published.

The following actions would support an enhanced telephone service experience for callers and improve overall service efficiency:

- improve the interactive voice response (IVR) and caller verification process;
- establish a system for timely replacement of telephony equipment;
- mitigate the impact of the First Contact Resolution model on other workload in the area offices; and
- address the gap between NCCN analyst performance expectations and results.

Overall, the audit team determined the results to be "*Generally Acceptable*." The opinion is based on a comparison of the conditions, as they existed at the time, against pre-established audit criteria that meet the auditing standards for the Government of Canada and were agreed on with management. The opinion is applicable only to the entity examined.

Chief Audit Executive's Signature

Sheri Ostridge
Chief Audit Executive

Date

1.0 BACKGROUND

An effective and efficient phone system is crucial to providing Veterans, their families, and service providers with timely access to information. VAC's toll-free lines (English and French) enable callers to access the National Contact Centre Network (NCCN), which provides a central point of contact for Veterans to obtain general information and request services. When the caller's request goes beyond the authority of the NCCN analyst, the call is transferred to the appropriate area for response. VAC uses Intelligent Call Exchange (ICE) software to manage all incoming toll-free calls.

The Transition, Co-ordination and Integrated Services Directorate, within the Field Operations Division is responsible for the overall management and oversight of the NCCN. The NCCN offices are located in Dartmouth, Montreal, Kirkland Lake, Winnipeg, and Vancouver. In fiscal year 2014-15, the NCCN answered 481,248 calls.

VAC adopted a first contact resolution (FCR) model as part of its transformation agenda to reduce paperwork, cut wait times, and deliver modern options for Veterans to interact with the Department. FCR is designed to improve the service experience for Veterans when interacting with VAC through the web, the telephone or in-person office visits. It streamlines workflow between the NCCN and area offices and increases resolution of the Veteran's inquiry at first contact. It also aims to improve efficiency of call transfers and reduce call returns. Under the FCR model, when the nature of a phone call is beyond the authority of the NCCN analyst and needs to be referred to an area office, the caller will be transferred to the first available Veteran service agent (VSA). The VSA will then attempt to resolve the caller's request/inquiry on the first call or inform the caller of the procedure and next steps in completing the request. As of May 2015, all 12 area offices were implementing the FCR model.

2.0 ABOUT THE AUDIT

2.1 Audit Scope and Objectives

The scope of the audit included telephony services delivered between April 1, 2014 and July 31, 2015. The audit focused primarily on the NCCN and area offices. The objectives of this audit were:

- To assess the implementation and effectiveness of VAC's telephony system;
- To assess compliance with applicable policies and processes; and
- To determine performance against the service standard.

The audit criteria are provided in Appendix A.

2.2 Methodology

Interviews, file reviews, and direct observation sessions were conducted with staff at VAC Head Office, all NCCN offices, and five area offices (Halifax, Montreal, Ottawa, Winnipeg, Vancouver) to obtain an understanding of telephony processes and to assess compliance with relevant policies, guidelines, and processes. The audit team also reviewed regulations, policies, guidelines, and business processes.

Between May 2015 and July 2015, the audit team observed 183 incoming calls with NCCN Analysts and VSAs to assess compliance with processes as well as the effectiveness of tools and training. Telephone call data from January 1, 2015, to May 31, 2015, were analysed. Of the 178,743 calls handled during that period, 22,612 were transferred to an area office. As the data was not available in a format conducive to detailed analysis by site, considerable efforts were required to manipulate the data and create site specific reports.

3.0 AUDIT RESULTS

3.1 Implementation and Effectiveness of Telephony System

An external caller's first interaction with the Department is through VAC's Interactive Voice Response (IVR). IVR is telephony technology which allows an external caller to interact with a pre-programmed database of selections using a touch-tone telephone. An effective IVR enhances caller experience by directing the call efficiently. A review of the IVR identified some areas of possible improvement, including:

- Shortening the length of the recorded selection options (English/French)
- Simplifying the message
- Improving the quality of the recording (voice, music)
- Adding an option to repeat previous message

Based on callers' IVR selections, the majority of calls are directed to the NCCN, which is the central point of contact to obtain general information and request services.

If an NCCN analyst is unable to resolve the caller's concern, the call is transferred to another area of the Department. According to the FCR model, the call will be transferred to the first available VSA in an area office, when the issue is related to VSA responsibilities and authorities. Field observations confirmed that the FCR model was working as intended for most callers. However, depending on the volume of calls transferred to the area offices, the FCR model may, in some cases, directly impact the area office's ability to address other workload. Staff noted that, in most cases, callers transferred from the NCCN take priority over those who submitted applications or written requests for follow-up. There was no evidence of risk mitigation in regards to this concern.

Staff reported significant delays in actioning service requests for telephony equipment. The documentation review identified several instances when requested essential equipment, such as telephone headsets, took more than one month to receive. Such delays negatively impact service levels as employees are not equipped to provide telephony services effectively and create difficulties when training new employees.

3.2 Compliance

3.2.1 Compliance with Processes

The audit team assessed NCCN-related business processes, with documentation found to be relevant, mostly current, and accessible online. Also, staff generally reported receiving sufficient training. A one-on-one WebEx training session was provided to most users by Intelligent Call Exchange (ICE) subject matter experts with an ICE training guide distributed for reference. In general, staff noted that ongoing training was adequate.

Field observation and file reviews revealed that calls received by the NCCN were answered following procedures. These procedures include: greeting the caller, verifying the caller’s identity, resolving the issue, closing and documenting the call. Records and information received from callers were maintained in accordance with policies and processes. As shown in Table 1, the audit team identified a high degree of compliance with the above noted procedures and staff carried out their duties effectively.

Table 1: Observed NCCN Call Compliance Result

Criteria	Result	Percentage
Greeting	182/182	100%
Verifying	152/154	99%
Resolving	121/155	78%
Closing	177/183	97%
Documenting	164/170	96%

Note: Denominator varies due to type of call; e.g., not all calls required verification.

The audit team noted that the existing caller verification process is lengthy and has limited security. To confirm their identity, callers are required to provide their name, date of birth, file number, full address, postal code, and phone number. This information is verified against information stored in the Client Service Delivery Network (CSDN)¹. With minimal effort, others could obtain this information via publicly available means. In addition, there was no evidence of a Threat and Risk Assessment² (TRA) regarding the current caller verification process.

Password verification, available in CSDN, is currently implemented upon the Veteran’s request. This verification method could significantly decrease the verification process time and increase the level of security.

3.3 Management Control Framework

As part of the assessment of the management control framework, key monitoring activities and quality assurance (QA) processes for the telephony system were reviewed by the audit team.

3.3.1 Quality assurance and performance monitoring

Performance standards for NCCN Analysts provide specific targets for telephony services. These standards define VAC’s expectations of its employees and should assist the Department in delivering efficient, effective, and consistent service when

¹ Client Service Delivery Network (CSDN) is the VAC system of record.

² As required by the Operational Security Standards: Management of Information Technology Security under the Policy on Government Security, TRAs aid in the determination of security requirements that federal departments must fulfill to ensure the security of information under their control.

handling inbound calls from anywhere in Canada. The current standards for NCCN Analysts are:

- average handling time³: 5 minutes, 30 seconds
- average documentation time: 4 minutes, 50 seconds
- bumped calls⁴: maximum of 5 per month
- logged in time⁵
- average not-ready time⁶: 90 minutes per day

To monitor performance, NCCN Team Leaders:

- monitor analyst performance and identify training needs;
- review 10 calls four times per year per analyst; and
- provide feedback to analysts.

The audit team found that NCCN Team Leaders have access to various ICE reports and perform regular quality assurance reviews in relation to the above standards. However, the data/review is limited to individual performance compared to individual indicators. There is no evidence of performance monitoring at a site level.

The audit team completed a detailed data analysis⁷ to determine the overall site results against the performance indicators, and found significant variances in performance by site and results generally below established standards. For example, at two sites, 50% of staff was meeting the performance standard for average handling time in contrast to 81% at another site. With respect to average documentation time, one site had 40% of staff meeting the performance standard in contrast to 91% at another site.

Improved performance results can lead to increased site productivity. Further, answering a greater number of calls should improve service standard⁸ results for accessing VAC's telephone service and reduce wait times for callers.

3.3.2 Service Standard

VAC service standards must be relevant to the recipient, measurable and linked to monitoring activities⁹ and must address the aspects of VAC's services that are most valued and meaningful to the recipients of the service.

³ Handling time is the duration of the call with an agent.

⁴ A "bumped call" occurs when a call is transferred to an agent who is "ready" to take a call, but the call is not answered. The agent's status is automatically changed to prevent further transfers and the caller is returned to the queue to be transferred to the next available agent.

⁵ Logged in time is the total time an agent is logged on to ICE.

⁶ Not-ready time is total time an agent is unavailable to accept calls.

⁷ The data was extracted from the ICE Complete Agent Performance Report. This report provides information on each agent but is not conducive to further analysis. Only through extensive manipulation of the data was the audit team able to report on site performance.

⁸ The current service standard for accessing VAC's telephone services is defined as "Your call to our National Contact Centre Network (NCCN) will be answered within 2 minutes."

⁹ Guideline on Service Standards, Treasury Board Secretariat.

The current service standard for accessing VAC’s telephone services is defined as “Your call to our National Contact Centre Network (NCCN) will be answered within 2 minutes.”¹⁰ The service standard is deemed to be met when 80% of calls are answered within this timeframe. The TBS Guideline on Service Standards states “publish results for clients.” VAC has not published the service standard results since 2012-13 and, therefore, callers are not aware of current service levels. Table 2 below presents the Department’s service standard results from 2012-13 to July 2015.

Table 2: Service Standard Results for Accessing VAC’s Telephone Service

Criteria	Result
2012-13	81%
2013-14	84%
2014-15	75%
2015-16 (as of July 31)	81%

Source: Strategic and Enabling Initiatives Directorate

3.4 Audit Recommendations

The following recommendations and management responses address the identified issues and will enhance service to recipients:

Recommendation 1 (Essential)

It is recommended that the Director General, Field Operations, improve the Department’s telephony tools by:

- a) reviewing and restructuring the IVR process flow, scripting and quality of vocal prompts and music; and**
- b) implementing a more secure and rapid method of caller verification.**

Management Response

Management agrees with this recommendation.

a) Management implemented the following changes to the IVR to address the recommendation:

- New IVR scripts, based on best practices*
- Simplified messaging and process flows*
- Scripts recorded in a professional manner in both official languages*
- New pick added for disability calls to better manage call routing*
- Ability to replay messages added*

b) A project is underway to develop password functionality in CSDN, which will be provided to Veterans as the main method for verifying the caller’s identity. An

¹⁰ Source: VAC 2012-2013 Service Standards

evaluation will be undertaken to identify other non-tombstone information available to NCCN analysts that they can ask the caller.

Recommendation 2 (Essential)

It is recommended that the Director General, Field Operations, improve workload management by:

- a) mitigating the impact of the FCR model on non-telephony related workload in area offices; and**
- b) addressing the gap between NCCN Analyst performance expectations and results.**

Management Response

Management agrees with this recommendation.

- a) New Veterans Service Agents are being hired in area offices. The telephony and non-telephony workload will be monitored by area directors and reported through to the Director General on a regular basis. A contract to review the First Contact Resolution model is about to be awarded, with an expected completion date of December 2016. Recommendations regarding VSA workload management, including indicators, will be considered at that time and implemented by spring 2017.*
- b) NCCN analysts' performance expectations are being revised to reflect the current workflows via phone and secure messaging. New expectations will be communicated to staff during the first quarter of 2017. Results will be constantly measured by Management over the next fiscal year to ensure any unit or individual gaps in performance are addressed through the performance management process.*

Recommendation 3 (Essential)

It is recommended that the ADM, Chief Financial Officer and Corporate Services Branch, annually publish the current service standard for accessing VAC's telephone service.

Management Response

ADM, Chief Financial Officer and Corporate Services Branch, agrees that the Branch will annually publish the current service standard for accessing VAC's telephone service.

Recommendation 4 (Essential)

It is recommended that the Director General, Information Technology, Information Management and Administration, purchase an appropriate number of headset units to be stored and managed centrally in order to quickly respond to replacement requests.

Management Response

Management agrees with this recommendation. Since November 19, 2015, VAC has been purchasing and storing headsets centrally. Between November 2015 and March 2016, 248 headsets have been distributed from this inventory for use by VAC staff across the country.

3.5 Audit Opinion

The audit team observed that the relevant procedures and business processes were generally clear and up-to-date. Through field observations and file reviews, the audit team identified a high degree of compliance with procedures and business processes with staff carrying out their duties efficiently and exercising appropriate judgement to process requests. It was noted that improvements are required in key monitoring activities for Area Offices and quality assurance reporting. The audit team also noted gaps in coordination and monitoring of tools and equipment.

Overall, the audit team determined the results to be “*Generally Acceptable.*” The opinion is based on a comparison of the conditions, as they existed at the time, against pre-established audit criteria that meet the auditing standards for the Government of Canada and were agreed on with management. The opinion is applicable only to the entity examined.

Definitions of recommendation rankings and audit opinions are available in Appendix B.

APPENDIX A - AUDIT CRITERIA

Objective	Criteria*
To assess the implementation and effectiveness of VAC's Telephony System.	The organization provides employees with the necessary training, tools, resources and information to support the discharge of their responsibilities.
	Oversight exists to monitor and provide assurance on the quality and due diligence in decision-making.
	Authority, responsibility and accountability are clear and communicated.
	A documented approach to risk identification, assessment and management is in place and being used to support the NCCN operations.
To assess compliance with applicable policies and processes	Records and information are maintained in accordance with policies and processes.
	Calls are answered following procedure (including greeting by giving his/her name and mentioning 'Veterans Affairs Canada', confirming who the client and resolving the issue or following up as necessary)
To determine performance against the service standard.	Management has identified appropriate performance measures linked to planned results.
	Management monitors actual performance against planned results and adjusts course as needed.
	Calls to the National Contact Centre Network (NCCN) are answered within 2 minutes.

* Audit recommendations have been developed to address the gaps identified by the audit team. All other audit criteria were determined to be fully met or partially met with only minor deficiencies.

Appendix B – RISK RANKING OF RECOMMENDATIONS AND AUDIT OPINION

The following definitions are used to classify the ranking of recommendations and the audit opinion presented in this report.

Audit Recommendations

Critical Relates to one or more significant weaknesses for which no adequate compensating controls exist. The weakness results in a high level of risk.

Essential Relates to one or more significant weaknesses for which no adequate compensating controls exist. The weakness results in a moderate level of risk.

Audit Opinion

Well Controlled Only insignificant weaknesses relating to the control objectives or sound management of the audited activity are identified.

Generally Acceptable Identified weaknesses, when taken individually or together, are not significant or are compensated by mechanisms in place. The control objectives or sound management of the audited activity are not compromised.

Requires Improvement Identified weaknesses, when taken individually or together, are significant and may compromise the control objectives or sound management of the audited activity.

Unsatisfactory The resources allocated to the audited activity are managed without due regard to most of the criteria for efficiency, effectiveness, and economy.