

Verizon to close five call centers in restructuring

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In a corporate reorganization, telecommunications company Verizon is closing call centers in five states in order to consolidate its customer service operations in the US. The move will affect 3,200 workers in New York, Maine, Nebraska, Connecticut and California.

The move follows the announcement by Verizon that hundreds, possibly thousands, of retail store jobs are being eliminated through job consolidations. The cuts are being effected by combining the position of “experience specialists” who greet customers and “operations specialists” who handle inventory.

The downsized call center workers are being given one month to apply for other jobs within the company. Most of the reported openings are in South Carolina and Texas.

Workers who travel to other Verizon locations to investigate job prospects are being offered a token \$500 travel stipend. Otherwise, call center workers may be eligible for severance pay. Verizon called the move “a very difficult but necessary business decision.”

The job cuts come just months after the end of a seven-week strike by 39,000 Verizon workers against management concessions demands. The Communications Workers of American (CWA) and the International Brotherhood of Electrical Workers (IBEW) abruptly ended the strike and rushed through a ratification vote, just as the walkout was beginning to have an effect. Among the claims advanced by the unions in forcing through the sellout deal was the supposed protection it ensured for jobs.

In particular, the deal was supposed to protect workers at call centers and would in fact lead to the hiring of more workers, not layoffs. At the time of the contract signing, Mark Reed, Verizon’s chief administrative officer declared, “We are especially proud of our commitment to 1,400 new hires—high

quality and well-paying American jobs.”

For his part, CWA President Chris Shelton fulminated against Verizon, calling the job cuts, “corporate greed at its worst.” He was joined by New York Democratic Governor Andrew Cuomo who, in a bit of election year theatrics, called the downsizing an “egregious example of corporate abuse—among the worst we have witnessed during the six years of this administration.” Some 850 jobs are impacted in New York state.

There was no attempt by Shelton to square his denunciation of Verizon with the previous claims by the union of a groundbreaking contract deal ensuring job security. Other CWA officials suggested that the significance of the cuts was mitigated by the fact that they impacted largely non-unionized workers.

Indeed, the CWA, backed by host of pseudo-left organizations, showed little restraint in hailing the Verizon agreement announced last May a “victory.” In fact, the contract agreed to by the CWA gave Verizon, as one executive put it, “all the key changes sought by the company.” As the *World Socialist Web Site* warned at the time of the announcement of the sellout contract, the deal would “give the world’s second largest telecommunications company a free hand to streamline operations by consolidating customer service call centers and prepare the spinoff of its less profitable wire telephone, internet and cable TV unit, which has already seen mass job cuts in recent years.”

This is what is now taking place. For the CWA to now suggest this was unforeseen and unpredicted is the height of hypocrisy.

A Verizon worker from New Jersey, a member of the IBEW, told the *World Socialist Web Site*, “It doesn’t look good as far as I can see. Morale is just awful, no one knows what is going to happen. They don’t let us

in on their plans. There are no happy campers here. Verizon is cracking the whip. People are keeping their fingers crossed that they will be offered a retirement package.”

Another Verizon worker from New Jersey said of the call center closings. “It’s crazy. They want to move where the cost of labor is cheaper.”

A Verizon workers from New York, a CWA member, said, “There is stepped-up discipline and harassment of field technicians. The hated QAR [Quality Assurance Program] formerly used to intimidate and harass field workers, officially no longer exists, however field technicians are still being disciplined. Those with low productivity figures are being singled out.”

He noted that, “The call centers being closed are on the non-union side. The union issuing, ‘see, this is what happens when you’re not in a union.’ Neglecting the fact their own membership has fallen by half in the last decade.

“One call center in NYC recently moved 34 miles to Long Island. About 120 people worked there. Many older workers left the company or retired. The extra 34 miles would add as much as two hours to the commute of those relying on mass transit, which most do. Even driving would easily add 90 minutes for those who live west of the city. The move was known about in advance of the strike. The union made no attempt to keep these jobs in NYC. When asked why, one official responded ‘we couldn’t keep everyone out for 100 people.’”

Verizon is blaming the job cuts on a stagnant wireless industry. In the first six months of 2016, the company’s wireless revenue fell by 3 percent.

It is not as though Verizon isn’t swimming in cash, however. The company recently announced its plans to purchase internet company Yahoo for \$4.8 billion. Third quarter earnings exceeded analyst’s estimates of 99 cents a share. This was despite the fact that the company signed up only 442,000 new subscribers in the quarter, down from an average of 875,000. Sales were down 6.7 percent from a year earlier.

The call center closures are the third time in four years that the company has announced call center cuts or relocations. In 2014, Verizon closed five call centers with the loss of some 5,200 jobs nationwide. In 2012, the company closed three call centers with the loss of 3,000 jobs.

The closings will have a severe impact on the affected communities. In Rancho Cordova, California the company is closing its customer service and sales center with the loss of 1,000 jobs. Verizon is a major employer in the city, located outside of Sacramento. The facility is set to close January 27, giving workers very little time to relocate. According to the most recent US Census figures, 17.1 percent of Rancho Cordova residents live in poverty.



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