

**National Council on Federal Labor-Management Relations
Eleventh Public Meeting, 05/18/2011**

The National Council on Federal Labor-Management Relations (NCFLMR) held its eleventh meeting on May 18, 2011, at the American Institute of Architects building at 1725 New York Avenue NW., Washington, D.C. Mr. John Berry (Director, Office of Personnel Management (OPM)) and Mr. Jeffrey Zients (Deputy Director for Management and Chief Performance Officer, Office of Management and Budget (OMB)) co-chaired the meeting.

The following Council members also attended:

Member Name	Member Title
Mr. William Dougan	President, National Federation of Federal Employees
Mr. Michael Filler	Director of Public Services, International Brotherhood of Teamsters
Mr. John Gage	National President, American Federation of Government Employees
Mr. David Holway	National President, National Association of Government Employees
Mr. Gregory Junemann	President, International Federation of Professional and Technical Engineers
Mr. H.T. Nguyen	Executive Director, Federal Education Association
Ms. Patricia Niehaus	National President, Federal Managers Association
Ms. Carol Waller Pope	Chair, Federal Labor Relations Authority

Ms. Denise Biaggi-Ayer, Office of Labor Management Relations, Department of Veterans Affairs (VA), sat in for Mr. W. Scott Gould, Deputy Secretary, VA.

Mr. Rafael Borrás, Under Secretary for Management, Department of Homeland Security (DHS), sat in for Ms. Jane Holl Lute, Deputy Secretary, DHS.

Mr. William Bransford, General Counsel, Senior Executives Association (SEA), sat in for Ms. Carol Bonosaro, President, SEA.

Mr. Steve Keller, Senior Counsel, National Treasury Employees Union (NTEU), sat in for Ms. Colleen M. Kelley, National President, NTEU.

Mr. T. Michael Kerr, Assistant Secretary for Administration and Management, Department of Labor (DOL), sat in for Mr. Seth David Harris, Deputy Secretary of Labor.

Ms. Lynn Simpson, Principal Deputy Assistant Secretary of Defense for Personnel and Readiness, sat in for Mr. William J. Lynn, Deputy Secretary of Defense.

Mr. Dan Tangherlini, Assistant Secretary for Management and Chief Financial Officer, sat in for Mr. Neal Wolin, Deputy Secretary, Department of the Treasury.

About 62 members of the public also attended the meeting, including 2 representatives from the media.

Agenda Item I: Welcome

At 10:07 a.m., Mr. Berry thanked everyone for coming to the meeting. He said the Council had a lot of material to cover in the meeting, so it was time to begin. He asked whether Mr. Zients had any opening remarks. Mr. Zients said he was pleased with the meeting agenda and that he was ready to get started.

Mr. Berry asked the Council members for any edits to the minutes from the previous Council meeting, held on March 16, 2011. The Council unanimously approved the minutes.

Mr. Berry said he had some quick announcements before turning to the next agenda item. He said that next week OPM would launch the third annual Feds Feed Families program. He said that in the first year of the program the goal was 1 million pounds of food, but that success in the first and second years indicated higher goals should be set, so the target for this year's donations would be 2 million pounds of food. He stressed the importance of the program, and he said there were empty shelves at food banks and that in the summer months schools are out for summer and not serving lunches. He said he was calling on his union partners to help get the word out and reach this year's stretch goal.

Mr. Berry said he was pleased to announce that the Federal Labor Relations Authority (FLRA) training on Executive Order 13522, which the Council discussed in the previous Council meeting, was now available on the [HR University](#) website. He asked if anyone cared to discuss this.

Ms. Julia Clark, FLRA General Counsel, provided as a handout an email message sent to the Council members on May 11, 2011, and explaining how to access the course, which is entitled "FLRA Office of General Counsel Training: Executive Order 13522" and is described in the HR University Course Catalog as follows:

***Course Description:** FLRA Executive Order 13522 Training is intended to help Federal employees, Managers and their Union representatives to fully utilize the opportunities presented by the Executive Order. The purpose of the executive order is to create Labor-Management Forums to improve delivery of government services. The training is composed of an introduction and three lessons.*

Ms. Clark said the course was offered in partnership with the VA, which generously provided a website where individuals without a Government email address can take the course. She said the course was significant to the Council's efforts in that it provides valuable instruction across Government, both for management and union representatives and for Federal employees in general, on how to take full advantage of the opportunities presented by Executive Order 13522. She said it was exciting how large an audience can be reached through the web offering.

Mr. Berry thanked Ms. Clark and FLRA. He said one of the Council's goals is to make implementing Executive Order 13522 easier for everyone, and that he believed the web-based training was an important step in the right direction.

Mr. Berry turned to the next agenda item, which he said was about how Government can become more innovative and deliver better results to the taxpayer. He turned the floor over to Mr. Filler.

Agenda Item II: Briefing from Performance Improvement Officers on Government-wide Performance Issues

Mr. Filler recalled President Obama saying in a speech that he wanted to make Government cool again. In today's meeting, Mr. Filler said that we will show that performance measures can be fun, understandable and useful. He referred to attending a recent event where several speakers gave excellent presentations on ways to incorporate performance into an organization's culture; based on that information, he recommended two of the speakers be invited to today's meeting. Mr. Filler then introduced Mr. Jay Hoffman, Director of Program Analysis and Evaluation at the U.S. Department of Energy (DOE).

Mr. Hoffman greeted everyone and began his presentation. He said to illustrate an effective approach to performance he would provide an example of methods applied at DOE. He said the methods he would describe began with three basic questions:

1. Why are we doing this?
2. What are we going to do?
3. How are we going to do it?

Mr. Hoffman displayed a graphic showing the price of oil fluctuating, and he said that as of the previous evening the price of oil was \$100 a barrel. He said that in the volatile world oil market demand is extremely high and growing, and that there are two kinds of people, those who have cars and those who want them. He displayed a slide showing oil trade between nations, and he said that the daily U.S. purchase of foreign oil totals about \$1 billion per day or \$400 billion annually, and he added that some of the money is going to places that do not have the Nation's best interests at heart. He said some observers believe current U.S. expenditures on foreign oil may be the most astonishing transfer of wealth in history. He added that the good news with respect to the Nation's reliance on foreign oil is that we have a President who cares. He mentioned the January 25, 2011, State of the Union address in which President Obama called for innovation and set ambitious goals for the future of U.S. energy, e.g. that by 2015 the U.S. will be the first country to have 1 million electric vehicles on the road, and that 80 percent of the Nation's electricity will come from clean energy sources by 2035.

Mr. Hoffman briefly summarized strategies DOE used to align its performance objectives with the President's ambitious goals for the future of U.S. energy. He said DOE began by defining the problem in broad terms, i.e. answering the basic question, "Why are we doing this?" After defining the problem, i.e. how to decrease reliance on foreign oil and convert to clean energy sources on a massive scale and in a relatively short time, DOE began to formulate goals, e.g. which energy sources to target, what sciences to apply, and what National security measures to include. He described a process by which DOE started with very general goals and moved to more specific ones. He said DOE had set short and long term goals with an awareness of the

need to balance both. He reminded the Council that John Maynard Keynes had once said, “In the long run, we’re all dead.”

Mr. Hoffman displayed a slide showing puzzle pieces, and said that if a performance program is to be successful, all the pieces need to add up. He made the point that, with a difficult, complex problem, strategies to address particular aspects of the problem should be designed with a coherent whole in mind. He said that knowledge resides between people’s ears, that transferring knowledge requires planning for communication, and that as groups of people are added to address the various aspects of a complex problem, communication must be carefully maintained to optimize overall efficiency and progress.

Mr. Hoffman discussed the importance of data gathering and analysis throughout the design and implementation of an agency performance program, mentioned examples of data systems and reports DOE had used, and said that the data DOE needed to reach its goals were substantial and varied. He stressed the importance of establishing a baseline and then providing for ways to measure progress toward goals and then to adjust strategies accordingly.

When he reached the end of his presentation, Mr. Hoffman said he would take questions after the next speaker’s presentation. The Council turned the floor over to Mr. Peter Grace, Director, Office of Strategic Planning and Management, Department of Housing and Urban Development (HUD).

Mr. Grace greeted the Council. He said that there were similarities between the processes Mr. Hoffman had described and recent efforts in a major undertaking at HUD. He said it began with release in May 2010 of the [HUD Strategic Plan](#) for fiscal years 2010 through 2015, which set a number of challenging goals arising from the housing crisis and the Administration’s desire to transform American housing.

Mr. Grace briefed the Council on the work that produced HUDStat, a dashboard HUD created to evaluate the effectiveness of its programs. He said that HUDStat, which is linked to goals in the HUD strategic plan, is an example of how to lay the foundation for a successful agency performance program. He said that HUDStat also exemplifies the power of collaboration, since the system was designed with the input of field offices and stakeholders. He mentioned the value of employee ideas and the [HUD Ideas in Action](#) website.

Mr. Grace said the HUDStat system was proving to be very successful, and that its success is attributable in large part to HUD maintaining a strong spirit of collaboration in design, maintenance, and implementation of the system. He said that in addition to making HUDStat successful, collaboration also built trust and improved labor-management relations, which could transfer to other agency efforts.

Mr. Grace said there was a definite singularity of purpose at HUD that seems almost unique among Federal agencies, and that it is very clear that many people throughout the agency are working enthusiastically toward the same purpose. He said, “We’re starting to lay the foundation for what success looks like.” He said that there is still work to be done, e.g. the agency is now figuring out how its goals and strategies can best cascade down to individual

performance plans, which is challenging at times. He said, however, that while HUD still grapples with a number of issues, he firmly believes the agency has built a model with which future success can begin.

Mr. Filler said that what he took away from the presentations was that there is important information to be gained from performance management processes. He said that many forums had not yet engaged their performance people, and that they should, since clearly much could be learned. He said it was especially good to hear examples where involving labor was clearly beneficial. He added that there was an interconnectedness in the meeting agenda, that everything was woven together with performance. He said he was glad the Council saw the value in focusing on performance.

Mr. Berry thanked Mr. Hoffman and Mr. Grace for their presentations and Mr. Filler for driving the Council's efforts on performance forward.

Mr. Berry said that the next item on the agenda, metrics, is a clear part of performance. He turned the floor over to Ms. Sarah Spooner, FLRA Counsel for Regulatory and Legislative Affairs.

Agenda Item III: Report of Metrics Workgroup and Council Member Agency Reports

Ms. Spooner greeted the Council. She reminded everyone that by March 31, 2011 agencies were to have reported to the Council on what metrics their forums chose as a baseline. She presented a report on submissions received, and her presentation was accompanied by a handout entitled "Initial Metrics Submissions from Labor-Management Forums" and dated May 18, 2011. She reminded everyone of the guidance on metrics the Council had sent to the forums, and of three broad areas of focus:

- Mission and service delivery,
- Employee satisfaction and engagement, and
- Labor-management relationship.

Ms. Spooner said that the working group's purpose in reviewing the submissions was not to approve or disapprove the forums' choices but rather to look for best practices and helpful examples. She said the working group agreed that desirable metrics are those that are mission-focused, specific, integrated, and result in cost savings. She said that some of the submissions that could be improved lacked mission focus, clarity, or specificity. She said that another problem was that while 31 agencies submitted complete reports, a number of forums still needed help choosing a baseline or, in some cases, the forums had recently formed and had not gotten to metrics yet.

Ms. Spooner said, "The forums have never been asked to measure these things before." She said that while some forums still need help, the working group was encouraged by some things observed in its review, e.g. many metrics are mission focused, with well defined targets. She

said with regard to best practices there are already a number of good examples, that today the Council would hear from VA and Treasury, and that the Working Group was also encouraged by examples from DHS, where there were strong, mission-focused metrics, and the Equal Employment Opportunity Commission, where the metrics were focused on increasing efficiency, customer service, employee satisfaction, and labor-management relations. She said the best examples were those where the forums had followed the Council’s guidance on metrics.

Ms. Spooner said that the working group planned to provide general feedback to the forums in the form of a summary document with examples of the best metrics submitted. She said the working group recommended the Council consider hosting a webinar or otherwise reach out to the forums to help them understand what to measure and how to measure it.

Ms. Spooner turned the floor over to Ms. Biaggi-Ayer, who briefly summarized the work behind the VA metrics document, which the working group had endorsed.

Ms. Biaggi-Ayer said that in developing a plan for its metrics document the VA—

- Considered its performance management system, which is focused on delivering results to veterans;
- Selected a subject matter expert on the Performance Accountability Report, who provided helpful input;
- Conducted an inventory of existing VA metrics and then grouped them into the three broad areas of focus that Ms. Spooner mentioned (mission and service delivery, employee satisfaction and engagement, and labor-management relationship).

Ms. Biaggi-Ayer said that, informed by these efforts, the VA group decided the metrics would be primarily mission-focused, worked out a plan for the metrics baseline, and then agreed on a document to submit to the Council.

Ms. Biaggi-Ayer turned the floor over to Mr. Tangherlini, who was prepared with a summary of the work leading up to the metrics document submitted by Treasury.

Mr. Tangherlini summarized Treasury’s work to develop baseline metrics. His presentation was accompanied by a handout, a chart with the heading “Department of the Treasury Bureaus—Forum Metrics.”

Mr. Tangherlini said the work began with a review of the agency’s strategic plan and quarterly performance reports. He said that developing baseline metrics began with considering very broad goals, such as repairing and reforming the Nation’s financial system, increasing voluntary tax payments, and moving more toward paperless transactions. Working from that perspective, the forums—

- Selected specific issues at three Treasury Bureaus,
- Agreed to remedial action for each issue,

- Identified the appropriate type and category of baseline metric,
- Designed a specific metric for each issue, and
- Set specific goals for improvement.

Mr. Tangherlini explained the issues, metrics and targets shown on his chart. He pointed out the linkage from the specific metrics and targets back to broad goals with which the forums began the work, e.g. that increasing the quality of U.S. currency notes is linked to the broad Treasury goal of repairing and reforming the financial system.

Mr. Zients said he found the thoughtful metrics work done at Treasury very encouraging. He said Ms. Spooner's presentation of the progress and challenges slides triggered a question: How many submissions were good, and how many needed improving? Ms. Spooner said she believed it was about 50-50. She said of those needing improvement that some submissions lacked mission focus while focusing too much on Employee Viewpoint Survey scores or repairing damaged labor-management relationships. She said that while employee satisfaction and relationships are important, and repairing a damaged relationship can be an important first step in improved mission accomplishment, the working group believed that a clear linkage to mission is key.

Mr. Zients asked Ms. Spooner whether there was any one issue that seemed common to the submissions that needed improvement. Ms. Spooner said that any relationship issues that keep a forum from coming together and working towards mission should be resolved, that the agency focus on mission should be pushed down so that everyone feels driven toward accomplishing the mission.

Mr. Junemann said Ms. Spooner had mentioned the webinar idea several times, and that he was intrigued. He said that not only would a webinar be a cost-effective means of outreach, but that it could also reach many of his members who are not part of the National Partnership.

Ms. Spooner said the webinar idea had arisen from the working group realizing the need for the Council to provide more guidance to a widely distributed audience. She said the idea of a traveling road show had also been raised, but that realizing need for broad outreach had led to the webinar idea. She said the webinar idea was still in its early stages, and she asked Mr. Filler whether he had any thoughts to share with the Council.

Mr. Filler said that the Council was aware when it put out the guidance on metrics that there would be a need for continuing assistance. He said that in reviewing the baseline metrics submissions the working group had been sensitive to making the review "not a compliance exercise but a barometer." He said the idea had been mainly to find out where forums were in the process. He said one significant thing the working group noticed was that many submissions appeared to come from labor relations people without the benefit of performance people. He said that good metrics do not necessitate complex dashboards, and that substantial progress can be shown from simple measures.

Mr. Filler said the webinar would achieve broad outreach and at the same time provide live interaction. He said the working group had not gotten to the details yet, but that if the Council supported the idea the plan can be taken further.

Referring to the metrics examples set by VA and Treasury, Mr. Holway said, "I'm heartened and encouraged." He added, however, that he was concerned that only 31 of 51 agencies had baseline metrics ready, and that the working group considered only about half of those good. He said that maybe now is the time for the Council to use its position as a bully pulpit. He said that maybe the Council could bring in the 15 or so agencies with plans in need of improvement to help them get where they need to be. He said that maybe the Council should post the metrics submissions on the Council website and indicate who is successful and who is not.

Mr. Dougan said it makes sense to post the metrics documents on the Council website. He said it would be good for agencies to see examples of best practices. He added that a point of contact for each agency should be provided so that the Council can work directly with the agency to help bring baseline metrics up to speed. He agreed with Mr. Filler that one missing piece is often that forums have not engaged performance management people, and he said it is also true that sometimes clarity with respect to mission is lacking. He agreed with Ms. Spooner that a focus on employee satisfaction or labor-management relations is not enough when there is no clear linkage to mission. He said the primary goal should be how to accomplish the mission better, faster, and at lower cost.

Mr. Berry agreed, and said his hope would be that labor and management in the Government would evolve so that mission is always the common focus. He said employee satisfaction and labor-management relations are important because they are conducive to accomplishing the mission. He said he liked the idea of the Council using its position as a bully pulpit, and he said he would like the working group to figure out how best to do that.

Mr. Filler said the working group agreed it was time for the Council to reach out and help forums needing help with baseline metrics. He said it was a good idea to post the best metrics documents, but that at this point some were very rough works in progress. He said it might be a good idea to post the good examples now, and then maybe later in the year when others are further along all the metrics documents can be posted.

Mr. Berry said he would encourage the working group to continue its efforts, and that he and Mr. Zients would support anything that furthers accountability. He said the Co-Chairs stand ready to help the working group move the ball forward on metrics. He said a webinar seems like a no-brainer, and he asked if anyone had any objections. The Council expressed none.

Mr. Berry said the working group should think about how to do a webinar, and he expressed confidence the Council could assemble a team and hold a successful webinar. He added that some agencies may have more resources than others to use for a webinar, but that the details can be worked out once the working group has time to consider the idea further. He thanked the working group for the progress on metrics.

Mr. George Cohen addressed the Council and commented about the challenge of helping forums move forward, both with respect to metrics and in general. He said that in both the private and public sectors predecisional involvement is immediately seen as a radical departure from the norm, and so is met with some resistance, which can slow progress. He said that two key issues facing forums are—

- Managers fear that engaging forums means losing control, and
- The requirement for transparency causes fear, consternation, and dismay, partly from concerns that transparency is subject to abuse.

Concluding his remarks, Mr. Cohen said, “Leaders of agencies need to be brought into the same mindset this distinguished Council has.”

Mr. Holway said a webinar should be hosted by both labor and management, and Mr. Berry agreed. He added that he and Mr. Zients would be happy to help with the webinar in any way they can. He then turned to the next item on the agenda.

Agenda Item IV: Report of Employee Performance Management Workgroup

Mr. Berry said the Council would hear a report from the Employee Performance Management Working Group, which the Council formed after Mr. Berry raised as new business in the previous Council meeting the question of whether the Council should form a working group on performance now that the Chief Human Capital Officers Council (CHCO) had formed such a working group.

Mr. Filler began the working group report, which was accompanied by slides entitled “Employee Performance Management Workgroup” and dated May 18, 2011. He said the Council working group had met at OPM on April 29 and May 9, 2011, and planned to meet again during the week of May 23, 2011. He said the working group consisted of management and labor members from the NCFLMR Council, CHCOs and Deputy CHCOs from the CHCO Council, and OPM staff serving in various advisory capacities. (See page 2 of slides for more detail on working group members.)

Mr. Filler said the goal of the working group was to improve agency and employee performance. He said the working group intended to do this by using a holistic approach and creating a system that is “relational instead of mechanical, with an emphasis on simplicity and successful, practical application.” He said the working group agreed that strategies to enhance performance should emphasize leadership and culture, employee-supervisor engagement, and training and development, and that the working group had drafted guiding principles accordingly. He then turned the floor over to Justin Johnston, OPM Deputy Chief of Staff.

Mr. Johnson said that nearly all Council members had representatives who had participated in the working group’s efforts to establish goals and guiding principles..

Mr. Johnson covered the material on pages 6-8 of the slides. He said the working group had been at work in three key areas:

1. Leadership and Culture,
2. Employee-Supervisor Engagement, and
3. Training and Development.

Covering the working group's principles with respect to leadership and culture, Mr. Johnson said it is essential that the contributions of employees be aligned with the values and mission of the agency. He said employees need to understand why their work is important to mission. He said that management processes must be transparent, consistent, and clearly aligned with agency values and mission. He said management practices should be simple and easy to communicate at all levels. He said that in order for a management system to work, there must be buy-in and support from top management, and that the performance management system should have an emphasis on motivating and exciting the vast majority of employees.

Mr. Johnson discussed employee-supervisor engagement. He said that performance goals should be clear, verifiable, and focused on mission. He said employees should have a common line of sight on how their contributions impact the agency's overall objectives. He said frequent feedback is needed so that individuals and organizations can correct course quickly when necessary. He said the performance evaluation process must be transparent and directly focused on mission.

Mr. Johnson summarized the working group's guiding principles on training and development. He said training and development are needed for all levels of the workforce. He said agencies must choose people with the right mentality to promote into supervisory roles, and that those individuals must be trained in supervisory responsibilities. He said there must be a shared accountability between and among supervisors and employees for results and training to improve mission delivery. He emphasized that managing people should not be a collateral duty, that supervisors must be adequately trained, and that agency leaders must champion training to support supervisor/employee engagement.

Mr. Dougan said that in the private sector corporations hire people specifically to manage the workforce, but that the Government does not do that. He said that supervisors in the Government are promoted to management positions based on technical ability, and that by and large the Government does not hire managers based on their ability to manage the workforce. He said that if the Government really wants to make ability to manage a significant factor in the hiring of Federal managers, it probably needs to change something, e.g. maybe create an occupational series for managers.

Mr. Dougan asked how the working group envisioned its efforts meshing with those underway at DOD, since DOD is working on establishing a DOD-wide performance appraisal system. He asked whether the result would be two separate and distinct systems.

Mr. Johnson said the working group's efforts had been greatly informed by the work in progress at DOD. He said that DOD CHCO Pat Tamburrino had been an active participant in working group efforts so far. Mr. Johnson said that excellent progress had been made in the work to create a new DOD performance appraisal system, that DOD labor partners were happy with the progress made so far, and that no one wanted to impede the DOD effort in any way. He said the working group's goal would be to learn from DOD. He said one thing focused on in discussions with DOD so far is how the two systems could be complementary rather than contradictory.

Mr. Berry said he agreed with Mr. Johnson's remarks. He said that Mr. Tamburrino and Ms. Simpson had been helpful in support of the working group efforts, and that the goal was be a united force with DOD to improve performance Governmentwide. Ms. Simpson agreed, and she said the effort had been very collaborative.

Mr. Berry said he thought the work on performance was off to a great start, and that the Council's work on metrics and performance could lead to the two greatest legacy achievements of the Council. He said there had been significant progress so far this year, and then he turned to the next item on the agenda.

Agenda Item V: Success Stories

Mr. Tim Curry, OPM Deputy Associate Director, Partnership and Labor Relations introduced Mr. Bill Hopkins, National Weather Service Employees Organization, and Mary Pleffner, Director, Office of Administrative Services, Department of Commerce. He said they were here to provide an example of working together to get a better return for the taxpayer.

Mr. Hopkins said he travels frequently on business for the National Weather Service, and that he wondered why flights he has found online are at times significantly cheaper the rates ADTRAV Travel Management quotes to his agency. He said he found out this is because the rates ADTRAV quotes are for the contract carrier, which led him to wonder if there were some way his agency could use the noncontract carrier. He said that a committee had been formed to study this, and that the Department of Commerce has now started allowing use of noncontract carriers. He said the cost savings can sometimes be substantial, e.g. for a flight from Lubbock to Washington, DC, the noncontract carrier price was \$600 and the contract carrier price was \$1,000. He turned the floor over to Ms. Pleffner.

Ms. Pleffner summarized recent efforts at the Department of Commerce (Commerce) to purchase noncontract carrier flights when doing so saves the Government money. Her presentation was accompanied by slides entitled "Department of Commerce Travel Cost Savings Initiative" and dated May 18, 2011.

Ms. Pleffner said that she manages the Commerce's Travel Management Group, and that it had been a pleasure working with labor representatives on the issue of using noncontract carriers. She said the purpose of the effort was to save money by using noncontract airfares and to improve tracking of savings gained through analysis of staff travel.

Ms. Pleffner said that efforts Commerce has made to promote awareness of what can now be done regarding noncontract flights include ensuring travel agents encourage use of the lowest available fares regardless of whether they are offered by the contract carrier; referring staff to the August 2010 Travel Bulletin No. 4, "Use of Non-Contract Fares;" issuing an agency-wide broadcast on the subject on November 24, 2010; training agency travel points of contact, and distributing fliers.

Ms. Pleffner summarized the data collection and analysis Commerce did to establish a baseline for the cost of flights and the use of noncontract carriers, to identify reasons travelers do not choose the most cost effective fares, and to collect data on cancellations of flights purchased from noncontract carriers. She displayed a graph showing the frequency of reasons during fiscal year 2011 that noncontract fares were used, and the graph showed that the most common reason was that the noncontract fare was lower. She said that Commerce had set a goal to save \$50,000 per quarter by using noncontract carriers, and that the goal had been met in the first quarter of fiscal year 2011 and exceeded in the second quarter. She said Commerce would continue saving money through use of noncontract carriers and monitoring travel costs. She said that next steps would also include increasing marketing efforts to encourage use of the cheapest fares and developing a process to request reimbursement from travelers using higher cost flights without providing valid justification.

Mr. Berry said that he also has to travel for work at times, and that he has often wondered why the Government does not always use the cheapest fares available. He said he was very glad to hear the Government is not bound by contract to use contract carriers only, and that the savings across Government could be substantial if other agencies follow the example set by Commerce.

Mr. Junemann introduced Mr. Benjamin Toyama, International Vice President of the International Federation of Professional and Technical Engineers, Western Federal Area. Mr. Toyama provided a report on recent achievements attributable to a partnership between the Naval Sea Systems Command and the Hawaii Metal Trades Council. His presentation was accompanied by slides entitled "Metal Trades Council Moonshine Team."

Mr. Toyama explained that the idea of "Moonshine Teams" was borrowed from Boeing, and that Moonshine Teams are small teams that work to implement ideas submitted by workers for improving current processes. He said that the Moonshine Team model allows ideas to be implemented very quickly, and that this model is a bottom-up approach to innovation that provides workers with the freedom to innovate, which benefits everyone.

Mr. Toyama summarized ideas that NAVSEA implemented in partnership with the Metal Trades Council, including—

- Modification of tools to allow the usage of a dolly in the installation of a submarine battery, which is projected to save many man hours and over \$435,000 per fiscal year;
- Use of new draining methods to change the water more quickly in a chill water system, which is projected to save about 75 man hours per fiscal year;

- Use of a personal cooling hose to be worn by painters and blasters during tank work, which doubles the time the worker can spend in a tank and decreases the chance a worker will suffer heat exhaustion;
- Creation of an installation jig, which by reducing the time it takes to install cabinets is estimated to increase productivity by 33 percent and save 210 man hours per fiscal year;
- Use of a different pump to change hydraulic fluid, which substantially cuts fluid changing time (e.g. from 15 shifts to 3 shifts); and
- Use of more efficient production processes and delivery of tools and supplies to workers.

Mr. Toyama stressed that ideas implemented through the moonshine team are implemented quickly. He said the team meets three times a week, on Mondays, Wednesdays, and Fridays, and that meetings are limited to 1 hour. He added that an idea brought to the Moonshine Team on Monday might be implemented on that Friday.

Mr. Berry thanked Mr. Toyama for his service and the value he has added through partnership. Mr. Berry said the results speak for themselves to the taxpayer. He added that Mr. Toyama should be included in the webinar the Council is planning.

Ms. Simpson also thanked Mr. Toyama and agreed that the Council should show examples of what can be achieved through partnership, and that the Metal Trades Moonshine Team would be an excellent example.

Mr. Berry thanked Mr. Toyama again, and he said the achievements Mr. Toyama described exemplified where the Council wants to lead agencies. He asked everyone to imagine a Government where such innovation and partnership could be seen throughout. Mr. Berry then turned to the next item on the agenda.

Agenda Item VI: New Business

Mr. Berry asked whether any Council members wished to raise new business.

Mr. Junemann said he had just returned from a trip to Bahrain, where the Government is trying to dismantle the labor movement. He said that while he was in Bahrain, he promised he would mention the situation when he returned. He said that perhaps the situation calls for the Council to preach what it practices. He said the U.S. Government should at least say, "That's not how we work. We collaborate." He added that he believes as a union representative that an injury to one is an injury to all.

Mr. Berry thanked Mr. Junemann for his remarks. He said that he and Mr. Zients would forward Mr. Junemann's concerns for further consideration through the appropriate channels.

Agenda Item VII: Acknowledgement/Receipt of Public Submissions

There were no public comments.

Agenda Item VIII: Adjournment

Mr. Berry reminded everyone that the next meeting will be held at the same location, and on June 15, 2011, as scheduled. He adjourned the meeting at 11:56 a.m.

CERTIFIED

John Berry
Co-Chair

Jeffrey Zients
Co-Chair