

**National Council on Federal Labor-Management Relations  
Twelfth Public Meeting, 06/15/2011**

The National Council on Federal Labor-Management Relations held its twelfth meeting on June 15, 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) co-chaired the meeting.

The following Council members also attended:

Member Name	Member Title
Ms. Carol Bonosaro	President, Senior Executives Association
Mr. Michael Filler	Director of Public Services, International Brotherhood of Teamsters
Mr. W. Scott Gould	Deputy Secretary, Department of Veterans Affairs
Mr. David Holway	National President, National Association of Government Employees
Mr. Gregory Junemann	President, International Federation of Professional and Technical Engineers
Ms. Colleen M. Kelley	National President, National Treasury Employees Union
Mr. H.T. Nguyen	Executive Director, Federal Education Association
Ms. Patricia Niehaus	National President, Federal Managers Association

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

Ms. Amy Burns, National Office Manager, National Federation of Federal Employees (NFFE), sat in for Mr. William Dougan, President, NFFE.

Mr. Joe Henderson, Associate General Counsel, American Federation of Government Employees (AFGE), sat in for Mr. John Gage, National President, AFGE.

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

Dr. Jo Ann Rooney, Principal Deputy Under Secretary of Defense for Personnel and Readiness, sat in for Mr. William J. Lynn, Deputy Secretary of Defense.

Ms. Sonna Stampone, Executive Director, Federal Labor Relations Authority (FLRA), sat in for Ms. Carol Waller Pope, Chair, FLRA.

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

About 48 members of the public also attended the meeting, including 5 representatives from the media.

## **Agenda Item I: Welcome**

Mr. Berry began the meeting at 10:03 a.m. He introduced people who were sitting in for Council members and had not done so before (Ms. Burns, Mr. Henderson, Dr. Rooney, and Ms. Stampone).

Mr. Berry said the draft minutes of the previous meeting had been circulated among the Council members, that there were edits, and that the edits were incorporated in the current draft. He asked if there were additional comments, received none, and asked if the Council wanted to approve the minutes. The Council unanimously approved the minutes.

By way of opening remarks, Mr. Zients said that, in discussions with agency leaders, he had received unsolicited comments that some of the forums had contributed substantially to mission. He said that while this was not scientific, he believed it indicated some traction.

Mr. Berry turned to the next agenda item.

## **Agenda Item II: Report of Employee Performance Management Workgroup**

Mr. Justin Johnson, OPM Deputy Chief of Staff, provided an update of the Employee Performance Management Working Group's activities since the last Council meeting. His presentation was accompanied by a handout entitled "Employee Performance Management Workgroup" and dated June 15, 2011.

Mr. Johnson said OPM's Office of the Director had taken the lead in organizing the working group's meetings, and that other OPM offices would provide support and expertise as needed. He said the working group met on June 8, 2011, and agreed to divide into three subgroups: Leadership and Culture, Employee-Supervisor Engagement, and Training and Development.<sup>1</sup>

Mr. Johnson said the three subgroups would develop recommendations, which would then be considered by the full working group. He said the three subgroups would work to identify design or mechanical features as needed, and that the full working group may also identify such features when it convenes to consider the three subgroups' recommendations. He added that the working group strongly believed the focus for performance should be first on relational aspects and then on any mechanical aspects that might further support relational aspects, e.g. improving mechanical features in current performance appraisal processes in order to improve labor-management relationships and enhance the Government's performance.

Mr. Johnson said the working group planned to provide recommendations to the Council by September 21. He said that, between now and then, the subgroups would meet weekly and the full working group would hold a conference call every other week. (See the last page of the handout for more detail on the Working Group's schedule.)

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<sup>1</sup> In the previous meeting Mr. Filler said the Employee Performance Management Working Group had 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.

Mr. Johnson asked if there were any questions, and since there were none Mr. Berry turned to the next agenda item.

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

Mr. Filler provided an update on the Metrics Working Group's progress since the last Council meeting. His presentation was accompanied by—

- a handout entitled “Metrics Submissions from Labor-Management Forums” and dated June 15, 2011; and
- a draft document for posting on the Council Web site entitled “Agency Metrics: Summary of Submissions Received,” which summarizes metrics submissions received so far and provides “strong mission-focused metrics examples” found in the submissions that other agencies can follow.

Mr. Filler reminded everyone that discussions in the last Council meeting led to the Council identifying a need for outreach to those forums who had not yet reported on metrics or whose submissions need improvement. He said the Working Group had made progress since the last Council meeting in addressing this need, and was now close to proposing a webinar. He said that the proposed webinar would consist of a mixture of live and recorded content, and that the working group would also try to build in a mechanism whereby users' questions could be submitted and answered during the webinar. He added that the working group was cognizant of the need to provide the webinar soon, so that the forums could be brought up to speed in time to meet submission deadlines.

Mr. Filler said the working group learned that the VA had succeeded in putting together aggressive programs to reach out to forums and provide help where needed. He turned the floor over to Mr. Gould.

Mr. Gould provided a report on progress at VA with respect to metrics. His presentation was accompanied by a handout entitled “Developing and Monitoring Forum Metrics at the Department of Veterans Affairs.”

Mr. Gould began the report by briefly summarizing the history of partnership at the VA. He said the VA's National Partnership Council (NPC), which consists of five unions, has been in operation for 10 years. He said that among the NPC's achievements was the creation of an awards program to recognize outstanding labor-management relationships. He said the NPC focuses on improving productivity, customer service, and working conditions, while reducing cost.

Mr. Gould said labor-management collaboration is a clear part of the overall strategic management process at the VA, and that labor is included in all phases of strategic management, including developing strategies, planning activities, formulating the budget, executing activities, measuring results, considering metrics in future decision-making, etc.

Mr. Gould described the processes VA uses to reach agreement on development and application of metrics. He said that VA subject matter experts analyzed Council guidance for measurement themes applicable at VA, that VA Administrations recommend areas of interest and associated metrics to the NPC, and that the NPC then considers those recommendations and recommends areas of opportunity and associated metrics to the Deputy Secretary. He said that, once the Deputy Secretary approves the metrics, VA Administrations are directed to work with their labor partners to identify projects aligned with the approved areas of opportunity and associated metrics.

Mr. Gould said that the NPC monitors the progress of VA forums with recurring surveys, and that the VA Administrations report progress on metrics as part of the Administrations' monthly performance reviews.

Mr. Gould presented three case studies to show results from applied metrics at the VA:

- Case #1: VA Appeals Management Center
  - Labor Partner: AFGE Local 25.
  - Achievement: Created a functioning labor-management relationship to find creative ways to increase production.
  - Metric: Mission Accomplishment/Improving Services to Veterans.
  - Outcome: 268 percent increase from 2008, sustained increase in productivity.
- Case #2: Tobacco Cessation in Veterans Integrated Service Network 4 (VISN 4)
  - Labor Partners: AFGE, National Association of Government Employees, Laborers International Union of North America, Service Employees International Union.
  - Achievement: Reached labor-management agreement to offer a tobacco cessation program to all VISN 4 employees and patients.
  - Metric: Improvement in the quality of employee worklife.
  - Outcome: During FY 2010, participation in the smoking cessation program increased by 25 percent and the smoking cessation rate was 40 percent.
- Case #3: Improving Labor-Management Relations
  - Labor Partner: AFGE Local 548.

- Achievement: Building a strong labor-management relationship by using partnerships and predecisional involvement to address and resolve issues at the lowest level.
- Metric: Improve the labor-management relations climate.
- Outcome: 50 percent decrease in grievances, 30 percent increase in use of alternative dispute resolution processes, and no unfair labor practices filed in 3 years.

Mr. Gould displayed graphics to supplement his summary of the case studies, each of which showed significant achievements emerging from the VA's labor-management joint development and application of metrics.

In closing, Mr. Gould said that the successes he reported were due in part to a history of strong labor-management relations at the VA. He said that in establishing a program on performance metrics, lessons learned at VA included the importance of leveraging the existing strategic and performance management cycles; the value of dialogue around strategic objectives, i.e. mission, employees, and labor-management relations; and the need to provide leadership direction, support, and training.

Ms. Kelley said the Council members know that setting the tone is a big part of the challenge. Referring to a portion of Mr. Gould's presentation where he said a four-point rating scale is used to score forums' performance, she asked if Mr. Gould could elaborate.

Mr. Gould said, while the forums had not set up the rating scale, it was useful as "a Jiffy Lube check of what we need to do." He said that in applying the rating scale, the VA checks its forums to see whether they have done training, selected meaningful goals, have had substantive labor-management dialogue, and have worked in partnership to resolve any issues. Ms. Kelley said that sounded good, as long as the forums understand the ratings and are clear on what VA's expectations are.

Mr. Gould said the rating of forums helps with "managers who don't get it and labor managers who don't get it."

Ms. Kelley said she was pleased with the report on VA, and that maybe the Council should send Mr. Gould on the road. Mr. Filler joked that the Metrics Working Group was in negotiations with Mr. Gould's representatives to see about doing a webinar free of charge.

Mr. Berry said Mr. Gould's presentation was quite encouraging. He said that such leadership as Mr. Gould described made a huge difference in mission and labor-management relations. He said that OPM is working in labor-management partnership in three areas: improving retirement services, becoming the model agency for training, and developing a model for recognition, e.g. awards. He said these three efforts would be dead in the water without partnership, but that OPM should get solid hits if not home runs in all three areas, thanks to partnership.

Mr. Junemann said he had written down that Mr. Gould's report was an indication that "this stuff works." He said the Council had talked a lot about metrics to measure labor-management relations, but that he wanted it to be clear that, while reductions in grievances and in filings of unfair labor practices (ULPs) are important indicators, they are not the be-all and the end-all. He said that where there are large numbers of ULPs there is likely something going on beyond labor-management relationship problems, but that the Council could certainly look at ULPs as a potentially useful indicator.

Mr. Gould said that the NPC awards program he mentioned earlier, which recognizes exemplary labor-management, had been very good for partnership at the VA. He said it was impressive to attend the ceremonies and see teams coming to the podium and showing a mutual regard and shared sense of purpose. He said there was an element of positive peer pressure in this, that organizations that learn about cases of success are likely to follow good examples.

Ms. Bonosaro said she would be interested next month on a focus on where the Council is with respect to (b)(1) pilots, in terms of overall status, extent of progress, and outlook. She said, "The metrics report indicates some get it and some don't."

Mr. Berry turned to the next item on the agenda.

#### **Agenda Item IV: Success Stories**

Ms. Kelley introduced Mr. Jeffrey Risinger, Chief Human Capital Officer and Director of Human Resources, Securities and Exchange Commission (SEC); and Mr. Greg Gilman, SEC Senior Attorney and President, NTEU Chapter 293. Ms. Kelley said that Mr. Risinger and Mr. Gilman had worked very successfully on a restructuring at SEC that was critical to the agency.

Mr. Risinger and Mr. Gilman provided a presentation on the success of partnership in recent reorganizations at the SEC. The presentation was accompanied by slides entitled "Labor Management Partnership: U.S. Securities and Exchange Commission/NTEU."

Mr. Risinger and Mr. Gilman summarized how the SEC labor-management partnership enabled the agency to restructure its Division of Enforcement and its Office of Compliance Inspections and Examinations (OCIE). They emphasized the importance of labor-management collaboration and the excellent results it produced during a very challenging period at SEC.

Mr. Risinger said that, unlike the situation at VA, the relationship at SEC had not always been good. He said that, since 2008, things had been especially challenging at SEC because of the financial crisis. He said the partnership emerging from Executive Order 13522 had been helpful during these challenging times. He said that the Madoff scandal had prompted SEC to re-evaluate its enforcement methods completely, and that this work led to the most significant restructuring of the Division of Enforcement in its entire history. He said that a key provision of the restructuring was a flatter management structure, which NTEU proposed initially, and that labor and management created the entire restructuring plan through informal discussions.

Mr. Risinger and Mr. Gilman reported that, for the OCIE restructuring, 20 different project teams consisting of 400 people from SEC management and NTEU worked together on the restructuring and collaborated on governance, structure, people, processes, and technology.

Mr. Gilman said that top management must be committed to partnership in order for it to succeed in an agency, and that fortunately Mr. Risinger exemplifies such commitment. Mr. Gilman said he agreed with Mr. Risinger that the SEC was in a very difficult situation a couple of years ago. He said that, in meeting the challenges, the union wanted to make sure frontline employees were heard, but that at the same time the union recognized the importance of presenting a unified front to the world. He said the union knew that it would be best for the agency if labor and management could sit down and work things out during these difficult times.

Mr. Gilman said the union went out to all the SEC offices and heard from people who knew what problems needed to be solved, and that from this investigation concrete proposals could be developed. He said a flattening of the management structure was clearly needed, and that NTEU proposed eliminating branch chief positions but bringing the people who occupied those positions back in as senior leaders. He said this was identified as a way to increase boots on the ground without a budget increase. He said that the SEC labor-management partners not only flattened the management structure and increased productivity, but made everyone comfortable with the changes as well.

Mr. Risinger pointed out that SEC is a small agency, with about 3,800 employees, that did not have an increased budget with which to face the challenges described in the presentation. He said that the new enforcement climate clearly required more investigators, and that it would have been impossible to increase the number of investigators without major restructuring. He reiterated that much of the restructuring plan had been worked out informally, which would not have been possible before partnership.

He said that what the SEC did was take what was good with enforcement and put it on steroids. He said that SEC started with the Division of Enforcement, then applied lessons learned to reorganize OCIE, and that other divisions/offices were now queuing up.

Ms. Niehaus asked how the branch managers felt about becoming frontline workers.

Mr. Risinger said that while change management was necessary, the branch manager positions were often thankless, so many employees were okay with the change. He added that it helped that the change did not financially harm the employees. He said the union initially proposed the change because the work units reported that lack of empowerment in the investigator positions was a hindrance to mission. He said that in the end people understood the value of the change in a broad context.

Mr. Filler said it sounded like SEC labor and management developed and used a joint problem-solving model. He asked whether there were ground rules, and if SEC tracked the amount of time the projects took. He said, "This sounds like it could be a (b)(1) pilot."

Mr. Risinger said that there were no ground rules in the Division of Enforcement project, but that the later OCIE project had the benefit of lessons learned from the Enforcement project, so that

the OCIE effort began with a better understanding. He said that SEC did not track time for all steps of the projects, but that it was noteworthy that much of the work for the Enforcement project was done during the snowstorm a year and a half ago, so telework was involved. He said that, had it not been the case that agreement could be reached by informal discussion, the project could have taken 2 years instead of the 6-8 months it took to get it done.

Mr. Gilman said that, while there were no formal ground rules for the reorganization projects, it is important to note that the union never waived its rights to formal negotiation, which was always a fallback.

Mr. Berry said the partnership work at SEC was amazing, and a quantum leap. He said that focusing on service and on the frontline is what efficiency is all about. He said, "My hat's off. This shows what a vibrant partnership can produce. Congratulations!"

Ms. Kelley said that when Mr. Gilman and Mr. Risinger were working together on the projects, she recognized the situation as a prime opportunity to show what partnership can do. She said the SEC story showed that whenever there is a need to reorganize, management should call the union. She said, "If we can carve out these opportunities and use them as a push for bigger relationship issues, it's a win-win for everyone."

Addressing Mr. Filler, Mr. Berry said, "Michael, this shows the value of going in deeper on this in the webinar." He said that working the SEC experience into the webinar could spread some of the benefits to others. He said the SEC model was a great model for how to move forward in the face of limited budgets, and for what partnership could accomplish in challenging times.

Mr. Nguyen said that the Federal Education Association was planning a training soon, and that he would like Mr. Risinger and Mr. Gilman to come to the training and share this wonderful example of how to come up with a good product.

Mr. Risinger said he would get contact information from OPM labor relations, and be in touch regarding Mr. Nguyen's request. He added that he was glad to help others, since Executive Order 13522 and the Council had been a tremendous help to the SEC.

Mr. Berry turned to the next agenda item.

#### **Agenda Item V: New Business**

Ms. Bonosaro said she needed to go back to the metrics presentation for a moment. She mentioned the third page of the "Metrics Submission from Labor-Management Forums" handout, which covered "delinquent agencies," i.e. agencies that have not yet submitted draft metrics. She said it would be a good idea for the Council to reach agreement on what to do about those agencies.

Mr. Berry jokingly suggested someone calling in Black Hawk helicopters, and then he said the Council would follow up with the agencies and remind them about the critical reporting time.

Mr. Filler said the Council could consider the idea of establishing a group of “metrics mentors,” which he said might be one way of improving in the area of metrics.

Regarding metrics submissions, Mr. Berry said that he does not want a bell curve, and that the goal is success for everyone. He said the Council would use everything in its toolbox to get there, and that having a bottom 10 percent would just not be acceptable.

Ms. Bonosaro said that the delinquent agencies were especially troubling, since failure to meet the submission deadline probably indicates problems deeper than metrics.

Mr. Berry acknowledged there were some speed bumps. He said, for example, that there was some frustration with the Social Security Administration (SSA), where predecisional involvement was not yet fully established. He said the problems at SSA were becoming a distraction. He said that SSA was an example of a troubled labor-management relationship, an example that had been raised in a public setting two Council meetings ago. He said that problems with SSA were particularly challenging, and to the Council members’ amusement he added that Mr. George Cohen, Director of the Federal Mediation and Conciliation Service (FMCS) would rather return to National Football League negotiations than get involved with the SSA problems.

Mr. Junemann said he was glad Mr. Berry had raised the issue of SSA, as he had been concerned since hearing from Mr. Witold Skwierczynski (President, AFGF Field Operations Locals) in the March Council meeting. He said that, in addition to successes, there are also problems, and that as he mentioned in the March meeting he planned to have an administrative law judge, Judge Randall Frye, come in to brief the Council on problems at SSA. He said it is important to be aware that the garden does have some weeds. He said that Executive Order 13522 has only four pages, but that one would think some people must be working from a fifth page that never made it to the final version.

Mr. Berry said the next meeting would be on July 20, and that maybe by that time something would be worked out with SSA. He said it is clear there are problems that need addressing, and that he was not trying to hide anything under the rug. He reiterated that the Council’s goal is labor-management success across the board, and that the goal is not to have a bell curve. He acknowledged there are real problems to be solved, that this is not Candy Land.

Mr. Berry reminded everyone the Council had agreed to skip the August meeting, and that the Council would be back in action in September.

Mr. Junemann said he also wanted to mention that a representative from IFPTE Local 9 had informed him that there were problems with respect to predecisional involvement at NASA, and that the IFPTE representative told him that “NASA management created a 7-person panel that was making all the decisions.” He said something was going on at NASA, and that maybe they, like SSA, were “working from page 5.”

Mr. Berry turned to the next item on the agenda.

**Agenda Item VI: Acknowledgement/Receipt of Public Submissions**

Ms. Barbara Kraft, Regional Director of the Federal Labor Relations Authority’s Washington Region, said that in conducting training her office had observed that many people attending the training sessions have not learned from their chain of command what their role is in forums. She said that this indicated a need for more direction from management in some agencies.

Mr. Berry told Ms. Kraft that the Council would look into this issue. He said there may be a technology solution, perhaps a distribution of a leadership message within each agency.

Ms. Carolyn Davis, Director of Labor Relations at the Environmental Protection Agency, said she could see the importance of alternative dispute resolution (ADR) to the Council’s efforts, and that ADR was one of her passions. She added that this would be her last meeting, since she would soon retire after 42 years of Federal service.

Mr. Berry thanked Ms. Davis for her service, and congratulated her on her retirement.

**Agenda Item VII: Adjournment**

Mr. Berry adjourned the meeting at 10:59 a.m.

**CERTIFIED**

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John Berry  
Co-Chair

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Jeffrey Zients  
Co-Chair