

**National Council on Federal Labor-Management Relations**  
**39<sup>th</sup> Public Meeting**  
**January 20, 2016**

The National Council on Federal Labor-Management Relations held its 39<sup>th</sup> meeting at the U.S. Office of Personnel Management, 1900 E Street, N.W., Washington, D.C., on January 20, 2016. Co-chairing the meeting were Office of Personnel Management (OPM) Acting Director, Ms. Beth F. Cobert, and Mr. Andrew Mayock, Senior Advisor for Management, Office of Management and Budget (OMB). The following Council members also attended the meeting:

Council Member	Title
Mr. Michael B. Filler	Director, Public Services Division, International Brotherhood of Teamsters
Mr. David Holway	National President, National Association of Government Employees (NAGE)
Mr. Gregory Junemann	President, International Federation of Professional and Technical Engineers (IFPTE)
Mr. H.T. Nguyen	Executive Director, Federal Education Association (FEA)
Ms. Patricia Niehaus	National President, Federal Managers Association (FMA)
Ms. Carol Waller Pope	Chairman, Federal Labor Relations Authority (FLRA)
Mr. Anthony M. Reardon	National President, National Treasury Employees Union (NTEU)

The following individuals sat in for absent Council Members:

- Ms. Candace C. Archer, Ph.D., Labor Management Relations Specialist, American Federation of Government Employees (AFGE), for Mr. J. David Cox, National President, AFGE;
- Mr. Jason Briefel, Senior Executives Association (SEA) Legislative Director, for President, SEA;
- Ms. Angela Bailey, Chief Human Capital Officer at the U.S. Department of Homeland Security, for Mr. Alejandro Nicholas Mayorkas, Deputy Secretary of Homeland Security;
- Gina S. Farrisee, Assistant Secretary for Human Resources & Administration, Department of Veterans Affairs, for Mr. Sloan Gibson, Deputy Secretary of Veterans Affairs;
- Ms. Paige Hinkle-Bowles, Deputy Assistant Secretary of Defense for Civilian Personnel Policy, for Mr. Robert O. Work, Deputy Secretary of Defense;
- T. Michael Kerr, Assistant Secretary for Administration and Management, Department of Labor (DOL), for Mr. Christopher P. Lu, Deputy Secretary of Labor;

- Mr. Malcom A. Shorter, Deputy Assistant Secretary for Administration, for Ms. Krysta L. Harden, Deputy Secretary of Agriculture.

The Designated Federal Officer, Mr. Tim Curry, OPM Deputy Associate Director, Partnership and Labor Relations, was present, as were 26 members of the public and one media representative.

### **Agenda Item I: Welcome**

At 10:03 a.m., Mr. Curry opened the meeting. Mr. Curry began the meeting by thanking participants for their attendance, and welcoming them to the first National Council meeting for 2016.

Mr. Curry made an administrative announcement prior to beginning the meeting agenda. He stated that the National Council operates as an advisory committee under the Federal Advisory Committee Act, or FACA. Time had been set aside on the agenda for comments from members of the public, and others who are not members of the Council.

Mr. Curry also noted that before moving to the agenda, there was some Council business to address concerning the minutes of the previous meeting of November 2015, which had been shared in advance with members of the Council. He noted that all edits or corrections had been adopted by OPM, and recommended that the Council approve the minutes of the prior meeting. There was a motion and second from members of the Council that the minutes be approved, without objection. Mr. Curry then stated that the November 2015 meeting minutes had been approved. Mr. Curry then turned to the co-chairs for their opening remarks.

Ms. Cobert began by wishing everyone a good morning and a happy 2016. She then introduced Mr. Andrew Mayock, who will be serving as co-chair. Mr. David Mader has returned to his role as Controller at OMB. Mr. Mader was a great partner and his experience as controller and as a career civil servant brought a lot to the Council. Ms. Cobert said that she was delighted to introduce her new co-chair, Mr. Mayock. He is currently the Senior Advisor for Management at OMB. He was nominated to be Deputy Director for Management by President Obama on December 10, 2015. Before his current role, Mr. Mayock served as Associate Director for General Government Programs (GGP) at OMB. The GGP encompasses a broad swath of agencies, from the Department of Commerce, to the Department of Transportation, to the Department of Homeland Security, the Department of Justice, the General Services Administration (GSA), the Department of Treasury, and many others. He has also had a broad set of experiences in the Federal Government, in leadership roles at the Millennium Challenge Corporation and at the Department of Treasury. Mr. Mayock has spent some time outside of government at Booz Allen Hamilton, the Center for Business and Government at Harvard University, as well as the White House during the Clinton Administration. Ms. Cobert has had the privilege of serving with Mr. Mayock since literally her first day on the job at OMB. They attended new employee orientation together. He is a terrific guy, has wonderful judgment, is a straight shooter; and is frankly a wonderful person to collaborate with. Ms. Cobert then asked the Council members to introduce themselves.

Mr. Reardon introduced himself as the National President of the National Treasury Employees Union. Mr. Shorter introduced himself as the Deputy Assistant Secretary for Administration at the Department of Agriculture. Mr. Kerr introduced himself as the Assistant Secretary for Administration and Management at the Department of Labor. Mr. Holway introduced himself as president of the National Association of Government Employees. Ms. Bailey introduced herself as the Chief Human Capital Officer, Department of Homeland Security. Ms. Niehaus introduced herself as being part of the Federal Managers Association. Ms. Pope introduced herself as the Chairman, Federal Labor Relations Authority, and wished the Council a happy new year. Mr. Filler introduced himself as the Director of the Teamsters Public Services Division. Mr. Briefel introduced himself as the Legislative Director for the Senior Executives Association. Mr. Nguyen introduced himself as the Executive Director of the Federal Education Association. Ms. Farrissee introduced herself as the Chief Human Capital Officer for the Department of Veterans Affairs. Mr. Junemann introduced himself as president of the International Federation of Professional and Technical Engineers. Ms. Hinkle-Bowles introduced herself as the Chief Human Capital Officer for the Department of Defense. Ms. Archer introduced herself as a labor-management relations specialist for the American Federation of Government Employees.

Mr. Mayock then made a few remarks. He began by thanking Ms. Cobert for her introduction and noting what big shoes he has to fill from his predecessor, sitting beside him. He has heard good reports about her engagement of individuals at this table, during her time in that role. He has had the pleasure of meeting some of the Council members already, in just his first few weeks on the job. He has deeply enjoyed his time as a public servant, in two administrations, and looks forward to the work in the last year of this administration. Mr. Mayock said, "Thank you for the warm welcome."

Ms. Cobert said she would like to continue to use this forum as a mechanism for keeping the Council members up to date on all things related to "cyber" at OPM. Since the Council last met, OPM completed the initial process of notifying individuals impacted by the breach of the background investigation records. Notification was done through letters from Ms. Cobert to over 20 million or so Americans. That effort was done in partnership with DOD. DOD was responsible for the printing and mailing of the letters, and DOD was a great partner. About 2.4 million people have thus far enrolled in the identity theft protection and credit monitoring services that the government is offering. This is about triple the rate that one sees when you look at private sector breaches. Ms. Cobert said she thinks they are doing a good job of reaching out to people to inform them of what is available, and encouraging them to take advantage of those services. With support from their colleagues at DOD, they stood up what they are calling a "verification center." This is for anyone who wants to know if their information was affected. They can contact the verification center, which is accessible 24/7 through OPM's website: [www.opm.gov/cybersecurity](http://www.opm.gov/cybersecurity). Individuals can also call a toll-free number: 866-408-4555. Ms. Cobert said they are encouraging anyone who has received a letter, but has lost their 25-digit PIN code, or if the code is not working, to contact the verification center. OPM will share a recent communication sent to agencies with the Council members. Ms. Cobert asked Council members to continue sharing their input and questions. This will enable OPM to work with its contractor and to make continued improvements.

Ms. Cobert noted that since the Council last met, Congress had passed a budget. That bill included some updates that affected individuals who were impacted by the cybersecurity intrusions. As part of the budget bill, OPM has been directed to provide identity theft protection and monitoring services to those affected by either the personnel records breach or the background investigation breach, for at least 10 years. They are working through the process of how to do that and will keep the Council posted. Ms. Cobert reminded the Council that [www.opm.gov/cybersecurity](http://www.opm.gov/cybersecurity) is the core place to go for updated information, as OPM continues to update the Frequently Asked Questions. She thanked everyone for their continued collaboration. Ms. Cobert asked if there were any questions or comments, before moving on to the rest of the agenda. There were none.

## **Agenda Item II: Report of the Problem Resolution Subcommittee**

Mr. Curry said that today, the Council will hear two presentations of the Problem Resolution Subcommittee on topics involving pre-decisional involvement (PDI) incentives and communications. The first presenter on PDI incentives will present. Then, the presentation will pause for Council questions and discussion, and then move on to the second presentation. The first presentation concerns PDI incentives. Mr. Phil Roberts of the Federal Labor Relations Authority will provide the Council with an update. Mr. Curry welcomed Mr. Roberts.

Mr. Roberts displayed a PowerPoint presentation titled, “Problem Resolution Subcommittee” as he spoke. He began with Slide 2 in that presentation, “Tool Kit Working Group PDI Incentives.” Mr. Roberts explained that this group has been working to identify incentives to encourage agencies and unions to use pre-decisional involvement. They have two projects they are currently working on. One of these projects is now complete and is being presented to the National Council for approval to post on the Council’s website. This is referred to as the “Lessons Learned Narrative Tool.” Mr. Roberts then moved to Slide 3, “PDI Incentives Working Group.” He explained that a number of groups have presented their success stories to the National Council over the past few years. The group thought this would be a good pool of people to go to and ask them about their success. They sent the pool of approximately 46 presenters a questionnaire. They received a total of 16 responses, which represented approximately 10 or 11 groups who have presented at National Council meetings. Almost half of the groups that have presented to the National Council are represented in the responses, by either union or management. The group has three items to post on the website. The first of these is a compilation of the success stories. These are already out there in the separate minutes of the National Council’s meetings, but the group thought it would be more user-friendly to have them in one place. Mr. Roberts thanked Amanda Jones of OPM for compiling these sections of the minutes so all of the success stories will be in one place. Another deliverable consists of all the answers to the questionnaire. This has been redacted to provide anonymity to the respondents, but anyone who wants to dive deep into this can do so by reviewing this product. In addition, there is a synopsis of the results received. This was developed by Chris Butler and Donna Massey of IFPTE and Pete Heins of DOD. Mr. Roberts displayed Slide 5 of the presentation, which shows a screenshot of the synopsis. He explained that the synopsis looks at the data and identifies trends and patterns. Mr. Roberts noted that while there were only 16 responses and this was a small sample; it is not intended, in any way, shape, or form, to identify trends government-wide. Rather, it is intended to be a useful tool for showing people that PDI is successful and the

ways it is successful. Also, it provides some tips from these successful groups. Mr. Roberts then provided some highlights from the synopsis. For example, out of the 16 people that responded, 100 percent of them said that PDI was something that benefitted their labor-management relations. Ninety-four percent of them said PDI had a positive impact on employees. Eighty-eight percent said that it had a positive impact on mission. Some of this included cost savings. Unfortunately, only 18 percent of respondents indicated they used metrics to assess their PDI efforts. This may be an area of further effort. Overall, hopefully this synopsis will provide an incentive for labor-management groups to use PDI. The synopsis also includes tips. For example, 100 percent of respondents indicated that information was shared between management and the union, in a timely and adequate fashion. In addition, half of them used a facilitator in one form or another. Another interesting take-away is, there is no one way to do PDI. Many of the respondents indicated they did PDI in a more informal, *ad hoc* fashion. One common response was, essentially, “just try it, and you’ll see this is going to be beneficial.”

Mr. Roberts then provided the Council with an update on another project this group is working on, which concerns overcoming PDI barriers. Slide 7 of the presentation was displayed. This is an ongoing project, and they hope to have a deliverable to discuss at the March meeting. The group has been reviewing research related to the barriers to successful PDI, and how to overcome the barriers. The group has identified a list of barriers, and has identified tips and resources to assist with overcoming each one. They hope to work with FMCS to put together an interactive module. Visitors to the website will be able to click on a barrier they are facing, and receive suggestions and links to resources to help them to overcome it. The group hopes to circulate this product to the National Council members in advance of the March meeting, and will welcome any input on it.

Ms. Cobert stated that having all of this in one place makes it much more powerful. She recalled witnessing some of the meetings where success stories were featured. Having all of it together is great and will be very helpful to people. Mr. Filler stated that this might be the last year of the executive order, and we still cannot prove that it produces worthwhile results. He is not surprised by Mr. Roberts’ report on the limited use of metrics by labor and management groups, but he wonders what the Council has to do to make that piece work. He took the time around the holiday break to look at all the guidance the Council has offered, since it was established. There has been a lot of great work done by the groups and guidance that has been put out. There was a white paper that Professor Light published, also around the holidays.<sup>1</sup> In it, Professor Light was paraphrasing an ancient proverb, which is that “vision without action is a daydream.” Mr. Filler said he feared that the Council is caught up in something like that. Without real tangible results, he asked how the Council could say to anyone that the goals and objectives of this executive order have been realized. He recognizes that measuring results is a challenge throughout the Federal sector, as required by the Government Performance and Results Modernization Act. It is an area that people struggle with, but Mr. Filler is wondering what the Council can do to get on track so they will have demonstrable evidence of the work that has been done by this body and by labor-management forums throughout the Federal sector.

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<sup>1</sup> Paul C. Light, *Vision + Action = Faithful Execution*, The Volcker Alliance, Inc., December 2015 <<https://www.volckeralliance.org/sites/default/files/attachments/Vision%20%2B%20Action%20-%20The%20Volcker%20Alliance.pdf>>.

Ms. Cobert noted that Mr. Filler seemed to be raising a core question. In her previous job, where Mr. Mayock now is, she did a lot of work with GPRA and the GPR Modernization Act. They have made a lot of progress, but it is a journey in terms of measuring effectiveness. It may be worth going back to this group and examining where we are and where we have had impact. While there may not be a comprehensive test, maybe there is a way to look at some of those goals and identify places where the Council has helped to achieve those goals. Ms. Cobert said that this is a challenge for all of the Council members to think about. The accumulation of individual measures may help identify a demonstrable impact over time, in the absence of a comprehensive measure.

Mr. Roberts offered two comments in response. First, his team did explore measurement tools. While their effort is currently on hold, they found that it is difficult to come up with measurements for performance, and it is that much more difficult to come up with measurements for pre-decisional involvement. Second, this is an excellent segue to the next presentation, which will address the need for communication about the existing tools.

Mr. Curry then introduced Mr. Jason Briefel of the Senior Executives Association. He will be discussing a proposal to form a new Council working group on communications. Slide 8, “Proposed Council Communications Plan” was displayed as Mr. Briefel began speaking. He noted that he has been involved in the Council’s work for approximately three years, and he has wondered how best to measure the effectiveness of what the Council is doing, and how to ensure that the materials and tools on the Council’s webpage are distributed to the individuals who are best able to put them to use. One challenge has been that the labor and management experts involved in the work of the Council may not have the communications background that some of their colleagues within their organizations have, and that could help some of the tools filter down to the people who really need them. He asked, “How can we help these flowers bloom?” Transitioning to Slide 9, Mr. Briefel proposed that the Council work with the communications experts within their organizations to assist with creating a communications plan for the work of the Council. This may entail working with the trade press, working with teams inside of agencies such as those focused on enhancing employee engagement, or working with other experts in internal communications. It is one thing to put information up on the Council website, and it is another to communicate expectations that this information will be used to execute the executive order. Mr. Briefel asked if the Council is interested in lending some of their communications staff to assist those on the workgroups with pushing some of this information out.

Ms. Bailey highlighted the importance of demonstrating to the line managers that this is in their best interest. For example, some may become frustrated with PDI if they learn that after engaging in PDI, they still need to engage in negotiations. Some may elect to jump straight into negotiations, skipping PDI, if that is where they believe they will end up. In rolling out new tools and engaging in communications, it will be important to focus on the bottom line. If we can show that it saved money, if it has made management make better decisions, then that needs to be part of the communication to managers and union representatives. Otherwise, it is not going to happen. “No one is going to do it because it is nice to do.” They will want to see results out of it. Any measures that are identified will have to speak to the line managers’ ability to get the job done, and for the members to feel they had their voices heard.

Ms. Cobert said that, with regard to a communications plan, this is not a challenge that is unique to this kind of work. OPM faces a similar challenge with regard to its policies. Ms. Cobert emphasized that if the Council goes ahead with this working group, it will be critical to be very clear about who the audience will be. For example, Ms. Bailey just suggested it would be local union representatives and their counterparts on the management side. That type of audience would require a different communications plan than if the audience was the general public.

Mr. Junemann said while communications is frequently a challenge for labor unions, he is not sure that it is the problem here. Instead, the problem with the entire effort has been a lack of buy-in by a lot of people. Mr. Junemann had been thinking about this over the holidays. He wondered if some are only doing this because there is an executive order that requires it. In this last year, it will be important to spend time reflecting on what went right and what went wrong with this executive order. The best thing that has happened out of this is the work by the FLRA and the Federal Mediation and Conciliation Service (FMCS). However, because of the leadership of those agencies, that work would have happened even without an executive order. He is unsure that communications is it, at this point in time. Mr. Junemann concluded these remarks by noting, “We are still a long way from the gold ring.”

Mr. Holway noted that many of the success stories featured at previous Council meetings were not the result of the executive order. For example, the Volpe presentation at the last meeting—they have a long history of working with management.<sup>2</sup> The work of the Hawaii group was underway well before the executive order.<sup>3</sup> Mr. Holway suggested examining the success stories and finding out how many of them resulted from the executive order. If managers have an idea that because they have a discussion with labor, and then come down with some sort of mandate or plan, and think that because they had a discussion with labor then labor will buy into everything you want to do—well, that is not how life works. He said that what we can try to do is identify areas of difference and seek to identify middle ground. If labor agrees with any part of the proposed plan, they will take any avenue they can to address their members concerns.

Mr. Filler thanked Mr. Holway for reminding the Council of the Naval Sea Systems Command presentation. That presentation did include the results. They said, if we save an hour a day, what does that mean in dollars in cents. They could put their finger on the results, and did not need special formulas or anything. They got to the essence of this entire process. Mr. Filler said he realizes that not in every instance can you point to the exact dollar savings, but “it has got to be something more than, ‘I felt good today at work.’” That does not cut it with the American public. We need to be working together to show the demonstrable results of this type of effort.

Mr. Junemann said that labor-management partnerships work better in the government than they ever could in the private sector. In the private sector, when labor and management work together to find efficiencies, it often results in people losing their jobs when they are no longer needed. In his experience, particularly with Navy, when they find efficiencies they also find new functions for people to carry out. Mr. Junemann noted he is not holding the management members of the

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<sup>2</sup> Presentation by NAGE Local R1-195 and Volpe, November 2015 <<https://www.lmrcouncil.gov/meetings/handouts/Minutes%20November%202018%202015.pdf>>.

<sup>3</sup> Presentation by Naval Sea Systems Command and Hawaii Metal Trades Council, May 2011 <<https://www.lmrcouncil.gov/meetings/minutes/NCFLMR%20Meeting%20Minutes%2018%20MAY%202011.pdf>>.

Council solely responsible for challenges with implementing the executive order. While some managers may be dictatorial, some union representatives may believe their job is to play “gotcha.” He noted that the best presentation to date featured his union’s experience at the Pearl Harbor Naval Shipyard. However, the labor-management cooperation there began under the Clinton administration and it continues today. This Council did not impede it, but it was not the cause of that success.

Ms. Allison Beck, Director of FMCS thanked the Council for the shout-out about the work that they are doing. She noted that one thing they are doing to help perpetuate this, and to make sure it does not go away, is holding a labor-management conference this August. The conference will focus on Federal sector partnerships and the advantages of them. She will provide more information at a later date.

Ms. Cobert noted that this is a topic around which there is a lot of energy and passion, and it is an important topic. It provides an opportunity to consider what we have learned, not just from PDI but from the enterprise we have been involved with here. It links to communication, but it is not just that. This feels like a conversation we need to continue to have, but it would probably benefit to have a few people put their thoughts together on this. She asked the Council to think about a working group to think about what do we take away as lessons learned, including linking it to impact. This is a big topic, and it would help to have some folks thinking about it and then to come back and discuss it again. It will probably take us more than one meeting but we can get there. It seems like a productive conversation to have over the course of the next several meetings. Mr. Mayock said that as the co-chair, this seems like a constructive step forward. Ms. Cobert said that Mr. Curry will reach out to identify who wishes to be engaged. In addition, it will be important to be clear on the charter and the issues to be addressed. This group’s work will be a mix of impact, a mix of how to institutionalize the things that are working, and how to understand those barriers. The direction of the group would be a mix of identifying impact, lessons learned, and communications. Ms. Cobert asked that Council members and their staff who wish to be involved, please reach out to Mr. Curry. This is an important conversation and we will need to keep coming back to this.

Mr. Filler said that with respect to that proposal, he would like to see the Council engage some members of the Performance Improvement Council. In the past, this Council has had collaborative efforts with the CHCO Council. In this instance, it would be appropriate to collaborate with the Performance Improvement Council (PIC). Mr. Mayock said that he would endorse that, as well, in his role on the PIC. Ms. Cobert concurred, and said the Council should come back to this discussion at the next meeting, even if they do not finish it at that meeting; it is an important topic to continue working through.

### **Agenda Item III: Change Management and Workplace Transformation**

Mr. Curry introduced the next agenda item by noting that while Council Member Bill Dougan is listed on the agenda, he was unable to attend today’s meeting. Mr. Dougan is doing his civic duty and serving on a jury in a trial starting today. Mr. Dougan had asked Mr. Curry to share with the Council that NFFE has collaborated closely with the General Services Administration (GSA) on their space management efforts, particularly Mr. Chuck Hardy who will be presenting today. Mr.

Dougan, Mr. Hardy, and Ms. Julia Clark of the FLRA previously presented at the Chicago Kent Law School Labor Conference, concerning the value of collaborating together in a pre-decisional manner on space management issues. In Mr. Dougan's absence, Mr. Hardy of GSA will be presenting on Change Management and Workplace Transformation.

During Mr. Hardy's presentation, a PowerPoint slide presentation titled, "Change Management and Workplace Transformation" was displayed. Mr. Hardy began his presentation by noting that he is the Chief Workplace Officer for GSA. He works with agencies in helping to transform workplaces. Transforming workplaces is a conversation and a journey that they go on together, in the co-creation of space. Mr. Hardy is an architect by training and license. The way things used to be, the way he was taught in school, architects know the way things are done and they tell people what to do. That is no longer the world. That is not reality.

Mr. Hardy transitioned to Slide 2 and read the quote by Socrates, "The secret of change is to focus all of your energy, not fighting the old, but on building the new." The only way to do that is through a conversation, a journey, and a co-creation. It is no longer a "tell and do" process. It's a "let's find out." Mr. Hardy transitioned to Slide 3 and noted that the workforce is made up of different generations. There are four generations referenced on this slide, and there are probably five in the workforce. Each comes with different methods for communicating with each other, and those methods are not stagnant—they are changing continuously. Consideration of this must be part of the ongoing conversation about workplace design. Moving to Slide 4, Mr. Hardy said that the workplace impacts people, people impact the workplace. They are not employees, they are people. They are going from "push" to "pull." Instead of going out and doing direct marketing to sell an idea to people, they want to have people see changes in action and say, "I want more of that and I want it faster." Moving to Slide 5, Mr. Hardy that, in the past, discussions about workplaces and about space focused on the top box on this slide ("Workspaces"). The number of employees, multiplied by the space standard, resulted in the amount of space needed. The conversation is no longer so simple. Today, that conversation includes discussion of shared services, real estate, business processes, technology, and culture. It is now all of those things in a conversation, instead of a simple mathematical computation. When putting workplaces together in 2016, they need to estimate what the workplace will need to look like in 2026.

Mr. Hardy then displayed Slide 6 and explained that it depicts a "change continuum." With any type of change, from the loss of a loved one to a change in a workplace, this is the process that one goes through in dealing with that change. The continuum moves from shock and depression, all the way up through exploration and acceptance. As noted on the slide, 70 percent of all major change efforts in organizations fail because organizations do not take the holistic approach required to effect that change. Organizations may attempt to address the change in one part of the continuum, but fail to address it at each stage. Mr. Hardy emphasized that you can't have one conversation, and then move on. It has to be an ongoing conversation. In addition, you can't necessarily tell people, "This is what it is, and this why it is going to be that way." Instead, you need to have that conversation with people and then "walk back to that place where you all want to be." Ideally, this conversation would include discussion of what is working in the current space, and what is not working well. This works best when it is an ongoing conversation with all the stakeholders' perspectives—not just management; not just labor.

Mr. Hardy displayed Slide 8 and explained that he likes to share these pictures when he talks about change. The picture on the left side is Bell Labs. Bell Labs was the Google of its day. In 1925, they invented the fax machine; cellular telephones in 1947; solar cells in 1954, etc. They were set up in a campus setting. They brought together great minds from around the country. They wanted to have accidental encounters amongst each other to invent new and creative things. The photo on the left side of the slide is how Bell Labs looked. On the right side, that is Google. They are the Bell Labs of today. They are both doing the same thing; they are just doing it at different times. They are both using, probably, the same types of technology. Things change over time and necessitate a conversation about “What does that mean for me?” and “What does that mean for my organization?” Transitioning to Slide 9, Mr. Hardy provided some facts about change. Change increases the effectiveness, it can be complex and even painful or chaotic, and coping with change can be difficult. Speaking with Slide 10 displayed, Mr. Hardy said that the two quotations on the slide, “Change is a threat when done to me, but an opportunity when done by me;” and “Change is disturbing when it is done to us, exhilarating when it is done by us;” are critically important. The conversation about change in the workplace is about the need for buy-in by everyone that is a stakeholder, and making sure that every voice is heard equally. It is important for people to feel they have a choice; that is how you engage people.

Moving to Slide 11, “Seven Secrets to Success,” Mr. Hardy emphasized the importance of getting everyone on the same page. This requires partnership in practice, not just in theory. There will be mistakes, but collectively you must determine how to recover from those mistakes without blaming each other. Everything: guidelines, boundaries, process, and metrics, should be set up front. This does not include the outcome; that will be determined through the process. It is important to involve the front line and to get everyone on board. To “engage in one agenda,” it is important to collectively identify goals at the beginning of the process. It can be unsettling for those involved in the process, but it is critical to understand that the conversation will lead to an outcome that best matches the organization’s needs. Next, don’t just “check the box,” you need to “train, maintain, and sustain.” This is crucial around change management. One action, such as a town hall meeting or administering a survey, is not sufficient. You must continually engage in the conversation. With Slide 12 displayed, Mr. Hardy said that organizations and individuals change at different speeds. Designing the workplace is about both; organizational change and individual change. This process requires having the same conversation over and over again to different people. That is necessary to ensure that people understand the change, being onboard, heard, and actually valued. Transitioning to Slide 13, Mr. Hardy discussed “Involvement in Change Management.” This involves seeking input from employees and their representatives on solving problems with how they work in the building or at the enterprise level. Change management involves coaching on new behaviors and shifting the culture to prepare for working in the new environment. Communication entails messaging, sharing information, and raising awareness of progress, opportunities, and decisions. With Slide 14 displayed, Mr. Hardy explained that this is an owned and leased space project lifecycle. The red stars identify areas where PDI could occur and should occur. He said that you can see that PDI is pervasive throughout the process. It is not a box that is checked early on; it is an ongoing conversation. As more information is known, more discussion should occur. You might change direction because you now have more information. It needs to be a continuing dialogue. It is important for people to know when you can have conversations, and when you cannot have conversations—meaning, “No, we have already talked about this, and that led to a decision. We cannot go back and re-do

that decision because of \_\_\_\_.” It is then important to make sure that everyone understands what that “because of” is.

With Slide 15, “Workplace Engagement” displayed, Mr. Hardy explained that this is typically done through engagement with the workforce. They involve the management level, and the stakeholder level. They involve union leadership and agency leadership, and have conversations about where they want to go with this action; what are their goals. The process may include group conversations, and individual conversations. They do employee surveys, to get as much input as they can and a broad breadth of participation. GSA then takes the results of the employee survey, the leadership interviews, and the stakeholder interviews, and then they have a focus group. This is the beginning of figuring out what the solution is. This occurs in a quick timeframe. When they conduct a survey, they are then on-site two weeks after the survey closes, they are on-site rolling out results and continuing the conversation. This makes people feel listened to, because they are seeing results. You are also able to receive meaningful input because the survey is fresh enough in their mind that they can explain why they marked a particular box. GSA then shares its findings with everyone, explaining what the conversations led to. The discussion then continues until there is a final direction where the project is going to go. This process ensures that everyone knows how the decision was made, why it was made, and what to expect going forward.

Moving to Slide 16, “Employee Involvement and Change Management,” Mr. Hardy explained that employee involvement is finding meaningful opportunities to engage employees and their representatives in providing input, to make decisions or problem solve when decisions have already been made. This is crucial because some decisions will be made that do not play out the way they were expected. Input from employees can help to solve those problems, and is just as crucial as receiving their input before decisions are made. You want this to be rational and fair. You can benefit from the employee perspective and experience. Mr. Hardy noted that in his experience, most cost-saving items, most discussions on how work is done, are coming from the people who are doing the work. Employees can say, “If I could have less of this and more of that, I could do my work a lot easier.” This is a back-and-forth conversation intended to identify what is truly needed. You need to find out what that choice is that you need to provide to people. Then, change management is prompting new behaviors and practice among the workforce for successful transformation. This can be done through “change champions,” who are people at the worker level who will attend management meetings. They know what is going on, and they are able to bring up input from their peers, and they are able to bring information back down from the management level. This is a very good communication tool.

Mr. Hardy explained that Slide 17, “Encourage Practice in a Variety of Areas,” provides an example. In each effort, it is necessary to talk about “place,” “people,” “work,” and “communication.” “Place” refers to different workplace configurations. He asked the Council to note the word, “try.” The intention is to try different things and to get feedback to determine how to make it work. With regard to “People,” this can concern trying to become proficient in the latest technology and looking at providing support for people to do that. In discussing, “Work,” this could focus on results and performance. “Communication” involves establishing ongoing forums for communication. Mr. Hardy explained that these examples are drawn from GSA’s experience with its 1800 F St. project. He said that if Mr. Dougan were here, he would speak

about how that worked for them. The key point here is providing guidance and tools for each activity. Mr. Hardy then provided an example of how this might work. If the action was to increase flexible work modes, there could be a variety of trainings, from different perspectives. This could be delivered by various means: in person, on-line, hard copy. At the end of the day, providing on-line support, encouraging feedback, and conducting surveys and focus groups will be crucial to obtain the input needed to inform decisions.

Mr. Hardy transitioned to Slide 18, “Change Champion Effort – Prime Area for PDI,” and said that involvement of and participation by the union representative in the change champion effort is highly beneficial. He found this in the recruitment of the change champions, in the training, and in the coaching. Also, getting information out to the organization, and getting feedback about what is not making sense to people, and where changes are needed; is a critical piece of the change champion effort. With Slide 19, “The Change Champion will . . .,” displayed, Mr. Hardy remarked that the change champion is working to incorporate choice for every employee. The change champion is the spokesman and the promoter of the transformation process. This does not need to be someone who supports the change right out of the gate. Rather, sometimes the curmudgeon of the group will be the best salesman, once on board with the idea. Having a mix of people as change champions brings broader input into the process. The change champion will transmit information throughout the process, provide feedback to leadership, and collaborate with peers. It is a multifaceted approach to getting information and ensuring that voices are heard. Slide 20, “Employee Engagement Plan,” was displayed as Mr. Hardy described what GSA did when transforming 1800 F Street. This entailed identifying the opportunities for input, conducting town halls, socializing employee involvement, partnering with union leaders, conducting other involvement activities, distilling the input and feedback, conducting training, and sharing the timeline and documenting progress. The resources and stakeholders, and actions, for each of these are listed on the slide. Mr. Hardy emphasized that an employee engagement plan must be developed for every project. This is a co-creation, resulting from sitting down with the union representative, and discussing how to engage employees as the project moved forward.

Mr. Hardy transitioned to Slide 21, “Project Pilot(s),” and said that pilot projects are great because you are testing something. It is meant to inform. Test it, and it gets you feedback and information. This can provide data to inform conclusions. Mr. Hardy noted that this approach is not limited to space management. He described a shredding contract pilot that GSA used as part of an effort to digitize files and reduce paper. The pilot project allowed GSA to walk through a process and find out what made sense to be digitized; how it affected an employee, how it affected the process, and how it affected the mission. By testing it on a small area, you work through all those little trip-ups, correct them; and move on with a better-informed solution. Slide 22, “Why pilot?” was displayed as Mr. Hardy explained that pilots make it easier to try new things. It can help people to take a first step. It doesn’t mean they have to change now; feedback is important. A pilot project provides an opportunity to try something new, to learn, to improve. It can assist with identifying what works and what does not work. Moving on to Slide 23, “Communicate and Educate,” Mr. Hardy noted that communication and education are key in all of this. When you start to discuss workplace transformation, you start to hear about “hot-desking,” “hoteling,” “desk-sharing,” and all sorts of new terms. It is important to continue communicating. Terms such as these can be addressed in frequently asked questions. This can help to ensure that everyone understands the terminology throughout the process. Websites and

training are also part of the multi-faceted approach to getting information out there. Mr. Hardy transitioned to Slide 24, "Communication Plan and Strategy." He said it is important to "communicate, communicate, communicate." Working together to develop and implement a communication strategy should be a co-creation. It is important to determine what the message will be, and how to communicate it. He noted that the communication plan will often follow a multi-faceted approach. It will involve educating, informing, and deciding; as well as collecting feedback and input. When decisions are being made, timing matters. It is important to know when decisions can still be made and when they have already been made. Input and timing should be addressed up front, so it will be a meaningful conversation. With regard to who should be involved, it is basically everybody: all tiers of employees, unions, and change champions. With Slide 25 displayed, Mr. Hardy said these photos depict one result, which was GSA's 1800 F Street project. He emphasized that this works for them, and the product was right. This result will not be right for everyone. However, the process they followed is likely to be right for everyone. Mr. Hardy then invited questions from the Council.

Ms. Cobert thanked Mr. Hardy for the presentation, and noted that it put into context a lot of things the Council has been discussing over time. The training that came out of GSA's work and this Council's work with the FLRA and others has been a very good place where these thoughts came together. It is important to be smart about how the government uses space, and to recognize that the way we all work every day is changing. We need a different environment for that, and that can come with a reduced footprint. She asked Mr. Hardy whom individuals may contact if they are seeking more information about this topic. Mr. Hardy recommended that individuals reach out to the Problem Resolution Subcommittee's group that has been working on this, or to his office. His office has resources to assist agencies with issues related to change management. Those in his office bring with them experiences and lessons learned from other agencies. They have a website: [www.gsa.gov/totalworkplace](http://www.gsa.gov/totalworkplace) that has change management information and other information on it as well. They are ready, willing, and able to help folks and to make it easy for them.

Mr. Curry then noted that Ms. Julia Clark of the FLRA has some information to share in relation to this topic. Ms. Clark began by noting that it has been inspirational to work with Mr. Hardy and Ms. Allison Beck on this project. She then shared a brief update on the work they have been doing for front-line outreach on the space management issue. This is a practical and ongoing effort on an issue that touches everybody and will continue to touch everyone. It is an outgrowth of an intense demand to do this in a better way. It is a collaboration of FLRA, FMCS, and GSA. They piloted an intensive two-day seminar in July, with a promise that they would be doing outreach throughout the country. They have now identified four dates and locations where the training will be held between March and May: Los Angeles, Denver, Chicago, and Boston. This will involve the field staff of the FLRA, GSA, and FMCS. It will offer this kind of information, as well as how PDI and collective bargaining work together. What Ms. Clark has found is that when career people are presented with an opportunity to try out these tools, then behaviors change. No matter what it is called, the result tends to be more collaborative decision-making. She recently ran into a manager who said he had learned from GSA the value of PDI. If we approach space changes, even if it is not something the employees really want or like, if we at least involve them it will be better. Ms. Clark asked for the Council's help in distributing information about these upcoming training opportunities, to the front line.

Ms. Cobert said that she believes this is one area that may be the easiest for people to conceptualize the PDI process and how it fits together. She said that the more we can build on the work that has been done; we will not only improve outcomes related to space but also get people more comfortable understanding what the PDI process is, and how you can get to a productive outcome. It has impact on its own, but is also a pilot in some shape or form for decision-making involvement on other issues. This has a tangible aspect to it, since the building will look different. In general, not everyone is going to be happy with all of the results. That is an equal opportunity thing between labor and management, in terms of how people feel about the results. This makes it a great place to practice what we are talking about.

#### **Agenda Item IV: New Business**

Mr. Curry noted that the next Council meeting is scheduled for Wednesday, March 16, 2016, from 10:00 a.m. to 12 noon, at OPM. He then asked if anyone on the Council wished to raise any new business. There was no new business.

#### **Agenda Item V: Acknowledgement/Receipt of Public Submissions**

Mr. Curry stated that, as a FACA committee, the Council offers opportunities for members of the public to make brief statements to the Council. He asked if any member of the public wished to make any brief statement to the Council. There were no public comments.

#### **Agenda Item VI: Adjournment**

Ms. Cobert thanked everyone for a very good set of discussions today. She asked that Council members contact Mr. Curry concerning the new working group they had discussed. She believes this is a great start to what will be a busy 2016. She thanked the presenters for all the work they do. She asked that Council members keep their feedback coming on the communication from OPM related to cyber.

Mr. Mayock added his thanks to the presenters. He reiterated his enthusiasm for working with this group in the days and months ahead.

The meeting adjourned at 11:23 a.m.