

**National Council on Federal Labor-Management Relations
23rd Public Meeting
October 17, 2012**

On October 17, 2012, the National Council on Federal Labor-Management Relations held its 23rd meeting at the Office of Personnel Management (OPM). OPM Director John Berry and Office of Management and Budget Controller Daniel Werfel co-chaired the meeting, with the following Council members present:

Council Member	Title
Ms. Carol Bonosaro	President, Senior Executives Association
Mr. William Dougan	President, National Federation of Federal Employees
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. Kathleen Merrigan	Deputy Secretary, U.S. Department of Agriculture
Mr. H.T. Nguyen	Executive Director, Federal Education Association
Ms. Carol Waller Pope	Chair, Federal Labor Relations Authority

The following individuals sat in for absent Council members:

- Mr. Rafael Borrás, Under Secretary for Management, Department of Homeland Security (DHS), for DHS Deputy Secretary Jane Holl Lute;
- Mr. Steve Keller, Senior Counsel, National Treasury Employees Union (NTEU), for NTEU National President Colleen M. Kelley;
- Mr. T. Michael Kerr, Assistant Secretary for Administration and Management, Department of Labor (DOL), for DOL Deputy Secretary Seth David Harris;
- Mr. Leonard Lew, Region 4 Director, Federal Managers Association (FMA), for FMA National President Patricia Niehaus;
- Ms. Terry Rosen, Labor Relations Specialist, American Federation of Government Employees (AFGE), for AFGE National President J. David Cox;
- Mr. Pat Tamburrino, Chief of Staff to the Under Secretary of Defense for Personnel and Readiness, for Deputy Secretary of Defense Ashton B. Carter; and
- Ms. Leslie Wiggins, Deputy Assistant Secretary, Labor-Management Relations, Department of Veterans Affairs (VA), for Mr. Gould during part of the meeting.

The Designated Federal Officer, Mr. Tim Curry, OPM Deputy Associate Director, Partnership and Labor Relations, was present, as were about 40 members of the public, including 2 media representatives.

Agenda Item I: Welcome

At 10:02 a.m., Mr. Berry welcomed everyone and said, “Okay, we’ll get going. We have only 1 hour instead of the normal 2 hours, and we don’t want to short-change the presenters. Some have come a long way.”

Mr. Berry explained that the Council, a Federal Advisory Committee Act committee, always provides a specific time to meet the Act’s requirement to provide an opportunity for public comment. He asked that *anyone who is not a Council member* hold any comments or questions until the Council calls for public comment.

Before proceeding with the agenda, Mr. Berry said the draft minutes of the previous meeting included all of the Council’s edits to date, and asked if there were recommendations for additional changes. The Council unanimously approved the minutes without further revision, and Mr. Berry proceeded with the meeting agenda and turned to a discussion on GEAR.¹

Agenda Item II: GEAR Pilots Update and GEAR Discussion

Mr. Berry reminded everyone that the Council heard presentations, in its previous meeting, on three of the five GEAR pilots: those at the Department of Housing and Urban Development, the Department of Energy, and OPM. He said that today the Council would hear from VA and the Coast Guard on the other two GEAR pilots, after a more general presentation providing a brief overview on GEAR and explaining/reiterating its importance to employee and organizational performance. At Mr. Berry's request, OPM Deputy Chief of Staff Justin Johnson provided the overview.

GEAR Overview

Mr. Johnson displayed slides entitled “Goals—Engagement—Accountability—Results (GEAR): Employee Performance Management,” and began by reminding everyone of GEAR’s overall recommendations:

- Articulate a high performance culture;
- Align employee performance management with organizational performance management;
- Implement accountability at all levels;
- Create a culture of engagement; and
- Improve the assessment, selection, development and training of supervisors.

¹ The acronym stands for Goals, Engagement, Accountability, and Results. GEAR has been extensively discussed in previous meetings and is an agency performance model based on the principle that every successful organization must have clear, aligned goals, engaged employees and supervisors, and accountability for every employee at all levels.

Mr. Johnson said it is a GEAR high-priority goal to improve performance culture in the GEAR pilot agencies in order to inform efforts to develop policies for improving performance across the Federal Government. He said an objective for the pilots is to show a change in the Employee Viewpoint Survey (EVS), specifically:

By September 30, 2013, employee responses to the annual Employee Viewpoint Survey in each agency participating in a performance culture pilot project at scale (OPM, HUD and Energy) will increase by 5 percent or greater on the results-oriented culture index and the conditions for employee engagement index, using 2011 survey results as the baseline.

Mr. Johnson discussed some of the reasoning behind the EVS objective. He explained that—

- EVS targets are set only for three of the five piloting agencies because, the pilots at VA and Coast Guard being small-scale, EVS results for those two agencies would probably not be a useful indicator of the effectiveness of GEAR strategies; and
- That the *Conditions for Employee Engagement Index* is an attempt to measure the quality of interactions between employees and supervisors.

Mr. Johnson discussed the rationale for selecting the Conditions for Employee Engagement Index (which is based on 2011 EVS questions 3, 4, 6, 11, 47, 48, 53, and 56) rather than the Results-Oriented Performance Culture Index (which is based on 2011 EVS questions 12, 14, 15, 20, 22, 23, 24, 30, 32, 33, 42, 44, and 65). He said, “We’re trying to dig into the relational, not just the functional.”

Mr. Johnson stressed the importance of improving supervisors in order to improve the Government’s performance, and said creating better bosses is the main goal of GEAR.

Mr. Johnson offered to answer any questions from the Council. Since there were none, Mr. Berry thanked Mr. Johnson, continued with the agenda, and said that next would be a presentation on the VA GEAR pilot.

VA GEAR Pilot

Mr. Berry welcomed the presenters:

- Ms. Veronica Wales, Director, Office of Human Resources, Veterans Benefits Administration;
- Mr. Mark Bailey, National Representative, Service Employees International Union, National Association of Government Employees; and
- Mr. William Jefferson, National Representative on the AFGE National VA Council.

Ms. Wales began the presentation. She made it clear that time constraints would allow only brief coverage of considerable VA GEAR pilot activities that could be discussed at great length. In the time allowed, the presenters shared general strategies and considerable details on

implementing the pilot at VA, the presentation throughout emphasizing communication and training as critical pieces of successful GEAR implementation. To compensate for having little time to share a large body of information with the Council, in addition to documents thoroughly discussed in the meeting the presenters provided a number of supplementary documents intended for the Council members to study in detail after the meeting.

Documents supporting the presentation include—

- “VA GEAR Report” slides;
- “VA National Cemetery Administration MSN II G.E.A.R. Pilot Supervisor’s Guide” slides;
- “National Cemetery Administration’s 2013 Progress Review Discussion Guide;”
- Slides describing an HR University Course entitled “Setting Performance Expectations;”
- An example of a monthly performance overview for a VA National Cemetery that supervisors review with employees (labeled “Monthly Performance Overview” and having a bar chart showing performance on grave markings completed within 60 days of interment, percentage of headstones properly cleaned and at proper height and alignment, and percentage of properly land-graded gravesites);
- A form labeled “NCA Employee Learning and Development – 2013,” which is intended to provide an opportunity for employees to discuss interests, skills, and abilities that might otherwise be unknown to management;
- A form labeled “NCA Employee Self Assessment - 2013,” an instrument for employees to report on their contributions during a performance period;
- A memorandum from the National Cemetery Administration to its employees on the performance review process; and
- A page from an *NCA Newsonline* newsletter where VA Deputy Under Secretary for Field Affairs Glenn Powers announces the VA GEAR pilot, summarizes related work, and includes a statement of purpose.

Both Mr. Bailey and Mr. Jefferson stressed the importance of labor engagement and expressed appreciation for VA’s achievement of that important piece in the GEAR pilot. In particular, they expressed very strong support of the GEAR pilot’s emphasis of employee self-assessment and other employee contributions to the individual performance review process.

Regarding employee self-assessment, Ms. Wales credited her labor partners for a major contribution to that process: “Mark and Bill said sometimes employees don’t know how to self-assess, so we made a template. Employees can do the self-assessment every 4 months.”²

Ms. Wales covered the materials in the slides entitled “VA National Cemetery Administration MSN II G.E.A.R. Pilot Supervisor’s Guide,” which summarizes new performance review

² See above-mentioned “NCA Employee Self Assessment - 2013”.

procedures under the GEAR pilot, e.g. communication strategies for successful change management required with the switch to GEAR pilot processes; events required throughout the rating cycle and their timing; and strategies VA employs for various aspects of its model for the new performance plans. She said the plans were created in close consultation with labor partners and subject matter experts, who by agreement selected mission-critical occupations for which new performance plans were developed. This collaborative process also produced a strategy for clearly communicating the new plans.

Again emphasizing the contribution of labor engagement to the GEAR pilot, Ms. Wales said labor had helped VA move toward introducing more precision into communication of performance expectations. She explained, “VA only requires addressing *fully successful* in communicating what’s necessary to reach a level of performance. Our labor partners suggested defining exceptional performance for these jobs.”³

In stressing that good communication is essential, Ms. Wales called the Council’s attention to the memorandum from the NCA to its employees on the performance review process, and discussed how that document was intended to help employees understand why things were changing. As another example of the VA GEAR communication strategy, she pointed out the *NCA Newsonline* newsletter article on the GEAR pilot and related developments.

Emphasizing the importance of training, Ms. Wales said proper training for a new performance management system could go a long way toward making employees and supervisors more comfortable with changes. She said VA was fortunate to have use of training developed by the Office of the Director of National Intelligence and later donated to OPM and put online at HR University, the ["Setting Performance Expectations"](#) course. She said supervisors are required to take the training, which is a 45-minute module. She added, “There’s another good one, ["Coaching for Success"](#).”

When the presenters finished and invited questions or comments from the Council, Mr. Berry thanked them, and then addressing Mr. Gould said, “Thanks, Scott, I know you have to leave. I can’t thank you enough for this great presentation.”

Mr. Gould replied, “I think you can see that work products are much better with two-way communication. As I went through the materials this morning, I learned a lot from them myself.” He then thanked all three VA presenters for an excellent presentation, and Mr. Berry added his thanks and turned to the next agenda item.

Coast Guard Pilot

Mr. Berry said the Council would now hear from three presenters from the U.S. Coast Guard: Mr. Curt Odom, Director of Personnel Management; Ms. Joanne Turner, Chief, Workforce Relations Division; and Mr. Demetrios Stroubakis, President, AFGE Council 120. He turned the floor over to the presenters, who gave a presentation with accompanying slides entitled “U.S. Coast Guard’s GEAR Program.”

Mr. Odom spoke first, and thanked the Council for the opportunity to give a presentation on the Coast Guard’s GEAR pilot. He stressed the importance of employee engagement, saying, “The

³ The jobs so far for which new performance plans have been developed under the pilot are Cemetery Caretaker, Cemetery Representative, and Engineer Equipment Operators. A new performance plan is being developed for Cemetery Director.

‘E’ in GEAR is *very* important,” and adding that efforts on the pilot have a strong emphasis on improving employee engagement, which is fundamental to GEAR’s success.

Mr. Stroubakis agreed employee engagement is an extremely important part of GEAR. He said success requires genuine partnership and a level playing field, which the Coast Guard has now. He added, “It didn’t start out that way. AFGE 120 initially objected to the pilot, and we went to the DHS forum and reiterated our objection. That led to discussions allowing us to break free, and ultimately to monthly forum meetings.”

Ms. Turner said, “I’m the head of labor employee relations and also oversee the performance management function. Sometimes it takes the union to tell you you’re not as good as you think you are.” She said she previously thought the two performance appraisal systems the Coast Guard used (described on page 2 of the slides), were very good, but that she had learned a great deal. “We initially thought this was comprehensive.” She said, “I had all these great ideas about fixing forms, but realized something was still missing.” She said it took the union to say, “Forms don’t fix anything,” and to start a conversation that shifted the focus to increasing employee engagement.

Ms. Turner said GEAR attributes of piloted versions of the Coast Guard’s performance management system include the following:

- Joint Participation throughout the cycles;
- On-going feedback;
- Required progress reviews;
- Enhanced/improved employee/supervisory engagement;
- Comprehensive awards/recognition system;
- Various resources to assist with performance management responsibilities;
- Enhanced training on performance management--
 - basic annual training and 40 hours of mandated supervisory training, 32 hours of classroom training and 12 hours of continuous learning;
- Mandatory completion of Performance Plans for all employees; and
- 19 labor-management forums throughout the Coast Guard.

Ms. Turner said training already existed, but that opportunities for improvement were identified and are being implemented for the GEAR pilot. “We had a website,” she said, “but was it being read?” She added, “In the pilot, the training is more visual and hands on. There’s more roleplaying, to show what feedback should look like.”

Mr. Odom talked briefly about the Coast Guard/AFGE 120 labor-management forum’s selection of the site for the pilot. He said the site was the Coast Guard base in Boston, MA, and that

white-collar and blue-collar civilians and military personnel at all levels were covered. He said there were about 200 civilians participating, and that a union member had stressed the importance of wage grade employees being included as much as possible, which was a factor in selecting the site. He added that he had just spoken to the base commander, who was very excited about the pilot and had dedicated 10 employees to assuring successful implementation. Mr. Odom shared the following action plan/timetable with the Council.

ACTION	TIMEFRAME
Assign Project Manager for the Pilot at the Base Location.	Sept 2012
Invite the PM and Base Commander to the next L/M forum.	Oct 2012
Hire/Retain Primary Project Manager to reside in HR Office.	Oct 2012
Develop Accountability System (Performance Tracking) and Audit Plan.	Nov 2012
Develop a 360 Plan into the Pilot (Before and After).	Nov 2012
Communication Plan to Workforce Deployed.	Dec 2012
Develop a Data Analysis Repository.	Jan 2013
Set up “In-Service Days” to accomplish: Basic DHS/EARS Training (Supervisors/Employees), Individual Development Plan, Work Plan Development, Communication Techniques, Team Building.	Feb/Mar 2013
Pre-Pilot Survey.	Mar 2013
Pilot Begins.	Apr 2013

Addressing metrics to assess the effectiveness of the pilot, Mr. Odom said labor and management would decide that as a group. He added that the pilot had been very much a priority for the Coast Guard Labor-Management forum in Washington, DC, and had been the main focus for the past 6-7 months.

Mr. Berry thanked the presenters, and said he would like to open up the floor for Council discussion of the pilot, starting with a question of his own. “Is it possible to select more than one site? My concern is that one site may not provide sufficient information for such a far-flung organization as the Coast Guard. Two or three sites would be better, and I’d encourage you to add sites if you can do that and stay on schedule. Maybe, if you had interest from 20 sites as you say, the pilot can grow.”

Responding to Mr. Berry, Mr. Odom replied, “We can do it. We had two or three other sites we were seriously considering when we made the selection.”

Mr. Borrás commented, “Demetrius, thanks for expressing the frank and honest initial concerns of labor. How far we have come is a great testament to how the labor-management relationship has matured through these efforts.”

Ms. Rosen commented that she was pleased to see how labor-management relationships are progressing in the GEAR pilots. Expressing appreciation of the ambitious goals shown in the pilot's timeframe, she added, "I'm struck by the Coast Guard's timeframe because of all the action items ahead. It's not all created yet, but it will be, and I appreciate that."

Mr. Berry thanked all the GEAR presenters once more. He said that next would be an update by the Metrics Working Group.

Agenda Item III: Metrics Workgroup Update

Mr. Berry said that Mr. Filler, who was scheduled to begin the Metrics Working Group update today, was home with the flu. He asked Mr. Curry to begin the presentation.

Mr. Curry began by quickly reviewing the categories being measured and the reporting requirements for forums:

- That there are three distinct, but complimentary, metrics categories:
 - Mission Accomplishment and Service Quality,
 - Employee Satisfaction and Engagement, and
 - Labor Management Relationship;
- That forums were required to send reports to the Council by December 31, 2011;
- That forums should be reporting internally within their agencies every 6 months; and
- That the next reports are due to the Council on December 31, 2012.

Noting that the importance of employee engagement had been stressed in today's meeting, Mr. Curry said that in metrics work with forums this year, measurement of employee satisfaction and engagement has been emphasized more compared to last year.

Mr. Curry reported themes the working group identified in its analysis of the metrics data. He said the working group was encouraged by aspects of many reports, such as progress in building the strong collaborative relationships needed for challenges ahead.

In discussing challenges the improved collaborative relationships can help address, Mr. Curry said some agencies and unions are still figuring out how to examine or measure their work, and that the data show mixed progress on mission metrics. He said the working group also noted heavy reliance on the EVS. He said, "It's an easy, good, quick place to go, but we're looking for opportunities to get the forums to use other sources." He also noted that in some cases activities or actions are listed as metrics without a clear indication of what is being measured.

Mr. Curry then discussed actions the working group discussed in a meeting held on October 10, 2012, to discuss the report due to the Council on December 31, 2012. He said the working group recommends providing a reminder to forums to highlight the next metrics submission and provide additional Council guidance. He explained that the purpose of the additional guidance is

to help forums provide the most comprehensive updates possible so the Council gets data good enough to allow valid assessment of labor-management forums' impact. He said the Council had learned a lot from its review of previously submitted metrics and was now in a good position to add to the Council's [Guidance for Labor Management Forums Metrics](#) published in 2010.

Mr. Curry said the proposed reminder would point to the original guidance, which includes discussion of the three metrics categories (mission accomplishment and service quality, employee satisfaction and engagement, and the labor-management relationship). He said the reminder would strongly encourage forums to include any data on mission accomplishment and service quality. He added, "We're now at a point where we would like to see how partnership is improving service delivery." He said the working group agreed that forums need not create new data for this year's report, and that data should already exist showing accomplishment of goals in agency strategic plans, to the extent forums were involved in related activities. He added, however, that agencies should start identifying new data that would strengthen future reports.

Mr. Curry said the working group recommended that the reminder encourage agencies to involve their performance improvement officers and others involved in implementing agencies' strategic plans, and to seek out information on their agency at <http://www.performance.gov>.

Mr. Curry said that one lesson the working group learned from last year's reports was that some agencies felt constrained by the template provided in the original Council guidance on metrics. He said the working group, though still believing a template is necessary to assure reporting consistency, recommends advising the forums not to feel constrained by the template, but to provide as much information as possible, outside the template if necessary. He said the working group also recommends soliciting other feedback on the template so it can be revised if agencies have good ideas to improve it.

The working group said additional information on metrics should be included in the reminder document, such as:

- Council training on metrics with the VA and AFGE, available on Council web page at <http://www.lmrcouncil.gov>;
- Best Practices Summary of prior metrics submissions, available on Council web page at <http://www.lmrcouncil.gov> ; and
- Any other useful resources identified by the Council and/or Council working group.

Mr. Curry said guidance should highlight examples of measurable items within each metrics category, and provided the examples below.

- Mission Accomplishment and Service Quality Examples:
 - Higher productivity,
 - Improved customer satisfaction,
 - Better service delivery,
 - Cost savings,
 - Speed and quality of adoption of new business processes and technology,

- Improved outcomes and mission delivery, etc.
- Employee Satisfaction and Engagement Examples:
 - Higher employee morale,
 - Greater job satisfaction,
 - Lower attrition rates,
 - Employee development and training, etc.
- Labor Management Relationship Examples:
 - Greater union and employee engagement in workplace decisions,
 - Expedited collective bargaining process,
 - Increase in disputes resolved, etc.

To provide an idea of metrics showing mission-related returns on investment in partnership, Mr. Curry listed examples of existing metrics showing efficiency gains and/or cost savings, e.g. the efficiencies and cost savings reported in the last Council meeting by Naval Sea Systems Command representatives, process/cycle time reduction at the Equal Employment Opportunity Commission, and process/cycle time reduction and claims quality increases at VA. (See page 8 of slides.)

Covering next steps, Mr. Curry said the working group will finalize guidance to forums for dissemination in the near future and will continue meeting to discuss updating, for next year's reports, the original metrics guidance. He stressed that the working group believes metrics reports need a *much* stronger emphasis on mission accomplishment and service delivery metrics. He added that while employee satisfaction and engagement and labor management relationship metrics are important, they should be viewed as supporting the Government's highest goal, mission accomplishment and service delivery. He said specific recommendations on revised guidance will be developed.

In closing, Mr. Curry listed some questions the working group thought the Council should ask going forward:

- How do we ensure labor-management forums are developing good metrics?
- How do we better promote best practices on metrics to ensure forums at all levels are aware?
- How else can the Council help forums on developing and using metrics?

Mr. Berry thanked Mr. Curry for the presentation, and opened up the floor for Council discussion.

Mr. Junemann commented, “The premise of what we do is to say the worker knows best how to do the job. The view from the other side of the table is that management knows better.” He described a meeting he had with managers who reacted unfavorably when he described activities promoting worker engagement, and then he asked, “What feedback are we giving managers?”

Responding to Mr. Junemann, Mr. Curry said, “I think that’s a good point. If they can’t see the return on investment they’re getting on this, I see why you got that kind of feedback from managers. It would be helpful to communicate that, if we take the time to measure properly, we’ll be able to see how helpful partnership efforts have been. One challenge is that everyone is so busy.” He suggested the Council consider communicating that putting time into metrics, while challenging, will pay off in a big way if the metrics are good and produce reliable data about partnership.

Mr. Holway asked, “The reports that are due, are those at the agency level?” Mr. Curry responded that ideally the goal is to get reports from all forums, but that, for agencies with large numbers of forums, getting reports from every forum can be difficult.

Regarding numbers of forums, Mr. Holway said, “I’d like to see a report of how many forums are in each agency versus how many forums people in the agency think there should be.” Mr. Curry and Mr. Holway subsequently agreed a question to elicit that information should be incorporated into future guidance on metrics.

Ms. Wiggins commented that it is important to capture the extent forums are fully operational and engaged in mission critical work. In response, and in agreement with the working group recommendation to engage performance improvement officers (reported earlier by Mr. Curry), Ms. Rosen remarked, “I don’t know if we’re reaching out to the Performance Improvement Council and others to avail ourselves of services or how often someone whose job it is to make progress understands the importance of getting labor-management forums to focus on mission critical goals. I think too often forums are in a vacuum and focused on other things.”

Mr. Werfel said, “Forum engagement is key. I think you’re asking the right questions, such as how to get the right stakeholders at the table. We can learn as we go along.” He then mentioned that Mr. Berry had to leave a moment ago to attend an urgent meeting, said the next meeting is November 28, 2012, and provided an opportunity for Council members to raise any new business.

Agenda Item IV: New Business

Mr. Holway chose to speak during the opportunity to raise new business. He said, “I’d like to point out that this is National Anti-Bullying Week.” He said that eliminating workplace bullying and violence could increase productivity and reduce healthcare costs. He added, “I understand OPM is putting together a workplace anti-violence task force. I applaud Director Berry for those efforts.” Mr. Werfel responded, “Thank you for raising this important issue.”

After confirming no other Council member wished to raise new business or had additional comments or questions, Mr. Werfel opened the floor for public comment.

Agenda Item V-VI: Acknowledgement/Receipt of Public Submissions/Adjournment

No one chose to speak during the public comment period. Mr. Werfel thanked everyone for attending the meeting, and adjourned it at 11:06 a.m.

CERTIFIED

John Berry
Co-Chair

Daniel Werfel
Acting Co-Chair