

Office of the Inspector General

Kenneth S. Apfel  
Commissioner of Social Security

Acting Inspector General

Evaluation of Partnership Activities at the Social Security Administration

The attached final report presents the results of our review of Partnership Activities at the Social Security Administration (A-13-98-72023). The objectives of this evaluation were to determine the extent of partnership activities at the Social Security Administration, how Partnership results are measured, and how time devoted to Partnership is tracked.

You may wish to comment on any further action taken or contemplated on our recommendations. If you choose to offer comments, please provide them within the next 60 days. If you wish to discuss the final report, please call me or have your staff contact Pamela J. Gardiner, Assistant Inspector General for Audit, at (410) 965-9700.

James G. Hulse, Jr.

Attachment

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# EXECUTIVE SUMMARY

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## OBJECTIVE

The objectives of this evaluation were to determine the extent of Partnership<sup>1</sup> activities at the Social Security Administration (SSA), how Partnership results are measured, and how time devoted to Partnership is tracked.

## BACKGROUND

Congress requested that the Office of the Inspector General (OIG) conduct an in-depth review of union activity at SSA to follow-up on previous General Accounting Office (GAO) work.<sup>2</sup> To further clarify the request, we met with staff members of the Subcommittee on Social Security, House Committee on Ways and Means (Subcommittee). The Subcommittee staff expressed an interest in the impact of Partnership on Agency operations and the reporting of time devoted to Partnership activities. In addition, the Subcommittee requested that OIG verify SSA's assertions that Partnership had reduced grievance and unfair labor practice filings.

OIG announced plans to evaluate SSA union activities, including Partnership, on February 10, 1997, and was met with strong resistance from the American Federation of Government Employees (AFGE). AFGE believed that this evaluation was "ill-advised" and not within the scope of the Inspector General's (IG) mandate.

When we began our evaluation, SSA had neither conducted its own evaluation of Partnership nor developed an inventory of its Partnership activities. On April 15, 1997, the National President of AFGE sent a letter to Acting Commissioner John Callahan requesting that a joint evaluation of Partnership be conducted by AFGE and SSA management. Acting Commissioner Callahan agreed and convened a meeting with SSA management and AFGE to discuss a joint evaluation of progress and improvements in organizational performance resulting from SSA Partnership activities.

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<sup>1</sup> Executive Order 12871, signed by President Clinton on October 1, 1993, articulated a new vision of labor-management relations, called "Partnership" that required agencies to involve employees as full partners with management to identify problems and craft solutions to better fulfill the agency's mission and serve its customers.

<sup>2</sup> GAO Report, *Social Security: Union Activity at the Social Security Administration* (GAO/AEH-97-3, October 2, 1996).

In July 1997, SSA established the Partnership Evaluation Team (PET) to design and conduct an evaluation of SSA Partnership. The team was charged with compiling the first agencywide inventory of Partnership initiatives and identifying: 1) progress and improvements in organizational performance, 2) Partnership successes for use as future models, and 3) where Partnership was not working and make recommendations for improvement. SSA's *Evaluation of Partnership* report was issued in March 1998. Because of SSA's undertaking of this project, we informed the Subcommittee that we planned to revise our approach and review SSA's Partnership inventory so that we did not duplicate SSA's efforts.

As part of our overall analysis of SSA's inventory, we selected a random sample of 9 activities from SSA's inventory of 1,537 activities for further review. We interviewed individuals who participated in these activities, with the exception of union participants on two of the activities who did not cooperate with our evaluation. In addition, we reviewed relevant Partnership Council meeting minutes and studies, reports, laws, and regulations related to Partnership. We interviewed Agency management, PET's team leader, and other Federal officials who were knowledgeable about union activity in the Federal sector. We also reviewed available Agency performance data that has been linked to Partnership and employee guidance on reporting time devoted to Partnership.

## RESULTS OF REVIEW

- ***DEFINITION OF "PARTNERSHIP" AND RELATED ACTIVITIES IS UNCLEAR***
- ***PARTNERSHIP ACTIVITIES INVENTORY IS QUESTIONABLE***
- ***SSA'S SYSTEMS DO NOT PROVIDE SUFFICIENT DATA TO SUPPORT PARTNERSHIP RESULTS OR ACCOMPLISHMENTS***

SSA Needs to Develop a Formal System for Identifying the Accomplishments or Cost Savings Resulting from Partnership Activities

We Could Not Conclude That a Connection Existed between Partnership and the Reduction in the Number of Grievances and Unfair Labor Practice Filings

- ***REPORTING OF TIME DEVOTED TO PARTNERSHIP ACTIVITIES HAS VARIED***
- ***EMPLOYEES MAY FIND NEW TIME-REPORTING GUIDANCE DIFFICULT TO FOLLOW***

- **NEW GUIDANCE RAISES MORE QUESTIONS ABOUT SSA'S PARTNERSHIP INVENTORY**

## CONCLUSIONS AND RECOMMENDATIONS

SSA's *Evaluation of Partnership* was the Agency's first attempt at quantifying the impact of Partnership on the Agency's mission and operations. However, some of the data that SSA's evaluation is predicated on are questionable because the Agency had not previously established sufficient accountability measures to track the associated costs and accomplishments resulting from Partnership activities.

To improve accountability and SSA's ability to perform future evaluations of Partnership, we recommend that SSA:

- develop a uniform definition of Partnership that is consistent with other Partnership-related guidance, such as the new time-reporting guidance, and ensure that this definition is communicated Agencywide;
- develop a formal system for identifying and maintaining Partnership accomplishments and cost savings that result from Partnership activities;
- determine whether employees are complying with the Agency's time-reporting guidance and determine whether clarification of the guidance is necessary; and
- develop a consolidated guide of time-reporting policies and procedures for reporting time devoted to Partnership and other union-related activities.

## AGENCY COMMENTS

SSA believed that many of OIG's conclusions and recommendations were based on a misunderstanding of the nature of Partnership and premised on the false notion that Partnership activities can be separated or distinguished from normal Agency business. SSA disagreed with OIG's perception that SSA's inventory of Partnership activities was questionable, and also disagreed with OIG's conclusion that the data did not support SSA's contention that the number of grievances and unfair labor practices (ULP) decreased due to Partnership. Also, SSA disagreed with OIG's recommendation to develop a formal system to identify Partnership results. SSA generally concurred with OIG's recommendations to clarify and consolidate time-reporting guidance and determine compliance.

## OIG RESPONSE

OIG does not agree with SSA's contention that Partnership activities cannot be separated or distinguished from Agency business. In fact, SSA has already provided guidance to do just that. OIG disagrees with SSA's belief that its inventory of Partnership activities was not questionable. We found that employees had different interpretations of which activities constituted Partnership, and that this resulted in inconsistent reporting. OIG does not agree with SSA's contention that a decrease in the number of grievances and ULPs established a pattern to support the position that the decrease was due to Partnership. The data lacked a comparative analysis which could support a causative role to Partnership. Lastly, OIG does not agree with SSA's position that Partnership is not amenable to qualitative analysis. We believe that SSA needs to establish guidelines for measuring the results of Partnership.

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# INTRODUCTION

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## OBJECTIVE

The objectives of this evaluation were to determine the extent of Partnership activities at SSA, how Partnership results are measured, and how time devoted to Partnership is tracked.

## BACKGROUND

Congress requested that OIG conduct an in-depth review of union activity at SSA to follow-up on previous GAO work. To further clarify the request, we met with staff members of the Subcommittee. The Subcommittee staff expressed an interest in the impact of Partnership on Agency operations and the reporting of time devoted to Partnership activities. In addition, the Subcommittee requested OIG to verify SSA's assertions that Partnership had reduced grievance and unfair labor practice filings.

### Evolution of Partnership at SSA

On October 1, 1993, President Clinton issued Executive Order 12871, which articulated a new vision of labor-management relations, called "Partnership." This new labor-management partnership was to champion change in Federal agencies and achieve the goals of the National Performance Review's (NPR) Government reform objectives.

Partnership required that agencies involve employees and their union representatives as full partners with management to identify problems and craft solutions to better fulfill the agency's mission and serve its customers. Agencies were to form labor-management councils and train employees and management in consensual methods of dispute resolution, such as alternative dispute resolution techniques and interest-based bargaining approaches. The Executive Order required that agencies evaluate progress and improvements in organizational performance resulting from labor-management partnerships.

The Executive Order also created a National Partnership Council (NPC) to establish a new form of labor-management relations throughout the Executive Branch and to promote the principles and recommendations adopted as a result of NPR. NPC is comprised of management and union representatives from various agencies and

labor organizations who advise the President on labor-management relations in the Executive Branch. NPC's responsibilities include: supporting the creation of labor-management partnerships and promoting partnership efforts in the Executive Branch; collecting and disseminating information about, and providing guidance on, partnership efforts; and using the expertise of individuals both within and outside the Government to foster partnership arrangements.

### **SSA's National Partnership Council**

On June 22, 1994, SSA entered into a National Partnership Agreement with AFGE and established its own 16-member NPC. Membership is divided equally between SSA and AFGE. The NPC's purpose is to design, implement, and maintain within SSA a cooperative, constructive working relationship between labor and management and to identify problems and craft solutions. It is intended to improve SSA's service delivery, help SSA's leadership make better decisions, deal with agencywide issues, and generate guidance for lower-level Partnership Councils.

### ***SSA Partnership Councils***

Partnership Councils have also been formed within SSA at the Deputy Commissioner level at the central office in Baltimore, Maryland, and at the Regional Commissioner levels. The Deputy Commissioner Councils include the Offices of the General Counsel; Human Resources; Operations; Finance, Assessment and Management; Programs and Policy,<sup>3</sup> and Systems. Formal Partnership Councils exist in 7 of SSA's 10 regions.

### **Evaluation of Partnership at SSA**

OIG announced its plans to evaluate union activities, including Partnership, on February 10, 1997, and was met with strong resistance from AFGE. AFGE believed that our evaluation was "ill-advised" and not within the scope of the IG's mandate.

When we began our evaluation, we learned that SSA had neither conducted its own evaluation of Partnership nor developed its own inventory of Partnership activities. On April 15, 1997, John N. Sturdivant, National President of AFGE, recommended that former Acting Commissioner John J. Callahan request that NPC jointly evaluate the progress and improvements in organizational performance resulting from SSA Partnership activities. Commissioner Callahan concurred with Mr. Sturdivant's recommendation and requested a meeting to discuss a joint

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<sup>3</sup> The Office of Programs and Policy has been renamed the Office of Disability and Income Security Programs.

evaluation of Partnership. On June 26, 1997, a special meeting of NPC was held, and members commissioned a joint evaluation of Partnership to chart SSA's progress and set the stage for the future.

### ***First Agencywide Inventory of Partnership***

In July 1997, NPC established PET to design and conduct an evaluation of SSA Partnership. The team was charged with compiling the first agencywide inventory of Partnership initiatives and soliciting input from various sources, such as Partnership Councils, work teams, managers, union representatives, and others who used Partnership principles. The team was to identify 1) progress and improvements in organizational performance, 2) Partnership successes for use as future models, and 3) where Partnership was not working and make recommendations for improvement. Because of SSA's undertaking of this project, we informed the Subcommittee that we planned to revise our approach and review SSA's Partnership inventory so that we did not duplicate its efforts.

For its evaluation of Partnership, PET developed a standardized form to solicit information on Partnership activities conducted since the issuance of Executive Order 12871 in 1993. All major central office components and regional managers and employees were requested to supply activity data, such as project title, description, starting/ending dates, and contact names. The form also required that each activity be categorized in one or more of the following: customer service, labor-management relations, operational efficiency, quality of work life, cost savings, empowered employees, and reinvention/reengineering. An inventory was constructed from this input, and it served as the starting point for PET's evaluation.

PET also conducted surveys and interviewed employees, including SSA Partnership Council members. These data, coupled with the Partnership inventory, were used to evaluate the progress of Partnership. The final report, *Evaluation of Partnership*, was issued in March 1998.

### **Recent Time-Reporting Guidelines**

In late 1997, SSA's NPC discussed how SSA should define Partnership activities and developed various instruments to be used to report time devoted to Partnership for employees and union representatives. NPC also worked to clarify a process for involving employees in work group activities. On December 16, 1997, the Agency issued guidance on reporting time devoted to Partnership for managers, employee volunteers, and facilitators. Subsequently, on January 23, 1998, SSA issued additional instructions on time-reporting requirements for union designees.

## Other Studies

GAO Report. In October 1996, GAO issued the report, *Social Security: Union Activity at the Social Security Administration* (GAO AEL S 97-3). Congress asked GAO to look at the history of union involvement in the Government; the statutory basis for the Government to pay employee salaries and expenses for union activities; the amount of time spent on, and costs associated with, union activities at SSA; and how SSA accounts for this time and money. Regarding Partnership, GAO reported that SSA was just beginning Partnership activities, and that these limited activities were not routinely reported as such in SSA's union time-reporting system. GAO indicated that some of the time spent on Partnership activities was being reported in other activity categories, and, as Partnership activities increased, the time devoted to them would increase. However, GAO pointed out that this increase would only become evident if SSA's time-reporting systems adequately designate this time.

OIG Reviews. In addition to our review of Partnership activities, OIG is conducting reviews of official time and employee observations on the use of official time. The following reports will be issued concerning these reviews:

- *Use of Official Time for Union Activities at the Social Security Administration* (A-13-97-72013);
- *Council 220 Union Representative and Manager Observations on the Use and Management of Official Time at SSA* (A-02-97-72002); and
- *Non-Council 220 Union Representative and Manager Observations on the Use and Management of Official Time at SSA* (A-02-98-02002).

## SCOPE AND METHODOLOGY

To determine the extent of Partnership activities at SSA, how Partnership results are measured, and how time devoted to Partnership is tracked, we:

- conducted a literature review of relevant testimony and reports, including SSA's *Evaluation of Partnership* report, SSA/AFGE National Partnership Agreement, National Agreement between AFGE and SSA, Executive Orders related to Partnership, and other relevant laws and regulations;
- reviewed AFGE publications and guides on labor-management partnerships;
- interviewed PET's team leader to obtain information on the study design and data used to develop the draft report, *Evaluation of Partnership*;

- analyzed and categorized Partnership activities in SSA's Partnership inventory and contacted individuals for clarification of certain activities (see Appendix A for our categorization of the activities);
- selected a random sample of 9 Partnership activities from SSA's Partnership inventory of 1,537 activities because it was the only data available;
- conducted telephone interviews with employees who participated in our sampled activities (see Appendix B for a description of these activities);
- reviewed available meeting minutes from SSA's NPC;
- reviewed available charters, agreements, and/or meeting minutes from the Partnership Councils that were represented in our nine sampled Partnership activities: New York, Chicago, Atlanta, Deputy Commissioner for Systems, and the Office of Hearings and Appeals;
- reviewed the Office of Labor-Management and Employee Relations (OLMER) data and statistics on unfair labor practices and employee grievances filed before and after the implementation of Partnership;
- interviewed staff from the Federal Labor Relations Authority (FLRA) to obtain information on the impact of Partnership on unfair labor practices and grievances;
- interviewed SSA managers from OLMER regarding data on unfair labor practices and grievances; and
- reviewed SSA guidance for reporting official time and "Partnership time" by developing a flow chart of the decision process for reporting time devoted to Partnership activities.

Our scope was limited because four union participants chose not to cooperate in two of the sampled activities (see Appendix B).

Our evaluation was performed from February 1997 through February 1998 at SSA Headquarters in Baltimore, Maryland. The evaluation was conducted in accordance with the **Quality Standards for Inspections** issued by the President's Council on Integrity and Efficiency.

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## RESULTS OF REVIEW

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We originally intended to evaluate Partnership and measure its effects on SSA's operations and goals. We planned to select several Partnership activities and evaluate the results and accomplishments of each activity. However, when we initiated our evaluation, we learned that SSA did not have an inventory of Partnership activities and had not performed an evaluation of Partnership. Therefore, we had no universe of activities from which to base our review.

Subsequently, SSA initiated an evaluation of Partnership and, as part of that effort, accumulated data from across the Agency to develop its first inventory of Partnership activities. We reviewed the methods used to accumulate the inventory and found that the inventory was potentially unreliable. The methods used could not ensure that all Partnership activities were identified, all activities were Partnership activities, or data in the inventory were accurate. Even SSA's *Evaluation of Partnership* report indicated that there was variation in the data received.

Also, we were unable to evaluate the implementation of SSA's recently issued time-reporting requirements for Partnership activities since the guidance had just been released during our field work. However, we did review the guidance and developed a flow chart to assess the decision-making process on how time devoted to Partnership is assigned and reported.

We found several areas of concern during our Partnership evaluation. In general, our concerns involve problems with the definition of Partnership and related activities, sufficiency of data to support Partnership results, and the usefulness of recently issued guidance about time devoted to Partnership activities.

### **DEFINITION OF "PARTNERSHIP" AND RELATED ACTIVITIES IS UNCLEAR**

Partnership. Since the inception of Partnership, there have been recurring discussions among the members of SSA's Partnership Councils over the definition and implementation of Partnership throughout SSA. In our review of the councils' minutes, we found discussions of union and management addressing the differences between traditional labor-management relationship and true Partnership. We also found the councils discussing issues regarding the roles of union and

management, what Partnership includes, and how Partnership should work. However, we did not find any clear definition or closure resulting from these discussions.

SSA's *Evaluation of Partnership* also reported that Partnership participants believed that there was a lack of a uniform SSA-wide definition of Partnership. Participants were uncertain of union and management's roles and the responsibilities of each in Partnership. The report further states that there is still confusion about the process and procedural technicalities, e.g., the relationship of Partnership to the collective bargaining process and alternative dispute resolution procedures.

Related Activities. When we tried to determine whether employees understood what constituted a Partnership activity, we found evidence of several different definitions. For example, an employee we interviewed believed that a Partnership activity exists when management involves the union early in the decisionmaking process. Another employee believed that it was an activity where non-bargaining and bargaining union employees worked together.

During our interviews with employees in our sampled activities, we found that guidance on Partnership was delivered in a variety of ways. Some employees mentioned they either received memorandums on Partnership, attended Partnership-related meetings, received interest-based bargaining training or received guidance during their involvement in work groups. However, other employees indicated that they had never received or did not remember receiving any guidance; that they received Partnership-related training, but it was vague; or that only their manager had received Partnership training.

## **PARTNERSHIP ACTIVITIES INVENTORY IS QUESTIONABLE**

The intent of Partnership was to involve employees and their union representatives as full partners with management. Together, they would identify problems and craft solutions to better fulfill the Agency's mission and serve its customers. When we reviewed the inventory of Partnership activities, we found it difficult to determine which activities met this intent. Since we found no clear definition of Partnership, it was not unexpected to find that SSA's inventory included a broad range of miscellaneous activities as shown in Table 1 (see Appendix A for our categorization of the activities in SSA's inventory). We question the usefulness of the diverse grouping of activities in assessing progress and measuring improvements resulting from Partnership.

**Table 1: Examples of the Diversity of Reported Partnership Activities**

<b>Activity Title</b>	<b>Activity Description</b>
<i>Debt Modernization Project</i>	Modernize and enhance debt management processes to conform to the Title II redesign.
<i>Modular Furniture Installation</i>	Continuing dialogue on furniture design, installation, seating assignment, and overall impact on employees.
<i>Organizational Planning Team</i>	Team chartered to develop options and recommendations for a new organizational structure based on a team-based policy development environment.
<i>Interest-Based Bargaining (IBB) Training</i>	The Regional Partnership Council agreed to promote IBB as the preferred manner of bargaining. Joint training was conducted for at least one management and one union official in each office in the region. A total of 280 persons were trained.
<i>Awards Panel</i>	Management/AFGE worked together to implement nationally and regionally negotiated awards procedures.
<i>Overtime</i>	The Partnership Committee met to determine the amount of overtime that should be requested for the remainder of Fiscal Year (FY) 1995.
<i>Central Office and Other Visitors</i>	Visitors such as Acting Commissioner Callahan, et al. are routinely introduced to local representatives during visits.
<i>Security – Physical</i>	Purchase of security mirror.

A potential reason for this diversity can be found in what employees were told to include as a Partnership activity. In our discussion with SSA management, they indicated that employees were instructed to include, along with “Partnership activities,” any activities that used Partnership principles, in particular, interest-based bargaining. In our view, interest-based bargaining is a problem-solving process or technique that is used in making group decisions and does not qualify as an activity in and of itself. As such, activities that made use of interest-based bargaining should not necessarily be classified as a Partnership activity. Overall, without a clear definition of Partnership, SSA cannot properly classify its activities or quantify improvements in organizational performance.

## **SSA'S SYSTEMS DO NOT PROVIDE SUFFICIENT DATA TO SUPPORT PARTNERSHIP RESULTS OR ACCOMPLISHMENTS**

### ***SSA Needs to Develop a Formal System for Identifying the Accomplishments or Cost Savings Resulting from Partnership Activities***

To comply with Executive Order 12871, SSA conducted an evaluation to determine progress and improvements in organizational performance resulting from labor-management partnerships. SSA used the Partnership inventory, coupled with interviews of Partnership Council members and surveys of employees involved in Partnership activities, to evaluate the progress of Partnership. In this evaluation, SSA reported accomplishments for several Partnership activities.

However, during our evaluation, we found no evidence of a formal system that was maintained to report on the accomplishments or improvements in organizational performance resulting from the labor-management partnerships. For example, we found that SSA's inventory of Partnership activities did not contain information on cost savings or benefits resulting from the activities. During our contacts with employees who participated in our sampled Partnership activities, we asked about the outcomes of the activities and whether monetary savings or other benefits resulting from the activity were compiled. We found that participants were not required, nor asked, to document either the accomplishments or organizational improvements that resulted from the partnering activity.

### ***We Could Not Conclude That a Connection Existed between Partnership and the Reduction in the Number of Grievances and Unfair Labor Practice Filings***

On June 27, 1996, SSA submitted a prepared statement to the Subcommittee<sup>4</sup> noting that Partnership had helped reduce the high costs associated with litigation of grievances.<sup>5</sup> Specifically, the prepared statement noted the following:

“... we have seen a reduction in litigation, specifically unfair labor practice charges, from 467 charges in FY 1990 to 209 charges in FY 1995. The General Accounting Office previously estimated the cost to the federal Government to fully process one unfair labor practice as in excess of

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<sup>4</sup> *Statement on Use of the Trust Funds for Union Activities, Commissioner of Social Security Before the Committee on Ways and Means Subcommittee on Social Security, United States House of Representatives, June 27, 1996.*

<sup>5</sup> Grievances are complaints filed by either an employee or labor organization concerning matters relating to the employment of any employee, the application of collective bargaining agreements, or violations or misapplications of any laws, rules, or regulations affecting conditions of employment.

\$28,000, so that the reduction represents a potential savings of over \$7 million per year.”

We reviewed SSA’s grievance and unfair labor practice<sup>6</sup> (ULP) data to determine whether support existed for the statements made by SSA. Based on our review of grievance and ULP data, we determined that the data SSA maintained were insufficient to draw such a connection. The data were incomplete, particularly before 1995, and did not provide sufficient detail to determine whether Partnership had reduced the number of grievances or ULPs. We also could not confirm whether the number of ULP filings reported by SSA were accurate and represented the total ULP filings for the Agency.

We discussed the lack of conclusive evidence with SSA management and informed them that we learned that, until recently, SSA had not established formal systems for accumulating grievance and ULP data. Management agreed that the data necessary “to prove the link” between Partnership and the reduction in grievances in ULPs did not exist before 1996. The Agency based its conclusion on the numerical reduction in grievances and ULPs rather than a detailed comparative analysis of grievances and ULPs past and present. However, management intuitively believed that Partnership has had a positive impact on the Agency and has made dealing with issues easier.

SSA management asked OIG to consider the findings included in a recent report, *Brief Technical Report on the National Partnership Council’s 1997 Federal Sector Labor Relations Climate Survey*.<sup>7</sup> Management believed that this study, along with previous reports issued by the Governmentwide NPC, has shown the benefits of Partnership. In reviewing this survey, we found no evidence of an analytical review of grievance or ULP data or other related information that could demonstrate that Partnership has caused the reduction in the number of filings of grievances or ULPs. Rather, NPC’s 1997 survey provided a broader assessment of the labor relations climate in the Federal sector and the perceived impact of Partnership on various measures of organizational performance. This study focused more on the dynamics of labor-management relations and the “perceived impact” on organizational performance through the use of survey questionnaires.

We additionally reviewed NPC’s 1996 survey<sup>8</sup> and found it also reported the reduction of ULPs. It characterized the decrease in the number of ULPs being filed

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<sup>6</sup> Unfair labor practices are charges filed against agencies over the application of the provisions of 5 U.S.C. Sections 7101 through 7135.

<sup>7</sup> Marick F. Masters and Robert R. Albright, *Brief Technical Report on the National Partnership Council’s 1997 Federal Sector Labor Relations Climate Survey*, December 10, 1997. This report analyzes survey data collected during the 1997 survey conducted by the Governmentwide NPC for use in its 1997 report to the President. As of the end of our field work, NPC’s 1997 report had not been issued.

<sup>8</sup> *A Report to the President on Progress in Labor-Management Partnerships*, NPC, October 1996.

with the FLRA over the last few years as an “indicator” of the positive effect of Partnership. Although there has been a continuous reduction Governmentwide in the number of filings in the past 5 years, the FLRA official we contacted could not confirm whether the reduction was due to the implementation of Partnership or from other factors. The FLRA official also stated that he was not aware of any agency that had data to support the conclusion that Partnership had reduced ULPs.

## **REPORTING OF TIME DEVOTED TO PARTNERSHIP ACTIVITIES HAS VARIED**

When we began our evaluation of Partnership activities at SSA, the Agency had not issued formal instructions to employees on how to report time devoted to Partnership activities. Therefore, in the absence of formal instructions, we asked employees how they had reported time devoted to our sampled Partnership activities. Given this situation, the reporting of time devoted to these activities varied. Several employees who represented the union in these activities indicated that they charged and reported their time under the category of official time, while others did not. Further, we found only one activity where management representatives tracked the time they devoted to the Partnership activity.

GAO also found during its audit of union activities that SSA was not routinely reporting time devoted to Partnership activities, and that it was possible that some time spent on Partnership activities was being reported in other official time categories. In response to a congressional inquiry<sup>9</sup> on the use of trust fund money for union activities at SSA, former Commissioner Shirley S. Chater acknowledged the inconsistent reporting of time devoted to Partnership. She also informed Congress that agencywide instructions would be issued for tracking time spent on Partnership activities as well as time spent by management in carrying out its labor-management responsibilities. Her response also indicated that these efforts would likely show a significant increase in time reported for union activities.

## **EMPLOYEES MAY FIND NEW TIME-REPORTING GUIDANCE DIFFICULT TO FOLLOW**

Despite the lack of an agencywide definition of Partnership, SSA's NPC held discussions in late 1997 regarding how employees are to report time devoted to Partnership. As a result of these discussions, new time-reporting guidance was developed that distinguishes three categories of time that employees spend on

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<sup>9</sup> On February 27, 1997, Commissioner Chater responded to a November 22, 1996 written inquiry from the Honorable Jim Bunning, Chairman, Subcommittee on Social Security, Committee on Ways and Means, United States House of Representatives.

Partnership-related activities: Partnership time, official time,<sup>10</sup> and Agency time.

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<sup>10</sup> Official time is time during which an employee would otherwise be performing Agency assigned work, but the employee is authorized by law, regulation, or negotiated agreement to spend time representing a union and/or bargaining unit employees.

The guidance distinguishes “Partnership activities” from Agency work group activities and defines the types of roles employees perform when participating in “Partnership activities.”

However, in SSA’s guidance, it is difficult to determine in which roles employees are serving in the newly defined “Partnership activities.” The guidance does not clearly define how work groups fit under the umbrella of Partnership. We developed a flow chart illustrating the complexity of the new policy (see Appendix C).

For the purposes of reporting “Partnership time,” SSA has defined Partnership activities to include 1) training on Partnership, 2) travel to and from Partnership meetings or training, 3) Partnership Council meetings,<sup>11</sup> and 4) facilitation of Partnership Council meetings or training.

Additionally, to report “Partnership time,” the Agency has developed three separate reporting forms. For employees to report time on the appropriate form, employees must determine whether they are serving as a union designee, employee volunteer, facilitator, or manager. SSA has defined these roles as follows.

- **Union designees** are union representatives or employees appointed by the union, who are members of a Partnership Council established by SSA and AFGE.
- **Employee Volunteers** are bargaining or nonbargaining unit employees who have been asked to participate in Partnership activities by either the union or management to assist the Partnership Council in its deliberations or activities.
- **Facilitators** serve as neutral parties to help members of a Partnership Council work together to reach an understanding of the issues and develop solutions that meet their interests.
- **Managers** are employees serving as a team leader, management designee, or as a manager or supervisor.

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<sup>11</sup> These activities include preparation, follow-up time and subcommittee meetings, but not participation on work groups and/or task forces.

While the employee's role may be clear when participating in an activity as a facilitator or a manager, it may be difficult for employees to distinguish whether they are an employee volunteer or a union designee.

Employees will report "official time" only in certain circumstances when participating in work groups. SSA has defined work groups as groups established by the Agency for which management requests the union to recommend bargaining unit employees to serve. It is not clear in the guidance how to determine whether a work group is or is not considered a Partnership-related activity.

The circumstances in which "official time" will be charged are determined by the capacity in which an employee serves on the work group. SSA has determined that "official time" will be charged when employees participating on work groups are representing the union. If the employee is not representing the union, the employee will be considered to be performing an Agency "assignment of work" and, as such, will have no formal reporting requirements because employees are considered to be working in a duty status or on "agency time."

The Agency has established criteria to determine whether an employee is representing the union. Management will request that the union recommend bargaining unit employees to serve on the work group. If management accepts the union's recommendations, employees who participate on the work group will work in an Agency "assignment of work" capacity or on "agency time." These employees must not serve in a representational capacity for the union while actually participating in the work group activities.

If management fails to accept the union's recommended bargaining unit employee, the union may elect to designate a union representative(s) to serve on the work group. These employees will serve in a union representational capacity and will report "official time."

## **NEW GUIDANCE RAISES MORE QUESTIONS ABOUT SSA'S PARTNERSHIP INVENTORY**

It is important for SSA management to recognize that its newly issued guidance is not consistent with the instructions issued to employees during its evaluation of Partnership. When developing SSA's inventory, management requested that employees report Partnership activities and include any activities that used the principles of Partnership. However, when developing its new time-reporting requirements, SSA altered this characterization of Partnership and defined Partnership activities to include specific activities.

To evaluate how this new guidance would affect SSA's inventory, we applied SSA's new policy to its Partnership activity inventory. We determined that approximately 192 of the 1,537 activities may qualify as "Partnership activities," and another 71 activities may qualify as work group activities because they were either titled or described as a work group. We could not determine how the time devoted to the remaining 1,274 activities would have been reported had these instructions been in place.

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## CONCLUSIONS AND RECOMMENDATIONS

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Executive Order 12871 articulated Partnership and required that agencies involve employees and their union representatives as full partners with management to identify problems and craft solutions to better fulfill the agency's mission and serve its customers. The Executive Order also requires that agencies periodically evaluate progress and improvements in organizational performances resulting from the labor-management partnership.

SSA's *Evaluation of Partnership* was the Agency's first attempt at quantifying the effect of Partnership on the Agency's mission and operations. While the evaluation meets the assessment objective of the Executive Order, some of the data on which the report is predicated are questionable. SSA's evaluation focuses on the perceived effect of Partnership and has little quantifiable data that can demonstrate how Partnership has improved SSA's ability to meet its mission and improve service to SSA's customers. The Agency also has not established sufficient accountability measures to track the associated costs and accomplishments resulting from Partnership activities.

To improve accountability and SSA's ability to perform future evaluations of Partnership, we recommend that SSA:

1. develop a uniform definition of Partnership that is consistent with other Partnership-related guidance, such as the new time-reporting guidance and ensure that this definition is communicated Agencywide;
2. develop a formal system for identifying and maintaining Partnership accomplishments and cost savings that result from Partnership activities;
3. determine whether employees are complying with the Agency's time-reporting guidance and determine whether clarification of the guidance is necessary; and
4. develop a consolidated guide of time-reporting policies and procedures for reporting time devoted to Partnership and other union-related activities.

### SSA'S GENERAL COMMENTS

SSA believes that many of OIG's conclusions are based upon a misunderstanding of the nature of Partnership and premised on the false notion that Partnership activities can be separated or distinguished from normal Agency business. SSA believes that Partnership activities have been directly responsible for many successes in enhancing customer service and improving the quality of employees' work life. SSA disagreed with the OIG's perception that its inventory of Partnership activities was questionable, and with the conclusion that available data did not support SSA's contention that the number of grievances and unfair labor practices decreased due to Partnership.

## **OIG's RESPONSE TO GENERAL COMMENTS**

We disagree with SSA's position that Partnership activities cannot be separated or distinguished from normal agency business. In fact, SSA issued guidance in December 1997 which described and distinguished between which activities should be considered partnership and which should be considered normal agency business. We continue to believe that the Partnership inventory is questionable. When conducting our evaluation, we found that employees had different interpretations of which activities constituted Partnership activities, resulting in inconsistent reporting. Concerning SSA's belief that Partnership has resulted in reducing the number of unfair labor practices and grievances, we maintain that there is insufficient data to conduct a comparative analysis of unfair labor practices and grievances past and present.

## **SSA's COMMENTS ON OIG's RECOMMENDATIONS AND OIG's RESPONSES**

**Recommendation #1: Develop a uniform definition of Partnership that is consistent with other Partnership-related guidance, such as the new time-reporting guidance and ensure that this definition is communicated Agencywide.**

### SSA Comment

SSA indicated that Partnership is an ongoing process in which it shares information, discusses issues, and crafts solutions in a cooperative, constructive working relationship between union and management in order to accomplish SSA's mission and to better serve SSA's customers. The Agency believes this definition is consistent with Executive Order 12871 and is in line with the National Partnership Partnership Handbook.

### OIG Response

In order for the Agency to evaluate the results and accomplishments of Partnership, employees need to have a clear understanding of how Partnership will work in the Agency and what activities are considered to be Partnering activities. This need for a definition was also expressed in the Agency's own evaluation of Partnership. When SSA issued its recent time-reporting guidance, the definition of Partnership began to evolve as specific types of activities were listed as "Partnership Activities." However, this list of Partnership activities did not include interest-based bargaining which was included in the "General Labor Management" activity category that is separate and distinct from the "Partnership Activities" category. The inconsistencies between what Partnering includes for the purposes of evaluating results and for the purposes of reporting time need to be resolved. Consistent guidance on defining Partnership and which activities are considered Partnership activities is essential for evaluation purposes.

**Recommendation #2: Develop a formal system for identifying and maintaining Partnership accomplishments and cost savings that result from Partnership activities.**

#### SSA Comments

SSA believes that the process does not lend itself to a quantitative analysis and that its Partnership Evaluation Report satisfies the requirement of the Executive Order.

#### OIG Response

We disagree with the Agency's conclusion that the process does not lend itself to a quantitative analysis. Even the Agency's own evaluation of Partnership attempted to perform a quantitative analysis. In its evaluation, the Agency assembled a data base of activities and conducted a non-statistical survey of its employees to report on the accomplishments and results of Partnership. To appropriately measure results, the Agency needs to establish consistent guidelines for measuring results of each Partnership activity or work group in addition to measuring time devoted to these activities and work groups.

**Recommendation #3: Determine whether employees are complying with the Agency's time-reporting guidance and determine whether clarification of the guidance is necessary.**

#### SSA Comments

SSA agreed with this recommendation.

**Recommendation #4: Develop a consolidated guide of time-reporting policies and procedures for reporting time devoted to Partnership and other union-related activities.**

SSA Comments

SSA implemented its new time-reporting system in February 1998. Prior to that, OLMER issued guidance on how to implement the new system, including the distinctions to be made among official time, Partnership time, and labor relations activities. Additionally, OLMER initiated training on the system, and established a telephone information connection for managers throughout the organization about the guidance.

IG Response

During our evaluation, we found that time reporting guidance was issued in several different memoranda over several years. However, we found no singular consolidated guide that clearly defined how employees should report time devoted to union activities, including Partnership activities. One central publication would provide a much needed Agencywide policy on how employees should report time spent on Partnership and union activities.

# **A P P E N D I C E S**

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## 0 IG Analysis of SSA's Partnership Inventory

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We performed our own analysis of SSA's Partnership activity inventory to better understand the types of activities that were included in the inventory. In doing so, we categorized the activities into 7 major categories and 13 sub-categories based on our review of each activities' description. The following table shows the distribution of the activities among the major categories and sub-categories and provides a description of the types of activities that are in these categories.

## OIG CATEGORIZATION OF SSA'S PARTNERSHIP ACTIVITY INVENTORY

CATEGORY/ SUB-CATEGORY	ACTIVITIES INCLUDED IN SUB-CATEGORY
<b>A) Employee Evaluation and Recognition</b>	
Appraisal	Types of activities included the evaluation of assessment criteria and performance standards for types of positions.
Awards	These activities included the development of awards program guidelines or instructions and the award panel activities where employees form committees to select employees for awards.
Development	These included activities such as assessment promotion panels and the development of employee development programs, such as career ladder and upward mobility programs.
<b>B) Health &amp; Safety</b>	
Activities addressed physical security, health and safety issues in SSA buildings	
<b>C) Office Facilities</b>	
Equipment	These activities addressed the purchase and distribution of equipment, such as computers and telephones.
Furniture	These activities involved the installation of furniture in offices, which included the layout, placement and design of office space. Some activities overlapped with the Renovations category.
Renovations	Types of activities included the renovation and remodeling of offices that involved the selection of carpets, purchase of furniture, wall placements, and floor plans. Some of these activities overlapped with the Furniture category.
<b>D) Partnership Meetings and Training</b>	
Meetings	These activities represent Partnership Council meetings and other meetings between union and management.
Partnership Training	These activities involved training initiatives related to Partnership, i.e., interest-based bargaining, facilitation, brainstorming and consensus decision-making.
<b>E) Reassignment and Relocation</b>	
Reassignment	These activities included the reassignment of employees to other localities. They also included the restructuring of SSA organizations such as the merging of two separate offices.
Relocation	These activities involved the relocation and movement of SSA offices.
<b>F) Working Conditions</b>	
These activities addressed issues such as time and attendance, leave and overtime policies, overtime usage, and break policies.	
<b>G) Workload Distribution and Processing</b>	
Disability Redesign	Activities included initiatives related to the redesign of the disability process.
Training	These activities involved training related to workload processing.
Workload	These activities involved workload related activities such as the distribution of workloads, assignment of work, telephone coverage, piloting of work processes, and enhancement of automated systems.
	<b>TOTAL ACTIVITIES</b>



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# Sample Partnership Activities

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## SAMPLED PARTNERSHIP ACTIVITIES

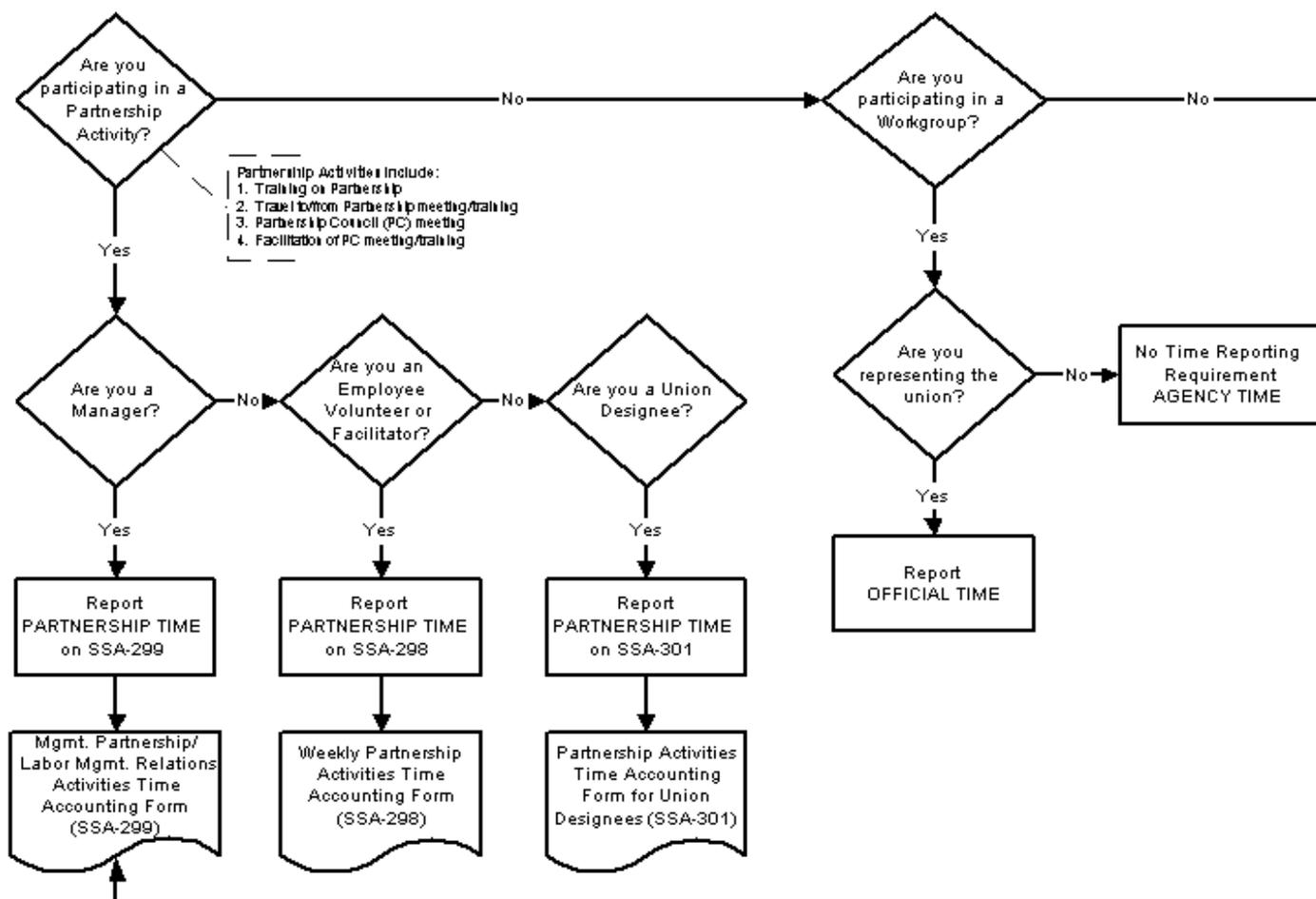
Activity Title	Component or Region	Purpose of Activity
Shifting Work loads	Chicago	Shifted work load to other employees and offices due to the large receipt of child hood disability and drug addiction and alcoholism claims.
Fiscal Year 1996 Nashville District Awards Panel	Atlanta	Determined the size and composition of the District Awards Panel to ensure a fair representation of management and employees on the panel.
Holiday Leave Schedule	Chicago	Reviewed procedures for holiday leave usage to ensure a balance between employee leave requests and meeting the demands of the public.
Streamlining the Work Process in the Docket and Files Branch	Office of Hearings and Appeals	Reviewed the Memorandum of Understanding regarding streamlining the work processes in Docket and Files Branch.
Flexiplace	Office of Hearings and Appeals	Implemented the final phase of flexiplace.
Reception Initiatives to Improve Service to the Public	New York	Evaluated ways of improving long customer waiting times in the reception area that resulted from the departure of two employees.
1997 Awards Panel Training Development Work group	Office of Systems	Evaluated awards panel training to determine how to administer it to Systems Awards Panels.
Regional Partnership Council Formal Training	Atlanta	Provided training to employees serving on Partnership Councils on Council formation and interest-based bargaining.
Disability Claims Manager	New York	Piloted the new Disability Claims Manager position that combined the claims representative and disability examiner functions.

\*We attempted to obtain information on these activities from union participants. However, these participants did not provide an evaluation.

# Reporting Time Devoted to Partnership Decision Process

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## REPORTING TIME DEVOTED TO PARTNERSH DECISION PROCESS



**Key Definitions:**

- 1 - Workgroup - A group established by the Agency and for which management requests the union to recommend bargaining unit employees to serve on the workgroup.
- 2 - Manager - Employee serving in the role of team leader, management designee, or manager/supervisor.
- 3 - Employee Volunteer - A bargaining or non-bargaining unit employee who has been asked to participate in Partnership activities by either the union or management to assist the Partnership Council in its deliberations or activities.
- 4 - Union Designee - Union representatives or employees appointed by the union who are members of a Partnership Council established by the SSA and AFGE.



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# AGENCY COMMENTS

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# UNION RESPONSE COMMENTS

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# MAJOR CONTRIBUTORS TO THIS REPORT

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# SSA ORGANIZATIONAL CHART

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