

GAO

Testimony

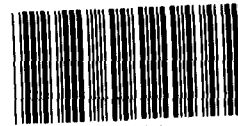
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Federal Employee
Suggestion Program

Statement of

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Before the
Subcommittee on Civil Service
Committee on Post Office and Civil Service
House of Representatives



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Madam Chairwoman and Members of the Subcommittee:

I am pleased to be here today to discuss our recent work on federal employee suggestion programs. At the request of Representative John Kasich, we reviewed the implementation and effectiveness of employee suggestion programs, with particular emphasis on the Departments of Defense and State and the Architect of the Capitol. In March 1987, we issued a report on our findings, and I would like to offer a copy at this time for the record.

Under provisions of title 5, U.S.C., as implemented by 5 CFR, Part 451, executive agencies and certain other government organizations are required to establish employee incentive awards programs, including suggestion programs. The objective of the awards programs is to improve government operations by recognizing and rewarding employees for their exceptionally meritorious achievements or suggestions. The Office of Personnel Management (OPM) is responsible for issuing regulations to carry out the programs.

Of the 83 agencies reporting to OPM on their suggestion program activities for fiscal year 1985, 36 reported achieving tangible benefits of about \$200 million. However, the reports also showed that suggestion program activities and results varied widely among the agencies. Defense agencies had the greatest

activity and reported the most savings from the program. For example, the Air Force received 16.1 suggestions per 100 employees during fiscal year 1985; it adopted 8,940 suggestions at an estimated savings of \$71 million. In contrast, the State Department received only .13 suggestions per 100 employees during that same year, adopted one suggestion, and reported no tangible benefits. Thirty agencies reported no activity in their programs; others, such as the Architect of the Capitol, had no program at all. The Architect of the Capitol said it had not established a program because it is in the legislative branch and did not believe Congress intended to make the program mandatory and provide OPM with oversight of a legislative branch agency. While the Architect may believe the program is permissive, the law specifically states that the incentive awards program provisions apply to the Architect of the Capitol.

Program results appear to be directly related to the level of management emphasis and resources devoted to the program. The Air Force provided staffing for the program at headquarters, command, and, installation levels, used an automated tracking system to monitor the status of suggestions, and actively promoted the program. On the other hand, State devoted only part of one employee's time to the suggestion program for the entire Department and did not publicize or promote it. State officials told us they were seeking ways to improve the program but budgetary constraints were a problem.

In carrying out its oversight role, OPM has provided guidance and offered technical assistance to agencies to encourage them to establish and support suggestion programs. However, OPM had done little to evaluate program operations at the agency level. While agencies employing a vast majority of the federal workforce were filing annual reports on their program activities with OPM as required, other agencies were not and OPM did not have a listing of all agencies required to submit such reports.

In response to our report, OPM said that it was undertaking initiatives to improve the program. These included identifying and following up with organizations that are not reporting results under the program, and contacting agencies with low program activity to determine the reasons why, discuss corrective action, and offer assistance.

That concludes my prepared statement, Madam Chairwoman. I would be happy to answer any questions you may have.