



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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JUN 07 1976

The Honorable Herbert E. Harris II
House of Representatives

Dear Mr. Harris:

Pursuant to your request of June 26, 1975, this is our report on the alleged improprieties at the United States Postal Service's Northern Virginia Sectional Center Facility, Merrifield, Virginia.

A summary of our findings with regard to each of the allegations follows. A more detailed discussion of each allegation can be found in the enclosure.

Management interferes with grievance procedures.

Allegations were made that management interfered in the grievance-arbitration procedures established in the National Agreement.

We reviewed about 700 grievances for the period March 1972 to December 1975. We found no pattern of management interference or circumvention of the grievance-arbitration procedures outlined in the National Agreement. In the few instances where grievances were filed on management interference, these were resolved through the normal procedures. Although Postal Service and union officials were following proper procedures, the timeframes specified in the National Agreement for processing grievances were often exceeded. Delays in grievance processing occurred at both the Merrifield and the regional levels. However, neither management nor union representatives considered the delays a significant problem.

Management interferes in discrimination complaint process.

Management at Merrifield allegedly interfered with the Equal Employment Opportunity discrimination complaint process as established by the Civil Service Commission.

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In our review of the 116 discrimination complaint cases filed since the facility opened, we found no instance of interference in the discrimination complaint process by management. However, we found that complaints from Merrifield employees had not been processed within established timeframes.

Supervisor harassment of employees.

Allegations were made in the material provided to us that supervisors at Merrifield were harassing employees. We interviewed employees who cited isolated instances where they believed harassment had occurred, but we found no evidence to support charges of employee harassment.

Approximately 16 percent of the grievances were specifically filed on this issue and all discrimination complaints may be considered related to harassment. Through a 2-day course in human relations, management has been trying to make supervisors more aware of employees' feelings in the conduct of their duties.

Improper work and overtime assignments.

It was alleged that staff was improperly assigned because they were incorrectly (1) detailed (temporarily assigned to fill a vacant position), (2) shifted from work station to work station, and (3) selected or not selected for overtime.

We found no indication that employees were generally assigned improperly by Merrifield management. Instances of formal employee complaints of improper assignments were noted in the grievance files. We believe the grievance procedures provide an appropriate channel for resolving employee complaints of this nature.

Low employee morale affected mail delivery performance.

It was alleged that low employee morale due to the alleged labor/management problems had resulted in poor mail handling and delivery performance.

The Merrifield facility is new, having opened in March 1972. We believe that employee morale at Merrifield was low in the past due in large part to labor/management problems encountered in its early operating stages. However, progress

has been made in resolving many issues and Service officials at Merrifield and local union officials believe that a good working relationship has been achieved.

According to Merrifield officials, many of the difficulties at Merrifield began because the facility was severely understaffed when it first opened. A Postal Service hiring freeze forced mandatory overtime with many employees working 10 to 12 hours every day of the week. In addition, officials stated that employees were forced to adjust to a changed work environment as they came from small post offices with largely manual operations to a large, mechanized, and more impersonal facility. Unfortunately, the relationship which developed in the early stages of operation of the facility has had a lingering effect on labor-management relations.

We found no indication that employee morale has had an adverse impact on mail handling and delivery performance. The Postal Service's Origin-Destination Information System statistics show that Merrifield's first-class mail delivery performance generally exceeded Service-wide performance.

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As part of our review, we interviewed Postal Service officials at Headquarters, the Eastern Regional Office in Philadelphia, and the Merrifield Sectional Center Facility. Local and regional union representatives were contacted and discussions were held with numerous employees at the Merrifield facility. We reviewed the Service's personnel complaint case files, Equal Employment Opportunity and Employee Grievance reports and documents, and observed mail processing operations at the Merrifield facility.

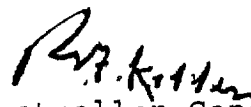
Our review of the grievance procedures was limited to determining if procedures available to employees were allowed to operate unimpeded by postal management. We did not attempt to determine if violations of the National Agreement occurred or to interject ourselves in dispute settlements.

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We will be pleased to meet with you or your staff to discuss the attached material further if you so desire.

Sincerely yours,

DEPUTY


Comptroller General
of the United States

Enclosure

INFORMATION ON ALLEGED
IMPROPRIETIES AT THE NORTHERN
VIRGINIA SECTIONAL CENTER FACILITY

INTERFERENCE IN NEGOTIATED
GRIEVANCE PROCESS

Allegations were made that management interfered in the grievance-arbitration procedures as established in the National Agreement.

We reviewed about 700 grievances for the period March 1972 to December 1975 and found no pattern of management interference or circumvention of the grievance-arbitration procedures outlined in the National Agreement. In a few instances, grievances were filed alleging management interference in on-going grievance cases. These were resolved through normal procedures.

Although Postal Service and union officials were following proper procedures, the timeframes specified in the National Agreement for processing grievances were often exceeded. Delays in grievance processing occurred at both the Merrifield and the regional levels. However, neither management nor union representatives considered the delays a significant problem.

Delays in grievance processing

A grievance is discussed initially by the employee with his immediate supervisor. The National Agreement requires the supervisor to give the employee a decision within 5 days. No records are required to be maintained at this step and we could not measure the timeliness of decisions rendered by supervisors. The decision of the supervisor is subject to appeal by the employee's union to the manager of the facility. A decision at this level is required within 10 days after the appeal date. We found, however, that approximately 40 percent of the grievances that were appealed to the manager level were not processed by the Merrifield manager within the time specified by the National Agreement.

An analysis of 93 grievances that exceeded the 10-day limit during 1975, showed that an average of 17 days elapsed from appeal of the supervisor's decision to the decision by the manager of the facility. Processing time for the 93 grievances ranged from 11 to 65 days.

The National Agreement states in part

"Failure by the Employer to render a decision in any of the Steps of this (grievance/arbitration) procedure within the time herein provided for (including mutually agreed-to extension periods) shall be deemed to move the grievance to the next Step of the grievance procedure."

Union and management officials informed us that they have often agreed to extensions of the 10-day requirement. However, a review of grievance records indicated that time extensions were not agreed to in all grievance cases where delays occurred. We noted that in some cases even the agreed-to extended timeframes were exceeded before a decision was rendered.

Grievance processing by the Eastern Region begins if the decision rendered at the Merrifield facility is appealed. The appeal is made by regional union officials. Regional Service officials are required to render a decision within 7 or 15 days from the date of appeal, depending on the type of grievance.

Eastern Region decisions were untimely in approximately 70 percent of the grievances appealed from Merrifield. For the 75 grievances which exceeded the time limits during 1975, an average of 30 days elapsed between the appeal of the Merrifield decision and the Eastern Region's decision. The processing time for these 75 grievances ranged from 12 to 112 days.

Eastern Region officials informed us that grievance processing problems at the regional level are complicated by the following:

- Regional union and regional management officials have offices approximately 130 miles apart.
- The volume of grievances from facilities throughout the Eastern Region has been higher than anticipated.

Union officials informed us that at each step, management's decision is obtained before a decision to appeal to a higher level is made. According to union officials every attempt is made to settle a grievance at the lowest level possible. In their view, obtaining a fair decision is paramount and timeliness is secondary in comparison.

Service officials at Merrifield stated that they felt the established timeframes for grievance processing failed to take into consideration the three-shift nature of postal work and the scheduling of employees' days off at times other than the weekends when they could not always be contacted to discuss aspects of their complaints. For these reasons, officials at both the local and regional level informed us that time extensions are sometimes necessary to allow management time to decide cases before a decision to appeal to a higher level is made.

A regional official informed us that a realignment of responsibilities within the region is being made in order to speed up grievance processing.

As indicated earlier, employees are not directly involved in the grievance processing beyond the initial step because the union acts as the employee's representative. Consequently, employees are not aware of the reasons for delays in the complaint processes. A Regional union official told us that although no established procedure exists for keeping employees informed of the status of their grievances, the local union should be performing this function. Some employees who had filed grievances told us they did not know whether their grievances were still pending or had been dropped by their union.

Management concurs that time delays and inadequate feedback contribute to employees' lack of confidence in the grievance system and adversely affect morale, but considers the lack of information on the status of the complaints the responsibility of the union.

INTERFERENCE IN EQUAL EMPLOYMENT
OPPORTUNITY DISCRIMINATION
COMPLAINT PROCESS

Management at Merrifield allegedly interfered in the Equal Employment Opportunity discrimination complaint process.

The Civil Service Commission is responsible for establishing guidelines and reviewing the Postal Service's Equal Employment Opportunity program operations. Our analysis showed that Postal Service instructions for processing discrimination complaints comply with the guidelines set forth by the Commission.

We reviewed the Postal Service's records for the 116 discrimination complaint cases filed since the facility opened and found no instance of interference in the discrimination complaint process by management. However, we found that employee complaints have not been processed within established timeframes.

Delays in discrimination
complaint processing

Prior to filing a written formal complaint, Civil Service Commission guidelines and Service regional instructions require the complainant to consult an Equal Employment Opportunity counselor. The precomplaint counseling system is the only portion of the process over which Merrifield management personnel have control. Civil Service Commission guidelines suggest the aggrieved employee be interviewed by the Equal Employment Opportunity counselor within 2 or 3 days after the matter is brought to the counselor's attention. The counselor's informal solution attempt should be completed within 21 days. If the matter is not resolved to the aggrieved employee's satisfaction within the 21 days, the employee will be informed in writing of his right to file a complaint of discrimination.

We found that Merrifield counseling services have not been provided within suggested timeframes. In the 189 precomplaint counseling cases handled during calendar year 1975, the counselors:

- exceeded the timeframe for initial contact with the aggrieved employee in 62 percent of the cases, and
- exceeded the timeframe for solution attempt in 21 percent of the cases.

The formal complaint stage is managed by Postal Service officials in the Eastern Region. We found that the Eastern Region generally did not process employees' complaints in a timely manner.

Civil Service Commission guidelines specify two critical timeframes in complaint processing:

- Both the agency and the complainant shall proceed without delay so that the matter is resolved within 180 days after it was filed.

--Agencies should make a decision on complaints or request a Civil Service Commission complaint examiner within 75 days of the date of filing.

We found that on the average:

--73 days elapsed between the date of filing and the date the Postal Service complaint investigator was assigned to the case, thereby precluding a decision or request for a Civil Service Commission complaint examiner within the specified timeframe, (103 cases);

--160 days elapsed between the date of filing and the distribution of the investigator's report on the case, making a final decision within 180 days unlikely, (91 cases);

--208 days elapsed between the date of filing and the settlement attempt, (66 cases); and

--326 days elapsed between the date of filing and the request for a Civil Service Commission examiner, (18 cases).

According to a Merrifield official, these delays were responsible for some dissatisfied employees and a lack of confidence in the complaint system.

Eastern Region officials advised us that delays in discrimination complaint processing are not unique to Merrifield, but are a problem existing throughout the Eastern Region due to inadequate resources and a high volume of cases. We were informed by Postal Service officials at Headquarters that a task force is in process of making recommendations for improvement of the Service-wide formal complaint processing system, including investigator staffing needs of each region.

Problems with past counselors and investigators

We were informed by Merrifield officials that initially there were problems with the quality of counselors and investigators assigned to handle employee complaints at Merrifield. One counselor that served at the facility was disciplined for taking reprisals against a Merrifield employee who had filed a discrimination complaint case.

Another counselor apparently inaccurately reported the issues identified in his counseling sessions. Although the current counselors appear to be more acceptable to employees at Merrifield, prior difficulties have created some mistrust and morale problems.

Complainants, counselors, and high-level management officials at Merrifield indicated dissatisfaction with some of the investigations made in the past. Reinvestigations of several cases were requested by Merrifield management due to inadequate investigative reports. A Merrifield management official told us he felt that inadequate investigations have been a problem in the past and that they had an adverse effect on employee morale. However, he felt the problem had been resolved by the use of experienced investigators.

SUPERVISOR HARASSMENT OF EMPLOYEES

Allegations were made in the material provided to us that Merrifield supervisors were harassing employees. We interviewed employees who cited isolated instances where they believed harassment had occurred. We found no evidence to support charges of employee harassment. Approximately 16 percent of the grievances were specifically filed on this issue and all discrimination complaints may be considered related to harassment.

Postal Service officials at Merrifield stated that from the day the facility opened, controls over personnel policies were tightly enforced. They explained that in the early months of operation, management did not possess the employee reference cards which contain a history of the employee's work experience including disciplinary actions. In effect, this wiped the slate of each employee clean. However, as the necessary accumulation of employee disciplinary actions were recorded, people began to be put in suspendable situations as defined in the National Agreement. Sufficient documentation must be accumulated to establish a history of tardiness, absenteeism and leave violations; and the correct procedures must be followed before an employee can be suspended. As time went on, an increasing number of grievances were filed by employees as a result of the increasing number of disciplinary actions being taken by Merrifield management.

In addition, during the hiring freeze in effect during the early months of operation at Merrifield, management was

forced to place many craft employees temporarily in supervisory positions. Merrifield officials felt that temporary supervisors were reluctant to institute proper disciplinary actions against fellow employees because they were concerned about exercising their supervisory authority. Officials stated further that they were not aware of acts of harassment by any supervisors, but were unable to assure us that it did not occur.

In an attempt to strengthen supervisors' awareness of employees' feelings, a 2-day course in human relations is being given to supervisors at Merrifield. Approximately 63 percent of the supervisors had participated in the course as of January 30, 1976. A postal official informed us that the remainder are scheduled to attend the course during fiscal year 1976. Management does not evaluate first-line supervisors on how well they satisfy their equal employment opportunity responsibilities. They are evaluated on their overall performance in such areas as productivity, safety, and quality of service. Supervisory candidates are evaluated on human relations and communication but not specifically equal employment responsibilities.

The Civil Service Commission has guidelines which stress the importance of an evaluation in this area. Merrifield management officials thought that such a rating would be beneficial but were hesitant to implement their own, since Postal Service headquarters does not require the rating. Officials told us that if headquarters does not implement an evaluation system soon, they will do it on their own. They have been in touch with Civil Service Commission officials who have provided guidelines used by other agencies as possible models for their own system.

IMPROPER WORK AND OVERTIME ASSIGNMENT

It was alleged that staff was being improperly assigned because they were incorrectly (1) detailed (temporarily assigned to fill a vacant position), (2) shifted from work station to work station, and (3) selected or not selected for overtime.

We found no indication that employees were assigned improperly by Merrifield management. Instances of formal employee complaints of improper work assignments were noted in the grievance files. We believe the grievance procedures provide an appropriate channel for resolving employee complaints of this nature.

Improper detailing of employees

Vacant positions are sometimes filled by detailing craft employees until a permanent replacement is selected. These positions are desirable in that they are generally higher level work and employees receive additional compensation. Some employees felt that they had not been given an opportunity to compete for certain desirable positions, and that such positions were given out as favors to preferred employees. Our review of the grievance files showed that all complaints filed were done so under the 1973 National Agreement. The agreement states that "detailing of employees to higher level bargaining unit work in each craft shall be from those eligible, qualified, and available employees in each craft in the immediate work area in which the temporarily vacant higher level positions exists." There were no other published procedures in effect at that time. Therefore, positions were filled by "management prerogative."

Postal Service officials stated that experience gained while on detail to a position may or may not have been a qualifying factor which would be taken into consideration when a particular or a similar position was ultimately filled on a permanent basis.

Because of the wide latitude given management under the 1973 agreement to detail employees, there is no way to determine, after-the-fact, the basis for selecting one employee rather than another for a temporary detail.

We found no evidence to support the allegations that positions were given out as favors to preferred employees. Based on the small percentage of grievances filed in this area, we feel that management generally followed the procedures as outlined in the National Agreement.

The 1975 National Agreement limits the Postal Service's detailing of higher level positions in the bargaining unit to senior, qualified, eligible, available employees in the immediate work area if a duration of more than five work days is anticipated. If the position is filled permanently by promotion, the senior qualified craft employee must be selected. All other details within the bargaining unit shall be from those eligible, qualified, and available employees in each craft in the immediate work area.

Improper shifting of employees

Employees obtain preferred "nonsupervisory" assignments based on seniority. According to management officials, many of these assignments, depending on mail volume, may not contain eight full hours of work and employees are shifted to other work which may be less preferred. Employees may also be shifted because of urgency in another area.

Although management has the right under the provisions of the National Agreement to move employees to stations where their services are needed the most, some employees believe that they should remain predominantly in the assignment they gained by seniority rights. Postal officials maintain that employee movement is necessary to ensure that adequate personnel are at the various work stations to guarantee proper movement of the mail.

Improper selection of employees for overtime

Our analysis disclosed that 66 grievances were filed over the issue of overtime during the period March 1972 to December 1975. The emphasis of these grievances in recent years has shifted from the assignment of mandatory overtime to a concern over who is assigned the limited amount of overtime that is available. According to the National Agreement, overtime assignments are to be made on the basis of (1) employees on the "Overtime Desired" list each facility maintains, and (2) skills necessary to perform the overtime work.

Employees alleged that management was not using the list of employees who desire overtime. Service officials at Merrifield informed us and we were able to document from their files that this has occurred in at least two instances. Grievances were filed by employees who were bypassed on the overtime desired list and overtime payments were made to them in resolving the grievance.

LOW EMPLOYEE MORALE AFFECTED
MAIL DELIVERY PERFORMANCE

It was alleged that low employee morale, due to the alleged labor/management problems, had resulted in poor mail handling and delivery performance.

The Merrifield facility is new, having opened in 1972. We believe that employee morale at Merrifield was low in

the past due in large part to labor/management problems encountered in the early operating stages. However, progress has been made in resolving many issues and Service officials at Merrifield and local union officials believe that a good working relationship has been achieved.

As we pointed out earlier in our discussion of each allegation, the morale of some employees has been adversely affected to a certain extent. We found no indication, however, that employee morale has had an adverse impact on mail handling and delivery performance.

According to Merrifield officials, many of the difficulties at Merrifield began because the facility was severely understaffed when it first opened. A Postal Service hiring freeze forced mandatory overtime with many employees working 10 to 12 hours every day of the week. In addition, officials stated that employees were forced to adjust to a changed work environment as they came from small post offices with largely manual operations to a large, mechanized, and more impersonal facility.

Overall employee attitude at Merrifield appears to be good. Although some employees interviewed still feel that major problems exist, union and management officials told us that a positive and progressive labor/management relationship has been established. Both parties were of the opinion that even though definite differences still exist, each side has made a concerted attempt to understand the other's position on the issues.

One possible indication of employee morale is Merrifield's employee quit rate (voluntary departures). Quitting one's job usually indicates either dissatisfaction with current employment or better opportunities with another employer. The quit rate at Merrifield was exceptionally high when the facility first opened. Even though the rate has steadily declined, the rate at Merrifield remains much higher than the Postal Service average.

The quit rate at Merrifield as compared to the national average for 1973-75 is presented below.

Comparison of Quit Rates

<u>Year</u>	<u>Merrifield quit rate</u>	<u>USPS quit rate</u>
1973	37.2%	7.4%
1974	21.2%	5.6%
1975	12.2%	4.7%

Merrifield management attributed the high quit rate to a highly transient work force in the Metropolitan Washington Area and a large number of employees returning to school. In an attempt to verify management's position that people were leaving for reasons other than dissatisfaction with working conditions, we examined the files of 359 clerks and mail handlers who terminated their employment at Merrifield. The reason given by 20 percent of the employees who terminated was returning to school. Another 18 percent indicated that they left to either get a better job or were leaving the area. Only about 5 percent of those employees leaving during this period cited dislike of the working conditions as a reason for leaving.

We found no evidence that mail processing had been adversely affected by labor management relations problems. Generally, Merrifield has been successful in meeting mail delivery standards established by the Postal Service. A nationwide goal of 95 percent efficiency for first-class mail delivery was established for the following categories:

- local mail in 1 day (overnight delivery),
- regional mail (600-mile radius) in 2 days, and
- all other areas in 3 days.

The following table, created from Postal Service's "Origin-Destination Information System" quarterly reports, indicates Merrifield's success in meeting the delivery standards for fiscal year 1975.

Percent of mail delivered

<u>Fiscal year 1975</u>	<u>Overnight</u>	<u>2 days</u>	<u>3 days</u>
<u>Postal Quarter 1</u>			
Originating	96	91	94
Destinating	96	92	95
<u>Postal Quarter 2</u>			
Originating	97	90	83
Destinating	97	86	88
<u>Postal Quarter 3</u>			
Originating	97	94	93
Destinating	97	88	93
<u>Postal Quarter 4</u>			
Originating	97	95	95
Destinating	97	96	96

As shown above, Merrifield exceeded the Service's goal of 95 percent delivery of first-class mail in overnight areas for all four quarters of fiscal year 1975. In addition, although Merrifield fell below the standard in 2- and 3-day delivery areas for some quarters, the major problems occurred during the Christmas season (Postal Quarter 2) when mail volume is much heavier than normal. According to Origin-Destination Information System statistics, Merrifield's mail delivery performance percentages exceeded Service-wide percentages for the same period in almost every instance.