**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO**

**AND**

**THE AFGE NATIONAL VETERANS’ AFFAIRS COUNCIL**

**STATEMENT FOR THE RECORD**

**FOCUSING ON PEOPLE: A REVIEW OF VA’S PLANS FOR EMPLOYEE TRAINING, ACCOUNTABILITY AND WORKLOAD MANAGEMENT TO IMPROVE DISABILITY CLAIMS PROCESSING**

**COMMITTEE ON VETERANS’ AFFAIRS**

**SUBCOMMITTEE ON DISABILITY ASSISTANCE AND MEMORIAL AFFAIRS**

**UNITED STATES HOUSE OF REPRESENTATIVES**

**MARCH 20, 2013**

**Overview**

The American Federation of Government Employees and the AFGE National Veterans’ Affairs Council (hereinafter “AFGE”), the exclusive representative of employees processing disability claims at Veterans Benefits Administration (VBA) Regional Offices (ROs) supports the Department’s Transformation efforts and appreciates the opportunity to share our concerns and recommendations regarding employee training, accountability and workload management in order to improve the timeliness and accuracy of disability claims processing.

**Summary of Recommendations**

Training: AFGE urges flexibility to address training needs of individual ROs, while maintaining national consistency and quality. Also, new employees need sufficient training before being rushed into production. Management should be held accountable for providing sufficient time for training, including adequate classroom training with actual cases incorporated into the curriculum. Front line employees and their AFGE representatives should have input into ongoing efforts to develop and improve training programs.

Effective Performance Measures and Workplace Morale: VBA needs to create a valid, evidence-based time motion study for all aspects of claims process in order to implement fair and accurate performance standards. Management should constantly monitor morale and address morale issues as a critical component of workplace management.

Career Opportunities and Management Incentives: VBA should develop better VSR incentives to encourage experienced VSRs to stay in their current positions through using different tiers, e.g. Super VSRs. Managers should credit time already spent in a current position if an employee seeks to move from a VSR to an RVSR or DRO position. Pathways for promotion should be clearly communicated to employees. Management incentives that reward quality should be strengthened. All RO employees should be rewarded performance incentives, rather than only managers.

Greater input from front line employees and their AFGE representatives: AFGE and its local officers should be regular participants in weekly calls with General Hickey, and have a meaningful opportunity to contribute and share their views.

AFGE surveyed its members processing disability claims to address workforce issues. We received responses from the following ROs that are discussed below:

* Winston Salem, NC
* Detroit, MI
* Huntington, WV
* Columbia, SC
* St. Paul, MN
* Newark, NJ
* Waco, TX
* Milwaukee, WI
* St. Petersburg, FL
* Pittsburgh, PA
* Jacksonville, FL
* Louisville, KY
* Chicago, IL
* Anchorage, AK
* Togus, ME
* Cleveland, OH
* Los Angeles, CA
* Portland, OR

VBA employees responding to the Subcommittee’s request consistently expressed their dedication and sense of purpose in serving the veterans. Over half (52%) of VBA employees are veterans themselves, and many of these employees receive benefits from the VA. Therefore, many have direct personal experiences with the claims backlog. Despite their frustrations, VBA employees uniformly remain steadfast in their goal to serve veterans, work hand in hand with Veteran Service Organizations, and do all that they can to work with VA to lower the unacceptably high backlog of cases. As was described by an employee at the Huntington, WV RO, “I, like most of my coworkers, love the job itself. We love serving veterans and their families; and take great pride in doing so… However, I believe there are better, more productive ways to get results.”

VBA has rolled out new standardized training to try to improve timeliness and accuracy of the work product. However, ROs consistently reported that the new training technique and methodology did little to improve timeliness and accuracy. Several of the problems are listed below.

*One Size Fits All Training*

A consistent theme throughout the ROs is that VBA management takes a “one size fits all” approach when creating their training materials. The training is not broken up between specific offices, and longtime employees receive the same training as newer employees. There is also no consideration of areas of performance when determining which type of training to give which employees. The Jacksonville, FL RO stated: “Employee training is too rigid as far as the mandatory national training core subjects and hours required. There needs to be more flexibility in order to tailor training to the needs of the RO. We wind up training on the same subjects year in, year out without being able to have training to accommodate our needs at the local level.”

For example, in Anchorage, AK, we heard an issue regarding training and the new lanes VBMS uses. With VBMS, Veterans Service Representatives (VSRs) and Rating VSRs (RVSRs) are placed into different lanes in order to allow for quicker cases to move through the claims process faster and to give more time and care to the longer cases. However, training does not differentiate between the different lanes, meaning all VSRs attend training together regardless of which lane they have been assigned. This applies for RVSRs as well.

ROs also consistently mentioned that the training was not dynamic and did little to capture listeners’ attentions. Training tends to consist of reading information off a PowerPoint. They also would prefer more group and practical exercises to increase productivity. Many employees also complained about the lack of question and answer available to them during trainings. The ROs believe that if training sessions provided greater opportunity for questions, especially about specific cases, training would be that much more effective.

We recognize that VBA does need to have some sort of standardization across ROs in order to maintain consistency. However, different ROs face different challenges and have different strengths and weaknesses. Training should have some level of flexibility so that different ROs can adjust to better prepare employees.

*Insufficient New Employee Training*

In recent years, VBA has significantly cut the amount of time dedicated to training new employees. VSRs and RVSRs are given an initial training period of eight weeks, which is far shorter than new employees received in the past (often this training took up to a year to complete). A new employee in Winston Salem expressed that though her training has been helpful, other employees were not prepared for the Challenge training yet were still pushed onto the floor upon completion. She recommends that employees not be rushed into processing claims until they are fully prepared.

Management does recognize that training is the cornerstone for any success in reducing the backlog. As reported in St. Petersburg, FL, they have openly stated that it takes two years to learn these jobs.

*Training for experienced employees is weakened by reduced hours and significant, national shift away from classroom instruction.*

VBA is required to provide a significant amount of training on a weekly basis. However, the time is often not allotted fairly. For example, the St. Petersburg RO reported that often times, managers will use “email training.” The manager will email pages of reading material that states the amount of time expected to complete the training (i.e. 2.5 hours). However, management will inform employees that they will only approve a fraction of that time (e.g. 30 minutes for a 2.5 hour curriculum) for them to read and review the materials.

As mentioned in Anchorage, AK, trainers are allowed a maximum of 20 hours of credit per fiscal year to spend preparing for training. VBA constantly changes procedures due to changes in the law or new developments in allocating benefits. It is very difficult for trainers to adequately prepare without the proper preparation time to most effectively reach employees and explain new procedures.

*Workplace Morale*

Almost across the board, workplace morale was described as continually declining and in certain cases, historically low. ROs described high turnover rates, high levels of stress, fear of retaliation, and concerns with their own abilities to lower the backlog. Employees were very concerned about the way they are portrayed publically due to the increasing publicity surrounding the backlog. The Los Angeles, CA RO stated: “As long as the expectation is that the employees should perform miracles to decrease the backlog, morale will be low.”

*Arbitrary Performance Standards Lower Production and Accuracy*

With VBA’s recent Transformation and upcoming national rollout of VBMS, VBA unveiled new performance standards. However, in offices currently using VBMS, the performance standards have been incredible difficult to achieve. One office reported that only 20% of their employees were able to achieve the new performance standards.

Winston Salem, NC described that employees struggle to make unreasonable performance standards while sandwiched in between pressure from management and computer systems that too often fail.

Many ROs report VBA’s emphasis on production above all else. Despite recent claims that VBA is placing equal emphasis on quality, managers are provided many more incentives to increase production rather than quality. This creates a difficult atmosphere for employees and lowers morale.

Despite the mandate of Public Law 110-389 and corroboration by IBM, VBMS has still not conducted a comprehensive, evidence-based, scientifically designed time motion study to determine how long certain tasks should take for employees to complete. VBA must develop and implement this time motion study with regular input from front line employees and their AFGE representatives before releasing performance standards for employees. When employees work under achievable performance standards, accuracy, production and morale will all increase.

*Favoritism in the Promotion Process*

On the issues of employee opportunities for career growth, AFGE member feedback was mixed. ROs consistently reported a level of favoritism for certain employees who got along well with management as the leading candidates for promotions, rather than promotions being based off of performance. As mentioned before, management received strong incentives for increasing production. Employees also consistently reported that they did not know of opportunities for career growth or at the very least, the career path for promotion was not clearly outlined. Many ROs used the term “good ol’ boys’ network” to describe the opportunities available for possible promotions. The Winston Salem RO mentioned a glass ceiling in place for minorities and women.

*Lack of Incentives for Internal Promotions*

Although RVSRs typically have more experience than VSRs, VSRs in two ROs (Huntington and Waco) reported that they had little incentive to try and move up to RVSR positions because they could currently make more as VSRs. This is because VBA does not accept “time-in-grade” when switching careers for timely promotion. For example, if you take an RVSR position in the middle of a grade, when your career ladder promotional date is due, VBA restarts it from the date you hired as an RVSR (rather than the time you spent working as a VSR).

*High Turnover*

The VSR position experiences very high turnover rates. Highly skilled and trained VSRs are extremely valuable to the claims process and play an essential role in lowering any backlog. VSRs are currently capped at a GS-10 ($45,771-$59,505). Huntington, WV reports that in the past, there was a position for Senior VSRs (SVSRs), who still worked as VSRs but had more seniority and played a bigger role in the claims process. If VBA offered more SVSR positions, this would provide effective incentives for VSRs to both stay longer and work towards a higher performance level for promotion. VBA also loses VSRs to other federal agencies, such as Social Security, who offer higher grades to their experienced claims processors.

*Rewards for RO-Wide Achievement Should Be More Widely Distributed Throughout the RO*

Another consistent theme was that ROs tend to provide superior performance awards to certain employees while simultaneously excluding others who were also involved in the process. Often times, in order to reach a goal for an entire RO, the work must be exceptional from the Claims Assistants all the way up to the top line supervisors. If ROs could also receive incentives as a whole, morale could increase and lower wage employees could be recognized as a major part of the process.

*Weak Management Incentives for Quality*

Management incentives are almost always based on production alone. The Milwaukee, WI RO reported that VACO sets production and quality targets for offices to qualify for these programs. Production is always more important since there are several different production categories that must be met in order for a station to qualify. VA leadership has outlined its desire to achieve 98% quality; however, VBA must improve incentives for management to focus on quality and not just on production levels.

*Need Greater Opportunity for Front Line Employee Input into VMBS Rollout*

General Hickey testified at a Senate VA Committee Hearing on March 13, 2013 that employees in the twenty ROs currently using VBMS have the opportunity to provide feedback to her through weekly conference calls. While AFGE applauds General Hickey for stating her interest in hearing directly from front line employees and their AFGE representatives, this phone call still appears to be a work in progress, and does not include sufficient input or participation for others besides management. For example, when AFGE asked the Winston Salem RO to provide the names of the employees on the call, the only names mentioned were those of supervisors and managers. Although some front line employees are participating, General Hickey should encourage greater input from them by working more closely with AFGE leadership. Without the union present, many employees may be concerned about retaliation from management for any negative feedback related to VBMS. General Hickey has stated clearly that she would like to hear any negative feedback related to VBMS so that we can all continue to improve the system. With active, ongoing union involvement, this can accomplished.

It is positive that in Winston Salem, with the consent of the Director, AFGE has appointed two stewards to be a part of these weekly calls and we encouraged both of them to engage in conversation about both the benefits and problems with VBMS.

In terms of dealing directly with the union, General Hickey did commit to AFGE National VA Council President Alma Lee that she would be willing to participate in the monthly VBA phone call that the AFGE National VA Council conducts. This would also present a more meaningful and effective opportunity for General Hickey to hear from employees who have direct hands-on experience with VMBS and other Transformation changes.

Thank you for the opportunity to share the views of AFGE and its National VA Council.