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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

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GENERAL GOVERNMENT
DIVISION



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B-114874

AUGUST 7, 1978

The Honorable Quentin N. Burdick
United States Senate
The Honorable Milton R. Young
United States Senate
The Honorable Mark Andrews
House of Representatives
The Honorable Arlan Stangeland
House of Representatives

On January 23, 1978, you requested that we investigate employee allegations concerning the Fargo, North Dakota, Post Office.

As agreed with your office, we met with all current and former Fargo postal employees who were interested in discussing problems they had with the Fargo Post Office. We subsequently grouped the individual complaints into categories.

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

ALLEGED UNFAIR PROMOTION PRACTICES

Numerous allegations were made that the Fargo Post Office engages in unfair promotion practices, including failing to (1) follow proper procedures, (2) give adequate consideration to qualified Fargo employees, and (3) select the best qualified.

In our review of all 15 promotions made at Fargo during the period of January 1976 to March 1978, we found that management's failure to follow proper promotion procedures and the inadequacy of documentation leaves some question of whether a sufficient number of qualified employees were considered or whether the qualifications of all applicants were adequately considered. Determination of the best qualified candidate, however, is a very subjective judgment. The incompleteness of the documentation in the files makes it difficult to determine in retrospect whether a person other than the best qualified candidate was selected.

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Fargo postal officials stated that although in certain instances they may have failed to follow proper procedures and maintain adequate documentation, the best qualified person was selected to fill each vacancy and adequate consideration was given to Fargo employees.

Fargo employees apparently had some success in competing for positions against employees from other installations. From January 1976 to March 1978, Fargo employees were selected to fill three vacancies at Fargo that were also open to employees from other installations. In addition, five Fargo employees were promoted to fill vacancies at other post offices in the region.

ALLEGED EMPLOYEE HARASSMENT

Proving or disproving allegations of harassment is very difficult since it may involve interpersonal relationships and individual personalities, and perceptions. Many employees felt they had been harassed. Fargo Post Office management denied that it harassed postal employees.

Employees provided us with isolated examples of incidents they perceived as harassment. Most actions perceived as harassment by employees appear to result from management's recent efforts to increase productivity and keep costs down.

Employees frequently mentioned they were harassed for using sick or military leave. They also alleged that management's harassment forced early voluntary retirements and contributed to disability retirements.

Sick Leave--It was alleged that Fargo Post Office management harassed employees who used sick leave by demanding medical proof of illness for absences of less than 3 days and making home visits and telephone calls to the employee or spouse.

In accordance with a District directive, Fargo Post Office management has been making a concerted effort to reduce the amount of sick leave used and thereby reduce costs. In one instance two postal supervisors acted imprudently while conducting a home visit to an employee on sick leave.

Military Leave--It was alleged that some employees who were members of national guard or reserve units were denied military leave and subjected to harassment.

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We found that the Fargo Post Office has complied with postal regulations regarding the granting of military leave. However, the circumstances surrounding three incidents which were ultimately resolved, have created the impression among some employees that management has harassed employees belonging to reserve military units.

Retirements--Five former Fargo postal employees alleged that management's harassment forced them to retire earlier than they otherwise would have.

In one instance management detailed an employee to a new position and at the same time changed his workhours from weekdays to Thursday through Monday nights. As a result, the employee retired almost immediately. The employee was eligible to retire and planned to in the near future. It seems that postal management could have expected the employee to retire sooner than planned because of the reassignment to a less desirable work schedule. The other four allegations also resulted from management's actions to change certain operations and increase productivity and have been viewed by the employees as harassment. Again, the views of postal management and the affected former employees differ.

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Our review was conducted primarily at the Fargo Post Office, with some information obtained from the Dakotas' District Office and Postal Service Headquarters. We examined applicable regulations and pertinent documents and held discussions with postal officials and employees.

In commenting on this report (see enclosure II), the Service agreed that the documentation in some of the Fargo Post Office's promotion files is deficient, though it believed that in each case the promotion did go to the best qualified applicant. The Postmaster General also stated that in order to develop an atmosphere conducive to a solid employee and labor relations program in the Fargo Post Office, regional management will be asked to review proper employee and labor relations procedures with the Postmaster. This will ensure that correct promotion procedures are followed, and should also result in a decrease in individual perceptions of harassment.

No further distribution will be made on the report until 14 days after the date of this letter unless you publicly release its contents sooner.

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

Victor L. Lowe

Victor L. Lowe
Director

Enclosures - 2

INFORMATION ON ALLEGED UNFAIR PROMOTION PRACTICES
AND EMPLOYEE HARASSMENT AT THE FARGO POST OFFICE

ALLEGED UNFAIR PROMOTION PRACTICES

Numerous allegations were made that the Fargo Post Office engages in unfair promotion practices, including failing to (1) follow proper procedures, (2) give adequate consideration to qualified Fargo employees, and (3) select the best qualified.

In our review of all 15 promotions ^{1/} made at Fargo during the period of January 1976 to March 1978, we found that management's failure to follow proper promotion procedures and the inadequacy of documentation on many of the promotions leaves some question of whether a sufficient number of qualified employees were considered or whether the qualifications of all applicants were adequately considered. Determination of the best qualified candidate, however, is a subjective judgment. The incompleteness and impropriety of the documentation in the files makes it difficult to determine in retrospect whether a person other than the best qualified candidate was selected.

Fargo postal officials stated that although in certain instances they may have failed to follow proper procedures and maintain adequate documentation, the best qualified person was selected to fill each vacancy and adequate consideration was given to Fargo employees.

Fargo employees apparently had some success in competing for positions against employees from other installations. From January 1976 to March 1978, Fargo employees were selected to fill three vacancies at Fargo that were also open to employees from other installations. In addition, five Fargo employees were promoted to fill vacancies at other post offices in the region.

Proper procedures not followed
for many promotions

Although the Postal Service has specific procedures for making supervisory and craft placements, we found that the promotion procedures were not always followed. In 11 supervisory and 4 craft promotions made at Fargo from January 1976,

^{1/}Includes 2 vacancies that were filled through lateral transfers.

through March 1978, we identified deficiencies relating to vacancy announcements, closing dates, supervisory appraisals, statements of experience and training, review committees, and evaluations of candidates for craft vacancies.

Vacant positions not
properly announced

Postal Service procedures relating to the announcement of vacant supervisory and craft positions that could result in promotions, were not always followed at Fargo. Vacancy announcements are used to describe position duties, employee eligibility criteria, application requirements, closing dates, and other related information. Failure to follow these procedures in Fargo could have resulted in limiting the number of employees considered or inadequate consideration of applicants.

For example, an announcement for one craft position was not posted; instead, the position was awarded to an employee on the basis of his performance on a written examination taken nearly 3 years earlier. Thus, other interested and possibly qualified employees were not provided an opportunity to bid for the job. Vacancy announcements for three other craft and two supervisory promotions either contained erroneous information or lacked certain required information. For example, one announcement required interested candidates to apply by submitting their names and other limited identifying information to the personnel office. The applicable promotion instructions, however, require written applications specifying experience and training. Such information is needed to evaluate an applicant's qualifications.

Announcement closing dates
not complied with

Although postal procedures require applicants' statements of experience and training, and supervisors' appraisals be submitted before stated closing dates, closing dates were not always observed for the 15 promotions.

Supervisory appraisals for 21 candidates were dated 3 to 24 days after the closing date. In one instance, the statement of experience and education for the successful candidate for Director of Mail Processing was undated and the supervisor's appraisal was dated 24 days after the closing date. In other instances, we could not determine compliance with procedures because the documentation was incomplete. For example, statements of experience and education were undated for six applicants.

Fargo postal officials said it is common practice in the Central Postal Region for supervisory appraisals to be submitted after closing dates, thus permitting ample time for all qualified employees to bid on the position. Also, they stated that supervisors may not be available to prepare appraisals prior to closing dates.

Proper appraisals not
always obtained

We found supervisory appraisals at Fargo were not properly prepared in all cases, which may have prevented an adequate assessment of all applicants. Appraisals, which postal regulations require for all applicants, are to be a collaboration of the applicant's immediate and the next higher-level supervisor, and are essential in assessing an applicant's past performance and potential capability for different or additional responsibilities. We identified properly prepared and documented appraisals for only 27 of the 127 applicants for the 15 promotions.

The appraisals for 61 applicants did not have the signature of the applicants' immediate supervisors and/or next higher-level supervisors. While appraisals for two of these applicants were prepared by their supervisor, this individual became the successful applicant for the vacancy. The successful candidate's appraisal for the Post Office Accountant vacancy was an appraisal of the candidate's potential for performing the duties of Superintendent of Delivery and Collection. Postal officials did not obtain written appraisals for 28 applicants and we could not locate appraisals for another 10 applicants.

Applicants' statements of experience
and training not obtained

The files for the 15 promotions we reviewed contained the required statements of experience and training for only 84 of the 127 applicants. Four statements in the files were unsigned. Management did not obtain statements from 28 persons applying for craft promotions and we could not determine whether statements were obtained from the remaining 15 applicants. The lack of these statements reduces the selecting official's ability to accurately assess the candidates' qualifications.

Review committee composition and
actions sometimes improper

Postal procedures require that a review committee be designated by the district manager to recommend the best qualified candidates for supervisory vacancies, other than initial level positions, to selecting officials. The review

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committees for the Fargo promotions, however, were not always properly constituted and did not always follow prescribed procedures. These actions may have resulted in potentially qualified employees not being considered.

Postal procedures require that review committees consist of at least three members and provide specific criteria for selecting persons to serve on the committees. Yet five of the nine Fargo committees were not properly constituted because:

~~---In four instances the committees did not include a representative from a different installation.~~

--In one instance the committee did not include a representative from the Fargo Post Office.

The review committee is required to recommend at least three, but no more than five, qualified candidates to fill supervisory positions. If at least three qualified candidates cannot be identified, the review committee must notify the district manager. The district manager is required to re-announce the vacancy, expanding the area of consideration to other eligible employees until the review committee can recommend at least three qualified candidates.

In one case, we found only two employees from Fargo applied for the position of Industrial Engineer Associate, which was open to all district employees, and the review committee recommended to the Fargo Postmaster that the one qualified applicant be appointed to the position. The committee did not initiate action to expand the area of consideration beyond the Dakotas District. The Dakotas District Manager noted that the position was not filled through the promotion process but by reassigning an excess employee at the same level. Before the employee was reassigned, however, the position was advertised district-wide to identify qualified employees thus indicating it would be filled through the promotion process.

For another vacancy, the district manager instructed the review committee to select and certify from the original list of applicants a group of five candidates from which the appointment would be made to the selecting official. Thus, the review committee may have recommended individuals they did not feel were qualified. Also, in the event there were less than three qualified candidates, the committee may have been precluded from initiating action to expand the area of consideration.

Procedures for craft vacancy
selection not always followed

We found that postal procedures were frequently not followed in identifying and selecting the best qualified candidates for craft vacancies in Fargo.

In evaluating candidates, selecting officials must consider all pertinent evidence, including written applications specifying experience and training, supervisory appraisals, interviews, examination results, and personnel records. A postal form is prescribed for recording the candidate's ability or skill for each required job element. On the basis of each element's evaluation, candidates are ranked in order, with selection being made from among the best qualified.

All four promotions for craft vacancies we reviewed were to be filled by selecting the best qualified candidate. Written applications specifying experience and training were not obtained for two promotions and written supervisory appraisals were not obtained for three promotions. For these promotions, the prescribed forms for evaluating the candidate's skills and abilities in relation to the job elements were not used.

Documentation for some
promotions was inadequate

In some cases the documentation was inadequate for us to reconstruct events or to make a determination of propriety or fairness of the promotions at Fargo.

Adequate promotion records are required to enable an evaluation of the overall promotion program, to serve as evidence that promotions are being made on a fair basis in accordance with promotion guidelines, and to provide answers to questions that management or employees may raise about the program. The Postal Service's personnel handbook states that failure to adequately document promotion actions is a serious violation of the merit promotion program.

Discrepancies we noted when reviewing the 15 promotions at Fargo included the following:

- Vacancy announcements were not documented for two of the promotions, therefore, we could not evaluate compliance with procedures.

- Listings of all the candidates were not included in the files for 10 of the 15 promotions. In addition, the names of the candidates who were in the group from which the selection was made were not documented for one of the promotions.
- Statements of experience and training for 15 applicants were not documented in the files for a supervisory promotion.
- Evidence was insufficient in the employee's official personnel folder to determine whether the successful candidate met the qualification standards for two of the craft promotions.
- There was no documentation of the evaluation techniques used in selecting the successful candidate from among the 24 applicants for another craft promotion.
- Supervisory appraisals were not in the files for 10 applicants.

ALLEGED EMPLOYEE HARASSMENT

Instances of alleged harassment provided us by employees appear to result from management's recent efforts to increase productivity and keep costs down. Proving or disproving allegations of harassment, however, is difficult since interpersonal relationships, and individual personalities and perceptions are involved. In spite of employee allegations, Fargo postal management denied that it had harassed its employees.

Employees frequently mentioned they were harassed for use of sick and military leave. They also alleged that management's harassment forced early retirements and contributed to disability retirements.

Alleged harassment in granting sick leave

It was alleged the Fargo Post Office management harassed employees who used sick leave by demanding medical proof of illness and making home visits and telephone calls to the employee or spouse.

In accordance with a district directive, Fargo Post Office management has been making a concerted effort to reduce the amount of sick leave used and thereby reduce costs. In one instance, two postal supervisors acted imprudently while conducting a home visit to an employee on sick leave.

Fargo employees are feeling the impact of increased management attention to employee absences. The Dakotas District Office established controls to monitor the progress of each post office in reducing absences. A district official stated that the absence control program established throughout the district would frequently include

- intensified review of attendance records,
- telephone followup of absent employees,
- personal followup visits to the home of absent employees,
- more specific disciplinary programs, and
- more frequent demand for a medical certification for absences of less than 3 days. (Medical certification is required for all absences of 3 days or longer.)

The Fargo Post Office established an action plan to reduce sick leave to 2 percent of total workhours, thus matching the rate experienced by private industry. Fargo's sick leave usage had averaged over 3 percent during the past 3 fiscal years. The major thrust of the program was to identify sick leave abusers and work with each one to improve his/her attendance. Supervisors were trained in the appropriate use of disciplinary action to control abusers, which included requiring medical certification for absences of less than 3 days if they had evidence of sick leave abuse. Fargo officials anticipated negative reactions from some of the employees as a result of the program.

Some Fargo employees felt that management's requiring proof of sick leave of less than 3 days and calling and visiting employees at home constituted harassment. In one instance brought to our attention by postal employees, two postal supervisors exceeded their authority in attempting to contact an employee on sick leave. When the two supervisors visited the employee's home, they reportedly opened the garage door, peered in house windows, and slightly damaged a screen door when attempting to open it. The supervisors did not agree entirely with the allegations but acknowledged they had peered in a window and that one of the supervisors went around to the back of the house and opened the garage door in an attempt to determine if the employee was at home. The Fargo Postmaster stated that a supervisor should leave a residence immediately when there is no response to the doorbell.

Alleged harassment in granting military leave

It was alleged that some employees who were members of national guard or reserve units were denied military leave and subjected to harassment.

The Fargo Post Office has complied with postal regulations regarding the granting of military leave. However, the circumstances surrounding three incidents, which were ultimately resolved, have created the impression among some employees that management harassed employees belonging to reserve military units.

During 1977, the Fargo Post Office had 25 employees who were members of guard or reserve units and were granted 2,552 hours of military leave. In only one instance did management deny a guard member's request for military leave. He had military orders authorizing his absence on 11 Fridays during the summer vacation months. The request for military leave was disapproved by his supervisor because his absence would be detrimental to the post office. When the commander of the military unit was apprised of the situation, he agreed the requested absences were an abuse of the military leave system and revoked the orders.

Two other postal employees had requested either annual leave or leave without pay to attend weekend drills. Their requests were initially denied. In one instance, the employee's uncommon drill requirements were not understood by his supervisor. After these requirements were communicated to management, the Postmaster stated that the employee would have no further difficulty. For the second employee, the post office arranged a voluntary change in workdays during weeks the employee attended military drills.

Alleged harassment resulting in forced retirements

Five former Fargo postal employees alleged that management's harassment forced them to retire earlier than they otherwise would have.

In one instance an employee detailed to a new position which changed his workhours retired almost immediately. It seems that postal management could have expected the employee to retire sooner than planned because of the reassignment to a less desirable Thursday through Monday nights work schedule. The other four allegations also resulted from management's actions to change certain operations and increase productivity and have been viewed by some employees as harassment.

The Postal Service has attempted to streamline and modernize its operations. Nationwide, it is handling about 5 billion more pieces of mail a year than it did 6 years ago, and is doing so with 74,000 fewer employees. The Fargo Post Office has also attempted to increase its productivity and reduce the number of employees. In January 1974, its staff totaled 311 employees. During the 2-year tenure of the present Postmaster, the staff size was reduced from 298 to 267 employees (see appendix I), while mail volume has remained relatively constant at about 16.5 million pieces a year. The Postmaster said that many duty assignments, job functions, and operating policies were affected by the reduction in employees.

To determine if voluntary and disability retirements have changed dramatically, we computed the overall retirement statistics for the Fargo Post Office. As shown in the following table, retirements have fluctuated over the years, but have not been on the increase.

<u>Year:</u>	<u>Voluntary retirements</u>	<u>Disability retirements</u>
1973	9	1
1974	12	0
1975	1	2
1976	7	4
1977	8	4
1978 <u>a/</u>	1	4

a/January through April 1978.

Of the five former employees alleging harassment, three had retired on medical disabilities and two took voluntary retirement. Three of the former postal employees alleged that management's harassment contributed to their disability retirements. In each case the employees had health problems which kept them from satisfactorily performing the requirements of their jobs and the disability retirements were initiated by the employee. We were unable to determine whether any actions on management's part contributed to or hastened their retirements.

The two voluntarily retired employees alleged that management harassment over job responsibilities hastened their retirements by 5 and 17 months. These two employees had worked in the accounting section of the Fargo Post Office.

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Fargo management attempted to change the duties of the two employees. Management's stated objective was to have these employees concentrate more time on information reports which would enable management to better control the post office budget. To these employees, however, this meant deemphasizing and discontinuing some duties they had traditionally performed and which they felt required their full-time attention. The employees resisted the new duties. They felt that the reports requested of them were the responsibility of their supervisor, not them. Our review of the position description showed that the duties of the positions encompassed the requested new duties.

One employee was subsequently detailed from the accounting section, where he had weekday workhours and no supervisory duties, to a position where he supervised 40 to 50 employees on Thursday through Monday nights. The employee retired almost immediately. The employee remaining in the accounting section also retired at about the same time because of the perceived harassment.

Fargo postal officials said they transferred the one employee to the mailroom because they needed a floor supervisor at night, the employee was qualified for that position, and he would be more productive on the mailroom floor than in the accounting section.

While the employee had been promoted to the position of mailroom supervisor in 1972, he told us that he spent only about 3 months in this position before being transferred to the accounting section. The employee felt that he was not qualified to perform the duties of a mailroom supervisor.

The employee was eligible to retire at the time he was reassigned and planned to do so in the near future. It seems reasonable that postal management could have expected the employee to retire sooner than planned because of the reassignment to a less desirable work schedule.

Following the retirement of the two accounting section employees, one position was downgraded and two new employees filled the vacancies. Our evaluation of the duties performed by the new employees showed that much of the work that the former employees performed had been discontinued and more attention was being given to the management information reports requested by postal management.

FARGO POST OFFICE EMPLOYEE COMPLEMENT
(note a)

	<u>January</u> <u>1974</u>	<u>January</u> <u>1975</u>	<u>January</u> <u>1976</u>	<u>January</u> <u>1977</u>	<u>January</u> <u>1978</u>	<u>March</u> <u>1978</u> b/
Total complement	311	310	306	285	276	267
Supervisors	28	27	28	28	26	23
Clerks	186	188	180	167	167	163
Carriers	74	72	75	67	65	64
Maintenance	2	3	3	2	2	2
Mailhandlers	18	17	16	15	12	11
Others	3	3	4	6	4	4

a/Includes full-time and part-time employees.

b/The most recent statistics available at the time of our review.

