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Management Practices Used By
The Veterans Administration's
Denver Regional Office
In Assisting Veterans

B-118660

BY THE COMPTROLLER GENERAL
OF THE UNITED STATES

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SEPT. 11, 1974



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

B-118660 dtr

The Honorable Patricia Schroeder
House of Representatives

Dear Mrs. Schroeder:

Your letter of September 17, 1973, requested that we review the management practices of the Veterans Administration's (VA's) Denver regional office in providing service to veterans. Your particular concerns centered around the "intake section" and complaints you had received regarding

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- the VA telephone number being constantly busy,
- calls by veterans being assigned on a "haphazard" basis, and
- excessive delays in responding to and resolving veterans' problems.

In addition, you expressed concern that (1) many Denver office employees were disturbed about certain administrative procedures and (2) these complaints might be indicative of nationwide problems.

As agreed with your office, we limited our review to determining the extent of these complaints, their causes, and corrective actions planned or taken by VA. We also obtained information on employee morale and the methods used to disseminate information to veterans.

Generally, the complaints were well founded. VA officials were aware of various operational and personnel problems related to the complaints and had taken or planned to take corrective actions. These actions included increasing the staffing to handle existing telephone lines, obtaining more telephone lines and more efficient equipment, providing additional training, and making other administrative changes. VA central office officials recognized that some of the problems in Denver also exist in other regional offices and have implemented some of the corrective actions nationwide.

Although we have not reviewed the effectiveness of the actions taken by VA, we believe that they should help resolve the complaints discussed in your letter--except for the assignment of calls on a haphazard basis.

We made our review at the VA central office, Washington, D.C., and at the Denver regional office. We also talked to representatives from four Colorado schools--Metropolitan State College, Community College of Denver-North Campus, El Paso Community College, and University of Colorado-Boulder--regarding problems veterans have encountered in receiving advance payments for education, which contributed to delays in responding to the veterans.

DENVER INTAKE SECTION ACTIVITIES

The Denver office has used mass media (radio, television, and newspapers), a mobile van which toured the State, talks to veteran groups, and direct mailings to inform the State's veterans of benefits available through VA. Upon request, the Denver office also informs veterans on an individual basis through personal interviews, telephone interviews, and correspondence.

The intake section of the Denver office is called the Veterans Assistance Division and includes an Interviewing Unit, a Telephone Unit, and a Call Back Unit. Within the Assistance Division, Veterans Benefits Counselors (VBCs) assist veterans and their dependents or representatives who visit, write, or telephone regarding veterans' programs.

In October 1973 the Assistance Division's staff was composed of the following.

<u>Position</u>	<u>Number of employees</u>
Veterans Benefits Counselors	27
Clerks	4
Community Service Specialist	1
Veterans Assistance Officer	1
Assistant Veterans Assistance Officer	<u>1</u>
Total	<u>34</u>

Of the 27 VBCs, 24 were assigned routine benefit functions, 2 were assigned to VA hospitals, and 1 was assigned to a drug treatment unit. Assistance Division activity levels for October 1973 follow.

<u>Type of contact</u>	<u>Number of contacts</u>
Telephone actions	26,133
Personal interviews	2,113
Correspondence	<u>213</u>
Total	<u>28,459</u>

Assistance Division records showed that education and training benefits were the subjects most frequently discussed during personal interviews. Similar information on telephone inquiries was not available; however, the Veterans Assistance Officer stated that telephone

inquiries generally concerned the same areas and were of the same nature as personal interviews. A 10-percent sample taken by the Assistance Division of personal interviews conducted during October 1973 showed the following.

<u>Subject area</u>	<u>Percent of interviews</u>
Education and training	61
Compensation and pension	24
Non-VA	8
VA housing	6
VA insurance	1

The supervisor of the Interviewing Unit said that inquiries solely concerning job possibilities were included in the non-VA subject area. However, if a veteran is inquiring about education and training and incidentally inquires about job possibilities, the inquiry is shown in the education and training subject area.

COMPLAINT: CONSTANTLY BUSY TELEPHONE NUMBER

The Veterans Assistance Officer estimated that an average of 180 veterans a day received busy signals and were unable to complete their calls. This has been caused by insufficient staffing, an insufficient number of telephone lines, and insufficient training of VBCs. Central office and Denver officials advised us that corrective actions were being taken.

Staffing of telephone lines

Section 232-1 of the Department of Veterans Benefits Manual requires a staffing ratio of three VBCs to four service lines, with an increase in personnel as necessitated by peak workload periods. The Assistance Division's Telephone Unit had 12 service lines and therefore should have had 9 VBCs. However, according to a September 1973 central office report, the average staffing of the Telephone Unit was only 7 VBCs.

A central office official said he was aware of the problem and, in a September 1973 report, he recommended that the Denver Director comply with section 232-1. Also, he stated that in December 1973 the central office instructed all regional offices to submit quarterly staffing reports. He indicated these reports should help identify similar situations; however, he believes most regional offices were meeting the staffing criteria.

The Denver Director stated that VBCs on sick leave for extended periods of time contributed to the staffing problem. From July through

December 1973, the services of three VBCs were lost due to sick leave. This condition affected all Assistance Division units.

The Denver office has taken steps to improve the staffing of the Telephone Unit. As of September 26, 1973, nine VBCs were assigned to the Telephone Unit on a full-time basis at the beginning of each work-day. The Telephone Unit was also assigned first priority for additional staffing. The Director of the Denver office informed us that in January 1974 the Telephone Unit was staffed with 11 VBCs.

Number of telephone lines

The central office conducted a telephone study in September 1973. The study, revised in November 1973, showed the following estimated requirements for telephone lines.

<u>Type of line</u>	<u>Number</u>
Local	12
Wide area telephone service	2
Foreign exchange--Colorado Springs	2
Foreign exchange--Pueblo	<u>1</u>
Total	<u>17</u>

In contrast, the Telephone Unit had the following lines.

<u>Type of line</u>	<u>Number</u>
Local	9
Wide area telephone service	1
Foreign exchange--Colorado Springs	1
Foreign exchange-Pueblo	<u>1</u>
Total	<u>12</u>

VA has taken steps to provide three of the five additional lines needed. On December 4, 1973, the central office authorized the Denver office to place an order with the local telephone company for installation of an automatic call distributor (ACD) system, including 12 local lines--3 more than it had--2 foreign exchange lines, and 1 wide area telephone service line. Foreign exchange and wide area telephone service lines provide veterans with toll-free long distance telephone service.

ACD systems are designed for more efficient handling of a high volume of incoming calls through automatic distribution of calls to a

centralized group of attendant positions. When attendant positions are not free to accept calls, incoming calls are stored and callers are advised that their call will be taken in turn. The calls are then automatically connected as attendant positions become available. Such calls are connected in the approximate sequence of their arrival. Under the Denver office's current system, if all VBCs are busy, veterans calling are either put on hold or receive a busy signal.

A central office official advised us that VA's telephone workload has been increasing nationwide in recent years. To ease this problem VA has approved the use of ACD equipment for stations having large telephone workloads. He stated that, as of March 1974, ACD equipment had been ordered or installed at 17 of 58 regional offices. In the opinion of a central office official, the use of ACD equipment has had a significant impact in helping regional offices handle large workloads of incoming calls and in reducing the tensions of VBCs working in telephone units.

Although the central office study showed that one additional foreign exchange line and one additional wide area telephone service line were needed, a central office official said the lines will not be authorized until there has been a more thorough review of their need. He gave the following reasons:

- The Telephone Unit was understaffed in September 1973. As a result the existing foreign exchange and wide area telephone service lines were placed on "hold" for long periods of time.
- The telephone study was based on an estimated number of missed calls rather than on an actual count.

He stated that a more thorough review could be made after the ACD equipment was installed because the staffing of the Telephone Unit would have improved and a precise count of missed calls would be possible with the ACD equipment.

The Denver office's Veterans Assistance Officer informed us that 12 VBCs would be assigned to the Telephone Unit when the ACD system has been installed. With 12 VBCs for 15 lines, the staffing ratio would more than meet VA requirements. The telephone company has given a tentative installation date of August 1974.

A central office official informed us that in December 1973 all regional offices were instructed to conduct quarterly traffic studies, including statistics which could be used to determine whether regional offices have enough telephone lines. Incoming lines will be added if warranted.

The official advised us that these studies will be forwarded to the central office regularly.

Training given VBCs

VA Circular 20-70-62, dated December 30, 1970, outlines basic topics that regional offices should consider in providing initial training to beginning VBCs. In general the outline concentrates on detailed explanations of VA programs and benefits. It also provides for training on the many VA publications and forms needed by a VBC to perform his job and a brief session on interviewing techniques. A central office official said that initial training typically lasts about 2 weeks and is usually given by a journeyman VBC having 5 to 7 years' experience.

A Denver office official stated that, although no formal training has been given to recently hired VBCs, they are given about a month of clerical duty to orient themselves before performing regular VBC functions.

We discussed training with 7 of Denver's 27 VBCs, and they advised us that the training received was inadequate, created needless work, and hindered service to veterans. One VBC stated that new VBCs often do not ask a veteran enough questions during an interview and do not know the answers to questions which results in needless callbacks. Three VBCs having less than 1-year's service stated that on-the-job training was generally unsupervised.

A central office September 1973 report pointed out that the majority of interviewing VBCs were trainees or were without extensive experience. The effect was that interviews were lengthy and unnecessarily tied up telephone lines. The report stated that additional training, particularly positive-response techniques for telephone interviewers, was needed.

In November 1973 the Director of the Denver office advised central office officials that he had taken corrective action. He stated that in October 1973 representatives from the local telephone company had conducted two 1-hour training sessions on telephone techniques for all VBCs in the telephone answering unit. During that month Denver's Assistant Veterans Assistance Officer conducted two other sessions on telephone interviewing techniques. The Director emphasized that training would be an ongoing effort because many VBCs are in the trainee status.

The Denver Assistance Division's training outline for the period ending June 30, 1974, indicated that primary emphasis would be of a technical nature and that this training would include detailed explanations

of VA programs and benefits. Beginning in fiscal year 1975, the training will include comprehensive sessions in interviewing and telephone techniques. The outline shows that interviewing-technique sessions will not be given until VBCs have a thorough understanding of all VA programs.

VA has taken steps to improve VBC training nationwide. In January 1974 the central office authorized all offices to open to the public a half hour later than official employee office hours. The half hour is to be used primarily for intensive employee training and cross training.

COMPLAINT: CALLS BY VETERANS BEING
ASSIGNED ON A "HAPHAZARD" BASIS

Central office officials acknowledged that present telephone contact procedures of randomly assigning calls from veterans to VBCs lead to impersonal relationships. If additional data is required to answer the veteran, VBCs record the inquiry and forward it to personnel in adjacent units, who obtain and examine the veteran's records and call him back with a response. The officials agreed that this method of operation is frustrating to veterans who call regarding the status of previous inquiries and that Denver's Assistance Division has a morale problem because VBCs are unable to personally handle cases through to completion.

In February 1973 VA awarded a contract to a management consultant firm to review a proposed reorganization of the Department of Veterans Benefits. The firm was to determine how staffing, processes, technology, and the structure of regional offices might be best modified and related to conform to the 10 Federal Centers concept.

One of the firm's recommendations was that VA, in selected regional offices, test the feasibility of using a team concept to provide more personalized and complete service to the veteran. The recommendation stated that the test design should examine:

- Creating a service team covering all functions--telephone, interviewing, operations, and counseling.
- Assigning veterans to a given team to carry through all contact related services.
- Integrating more closely benefits counseling and personal counseling activities.

The consulting firm gave the following reasons for making their recommendation:

- Data from interviews with veterans and the firm's experience with other organizations suggested that the veteran often feels he is getting the "run around" when he has to talk to different VBCs who are not familiar with his case.
- More effective work flow and better control of veterans' folders should lead to improved personalized service and to a sense of accomplishment by the counselor.
- Further integration of benefits counseling and personal counseling should result in better staff use and quicker service.

Although recognizing the disadvantages of present contact procedures, central office officials defended the procedures as being the most efficient and economical in operating telephone answering units having large numbers of incoming calls. In their opinion, assigning individual cases to particular VBCs or VBC teams would be impractical because it would create an even greater backlog of incoming calls, with many veterans waiting on "hold" to speak to a particular VBC, and could result in a significant increase in the number of VBCs required. A central office official stated that, as other difficulties--busy incoming lines and delays in responding to callers--were resolved, the impersonal aspect of the telephone contact procedures should be less troublesome.

COMPLAINT: EXCESSIVE DELAYS IN RESPONDING
TO AND RESOLVING VETERANS' PROBLEMS

According to the Veterans Assistance Officer, most telephone and personal inquiries received from veterans are answered immediately. However, he stated that some delays have occurred in responding to inquiries which require researching the veteran's file, contacting other divisions and offices, and then recontacting the veteran. The Assistant Veterans Assistance Officer said that the greatest number of inquiries requiring research and recontact concerned educational assistance.

VA instructions require regional offices to respond to all educational assistance inquiries, at least on an interim basis, within 7 days. We randomly selected 128 of the 2,827 inquiries made concerning educational assistance during August through November 1973. The sample showed the following.

<u>Response time</u>	<u>Percent of inquiries</u>
0 to 7 days	40
8 to 14 days	40
15 to 33 days	20

The sample also showed that 20 percent of the veterans contacted the Assistance Division more than once concerning the inquiry.

The Director of the Denver office agreed that the Assistance Division, in many cases, had taken an excessive amount of time to respond, and he planned to take the following actions to reduce the response time.

- Relocate research and callback personnel to the Adjudication Division, where veterans' records are filed. This would eliminate forwarding records to the Assistance Division which should reduce the response time.
- Staff the research and callback functions with two VBCs and two clerks until the backlog of inquiries is answered. Thereafter staffing would depend on the number of inquiries on file.

The Director stated that, if educational assistance or any other inquiries cannot be answered within 7 calendar days, the Assistance Division will make an interim response to the veteran.

A Denver office official said that the number of educational assistance inquiries has recently increased because of problems with VA's implementing the advance pay system. The system was established pursuant to the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (86 Stat. 1074) which authorizes VA to make advance payments of educational assistance allowances to certain veterans. Under this system, which went into effect on August 1, 1973, veterans request advances on their educational assistance payments, VA sends the advances to the schools, and veterans pick them up at registration time.

Representatives from 4 Colorado schools informed us that about 3,900 veterans applied for advance pay for the fall quarter of 1973. They said they had not received advance payment checks for about 34 percent of these veterans by registration time. The impact of the failure to receive these checks may account, in part, for an increase of 41 percent in Assistance Division telephone actions during July through October 1973, as compared to the same period in 1972.

Central office officials gave the following reasons for checks not being delivered to veterans on time.

- Some checks were returned by local postmasters who refused to deliver them to schools because the veteran's name appeared above the school's name and address.
- Some checks were sent to the wrong schools.

- Some veterans failed to promptly submit certifications of attendance for prior enrollment periods.

Central office officials advised us that the following actions have been taken nationwide to help resolve these problems.

- Address format has been revised to prevent misrouting and non-delivery.
- New procedures have been introduced using optical scanning equipment to reduce processing time and expedite payments.
- Closer liaison with schools having a concentration of check delays has been emphasized.

These actions have only recently been taken and we cannot assess their effectiveness at this time.

A central office official stated that delays in responding to all types of veterans' inquiries should be reduced nationwide after a new computer system is installed in December 1976. Under this system VBCs will be able to use computer terminals to obtain information concerning veterans, rather than having to locate each veteran's claim folder. VA plans to begin testing the new system in September 1974.

COMPLAINT: EMPLOYEES DISTURBED ABOUT CERTAIN ADMINISTRATIVE PROCEDURES

VBCs confirmed a morale problem in the Denver office and said this condition unfavorably impacted on service.

The VBCs identified the following contributory factors.

- Change in promotion progression--at one time VBCs could be promoted to the journeyman level within 2 years. At the time of our review it was taking at least 4 years to reach the journeyman level.
- Insufficient staff--the recent increase in activity levels with no accompanying increase in staff has placed an impossible workload on VBCs.
- Lack of communication--lack of communication between Denver office management and VBCs has created an unfavorable work environment.
- Inability to respond to the veteran on a personal basis--present contact procedures do not foster a personal relationship between

the VBC and the veteran. VBCs do not get the job satisfaction of handling a veteran's case through to completion.

The Director of the Denver office said that steps have been taken and others are planned which should improve morale. He stated that the staffing situation has improved with the return of two VBCs from extended sick leave, the hiring of one new VBC, and the replacement of a VBC retiree who had been on disability sick leave at the time of his retirement. The Director stated that a supervisory position in the Interviewing Unit was filled in January 1974 by a VBC from the Denver staff. He indicated that this action should improve the communication process between Denver office management and employees.

As discussed earlier, central office officials know of the impersonal aspects of contact procedures but believe it would be impractical to assign individual cases to particular VBCs or VBC teams. Concerning the change in promotion progression, central office officials stated that they were aware of the adverse effect this change has had on morale in Denver and in other regional offices. They stated that the change had been made in March 1972 as a result of a Civil Service Commission review which revised the classification and qualification standards of VBC positions.

The Denver Veterans Assistance Officer stated that morale in the Telephone Unit should improve when the ACD system is installed. He said that installation of the system in other regional offices has reduced pressures on VBCs and improved morale.

AGENCY COMMENTS

VA generally agreed with the facts presented in this report and commented on recent developments in some of the problem areas discussed here. (See appendix.) These comments are presented below.

Advance payment checks

"In order to resolve the problem of local postmasters returning advance payment checks the print format on the Certificate of Delivery Card was changed so that the school's name appears on the first two address lines. The payee's name preceded by the word 'for' is on the third address line. In addition, the postal service was contacted and a postal bulletin was issued to all Postmasters advising them of the statutory requirements to deliver advance payment checks to the schools.

"The advance payment program is being adopted as the normal payment procedure, for the Fall 1974 enrollments,

whether or not a special request is received. This modification to the program should eliminate the problems experienced during the last school year."

Promotion progression of VBCs

Although central office officials had previously informed us that no change was anticipated in the promotion progression policy for VBCs desiring to advance to the journeyman level, VA informed us that:

"* * * the Civil Service Commission has just approved a reduction in the experience requirements for VBC's (on an interim basis for inservice placement actions). Thus, it is possible to attain the journeyman level after two years instead of the four years cited in the report draft."

Assignment of cases to VBCs

"In the discussions about individualized VBC service or the inverse assignment of VBC's on a random basis it was not mentioned that this is done with personal interviews. The veteran has the option to wait until the particular VBC he wants to see is free. This could and sometimes does lead to a longer waiting period for the veteran."

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We do not plan to distribute this report further unless you agree or publicly announce its contents. We trust that the information furnished in this report meets your needs.

Sincerely yours,



Comptroller General
of the United States



VETERANS ADMINISTRATION
OFFICE OF THE ADMINISTRATOR OF VETERANS AFFAIRS
WASHINGTON, D.C. 20420
JUNE 14 1974

Mr. Gregory J. Ahart
Director, Manpower and
Welfare Division
U. S. General Accounting Office
Washington, D. C. 20548

Dear Mr. Ahart:

We appreciate the opportunity to review and comment on your draft report on "Review of Certain Management Practices Used by the Veterans Administration Denver Regional Office In Assisting Veterans."

We are in general agreement with the facts presented in the draft report. However, there have been some recent developments that should be considered prior to your preparing of the final report.

In order to resolve the problem of local postmasters returning advance payment checks the print format on the Certificate of Delivery Card was changed so that the school's name appears on the first two address lines. The payee's name preceded by the word "for" is on the third address line. In addition, the postal service was contacted and a postal bulletin was issued to all Postmasters advising them of the statutory requirements to deliver advance payment checks to the schools.

The advance payment program is being adopted as the normal payment procedure, for the Fall 1974 enrollments, whether or not a special request is received. This modification to the program should eliminate the problems experienced during the last school year.

The report states that the VA indicated that no immediate change in the career progression pattern of Veterans Benefits Counselors (VBC's) was anticipated. However, the Civil Service Commission has just approved a reduction in the experience requirements for VBC's (on an interim basis for inservice placement actions). Thus, it is possible to attain the journeyman level after two years instead of the four years cited in the report draft.