

SEANC District 25
Employee Relations Briefing Sheet for Executives
Prepared for Brenda Malone, AVC Human Resources
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COLLECTIVE BARGAINING

SEANC supports restoration of collective bargaining rights (NC House Bill H1583). The initial movement for collective bargaining originated with D25 in 1997. We believe management does not yet recognize the important value contractual relations can have in solving the many problems listed below. Without collective bargaining, issues become the grist of continual negotiation and re-negotiation without solution or resolution.

CENSORSHIP

D25 supports free speech for employees.

CAREER-BANDING

Career-banding has worked moderately well where departments have money. It has, however, exacerbated the divide between Haves and Have-Nots. Many staff are now more aware than ever of the difference between their salaries and market. An unknown number, probably large, of banded employees are paid below the minimum for their banding category. A much larger number are paid below market. The total money required to resolve these problems is probably very large and currently unfunded by the legislature. With the exception of the university system, state agencies are under a legislated moratorium on banding except for critical occupations.

New job openings must be advertised above minimum. Employees below minimum can apply but there is no guarantee of transfer or promotion. This creates an incentive for managers with tight budgets to hire from outside. Some managers are now supervising employees in same category as themselves and are concerned about how this will look on their CV. Previously, some employees were not given in-range increases and were told to wait for banding. They still have not received any market adjustment, and now banding has eliminated the in-range policy. It remains unclear how the banding dispute resolution process might resolve market disparities when a department actually does have available funds.

This entire situation is demoralizing to many employees. HR is aware of morale problems, but having one department generate morale problems while another tries to resolve them is a ridiculous and unnecessary positive feedback loop.

The rationale for banding and the new review system are confusing to faculty. Why have both performance review and competency review? Why is salary based on competencies and not performance?

The ITS recalibration of performance ratings (must justify above good) has annoyed some managers. They were trained on evaluation process and believe it's their duty but now feel superseded by higher level management. Some managers upbraided for refusing to sugarcoat their "goods" with praising comments.

The recalibration is probably in anticipation of lump-sum raises for banded employees and to avoid high rates of merit pay.

The recent tweaking of banding in ITS was done only with input from selected managers (probably pro-banding managers) and no employees.

Focus groups were well conducted initially. The ongoing use of focus groups creates the appearance of HR receiving input, but HR is ignoring standard corrective feedback loops, such as the Employee Forum and D25. In the August 2007 Forum meeting, an HR rep finally "heard the concern" that some Forum reps might have expertise in banding categories and should be consulted prior to banding, rather than relying exclusively on focus groups.

A career-banding advisory committee was required by OSP after two years. This should have been six months. UNC still doesn't have one after three years. UNC still doesn't have solid metrics/reports to even know how many employees are below minimum or how far below market. Waiting on HRIS appears to be an excuse. What's wrong with using old-fashioned Excel spreadsheets and the chain-of-command?

The fundamental problem is that banding appears to be OSP's baby, and they'll neither fix these problems nor stop.

IN-RANGE SALARY ADJUSTMENT (IRSA)

IRSA is waning as banding goes forward. Departments don't have to participate. IRSA is another factor in fostering Haves and Have- Nots.

D25 is investigating the use of paper forms. The process does not require paper forms in departments, and HR has no paper form or recommended form, only HRIS work process. Paper forms might generate grievances or lawsuits alleging discrimination.

MANAGEMENT FLEXIBILITY & PACE

D25 is not opposed to enhanced management flexibility, separation of the university system from OSP, or the separation of only UNC-Chapel Hill and NCSU. We are opposed

to loss of employee rights and benefits that might accompany these initiatives. We opposed the separation of UNC Healthcare from OSP in 1998 for the same reasons.

Under President Broad, management refused to separate discussions of flexibility from discussions of employee rights. It's unclear if President Bowles will take the same tack

We were very disappointed with the anti-public employee and anti-labor views and tone expressed in the PACE report, the product of a committee dominated by private sector business persons. We felt it was very unfortunate that President Bowles chose to take such a negative, initial approach to university employees. D25 will closely follow the Study Task Force authorized by the legislature.

Merit pay is a major component of these initiatives. Historically, SEANC has supported merit pay. After considerable research this spring, the D25 Employee Relations Chair has become very skeptical of merit pay.

D25 will not look well on any effort by management to blame failure of OSP programs on lack of local autonomy or flexibility.

TEMP EMPLOYMENT

D25 recently learned that some Chapel Hill temp employees, after working 11 months, have had their payroll switched to a private temp agency in order to abide by the law prohibiting temps from working more than one year. The extent of the problem is unknown. D25 considers this a bad employment practice and a skirting of the intent of the law. We intend to coordinate our efforts with co-counsel at the NC Justice Center who is handling the *Sanders Temp Employment Case*. SEANC has filed an *amicus* brief.

CONVERSION OF SPA POSITIONS TO EPA

D25 is concerned, in particular in the face of subsequent layoffs and enlargement of career-banding. We support the Forum's emerging position that HR needs to develop an "informed-consent" procedure for employees to ensure they have a full understanding of their legal rights and related implications of conversion.

RIF AND OUTSOURCING

D25 recognizes the need for RIF procedures. We become concerned when an employee is targeted for RIF as a substitute for disciplinary action. We are aware that the Dental School has intentionally misled HR staff about two RIF situations in order avoid per-policy outcomes they considered undesirable. Ms. Dutton recently and publicly indicated that the intentional misleading of HR staff is a problem.

D25 periodically hears complaints about the inadequacy of priority re-employment efforts.

In the case of the Dental Laboratory Technicians, RIF was used as a pretext to create the impression of managerial efficiency. This resulted in the targeting of older employees and age discrimination.

From 1996 to 2000, the university system engaged in a series of outsourcing studies and policy development. Probably over two million dollars were spent in the hiring of consultants and employee time. Last fall the Chancellor asserted that these policies only applied to the period of the study. D25 plans to seek clarification from General Administration of this point, but it appears unlikely that clarification would be forthcoming until the case of two dental laboratory technicians pending before Office of Administrative Hearings is decided.

D25 will continue to pursue clarification of policy. The next time a faculty member misleads HR about a RIF situation, we will bring charges to the Faculty Ethics Committee. Should the need arise, we intend to be very public on this issue.

POLICY UNIFORMITY

D25 is concerned about the lack of uniform application of policy across campus. This is due in part to management giving deference to Deans and to staff then assuming that policy uniformity is not applicable. Deans sometimes fail to learn and appreciate HR policies and procedures and will originate their own. We believe employees have the right to know and understand policy, to know which policies apply (as per RIF above), and to expect the uniform application of policy.

DIGITAL DIVIDE & ELECTRONIC PAY STUB

The divide has existed for years and will gain prominence with management's initiative to eliminate paper pay stubs. We are concerned about the possible lack of computer literacy and skills among some employees, particularly in Physical Facilities. We believe all employees should have easy access to computers and related services and supplies.

Management also plans courses in financial planning for employees. Some Forum delegates believe this is to overcome objections from employees to eliminate bi-weekly pay, i.e. to have only monthly paychecks. They view this as stereotypical thinking that the lower-paid employees simply can't manage their finances well. In one meeting in 2002, several high-level managers argued that many lower-paid employees have a problem with "delayed gratification" and spend money unwisely. Such comments were received by D25 as barely disguised racism.

D25 will not stand in the way of educational opportunities for employees and look forward to working with HR and others to help as many as possible to cross the digital divide. Computer literacy is important for all employees and their families.

D25 will aggressively oppose in the legislature any effort to eliminate bi-weekly pay.

DISCIPLINE

D25 is concerned about lack of uniform application of discipline policies and procedures. Physical Facilities has a history of harsher discipline. This was recognized by Jim Alty, former Director, who made efforts to move managers to “more carrot, less stick.” There are many managers with military experience, which may be helpful. The problem arises when new managers try to fit in to that culture without adequate training or experience. D25 encourages the continuation of this shift in style.

Two OSP reports from the Special Emphasis Project are useful for acquiring an appreciation of disparate discipline:

1. *African American Males and Employment in North Carolina State Government*
http://www.osp.state.nc.us/divinfo/frames/divisions/eos/BlkMaleProj_06-2002.pdf

2. *Female Employment in North Carolina State Government*
<http://www.osp.state.nc.us/divinfo/frames/divisions/eos/SEP-Females%20Report.pdf>

GRIEVANCE POLICY AND PROCEDURES

Policy and procedures were revised in 2005. Changes have largely been okay. The fundamental problem is the conflict between management’s “duty” to protect the agency from lawsuits while providing justice to employees. This results in managerial manipulation of procedures, sometimes subtle, sometimes egregious. Manipulations by current Grievance Coordinator have been minor and probably the result of pressure from others. The confidentiality of the process converts to secrecy, preventing revelation of manipulations.

Grievance panelists are disproportionately female. There are very few black males trained as panelists. An OSP report notes that black males are disproportionate recipients of both disciplinary actions and severity of actions.

Probably the only solution is to implement binding arbitration. That will require a legislated change. Prior efforts to resolve problems locally have not yielded results. The only alternative may be to invoke the Whistle Blower Protection Act.

MEDIATION

D25 has two certified mediators in order to acquire skills and understand the process, not to participate in HR mediations. We have not been entirely happy with the implementation of mediation procedures, which is, of course, different from being unhappy with mediation outcomes.

OMBUDS OFFICE & EMPLOYEE ASSISTANCE PROGRAM

Both appear to be working well, thank goodness.

LABOR RELATIONS

We have been disappointed in Labor Relations during the tenure of your predecessor, which began five years before D25's current Employee Relations Chair took office. Recently communications have been strained over career-banding and IRSA forms, although it appears this tension has dissipated.

We are disappointed that HR seems not be serving the needs of managers or employees by privileging internal HR needs above important fundamental values such as justice, equity, good communication, and morale.

Your predecessor appeared to be the point person for labor relations. We suggest that labor relations and internal HR problems are severe enough that delegation of labor relations may be necessary. We suggest the possibility that you hire a labor relations specialist to serve as a point person and to bring a labor relations perspective to internal HR discussions, whenever and wherever needed.

The Executive Vice-Chancellor & Provost and the Vice-Chancellor for Business and Finance meet six times per year with Employee Forum delegates. Many issues brought to these meetings could and should be handled through labor relations or meetings with you. The Forum highly values the six meetings per year. Eliminating them would be counterproductive, but these could be reserved for issues not resolved through other avenues.