# STATEMENT BY

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### BEFORE

#### THE SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA

### SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

ON

### WORK-LIFE PROGRAMS: ATTRACTING, RETAINING AND EMPOWERING THE FEDERAL WORKFORCE

MAY 4, 2010

Mr. Chairman and Members of the Committee, my name is Joseph Flynn and I am a National Vice President of the American Federation of Government Employees, AFL-CIO (AFGE). On behalf of the members of our union, which represents more than 600,000 federal employees, thank you for the opportunity to testify today regarding work-life programs which would attract, retain, and empower the federal workforce. AFGE strongly supports the goal of creating a healthy work-life balance for federal employees.

In the 21<sup>st</sup> century, one can easily see the effects that home computers, e-mail, smart phones, and cell phones have in enabling a 24/7 work environment. The bottom line for most working families is that 9 a.m. to 5 p.m. just isn't working anymore. Time is an employee's most precious commodity. Employees are looking for balance between work and their personal and family demands.

In today's society many highly-skilled workers are delaying the start of their families until they have achieved financial and career security. Given the long years of training and education required of these highly-skilled workers, work-family tensions tend to rise as they reach their 30's and 40's. If the federal government fails to provide assistance in handling this tension, they risk losing these valuable employees to employers who offer more flexibility. Work-life programs have proven to be effective for attracting and retaining these highly-skilled employees.

The federal government is on the right track with the work-life programs that have been established thus far. The idea behind these programs is to reduce the stress of trying to balance family obligations with the responsibilities of one's job. To reduce this tension, many employees tell us that they are considering jobs in firms or organizations that offer a better work-life balance than their agency. For employers like the federal government, who are trying to build valuable human resources with specific skill sets, work-life programs provide powerful retention and performance enhancement tools.

Since it is well-established that work-life programs are necessary, we have to ask whether the work-life programs offered by the federal government are working. Do employees access these programs? What barriers do employees face when trying to take advantage of these programs? What are the myths surrounding the programs? Finally, how can these programs be improved?

# <u>Telework</u>

It is important to put into place the material and policy infrastructure to vastly expand telework for federal employees. Telework, the ability of employees to work from locations other than the office, has become a critical part of strategic planning for both agencies seeking to find more efficient means of carrying out their missions in both normal and emergency circumstances, as well as allowing workers to strike a better balance between work and family. The FY 2001 Department of Transportation appropriations law required agencies to establish policies that would allow eligible federal workers to telework to the maximum extent possible. Experience in the federal

and private sectors has proven that effectively managed telework programs strongly support workforce recruitment and retention, managing office space and overhead costs, and addressing environmental and energy concerns. And they provide an invaluable means for continuity of operations during an emergency.

The OPM's most recent report to Congress on telework found that the number of regular federal teleworkers had declined from 2005 to 2006. Only 7.7% of the federal workforce participates in telework, although more than half of all federal workers currently hold jobs classified as eligible for telework. Even more telling was the finding by a recent Federal Human Capital Survey that only 22% of all workers were satisfied with their telework situation, while 44% stated they had no basis on which to answer the question, indicating that telework is not an option for close to half of all federal workers. When just over a fifth of federal employees express dissatisfaction with their telework for numerous reasons, including continuity of operations in emergencies and disasters, the time has come to expand telework opportunities.

Mr. Chairman, several weeks ago AFGE participated in an OPM-sponsored thought forum on telework. Among the recommendations developed by participants was the proposal to have managers determine **before a job announcement is posted** whether and what level of telework opportunities would be available for the position. We believe this would help applicants determine whether the job would be a good fit for them before they have been hired. And since telework will be an added incentive for the best and brightest candidates to apply, managers may get in the habit of thinking about telework as an attractive benefit of the job, rather than a detriment to the agency's mission. Additionally, the thought forum explored ways to make telework the "norm" for the federal workforce. Their report is expected shortly. My major impression of the forum is that if Director Berry's enthusiasm is any predictor of our future success, we will succeed in making telework the norm.

### Legislative Efforts to Encourage Telework

Two bills are currently before the Congress that would take steps to expand federal telework. The Telework Enhancement Act of 2009 (S. 707), introduced by Senator Daniel Akaka (D-HI), was reported out of the Senate Committee on Homeland Security and Governmental Affairs in May 2009. The Telework Improvements Act of 2009 (H.R. 1722), introduced by Representative John Sarbanes (D-MD), was passed by the House Oversight and Government Reform Committee last month. Both bills require that all federal workers be considered eligible for telework unless the agency shows they are ineligible. Under current law, federal workers must overcome the presumption that they are *ineligible* for telework unless the agency determines otherwise. However, while the bills require agencies to appoint a "Telework Managing Officer" to report to Congress information on the number of workers involved in telework programs, they lack an enforcement mechanism if agencies fail to meet the telework requirement.

AFGE members working at agencies with established telework programs such as the Center for Medicare and Medicaid Services and the Citizenship and Immigration Services report that those agencies have self-imposed an arbitrary "cap" on the number of workers allowed to participate in telework. At the National Science Foundation, the local union has succeeded in negotiating a telework program, but they were forced to trade off the right to file any grievances on the matter, regardless of their merit. This makes it almost impossible to ensure that telework at NSF is applied fairly and uniformly to the workforce. Our experiences are reflected by a 2007 study by the Telework Exchange Federal Managers Association study finding that only 35% of federal managers believe their agencies support telework, despite a 2001 Congressional mandate.

The snows of 2010 are only the most recent event that highlighted the need for more extensive telework opportunities in the federal government. The 2009 H1-N1 flu outbreak focused attention on the low numbers of federal workers participating in telework programs and the need for the federal government to increase agency and employee participation in telework programs. In April 2009, OPM issued a plan to increase the number of federal workers who telework. The plan consists of a review of agency telework policies, encouraging agencies to establish a telework manager, and the convening of an advisory group of telework program managers to help formulate standards for telework policies.

AFGE supports extending telework opportunities to all eligible employees. However, we believe it is important that these programs not interfere with the ability of unions to communicate with their members. It is especially important that unions have access to the agency's e-mail system to broadcast information to the entire unit, including those who telework. Workers should not be forced to forego the full benefits of union membership and representation solely because they participate in telework programs.

Both bills from the 111<sup>th</sup> Congress represent good steps in the right direction by removing unnecessary barriers to the ability of federal workers to participate in telework programs. However, given the advances in technology that readily facilitate telework, the benefits of telework programs that allow the work of the federal government to continue in the event of natural disasters or events such as pandemics, and the need to conserve resources, the bills should take additional steps so that access to telework is a real option for the majority of federal workers.

Managers must be trained on how to manage employees who use telework. The frequent managerial attitude of "If I can't see the employee, how do I know he is working?" must be dismissed. In the 2009 report from OPM to Congress on the status of telework, agencies continued to report that office coverage and management resistance were considered one of the largest barriers to implementation.

There has to be trust between management and employees in order for these programs to prosper. Employees have to feel comfortable that less face to face interaction with management will not result in lost promotion opportunities or negative reviews.

Employees must also be clear about how to request and use these programs and what the rules are surrounding the various work-life programs.

### Alternative Work Schedules

AFGE has been successfully negotiating flexitime arrangements, or alternative work schedules, since the mid-1970s. A common type of flexitime allows employees, working cooperatively with their supervisors, to establish the beginning and end times of their work days, five days a week, as long as they are present during core hours of duty. Other popular types of arrangements are compressed work schedules in which a full-time employee works eight 9-hour days and one 8-hour day for a total of 80 hours in a biweekly pay period. Thus the employee will have one day off every two weeks. Another popular compressed work schedule is the 4-10, in which a full time employee works 10 hours a day, 40 hours a week and 80 hours a pay period. This allows the employee to have a day off every week. The resulting improvements in productivity and morale are substantial.

Mr. Chairman, when we began negotiating alternative work schedules, there was great reluctance on the part of management to agree to it. They were often fearful of how this would work, and questioned whether productivity would in fact remain the same. After several examples of such schedules became so popular both with employees and management, alternative work schedules have become quite common in our bargaining units. We hope that the reluctance which we are seeing from management with regard to telework can be overcome in the same way that it was with alternative work schedules.

# Results Only Work Environment (ROWE)

AFGE Local 32 is working closely with Director Berry's office in the implementation phase of the Results Only Work Environment (ROWE) pilot at OPM, another flexible workplace initiative, which allows employees to work whenever they want and wherever they want, as long as the work gets done. Managers are expected to manage for results rather than process. Employees are trusted to get the work done.

OPM has included Local 32 in the process from day one of the decision to implement this pilot project. Local 32 representatives have been involved in Requests for Proposals, in the interviewing of companies bidding for the work and for selecting the contractors that met the requirements to assist OPM with transitioning and evaluating the proposed ROWE pilot. There have been a series of forums held with managers and employees, including baby boomers and employees from generation x and generation y. In addition, individual shadowing has been done with selected employees and managers. We are currently in the process of selecting employees to be interviewed by the evaluating subcontractor for the week of May 10th.

AFGE Local 32 is excited about this pilot. One of the work groups selected to participate has had major workload processing problems for some time, and joint

management and labor forums have been established to address these problems. Local 32 can already see that preparing this group to participate in the ROWE pilot has driven the resolution of some of the issues raised by the union this past year. We believe that if the ROWE pilot works with this particular work group, it can work within *any* other offices.

We particularly appreciate Director Berry's efforts. He truly leads by example and has identified members of his office to participate in this pilot also. Though the pilot is only in the early stages, it has already given a glimpse of hope for those employees who are single parents, caregivers of parents or grandchildren, or those with medical conditions which prevent them from working during regular core hours if they are to receive proper medical treatment.

# Wellness Programs

Workplace wellness programs have been around for years. Many employers have started programs that focus on the overall wellbeing of their workforce because they see the long-term benefit in cost savings. Workplace wellness programs have been shown to reduce health insurance premiums, workers' compensation premiums and workplace injuries and illnesses. Employers also see the benefit that maintaining a healthy lifestyle can have in the workplace in terms of increased productivity, improved employee relations and employee morale. Healthier workers take fewer days off for illness and may experience less severe symptoms. Other benefits include employee retention and recruitment. Offering wellness programs makes a workplace more attractive, especially to healthy workers looking to maintain their healthy lifestyle while at work.

More recently, employers have recognized the nexus between work life and family life and how intricately involved they are. Offering programs that allow employees more opportunities to strike the balance between work and family improve the quality of employees' lives. Healthier employees who are less worried about their family life are likely to be better focused on their work and their productivity is likely to increase. Increased worker productivity directly affects organizational performance. As a result, employers that offer wellness programs become more efficient in accomplishing their missions.

Not only do workplace wellness programs result in healthier workers, but they also lead to increased well-being, self-image and self-esteem. Moreover, a worker who develops or maintains a healthier lifestyle helps promote a healthier lifestyle at home. This can only help fight the current trend in childhood obesity.

Workplace wellness programs include weight loss, physical fitness, smoking cessation, stress management, among others. The types of programs and services offered are based on the needs of the employees and on their interests. A good wellness program seeks to encourage healthy behaviors by providing education on health promotion and

disease prevention, providing a supportive environment for participation, and establishing workplace policies and practices that value health and safety.

While we support workplace wellness initiatives that will result in a healthier workplace --and a healthier nation-- we are cautious about the potential for shifting the responsibility for workplace injuries and illnesses from the employer to the employee. When a workplace injury or illness is seen as being caused by the employee's obesity, for example, it blames the worker and takes attention away from the workplace causes. When workplace injuries or illnesses are reported, the cause should be investigated following standard health and safety practices.

# Recommendations for establishing a worksite wellness program

- Establish a wellness committee
- Gain support from management and 'buy-in' from potential participants
- Assess employee needs and interests
- Establish goals and benchmarks
- Establish a budget
- Create a supportive environment
- Consider incentives or rewards for participation or for achieving goals
- Promote the program
- Assess progress and evaluate programs

# Recommendations for agency participation

To improve agency participation, wellness programs already in existence and those currently being developed should be publicized. The federal government has several mechanisms for communications among agencies. Federal professional associations such as federal human resources specialists can be good tools for informing professionals about wellness programs. Agencies for which wellness programs are a new undertaking can be reassured by making available existing tools such as surveys which have been used by other agencies.

We want to highlight the importance of promoting the wellness program. The program may be great, but if employees are not aware of the services offered, are not encouraged to participate, it will be underutilized. Promotion is also important among management because employees may see their supervisors' support as further encouragement to participate.

In addition, we urge agencies establishing wellness programs to ensure that employee personal information is protected, particularly medical information. The wellness program must have safeguards for ensuring confidentiality.

Agencies should engage their union representatives in the development of the program and in its implementation. AFGE locals have been involved in the planning and

development of the wellness initiatives at OPM and Citizenship and Immigration Services.

Finally, we encourage agencies to ensure that adequate funding is allocated for the wellness programs.

### Paid Parental Leave

The majority of Fortune 100 companies keep their best employees loyal by offering paid parental leave. This work-life program is a must in order to retain the brightest and most talented employees. The Institute for Women's Policy Research (IWPR) states that two thirds of Fortune 100 companies offer paid parental leave and most developed countries have national leave programs. The federal government, which aspires to be a model employer, does not provide any paid parental leave to its employees.

IWPR calculates that the federal government could prevent 2,650 departures per year just among female employees by offering paid parental leave, preventing \$50 million per year in turnover costs. Paid parental leave is a necessary work-life program that the federal government must implement in order to be a competitive employer.

Although federal employees can utilize sick leave in order to care for a newborn, it would take the employee years to save up a leave balance to take parental leave. IWPR calculates that new federal employees, many of whom are young professionals, must work for over four years to accrue enough paid leave to receive pay during the 12 weeks of leave guaranteed under the Family and Medical Leave Act.

Despite the protections of the Family and Medical Leave Act (FMLA), federal workers are among those who are forced to choose between a paycheck and meeting their family obligations because they currently have no paid parental leave.

On June 4, 2009, the House of Representatives passed H.R. 626, the Federal Employee Paid Parental Leave Act introduced by Representative Carolyn McCarthy (D-NY), by a bipartisan vote of 248–154. The bill and its Senate companion, S. 354, introduced by Senator Jim Webb (D-VA), would provide federal employees 4 of the 12 weeks of family and medical leave as paid leave upon the birth, adoption, or fostering of a child.

Virtually all research on child development and family stability supports the notion that parent-infant bonding during the earliest months of life is crucial. Children who form strong emotional bonds or "attachments" with their parents are most likely to do well in school, have positive relationships with others, and enjoy good health during their lifetimes. These are outcomes that should be the goal for all children, including those of federal employees. Spending time with a newborn or a newly adopted child should not be viewed as a personal choice, or a luxury that only the rich should be able to afford.

The only reason a new parent would ever go back to work immediately after the birth or adoption of a child—even with the protections of the FMLA—is because she or he could not do without his or her paycheck. And far too many workers in both the federal government and outside must make this terrible choice.

Congressional opponents of paid parental leave for federal employees have raised arguments largely based on cost, or notions that are unrealistic about the ability of federal workers to accrue leave. No one can accurately project the cost of extending this benefit to new parents, but we can speculate on the categories of cost of failing to do so. Productivity is lost when a parent has had to come back to work too soon to have found proper daycare for a newborn or newly adopted child or when federal employees come to work when they are ill because they used up all of their sick leave during the adoption process. A lack of paid parental leave also negatively impacts the government when a good worker, trained at taxpayer expense, decides to leave federal service for another employer who does offer paid leave.

Federal workers who take unpaid parental leave too often fall behind on their bills and face financial ruin. Federal workers in their child-bearing or adopting years, earn less, on average, than other federal employees. They are at a moment in their careers when they can least afford to take any time off without pay, and least likely to have accumulated significant savings. One AFGE member wrote she has been a federal employee since 2002, and has had 3 children during that time. She said:

I found it very difficult to keep leave since I am using it for doctor's appointments, maternity leave, and other instances of sickness that may occur with me or my children. Since 2002 I have borrowed 6 weeks of leave for maternity leave—which took me over 2 years to pay back. During the period of time when I returned to work and had to pay my sick leave back, neither my kids nor I could afford to get sick because I did not have any leave to use. During my duration of leave without pay I had to resort to public assistance to make ends meet. It was very hard to ask for help during my maternity leave. I had to explain to them that I make more than some of the social workers taking my application but I am currently on leave without pay and need assistance until my 8 weeks maternity period is over.

Although there is no law providing paid parental leave for federal workers that would prevent the situation described by the AFGE member, the federal government currently reimburses federal contractors and grantees for the cost of providing paid parental leave to their workers. Surely if such a practice is affordable and reasonable for contractors and grantees, federal employees should be eligible for similar treatment.

The time has come for the federal government to set the standard for U.S. employers on paid parental leave. AFGE is an active member of a coalition of worker and workfamily advocates in support of the legislation. The coalition is currently campaigning for a vote on S. 354 by the Senate Homeland Security and Governmental Affairs Committee and a vote by the full Senate prior to sending the bill to President Obama by the end of the year. The federal government should set a clear example to the majority of private employers who refuse to extend this crucial benefit to their employees unless their competitors or the law requires it of them. The benefits to children and families of four weeks of paid parental leave are enormous and long-lasting. AFGE strongly urges Congress to pass the Federal Employee Paid Parental Leave Act during the 111th Congress.

This concludes my statement. I would be happy to answer any questions Members of the Committee may have.