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**United States Postal Service  
Office of Inspector General**



**GRIEVANCE AND ARBITRATION  
MANAGEMENT INFORMATION**

**March 26, 1999**

**Management Advisory Report  
Number LR-MA-99-001**

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March 26, 1999

ANTHONY J. VEGLIANTE  
VICE PRESIDENT, LABOR RELATIONS

SUBJECT: Grievance and Arbitration  
Management Information Management  
Advisory Report LR-MA-99-001

During a review of grievance-arbitration processes for the United States Postal Service (USPS) bargaining employees, we identified several issues relating to USPS' ability to monitor and analyze grievance-arbitration cases (Project Number 99-EA-009-LR-000). These observations are based on interviews with Headquarters personnel and prior Postal Inspection Service and General Accounting Office (GAO) reports on the grievance-arbitration process.

The former Vice President, Labor Relations<sup>1</sup> also asked us to review USPS capability to monitor costs that accrue during grievance-arbitration processes. Citing a legitimate business need for grievance costs, the Vice President suggested such information would provide a benchmark for managers to determine the real cost of violations of the collective bargaining agreements between USPS and the four national unions. In order to maintain our independence and to preclude any organizational impairments that would compromise our objectivity in future audits, we could not develop grievance-arbitration cost information or a system to monitor such costs.

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**Results in Brief**

- The observations conveyed in this report were compiled as a result of a review undertaken of the USPS grievance-arbitration processes during recent months. This review disclosed and confirmed that systems are not in place to adequately monitor, track or analyze grievance-
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<sup>1</sup> In February 1998, the Vice President retired from the USPS.

arbitration cases USPS-wide. Specifically, the USPS does not have a comprehensive management information system that captures nationwide statistical data on:

- the total number of grievances and pending arbitrations,
- grievance issues by type and union,
- supervisors/managers whose decisions or actions resulted in grievances,
- work hours spent by grievants, supervisors, managers and labor relations personnel on grievance and arbitration activity,
- names of repetitive filers, and social security numbers of grievants.

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**Observations –**  
Comprehensive  
Management Information  
System

In studying the underlying causes for grievances, we found that the USPS does not have a comprehensive management information system to monitor and analyze grievance-arbitration cases. We believe that without such a management information system, it is difficult for the USPS to identify and correct management practices that result in grievances or to resolve workplace issues at the lowest possible level. For example, the USPS currently cannot identify managers that are repeatedly violating national and local agreements or individuals who file multiple grievances. Furthermore, if such an information system existed, USPS managers could analyze trends and patterns within their areas or districts, and headquarters labor relations staff could more easily identify systemic issues across the country.

To adequately monitor and analyze grievance-arbitration activity, we believe a management information system should have the capability to identify and analyze, among other things, recurring issues and specific facilities with high volumes of grievance activity. At a minimum, such a system should capture the following key information by area, district, and facility:

- the total number of grievances and pending arbitrations,
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- grievance issues by type and union
  - supervisors/managers whose operational decisions or actions resulted in grievances,
  - work hours spent by grievants, supervisors, managers and labor relations personnel on grievance-arbitration activity, and
  - repetitive filers.

The USPS Grievance and Arbitration Tracking System captures some of the above information; however, it is not an effective tool to assist managers in resolving work place issues at the lowest practical level.

Grievance and Arbitration Tracking System, which is a system that tracks the progression of individual Step 3 grievances and pending arbitration cases through resolution, is not a comprehensive database. Although the Grievance and Arbitration Tracking System is capable of tracking grievances at Step 2 and cases handled through a modified<sup>2</sup> or accelerated grievance process, it does not currently capture such information. As a result, the Grievance and Arbitration Tracking System does not reflect the total number of grievances that exist nationwide.

In recognition of these shortcomings, USPS is redesigning the Grievance and Arbitration Tracking System to make it a more effective management information tool. Included in this redesign will be the tracking of Step 2 grievances and an expansion of the system to include a wider range of information in a user-friendlier format. However, currently the redesign does not include fields for capturing the grievant's social security number and work hours spent on grievance activity. We believe this type of information is essential to analyzing grievance activity, understanding its relationship to other complaint processes, and estimating costs attributable to the grievance-arbitration process.

Despite this redesign, improvements are needed to ensure the integrity of grievance-arbitration data before the Grievance and Arbitration Tracking System can be

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<sup>2</sup> A modified program is a process of handling grievances and appeals to arbitration by district personnel at the local level. District personnel resolve these cases through settlement and local arbitration.

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used as a management tool. USPS Headquarters interviews and a recent Postal Inspection Service review of the Allegheny Area indicate that there are inaccuracies in the Grievance and Arbitration Tracking System data pertaining to case status. Furthermore, the lack of standard data verification practices at the five processing centers that input grievance-arbitration data provide no assurance that the Grievance and Arbitration Tracking System data is timely or reliable.

To facilitate the resolution of grievances at the lowest step practical, we suggest that USPS Headquarters take action to establish a nationwide information management system that will allow managers to monitor and analyze grievance and arbitration activity. To be an effective management tool, we further suggest that (1) key data, including that which we have identified, be captured, (2) all grievances at Step 2 and above be tracked, including those cases targeted for alternative grievance processes, and (3) adequate internal controls be implemented to ensure data reliability.

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**Suggestions**

Based on our review, we suggest that you initiate the following actions:

1. Establish a nationwide information management system that will allow its managers to monitor and analyze grievance and arbitration activity, and
2. To be an effective management tool, we further suggest that
  - key data that we have identified, especially social security numbers, be captured,
  - all grievances at Step 2 and above be tracked, including those cases targeted for alternative grievance processes, and
  - adequate internal controls are implemented to ensure data reliability.

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**Management  
Comments**

The Vice President, Labor Relations in commenting on a draft of this report (Attachment 1) stated that:

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- The redesigned grievance and arbitration tracking system will collect substantially more information (including grievance information at the installation level) and provide more timely, detailed, and comprehensive reports than the current system. Many of the enhancements suggested in the report will be included in the new system.
  - The new system will collect grievance data at the Step 2 level and will include the ability to identify employees and issues, while avoiding direct retrieval through use of the social security number, since this is an extremely sensitive area in terms of labor law and possible National Labor Relations Board charges.
  - Labor Relations has begun to collect Step 2 grievance data.
  - Data accuracy efforts will include on-site visits and inter-functional partnering.

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**Evaluation of  
Management  
Comments**

Management was generally responsive to the issues raised in this advisory report.

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We appreciate the cooperation and courtesies provided by your staff during this review. If you have any questions, please contact me at (703) 248-2300.

*//Signed//*

Billy J. Sauls  
Assistant Inspector General  
for Employee

Attachment

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**Major Contributors to This Report Were:**

