

## PBGC Implementation Plan for Labor-Management Forums

### Introduction and Background

The Pension Benefit Guaranty Corporation (PBGC) is a federal corporation created by the Employee Retirement Income Security Act of 1974. It currently protects the pensions of more than 44 million American workers and retirees in more than 29,000 private single-employer and multiemployer defined benefit pension plans. The agency also is responsible for paying the retirement benefits of workers and retirees in failed pension plans. Currently PBGC pays more than \$4.5 billion annually to about 790,000 Americans. PBGC receives no funds from general tax revenues. Operations are financed by insurance premiums set by Congress and paid by sponsors of defined benefit plans, investment income, assets from pension plans trustee by PBGC, and recoveries from the companies formerly responsible for the plans.

PBGC has a total of 919 employees, 560 bargaining unit and 359 non-bargaining unit. All employees are located at its Washington, D.C headquarters. Bargaining unit employees are represented by the Union of Pension Employees (UPE), Local 76 of the International Federation of Professional and Technical Engineers (IFPTE). The Union was certified in March 2009. PBGC management and the union are working toward their first negotiated collective bargaining agreement.

In accordance with Executive Order 13522 (Creating Labor-Management Forums to Improve Delivery of Government Services) and the January 29, 2010 letter to Agency Heads clarifying implementation responsibilities, PBGC, in consultation with IFPTE Local 76, submits the following Plan. It describes the current forum; steps taken to create performance metrics; an assessment of the current labor relations climate; actions to measure changes in labor-management satisfaction, productivity gains, and cost savings; and commitment to provide resources.

(1) The extent to which the agency has established labor-management forums, or may participate in pilot projects described in section 4 of the Executive order

PBGC is currently managed by its Acting Director. The Director is assisted by PBGC's Executive Management Committee (EMC), which is composed of the leaders of PBGC's seven largest operating areas. To establish PBGC's Forum, and signal high-level support while ensuring participation by staff at various levels, each member of the EMC designated one person to represent him or her on the Forum. The Union's governing body, its Interim Assembly (IA), also named three of its members and one alternate to the Forum.

The Joint Labor-Management Forum has thus been established. Members attended the February 26 meeting of the National Council together. The Forum held its first official meeting on March 1, to develop this implementation plan. At the March 1 meeting, the forum began actively proceeding to schedule future meetings, set agendas/appropriate subjects, discussed suitable facilities, joint training, a charter, and ways to publicize the forum's successes. We intend to continue this level of participation.

Given the newness of PBGC and UPE's relationship, and especially our focus at this time on obtaining an initial collective bargaining agreement, we do not believe that our participation in a pilot project described in Section 4 of the Order is currently practicable.

(2) Conducting a baseline assessment of the current state of labor relations with the agency

The Forum is considering surveying a group of employees and managers, using agreed-upon questions, to gather information on perceptions of the current state of labor relations and using information gathered from past employee satisfaction surveys. The Forum also will use grievances, ULPs and arbitrations as a measure to assess the current state of labor relations.

(3) Development of metrics to monitor progress in key areas such as labor-management satisfaction, productivity gains, cost savings

The Labor-Management Forum will work together to reach decision by consensus on SMART measures and metrics that are valid and reliable in assessing progress in key areas such as:

- 1) labor-management satisfaction;,
- 2) productivity gains; and
- 3) cost savings.

More specifically, the forum will set realistic short and long term goals for assessing improvements in labor-management satisfaction, cost savings and productivity gains.

#### (4) Devotion of Agency Resources

The Corporation's Human Resources Department will assign two professionals to support the Labor-Management Forum's operations and activities. The Corporation is also in the process of allocating a budget to the Forum for such activities as joint training, meeting facilitation, communication methods, etc. The Corporation will ensure that adequate official time is available for Union or Union appointed representatives to participate in the Forum, including time to prepare. PBGC has also committed to assign adequate time for the management representatives on the Forum to prepare, meet, and fully participate in those activities.

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