

ANNUAL PERFORMANCE PROGRESS REPORT - EXECUTIVE SUMMARY*TIME PERIOD: JANUARY 1, 2004, THROUGH JUNE 30, 2005 (18 MONTHS); FUTURE REPORTS WILL BE BASED ON THE FISCAL YEAR**EMPLOYMENT RELATIONS BOARD – AGENCY CONTACTS: PAUL B. GAMSON, BOARD CHAIR, (503) 378-3807, EXT. 226**LEANN G. WILCOX, PERFORMANCE MEASURE COORDINATOR, (503) 378-3807, EXT. 248*

PERFORMANCE TARGET ACHIEVEMENT	#
TOTAL NUMBER OF KEY PERFORMANCE MEASURES (KPMs)	7
# OF KPMs AT TARGET FOR MOST CURRENT REPORTING PERIOD	2
# OF KPMs NOT AT TARGET FOR MOST CURRENT REPORTING PERIOD	5

The Employment Relations Board's performance measures focus on the agency's mission: to resolve disputes concerning labor and employment relations in the public sector. The measures are used to assess the agency's timeliness and success in resolving contested cases, election petitions and other representation matters, mediation requests, and state personnel law appeals. The resolution of these workplace disputes helps bring more stability to government, reduces or eliminates the disruption of services to the public, and saves taxpayers' money.

PERFORMANCE ACCOMPLISHMENTS:

Previous reports summarized performance during a calendar year. In order to switch to fiscal year reporting without omitting any information, this report contains data for the 18-month period from January 1, 2004, through June 30, 2005. Future reports will summarize performance during a fiscal year (July 1 through June 30). Preparing reports on a fiscal year basis will better correspond to the budget cycle and to any changes made during a legislative session, and it will conform with the reporting period used by other state agencies.

The agency did not meet its target for five of its seven measures. Factors contributing to these results include reductions in staff without a commensurate reduction in workload; turnover in Board members and other key personnel; lack of research tools; and the impact on labor relations of difficult economic and budget conditions.

For example, the agency did not meet its target regarding the average time it takes an Administrative Law Judge ("ALJ") to issue a recommended decision. The loss of an ALJ position, without a commensurate reduction in the number of cases filed, meant the remaining ALJs each had a larger caseload to manage. Combined with support staff reductions, which require the ALJs to do much of their own clerical work, case processing

slowed markedly. Reduced support staff also meant the agency could no longer produce transcripts of evidentiary hearings and ALJs had to listen to lengthy audiotapes of the hearing instead of quickly perusing written transcripts. Further, the chief ALJ with 23 years of experience retired. Although the agency hired a capable replacement, the lost experience cannot be immediately replaced. All of these factors led to slower issuance of recommended decisions by the ALJs.

Disputes resolved by mediation took longer and were less frequently successful due to several factors. Difficult economic conditions, soaring health insurance costs, and funding uncertainties made it much more difficult for parties to reach settlement, and in some cases resulted in employers implementing their final offers. These cases eventually settled after implementation.

FUTURE CHALLENGES:

The Employment Relations Board has begun addressing the issues of personnel reductions and workload demands by obtaining modern technology and enhancing its operating systems, including computerized legal research, digital recording equipment, and a revamped database system. The agency also reclassified some of its staff and reorganized its operations.

Customer service and a positive business atmosphere will continue to be a priority for the agency.

ANNUAL PERFORMANCE PROGRESS REPORT - PART I, MANAGING FOR RESULTS*TIME PERIOD: JANUARY 1, 2004, THROUGH JUNE 30, 2005 (18 MONTHS); FUTURE REPORTS WILL BE BASED ON THE FISCAL YEAR*

Agency: Employment Relations Board	Date Submitted: September 30, 2005	
Contact: Paul B. Gamson, Board Chair	Phone: (503) 378-3807, Ext. 226	
Alternate: Leann G. Wilcox, Performance Measure Coordinator	Phone: (503) 378-3807, Ext. 248	

Agency Name: Employment Relations Board		Agency No.: 11500
The following questions shed light on how well performance measures and performance data are leveraged within your agency for process improvement and results-based management.		
1	How were staff and stakeholders involved in the development of the agency's performance measures?	Staff and stakeholders provided input on agency workloads and the timely delivery of dispute resolution services for elections, mediations, and contested cases. Measures were derived from this input.
2	How are performance measures used for management of the agency?	This data measures the agency's success toward achievement of Board goals and assists in determining what changes may be necessary. It also influences the agency's budget and caseload priorities, including case assignment, case management, performance evaluations, and staffing.
3	What training has staff had in the use performance measurement?	Agency management staff received training from the Oregon Progress Board and that information was disseminated to agency staff.
4	How does the agency communicate performance results and for what purpose?	The agency currently relies on its website (see www.erb.state.or.us) to disperse information to stakeholders, and the report is further communicated to the Legislative Fiscal Office and Department of Administrative Services through the budgetary process.
5	What important performance management changes have occurred in the past year?	The legislature has accepted the agency's request to modify performance measures and has added two new measures. This data will more accurately reflect the agency's compliance with its mission of public service.

ANNUAL PERFORMANCE REPORT- PART II, KEY MEASURE ANALYSIS

TIME PERIOD: JANUARY 1, 2004, THROUGH JUNE 30, 2005 (18 MONTHS); FUTURE REPORTS WILL BE BASED ON THE FISCAL YEAR

Agency Name: Employment Relations Board		2001	2002	2003	2004/05	FY06	FY07
# 1 – Average length of time in days to process petitions for union representation, bargaining unit clarification, decertification, and similar matters, including contested case hearings, if necessary, and self-determination elections	Key Performance Measure (KPM)						
	Target	180	170	160	150	--	--
	Data	114	103	87	94		

Data Source: Agency database tracking system. Data is reported for the year in which the process is complete.

Key Performance Measure Analysis

To what goal(s) is this performance measure linked?

This measure relates to the agency’s goal of facilitating the right of public employees to organize and choose their own bargaining representative.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)?

What is the impact of your agency?

The agency has determined that it has no primary links to Oregon Benchmarks. The agency measures its progress toward achieving agency goals as defined in its mission statement.

How does the performance measure demonstrate agency progress toward the goal?

The measure calculates the amount of time it takes the agency to complete processing a petition for union representation. Prompt processing helps minimize the organizing campaign that occurs in and around the workplace, and gives employees a timely resolution regarding their workplace rights.

Compare actual performance to target and explain any variance.

The average number of days to process representation cases was 54 days better than our target.

Summarize how actual performance compares to any relevant public or private industry standards.

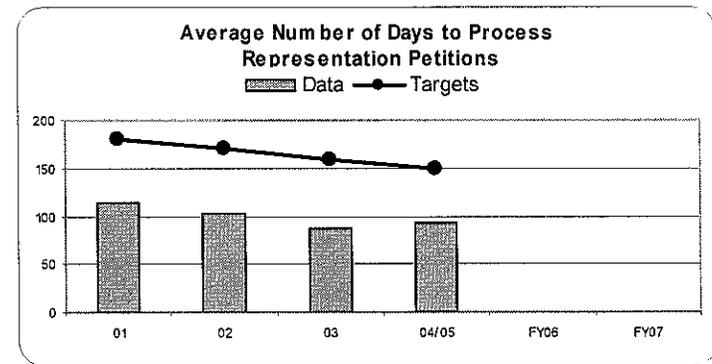
The National Labor Relations Board (NLRB) completes employee elections within 40-45 days of the petition. One reason the NLRB is faster is that it conducts on-site elections. ERB lacks the personnel to conduct on-site elections, and instead conducts all of its elections by mail. This adds at least 2-3 weeks to the process.

What is an example of a department activity related to the measure?

The agency’s elections coordinator conducts the elections and certifies the results.

What needs to be done as a result of this analysis?

The agency’s proposal to divide this measure to make it more meaningful was approved by the legislature. Some representation petitions proceed directly to election without the need for a hearing. Other petitions involve an objection or a challenge that require a contested case hearing, and these cases take longer to process. The current measure averages the time to process all petitions. The outcome of this measure is more dependent on the mixture of contested and uncontested petitions – a factor that the agency does not control – than it is on agency performance. Beginning in FY 2005-06, this performance measure has been modified to track uncontested and contested petitions separately, which will provide more meaningful information. During the current 18-month reporting period, processing of uncontested cases took an average of 63 days, whereas processing of contested cases took an average of 231 days.



Key Performance Measure (KPM)		2001	2002	2003	2004/05	FY06	FY07
# 2 – Average length of time in days it takes for an administrative law judge to issue a recommended decision following the close of the record in a contested case hearing.	Target	60	56	52	48	48	48
	Data	60	77	75	87		

Data Source: Agency database tracking system. Data is reported for the year in which the process is complete.

Key Performance Measure Analysis

To what goal(s) is this performance measure linked?

This measure relates to the agency’s goal to timely process complaints.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)?

What is the impact of your agency?

The agency has determined that it has no primary links to Oregon Benchmarks. The agency measures its progress toward achieving agency goals as defined in its mission statement.

How does the performance measure demonstrate agency progress toward the goal?

A prompt decision by an administrative law judge (ALJ) means the entire process moves more quickly and the dispute causes less workplace disruption, which saves taxpayers’ money and increases productivity.

Compare actual performance to target and explain any variance.

For the current reporting period, the average number of days to issue a recommended order following the close of the record is 39 days (81%) longer than the target, and 12 days longer than it took in calendar year 2003. The agency attributes this variance to reduction in staff without a commensurate reduction in agency workload. At the beginning of the 2003-05 biennium, the legislature reduced the ALJ staff by one, from three ALJs to two, and eliminated one support staff position. As a result, ALJs must now schedule hearings and perform other clerical duties, leaving less time to conduct hearings and draft orders.

Summarize how actual performance compares to any relevant public or private industry standards.

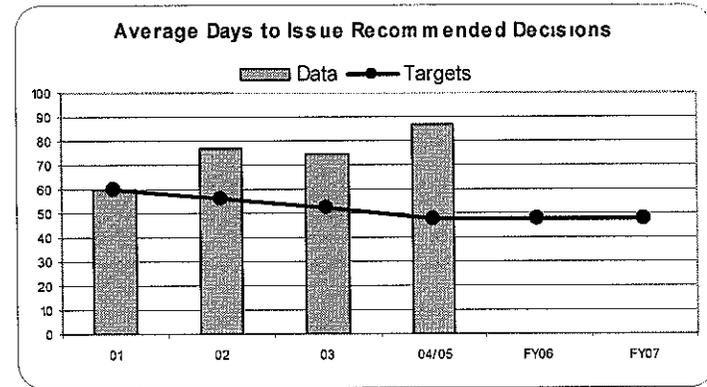
In 2003, ALJs for the National Labor Relations Board (NLRB) averaged 57 days from close of hearing to decision. The ALJs at NLRB, unlike those at ERB, do not conduct their own investigations or perform their own clerical work.

What is an example of a department activity related to the measure?

ALJs investigate cases, conduct evidentiary hearing(s), and issue recommended decisions.

What needs to be done as a result of this analysis?

The agency purchased updated equipment and obtained modern computer research tools to assist the ALJs with their work and enable them to be more efficient.



Key Performance Measure (KPM)		2001	2002	2003	2004/05	FY06	FY07
# 3 – Average length of time in days it takes for the Board to issue a final order following either oral argument on objections to a recommended order, or review of the case record where no objections are filed to a recommended order.	Target	80	75	70	65	60	60
	Data	78	98	65	78		

Data Source: Agency database tracking system. Data is reported for the year in which the process is complete.

Key Performance Measure Analysis

To what goal(s) is this performance measure linked?

This measure relates to the agency’s goal to help insure that government services to the public continue without impairment or interruption.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

The agency has determined that it has no primary links to Oregon Benchmarks. The agency measures its progress toward achieving agency goals as defined in its mission statement.

How does the performance measure demonstrate agency progress toward the goal?

The prompt resolution of workplace disputes helps prevent work stoppages and reduces the time spent dealing with the dispute, which saves taxpayers’ money and increases productivity.

Compare actual performance to target and explain any variance.

It took an average of 78 days for the Board to issue a final order. This is 13 days (20%) longer than both the target and the prior reporting period. Several factors contributed to this increase. During this reporting period, the agency underwent many changes. One of the three Board positions was vacant for more than five months during the reporting period, and a second member was relatively new to the Board. It takes at least two years for a Board member to gain the experience needed to efficiently and expeditiously perform Board duties, and the agency had no funds to train the new members. At the same time, the agency underwent a reorganization, changing some staff duties and hiring an administrator to handle budget, personnel, and other administrative duties. In addition, some long-term staff members retired or left for other positions. Due to the complex nature of the work and the need to wait for legislative approval of the agency’s 2005-07 budget, one support staff position was vacant for approximately eight months, and new staff members are still being trained in their duties.

Summarize how actual performance compares to any relevant public or private industry standards.

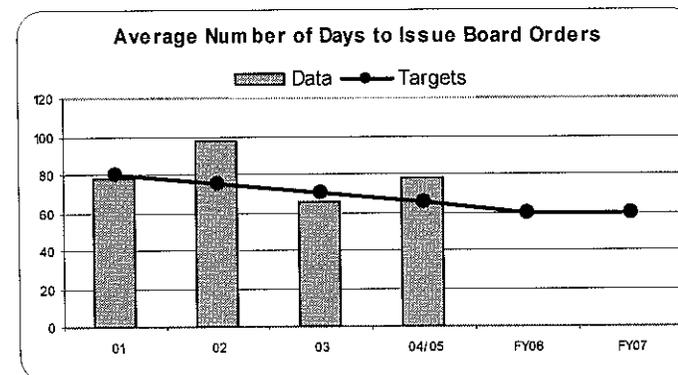
There is no comparative data available.

What is an example of a department activity related to the measure?

The three-member Board receives case files after the ALJs issue their recommended decisions. If objections are filed, the Board holds oral argument, considers the record, and issues a final Board Order. If no objections are filed, the Board reviews the record and issues a final Board Order.

What needs to be done as a result of this analysis?

It is likely that the Board’s efficiency will decrease further during the next twelve months because a long-term Board member will leave at the end of October 2005 and be replaced by a new member with no experience.



Key Performance Measure (KPM)		2001	2002	2003	2004/05	FY06	FY07
# 4 – Average length of time in days it takes for the agency to process all cases involving a hearing from case filing to final order.	Target	320	310	300	290	280	280
	Data	364	274	299	412		

Data Source: Agency database tracking system. Data is reported for the year in which the process is complete.

Key Performance Measure Analysis

To what goal(s) is this performance measure linked?

This measure relates to the agency's goal to help insure that government services to the public continue without impairment or interruption.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)?

What is the impact of your agency?

The agency has determined that it has no primary links to Oregon Benchmarks. The agency measures its progress toward achieving agency goals as defined in its mission statement.

How does the performance measure demonstrate agency progress toward the goal?

The prompt resolution of workplace disputes helps prevent work stoppages and reduces the time spent dealing with the dispute, which saves taxpayers' money and increases productivity.

Compare actual performance to target and explain any variance.

This is a good measure of the agency's overall functioning because it shows the total time it takes a case to go through all of the steps in the process. It took an average of 412 days to process a case during the current reporting period. This is 113 days longer than the prior reporting period, an increase of more than 35%. The same factors affecting outcomes for KPM 2 and 3 contributed to this increase -- a reduction in the number of ALJs and their support staff, a protracted vacancy on the Board, new Board members, turnover in key staff, and other staff changes.

Summarize how actual performance compares to any relevant public or private industry standards.

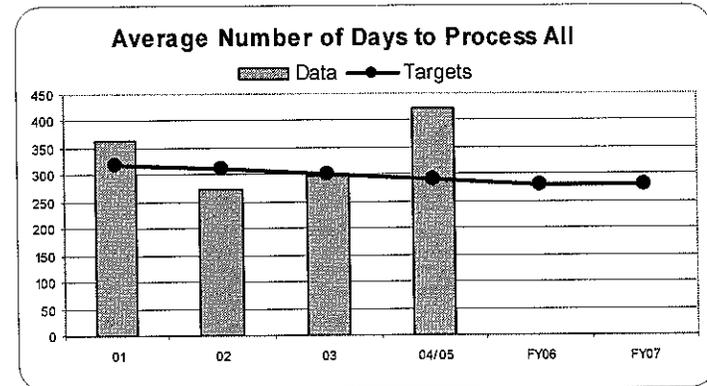
There is no comparative data available.

What is an example of a department activity related to the measure?

ALJs investigate cases, hold evidentiary hearings, issue recommended decisions, and then turn cases over to the Board; the Board considers the record, holds oral arguments when required, and issues the final decision.

What needs to be done as a result of this analysis?

The agency has a new performance measure for the 2005-07 biennium that will track the length of time it takes from filing a complaint until the ALJ holds a hearing. This will help provide a better understanding of where delays occur. The legislature denied the Governor's request for funding to restore a third ALJ position, but it provided funding for transcripts of hearings, updated equipment, and modern computer research tools to assure greater efficiency in the issuance of recommended and final decisions. However, the impact of staff reductions and the loss of another Board member will be further reflected in the FY 2005-06 statistics.



Key Performance Measure (KPM)		2001	2002	2003	2004/05	FY06	FY07
# 5 – Percentage of contract negotiations disputes involving strike-permitted employees resolved by mediation prior to the employees striking or the employer unilaterally implementing its final offer.	Target	98%	98%	98%	98%	98%	98%
	Data	98%	100%	91%	95%		

Data Source: Agency database tracking system. Data is reported for the year in which the process is complete.

Key Performance Measure Analysis

To what goal(s) is this performance measure linked?

This measure relates to the agency’s goal of helping to insure the public continues to receive government services without interruption.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)?

What is the impact of your agency?

The agency has determined that it has no primary links to Oregon Benchmarks. The agency measures its progress toward achieving agency goals as defined in its mission statement.

How does the performance measure demonstrate agency progress toward the goal?

The measure calculates the percentage of cases that are resolved in mediation, prior to self-help by the parties (strike by the union, unilateral implementation by the employer).

Compare actual performance to target and explain any variance.

The agency’s performance was slightly below the target but an improvement from the last reporting period. The fallout of economic downturns, soaring health insurance costs, and budget shortfalls in the current and prior reporting periods meant that a number of employers felt they had no option except to implement their final offer. These cases eventually settled after implementation.

Summarize how actual performance compares to any relevant public or private industry standards.

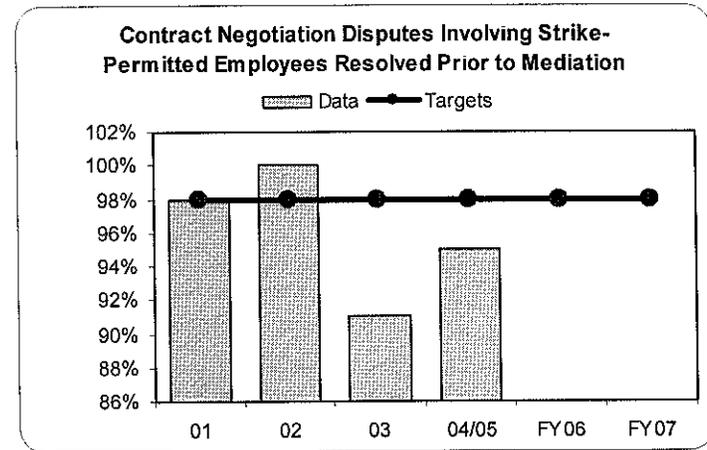
There is no comparative data available.

What is an example of a department activity related to the measure?

The State Conciliator and two mediators assist state and local public employers and unions to work out their contract disputes.

What needs to be done as a result of this analysis?

The agency will continue its program, and has already seen an increase in the mediation caseload for FY 2006. Without added staff, the performance will likely suffer further. Once the extraordinary circumstances of large budget shortfalls are past, the historical data indicates the agency will resume meeting its target.



Key Performance Measure (KPM)		2001	2002	2003	2004/05	FY06	FY07
# 6 – Percentage of contract negotiations disputes involving strike-prohibited employees resolved by mediation before the parties submit the dispute to binding interest arbitration.	Target	92%	92%	92%	92%	86%	86%
	Data	83%	84%	43%	76%		

Data Source: Agency database tracking system. Data is reported for the year in which the process is complete.

Key Performance Measure Analysis

To what goal(s) is this performance measure linked?

The measure relates to the goal of supporting the development of harmonious and cooperative relationships between the government and its employees.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)?

What is the impact of your agency?

The agency has determined that it has no primary links to Oregon Benchmarks. The agency measures its progress toward achieving agency goals as defined in its mission statement.

How does the performance measure demonstrate agency progress toward the goal?

The measure calculates the percentage of employee groups prohibited from going on strike that resolve their disputes in mediation without the need for an outside interest arbitrator.

Compare actual performance to target and explain any variance.

The agency's performance was below the target but an improvement from the last reporting period. Economic and budget conditions were unusually difficult, and the parties were frequently unable to resolve economic issues. The economic conditions were such that unions felt they had little to lose in arbitration.

Summarize how actual performance compares to any relevant public or private industry standards.

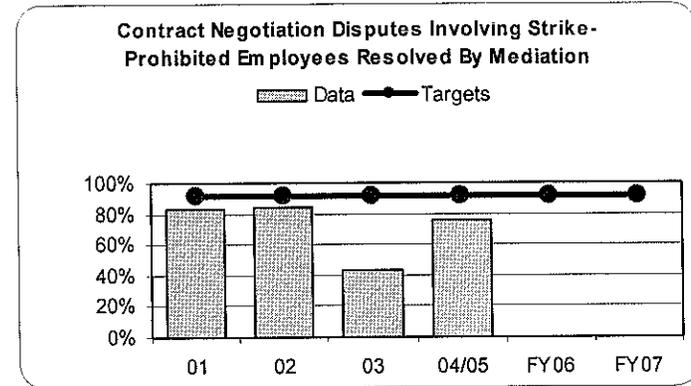
There is no comparative data available.

What is an example of a department activity related to the measure?

The State Conciliator and two mediators assist state and local public employers and unions to work out their contract disputes.

What needs to be done as a result of this analysis?

The agency results in 2004 were abnormally low because of unusual economic and budget conditions beyond the agency's control. The agency has proposed a lower target rate that is more in line with the historical data.



Key Performance Measure (KPM)		2001	2002	2003	2004/05	FY06	FY07
# 7 – Number of employers and unions that participated in interest-based bargaining training that used the training method in subsequent negotiations.	Target	100%	100%	100%	100%	---	---
	Data	100%	100%	100%	100%		

Data Source: Conciliation client surveys. Data is reported for the year in which the process is complete.

Key Performance Measure Analysis

To what goal(s) is this performance measure linked?

This measure relates to the agency's goal of developing harmonious and cooperative relations between government and its employees.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)?

What is the impact of your agency?

The agency has determined that it has no primary links to Oregon Benchmarks. The agency measures its progress toward achieving agency goals as defined in its mission statement.

How does the performance measure demonstrate agency progress toward the goal?

The agency's conciliation service, on request, trains parties in the interest-based bargaining method, which is more collaborative than traditional bargaining. This measure calculates the percentage of those trained in this alternative method who use it in subsequent negotiations.

Compare actual performance to target and explain any variance.

The agency met its goal. 100% of the parties trained in the collaborative method used it in subsequent negotiations.

Summarize how actual performance compares to any relevant public or private industry standards.

There is no comparative data available.

What is an example of a department activity related to the measure?

The State Conciliator and mediators present the training on interest-based bargaining.

What needs to be done as a result of this analysis?

This is a valuable and useful tool for many of our customers, and the agency will continue this training course. However, because this work is such a small percentage of our workload, this performance measure has been deleted for future biennia.

