

U.S. Department of Labor

Office of Inspector General
Washington, D.C. 20210



Reply to the Attention of:

JUN 23, 1998

MEMORANDUM FOR: CHARLES N. JEFFRESS
Assistant Secretary for Occupational Safety and Health

FROM: F. M. BROADAWAY
Assistant Inspector General for Analysis, Complaints and
Evaluations

SUBJECT: Review of Regional Office Operations OSHA Region II
Report No. 14-OACE-98-OSHA

This memorandum presents the results of a review of the Occupational Safety and Health Administration (OSHA)'s Region II structure and operations conducted by the Office of Inspector General (OIG), Office of Analysis, Complaints and Evaluations, Division of Evaluations and Inspections, to address selective issues raised in a position paper concerning the Region forwarded to OIG by the Office of the Secretary. The objective of the evaluation was to assess the efficiency of OSHA/Region II's administrative and management operations and any related impact on program performance. Our review did not confirm the position paper's conclusions that significant opportunities exist to streamline Regional administrative and program management operations. Furthermore, we concluded that the Regional Office's program support units contribute to, rather than detract from, the effectiveness of the Region in accomplishing OSHA's mission. This memorandum, therefore, is provided for informational purposes and does not require a response.

I. Background

The Office of the Secretary of Labor forwarded to OIG a position paper, entitled Waste and Abuse in OSHA's Region II Office, prepared by one of OSHA's Region II managers. The paper expresses a number of concerns regarding what is characterized as an unnecessary Regional Office structure and its adverse impact on Area Offices as well as issues dealing with general operational cost considerations in the New York Region. Following a review of pertinent background information and an entrance conference with officials of the OSHA National Office, it was decided that the predominant issues to be addressed would be the efficiency and cost effectiveness of Regional operations.

II. Objectives and Methodology

The overall objective of the evaluation was to assess the efficiency of OSHA/Region II's administrative and management operations and any related impact on program performance. The review encompassed an assessment of regional support service efforts, including whether any of

those efforts duplicate tasks for which the Department's Office of Assistant Secretary for Administration and Management is responsible. For the purposes of our evaluation, we grouped several of the issues raised in the *Waste and Abuse in OSHA's Region II Office* paper into two sub-objective categories: (A) to determine whether opportunities exist to streamline the Regional Office's administrative operations, increasing efficiency and providing additional resources for program responsibilities; and (B) to evaluate the contributions of program oversight and technical assistance units at the Regional Office in supporting OSHA's mission in the Region.

In meeting our objectives, we interviewed OSHA staff both at the National Office and in Region II, including 5 of the 12 Area Office Directors, regarding practices and procedures. The review team also utilized a variety of evaluation techniques, including literature review, in-depth interviews with relevant personnel, quantitative analysis and case studies.

Our review was conducted in accordance with the Quality Standards for Inspections published by the President's Council on Integrity and Efficiency.

III. Review Results

A. Administrative Operations

Our evaluation of the potential for streamlining Regional administrative operations encompassed a review of most of the major responsibilities of the Program Planning and Support (PPS) unit, with a focus on the primary issues regarding administrative efficiency cited in the paper, *Waste and Abuse in OSHA's Region II Office*, prepared by a former Area Office Director from the Region. We did not confirm the concerns raised by the paper's author with respect to disproportionate resources dedicated to administrative activities or duplication of services provided by Regional staff of the Office of Assistant Secretary for Administration and Management (OASAM). Our review of program management reports prepared by the PPS unit and interviews with Region II Area Directors supported the contributions of these products to the effective administration of the Region. Since reviews of Region II's personnel actions were in progress or planned by the OSHA National Office and OASAM, we excluded PPS' personnel responsibilities from our review coverage. However, with respect to the PPS activities reviewed, we did not identify opportunities for the streamlining of administrative operations.

Although the former OSHA Area Director criticized the resources dedicated to Regional Office activities at the expense of field inspections performed by the Area Offices in his paper, the ratio of staff assigned to Area Offices as compared to the Regional Office has not varied significantly for Region II from fiscal year 1994 through June 1997 and compares favorably with the data for other OSHA Regions. In June 1997, Region II had a ratio of 7.46 Area Office employees per staff member assigned to the Regional Office as compared to 7.16 in 1994, with lower ratios in the intervening years of 7.10 and 6.77 in 1995 and 1996, respectively. Both the Philadelphia and Atlanta OSHA Regions had lower ratios of Area Office staff to Regional Office employees in June 1997 (5.32 and 5.31, respectively).

With personnel operations excluded from the scope of our review, the primary PPS administrative responsibility we examined was the budget and fiscal area and we concluded that PPS' efforts supplemented, rather than duplicated, services available from the Regional OASAM staff. In overseeing OSHA's regional and area budgets, the PPS unit tracks expenditures as well as invoices awaiting payment, whereas OASAM only tracks actual expenditures. PPS's supplemental tracking system better ensures that invoices are paid within the standards established by the Prompt Payment Act and affords the Region more current financial management information. In addition, the PPS unit reformats budget reports received from OASAM into more user friendly reports for distribution to the Area Offices, facilitating effective financial management by the Area Directors. PPS staff have also supplemented administrative services available from OASAM when necessary to ensure timely support to OSHA Region II staff. For example, a member of PPS conducted a leave audit for an employee nearing retirement when OASAM Regional staff had been unable to respond for a prolonged time period to the OSHA Regional Office's request for the leave audit.

The PPS unit was also assigned a variety of Regional program and administrative oversight and management responsibilities, entailing both routine statistical reporting and reviews of a more evaluative nature. PPS staff coordinated regularly scheduled on-site management reviews of the Area Offices which included evaluations of administrative issues addressed by PPS staff members and program issues reviewed by senior Compliance Safety and Health Officers (CSHO) drawn from the other Region II Area Offices. In addition, the PPS unit was responsible for conducting special studies which often addressed a specific program topic on a Region-wide basis. For example, PPS staff completed a special study of the focused construction inspection initiative in response to nationwide statistical data indicating Region II had completed a lower percentage of such inspections than other Regions.

Most of the Area Office Directors we interviewed considered the majority of PPS' reports to be of assistance in managing operations and our review of a limited sample of the reports reached a similar conclusion. With respect to the statistical reports extrapolated from information input into OSHA's management information systems, all of the Area Office Directors did not find the reports of equal value but the reports considered of greatest and least benefit varied among the managers. While most of the Area Office Directors advised that their staff's technical skills were not adequate to provide statistical reports comparable to those generated by the Regional Office, even the Directors with the capacity to obtain the data preferred for the Regional Office to provide this assistance, permitting them to maximize the use of their staff in the performance of inspections. We reviewed a limited sample of PPS' management reports on Area Offices and special studies and found that both types of reviews identified significant issues requiring attention and included recommendations for improving the effectiveness and efficiency of program operations. The special study of the focused construction inspection initiative referenced above, for example, identified several causes for the decrease in the number of such inspections including inconsistent implementation of the guidelines for the initiative and a fundamental lack of understanding of the directive. The report provided eight recommendations or action items to ensure that the Region would

meet the objectives of the initiative, including designating the Area Office which had made the most significant progress to provide necessary technical assistance to the other Area Offices.

B. Program Oversight and Technical Assistance Units

The Regional Office, through its Federal State Operations (FSO), Training, Education, Consultation, Federal Agency Programs (TECFAP), and Technical Services (T/S) units, ensures uniform interpretations of OSHA regulations and contributes leadership and coordination in the accomplishment of the program's goals. These program oversight and technical assistance units have, when necessary, provided services which supplement the responsibilities of other OSHA units to enhance Regional program performance. Our evaluation found no evidence to support that the functions of the Regional Office's program oversight and technical assistance units could be readily assigned to the Area Offices or that Regional Office involvement delays the abatement of hazardous conditions, as indicated in the paper *Waste and Abuse in OSHA's Region II Office*.

The Federal State Operations staff is the key technical resource and review unit responsible for the uniformity of safety and health program efforts of Region II Area Offices. It is the unit to which Area officials turn for expert technical advice, opinions or review of certain technical case documents. If a technical or procedural question arises during a safety/health inspection, FSO conducts the research to determine the answer. While much information is available on-line, there are still publications only available as hard copies; the Regional Office has a fully functioning library that would be inefficient to duplicate at the Area level. The FSO also provides Area Offices guidance and instructions on National Emphasis Programs and follows up to ensure effective and consistent implementation. The FSO staff also review case files for accuracy and uniformity, and in an arrangement with the Regional Solicitor's Office (SOL), ensures that significant cases are complete and legally sufficient before their submission to SOL. This arrangement was instituted after several technical reviews by FSO staff had resulted in changes to the citations of standards SOL had initially accepted from the Area Offices.

Among the issues raised in the paper *Waste and Abuse in OSHA's Region II Office*, we placed particular attention on the question of whether FSO's involvement in the most significant cases extended the time required to abate serious workplace hazards, and our review did not confirm the author's conclusions in this regard. Specifically, we noted that the CSHO conducting any inspection attempts to secure immediate abatement of identified hazardous conditions and issues citations, when applicable, before leaving the site. While reviews by FSO may recommend a change in the technical standard cited, the level of the violation or the amount of the fine, such actions usually occur subsequent to, or in rare cases concurrent with, efforts to obtain hazard abatement. During our interviews, the former Area Office Director was unable to cite any specific examples of delays in the abatement of hazardous conditions resulting from FSO reviews to supplement our case studies.

Although the former Area Office Director who prepared the paper *Waste and Abuse in*

OSHA Region II Office expressed the opinion that activities conducted by the Regional Office's technical assistance units could be transferred to the Area Offices, we concluded that decentralizing the responsibilities of the Training, Education, Consultation, Federal Agency Programs unit to the Area Offices would reduce the effectiveness and efficiency of program operations in the Region. TECFAP is responsible for providing consultative services funded under 7(c)(1) of the OSHA, conducting program evaluations and coordinating related efforts, such as training conferences and grant administration, under the state safety and health programs for both New York and New Jersey. TECFAP is also responsible for OSHA's Voluntary Protection Programs which reviews companies' self-administered volunteer safety/health programs. The TECFAP staff develop and direct a complete program providing administrative, technical, and consultative services to Federal agencies as well as Field Federal Safety and Health Councils on standards, regulations, and compliance requirements of the legislation. The consultation programs, in particular, require a level of program experience and expertise beyond that of the average Area Office CSHO. Furthermore, decentralizing these program activities would curtail the resources available to the Area Offices for conducting inspections, a topic of primary concern in the former Area Office Director's paper. Lastly, TECFAP maintains an extensive videotape and slide inventory for professional and technical education purposes which could not be efficiently replicated in each Area Office.

Lastly, our reviews did not confirm the former Area Office Director's positions either that the basic introductory training for new CSHOs provided by the Region's Technical Services unit duplicated training available from OSHA's Training Institute or that the quality of the instruction was substandard. Officials of the Training Institute advised us that they were unable to schedule introductory training for this group of newly hired CSHOs in a timely manner and were pleased that Region II had provided its own training. With respect to the quality of the training program, our reviews of the evaluations completed by the participants found that the Region's composite score for the category "Overall Rating" for the course was a 4.2 on a scale of 5, i.e., an average score between very good and excellent. From the participant evaluations, we did not identify any patterns or trends reflecting areas requiring improvements for the Region's basic training course.

In summary, our review of selected issues raised in the position paper *Waste and Abuse in OSHA's Region II Office* did not identify significant opportunities to streamline Regional administrative and program management operations. We concluded that the units and activities included in the scope of our review contribute to the Region's effectiveness in accomplishing OSHA's mission. Reassigning the Regional Office's program oversight and technical assistance responsibilities to Area Offices, as proposed in the position paper, would result in an inefficient duplication of functions and reduce the resources available for inspections. The administrative responsibilities assigned to the Program Planning and Support unit could not be readily transferred to OASAM as indicated in the position paper since the majority of these activities either supplemented services offered by OASAM or pertained to the management of OSHA's programs within the Region.

Since no issues requiring corrective action were identified during this review, this memorandum

report is considered closed upon issuance and no response is required. We appreciate the cooperation received from OSHA officials during the course of this review. If you have any questions concerning this report, please contact Veronica M. Campbell at (202) 219-8446, ext. 143.

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