



Memorandum from the Office of the Inspector General

October 24, 2019

Tina R. Shelton

**FINAL REPORT – EVALUATION 2019-15688 – ORGANIZATIONAL EFFECTIVENESS
FOLLOW-UP – HUMAN RESOURCES' EMPLOYEE HEALTH**

The Office of the Inspector General (OIG) previously conducted an evaluation of Human Resources¹ (HR) to identify strengths and risks that could impact HR's organizational effectiveness. Our report identified several strengths and risks along with recommendations for addressing those risks. In response to that report, Tennessee Valley Authority (TVA) HR management provided their management decision. We subsequently completed a follow-up evaluation² that assessed management's actions to address risks from our initial organizational effectiveness evaluation for one of the organizations three departments – Employee Health (EH). Our follow-up evaluation reflected management had taken actions to address several risks outlined in our initial evaluation. However, two recommendations remained unresolved, including (1) execution risks related to the refinement of the medical case management process and (2) inclusion concerns.

The objective of this follow-up evaluation was to assess actions taken to address the concerns identified in our initial organizational effectiveness evaluation. In summary, we determined EH has taken action to address the execution risks related to the medical case management process. Also, the inclusion concerns identified in our original evaluation were related to EH's placement in HR. Since that evaluation, the Chief Human Resources Office (CHRO) has reorganized, and EH is now located under a different CHRO business unit (Compensation & Benefits).

BACKGROUND

As of September 23, 2016, the date we initiated our original review, HR was a business unit under TVA's CHRO³ and was comprised of Human Resource Business Partnerships, Labor Relations, and EH. EH was responsible for assessing the health status of each employee to determine their suitability to work safely and meet regulatory standards as a condition of TVA employment. This was accomplished by determining an employee's fitness for duty based on their health capacity as compared to their respective job functions. The department consisted of medical professionals, including a senior

¹ Evaluation 2016-15445-05, *Human Resources' Organizational Effectiveness*, September 26, 2017.

² Evaluation 2018-15583, *Organizational Effectiveness Follow-Up – Human Resources' Employee Health*, September 28, 2018.

³ As of October 11, 2019, the HR organization no longer contains Labor Relations or EH and the organization has been renamed to Human Resources Business Partnerships. EH is now part of Compensation & Benefits and Labor Relations is part of Talent Management, which are two separate business units under CHRO.

physician, nursing staff, and medical technicians, tasked with providing medical consultation, conducting medical case management activities, and maintaining medical information. The department also consisted of persons responsible for nonnuclear fitness for duty and workers' compensation. Oversight responsibilities of personnel within the department included serving as program administrator of medical case management, overseeing medical restrictions and leave trends, and conducting audits on EH programs to ensure compliance and consistency.

In our previous organizational effectiveness evaluation of HR, we identified strengths and risks related to EH and provided recommendations to address those risks. Specifically, we recommended⁴ the Vice President, HR:

1. Address the performance management risks identified in the report to ensure all employees are given an opportunity to have participative and reasonable performance goals.
2. Address the concerns regarding training and resources to ensure employees have the necessary tools required to perform their responsibilities.
3. Identify ways to improve applicable managers' leadership skills and ensure each manager is demonstrating TVA's values and competencies.
4. Address execution risks by refining the medical case management process in order to reduce the amount of time spent on administrative tasks and clarifying the role EH plays in leave abuse.
5. Address the concerns pertaining to inclusion by continuing dialogue with employees to gather differing opinions and encourage employees to voice their differing opinions without fear and promote inclusive behaviors regardless of location, position, or personal style.

This report covers our review of EH's actions taken to address the remaining risks from our initial organizational effectiveness evaluation. Please see the Observations section for a discussion of the risks previously identified and management's actions.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective was to assess actions taken to address the concerns identified in our initial organizational effectiveness evaluation. To achieve our objective, we:

- Reviewed Evaluation 2016-15445-05 to determine the risks previously identified.
- Reviewed management decision dated December 4, 2017, to identify planned and completed actions.

⁴ We excluded recommendations specific to Human Resource Business Partnerships as these were tested in Evaluation 2019-15687, *Organizational Effectiveness Follow-Up - Human Resources*.

- Reviewed Evaluation 2018-15583 to identify management actions taken since our initial evaluation.
- Developed questions for employees designed to obtain information and perspectives on EH's actions.
- Selected a nonstatistical sample⁵ of 16 individuals from a population of 25 who were interviewed as part of the initial evaluation and interviewed them to obtain perspectives on EH management's actions.
- Reviewed data and documentation associated with EH management's actions.

This evaluation was performed in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

OBSERVATIONS

In summary, we determined EH has taken actions to address the execution risks related to the medical case management process. The inclusion concerns identified in our original evaluation were related to EH's placement in HR. Since that evaluation, the CHRO has reorganized, and EH is now located under a different CHRO business unit (Compensation & Benefits). See the table below for our observations regarding management's actions related to the execution risks.

MANAGEMENT'S ACTIONS AND OUR OBSERVATIONS

Risk	Management's Actions	OIG's Observations
Execution Risks	Management stated that initial refinement of the medical case management process (e.g., development and implementation of centralized scheduling) has been completed, and they will continue to evaluate and improve the process as needed.	In the original report, employees expressed concerns with various aspects of the medical case management process, including (1) addressing sick leave abuse, (2) increased workload requirements, and (3) administration of the disability accommodation review process. In the initial follow-up review, we noted actions had been taken to address a portion of the recommendation; however, the accommodation user guide had not been finalized. During this review, EH management provided finalized documentation of the user guide for the accommodation process. Furthermore, we obtained feedback from our sample of EH personnel and determined the majority indicated improvement or that changes had been made to the medical case management process.

We determined EH has taken actions to address the risks outlined in our initial organizational effectiveness evaluation.

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⁵ We judgmentally selected individuals for interviews.

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This report is for your review and information. No response to this report is necessary. If you have any questions or need additional information, please contact Amy R. Rush, Evaluations Manager, at (865) 633-7361 or Lisa H. Hammer, Director, Evaluations – Organizational Effectiveness, at (865) 633-7342. We appreciate the courtesy and cooperation received from your staff during the evaluation.



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