

**REPORT OF THE
JOINT SUBCOMMITTEE STUDYING**

**The Possibility of
Public and Private
Employees Temporarily
Switching Workplaces**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



HOUSE DOCUMENT NO. 68

**COMMONWEALTH OF VIRGINIA
RICHMOND
1993**

MEMBERS OF THE SUBCOMMITTEE

The Honorable Mitchell Van Yahres, *Chairman*
The Honorable Henry L. Marsh III, *Vice Chairman*
The Honorable Ward L. Armstrong
The Honorable J. Brandon Bell II
The Honorable Mary T. Christian
The Honorable Richard L. Fisher
The Honorable Edgar S. Robb
Ms. Martha A. Duggan
Ms. Julia W. Price
Ms. Marilyn D. Wenger
Ms. Dorthula H. Powell-Woodson

STAFF

Division of Legislative Services

Edie T. Conley, Staff Attorney
C.M. Conner, Jr., Staff Attorney
Jane C. Lewis, Senior Executive Secretary

House Committee Operations

Dawn Smith, Clerk

TABLE OF CONTENTS

	Page
I. AUTHORITY FOR STUDY	1
II. BACKGROUND	2
A. Survey of Other States	2
1. Maryland	2
2. New York	3
3. South Carolina	5
4. North Dakota	6
5. Montana	6
6. Oregon	6
B. The Federal Government's Approach	7
III. WORK OF THE SUBCOMMITTEE	7
A. Deliberations	7
B. Recommendations and Proposed Legislation	9
IV. CONCLUSION	11
V. APPENDICES	12
A. House Joint Resolution No. 205 (1992).	13
B. Survey of Other States Regarding an Employee Exchange Program	14
C. Secretariat Responses	15
D. Proposed Legislation	16

**Report of the
Joint Subcommittee Studying the
Possibility of Public and Private Employees
Temporarily Switching Workplaces**

To
The Governor and
The General Assembly of Virginia

Richmond, Virginia
February 1993

TO: Governor L. Douglas Wilder, Jr.
and
The General Assembly of Virginia

I. AUTHORITY FOR STUDY

The 1992 Session of the General Assembly passed House Joint Resolution No. 205 (see Appendix A), patroned by Delegate Mitchell Van Yahres of Charlottesville, requesting that a joint subcommittee be established to research the possibility of having public employees and private employees temporarily switch workplaces. The subcommittee was charged with considering the following issues:

- ◆ the feasibility of temporarily switching employees;
- ◆ the length of time the employees would remain at the alternate workplace; and
- ◆ what positions would be temporarily switched.

The membership of the joint subcommittee was appointed as follows: The Speaker of the House appointed Delegates Mitchell Van Yahres, Mary L. Christian, Ward L. Armstrong, and Richard L. Fisher. The Senate Committee on Privileges and Elections appointed Senators Henry L. Marsh III, Edgar S. Robb, and J. Brandon Bell II. The Governor appointed three business leaders, Martha A. Duggan, Julia W. Price, and Marilyn D. Wenger, and Dorthula H. Powell-Woodson, Director of the Department of Personnel and Training, was designated an ex-officio member of the subcommittee.

Delegate Van Yahres served as Chairman of the joint subcommittee, with Senator Marsh acting as Vice-Chairman. The resolution directed the subcommittee to submit its findings and recommendations to the 1993 Session of the General Assembly.

II. BACKGROUND

The Department of Personnel and Training (DPT) has never conducted or considered a program whereby state employees and private sector employees actually "switch" workplaces; however, the agency has never restricted an agency director's ability to send his or her employees on "training missions" to other state agencies or private companies.

A. SURVEY OF OTHER STATES

The subcommittee initially determined that a survey of the 49 other states would be beneficial to its deliberations. Thus, all states were surveyed to determine which, if any, had conducted or considered conducting employee exchanges between private sector and governmental employees. (See Appendix B.) As of October 8, 1992, 29 states had responded. Of the 29, six indicated that they have adopted personnel exchange programs to enhance productivity and efficiency in the various levels of government; however, each state has taken its own unique approach in developing its model program.

1. Maryland

In June 1988, during the second year of his first term of office, Maryland Governor William Donald Schaefer initiated an "executive swap" program, which requires that the Governor's top administration officials, 32 in number, including the Governor, exchange places with another official in another state department. The month-long swap allows the officials to spend one-half of their day in their new assignment and the rest of their day in their regular jobs. According to the Governor's office, the job-swapping is designed to give bureaucrats a feel for what their colleagues are doing in other departments. Such exchanges lead to exposure to problem-solving methods which can be taken back and applied to the official's regular duties.

Due to the success of the program, a second executive swap occurred in July 1991 and lasted approximately one month. The only official exempt from this swap was the Secretary of Public Safety and Correctional Services, as his office was in the midst of prison construction and the state takeover of the Baltimore City Jail.

The 1991 swap program resulted in the Governor acting as head of the Department of Human Resources, the Secretary of Higher Education acting as the Governor, the Secretary of the Department of Natural Resources acting as the Secretary of the Department of Agriculture, the Secretary of Agriculture acting as Secretary of State, the Governor's appointments secretary acting as Chief of the Department of Natural Resources, and probably the most eye-opening change, the Director of the Governor's Office on Aging acting as Director of the Department of Juvenile Services.

The concept of job-swapping is not new to Governor Schaefer. He began a job swap program for the City of Baltimore when he was that city's mayor. Also, during his gubernatorial term he has ordered Cabinet secretaries to spend time at day-care centers and retirement and nursing homes to get an accurate picture of the social problems facing the state. One weekend in 1990, he required the Secretary of Public Safety and Correctional Services to pick up trash along Route 50 on Maryland's Eastern Shore.

Of primary importance to Governor Schaefer's swap program was Tom Peter's Thriving on Chaos. Published in 1987 and dedicated to the governor, the book praises Schaefer's management style and actions, attributing his success to a "compulsion for action, unmatched energy, and an astonishing ability to be in touch with the city's people" (p. 38). Peters, who also co-authored In Search of Excellence and A Passion for Excellence, asserts that "the principal enemy is inertia ... Thus, on net, a fair dose of change for change's sake, even including some wheel spinning, is preferable." It is this notion of change that propelled Governor Schaefer to initiate his swap program.

2. New York

"The Loaned Executive Program will help us create excellence in State Government, so that we can use our tax dollars more effectively and provide you with the best service possible for every dollar we spend. That's why it has received my highest priority."

—Governor Mario M. Cuomo

With this explanation, Governor Mario Cuomo established the New York Loaned Executive Program as a cooperative effort of the state's Office of Management and Productivity, the business community and other private and public organizations. The objectives of the program are to promote more effective and efficient governmental operations while providing a unique developmental experience for public and private sector managers.

According to the Office of Management and Productivity (MAP), the Loaned Executive Program was established in recognition of the fact that the public and private sectors share many common interests and that cooperative efforts can be of mutual benefit. The program recognizes that:

- ◆ Improving the economy and efficiency of state programs will stabilize the cost of government and improve the quality of services.

- ◆ The private sector's emerging technologies and approaches to management dilemmas can be adapted to state government.
- ◆ The exchange of ideas and information between similar private and public organizations avoids redundant efforts and eliminates waste.
- ◆ The Governor's Office and agency heads must continuously lead the search for ways to improve how the state does its job.

The program, designed to be flexible, accommodates both long- and short-term assignments. These range from one-time technical assistance meetings to lengthy research defining problems and identifying solutions.

To ensure success, MAP, with the assistance of its Management and Productivity Advisory Council, carefully arranges matches between the state's needs for assistance and the business or academic community's ability to help. MAP also identifies projects where loaned executives can contribute to the state's productivity efforts. The office solicits interest in participation via a project prospectus describing the assignment, its objectives and the experience each loaned executive should possess. The assignment is assessed with regards to timing, availability of staff and potential benefits to the state, the loaning company and the loaned executive.

Loaned executives define management issues, prepare plans for projects and management actions, develop recommendations for state management review and implement solutions. Occasionally, they also participate in management development and training. During the assignment, MAP staff familiarize loaned executives with state operations and agencies and assure that the host agency supplies the loaned executives with the support and information necessary to carry out assignments.

The Loaned Executive Program has several major success stories to its credit:

- ◆ With assistance from the **New York Telephone Company**, a new system of management controls was developed and implemented for the state's 6,200 passenger vehicle fleet. This resulted in reduced car repair and maintenance cost and is saving the state \$600,000 annually.
- ◆ With the cooperation of **Reader's Digest**, the state realized efficiencies by converting to a ZIP + 4 mailing system and is saving \$350,000 annually.
- ◆ Working with **General Electric**, the New York Department of Correctional Services increased its productivity and reduced its operational costs by streamlining management and accounting procedures.

- ◆ With assistance from **Garden Way**, a firm based in Troy, New York, a direct mail marketing campaign was developed to spread the work about the **Loaned Executive Program** to business leaders and professional groups throughout New York.
- ◆ In the Program's first two years (1984-1986), 39 loaned executives representing 25 private sector entities, assisted the state with various projects.

3. South Carolina

In 1978, the South Carolina legislature enacted Chapter 12 of Title 8 of the *Code of Laws of South Carolina* pertaining to the interchange of government employees between and among federal, state and local governments.

Under this law, any department or agency of the State of South Carolina or any political subdivision of the State may participate in a program of interchange of employees with departments and agencies of the federal government, the state, any of the other states, or any of the political subdivisions of South Carolina or any other state. The statute limits the period of individual assignment to two years; however, an additional two-year extension may be granted.

Employees participating in an exchange are considered to be either (i) on detail to regular work assignments or (ii) on a leave of absence from their regular position. Employees on detail remain employees of their "home" agency or department and receive the same salary and benefits as they were receiving prior to the exchange. Employees with a leave of absence are considered to be on leave without pay; however, they may use any accrued leave time while on assignment and may accrue all benefits of their "home" agency.

The South Carolina law also addresses the issue of liability by stating that any employee who participates in an exchange and suffers disability or death as a result of personal injury arising out of the exchange will be treated as an employee of his "home" agency.

South Carolina's personnel division administers this exchange program, promulgating regulations and assisting state agencies and political subdivisions in participating in the program.

4. North Dakota

In 1965, the North Dakota legislature declared that "intergovernmental cooperation is an essential factor in resolving problems affecting the state and that the interchange of personnel between and among governmental agencies at the same or different levels of government is a significant factor in achieving such cooperation and increasing the skills and efficiency of governmental personnel." (§ 54-54-01, *North Dakota Century Code*.)

The North Dakota laws governing exchanges are virtually identical to the South Carolina statutes discussed above, except for one major difference: North Dakota does not include local governments in its exchange program.

5. Montana

The State of Montana has regulations allowing the exchange or loan of employees between state agencies to improve efficiency and service, to enable employee personal development and training, and to make the best use of an employee's knowledge, skills and interests.

Unlike other states with exchange programs, Montana allows both permanent and temporary exchanges, as well as employee loans. The major difference between a temporary exchange and an employee loan is that an employee loan may not exceed nine months, while the length of a temporary exchange is negotiated by the participants.

Montana also participates in an employee loan program with the federal government. The Department of Natural Resources has used the federal program twice in the past eight years, and the Department of State Lands has used it six times.

6. Oregon

Oregon authorizes its state agencies to loan its executives to private industry on an informal basis. For example, the Retirement and Career Services manager in Oregon's Executive Department spent six months at Nike, and a child development specialist from Portland State University was loaned to Intel Corporation for a year. In addition, there have been employees loaned from the Oregon Department of Economic Development to U.S. Bancorp.

B. THE FEDERAL GOVERNMENT'S APPROACH

The subcommittee also reviewed the "Intergovernmental Personnel Act of 1970" which was developed to address training, recruitment and retention issues in federal, state and local governments. The law is based on the premise that it is in the national interest for the federal government to provide financial and technical assistance to state and local governments for strengthening personnel administration practices.

Title IV, "Mobility of Federal, State and Local Employees," and Chapter 334, "Temporary Assignments Under the Intergovernmental Personnel Act," in the *Federal Personnel Manual* address the temporary assignment of personnel between federal, state and local governments.

These sections set out general provisions regarding arranging the assignment, payment (including benefits), leave use and accrual, length of assignment and supervision. PL 91-648 includes subsections for assignments of employees to and from each level of government.

State agencies that want to arrange a federal position loan contact the director of a specific federal agency. That agency may negotiate a contract with the state for a period of up to four years. (An employee may be loaned for two years with a possible two-year extension.)

The employee on loan from the federal government remains a federal employee, although cost-sharing arrangements are negotiable between each governmental agency. Because the federal employee, by law, remains an employee of his agency whether on leave without pay or on detail to a regular work assignment with a state or local government, states have not considered the loaned employee an "independent contractor" despite the fact that a contract does exist.

III. WORK OF THE SUBCOMMITTEE

A. DELIBERATIONS

During the course of its study, the subcommittee received testimony from individuals in both the public and private sectors on the feasibility of establishing a program whereby state and local government employees temporarily switch workplaces with their private-sector counterparts. Such a program could benefit both sectors, while allowing professional growth and development for the employees. After surveying other states, the subcommittee discovered that the idea is not new, as six states (discussed previously) already have some form of exchange program in place.

Thus, the group agreed to pursue the matter and solicited comments from agencies already participating in some sort of exchange program as well as representatives from companies which might be willing to participate in such a program.

George Urquhart, Deputy Director, Plans Division, Virginia Department of Emergency Services, appeared before the subcommittee to discuss a unique situation that exists in his agency, whereby Virginia Power has entered into a contract with an individual to provide services to the Commonwealth. The individual is paid by Virginia Power, in accordance with his contract; however, he is supervised and reports to the Department of Emergency Services. The program does not involve a swap or exchange, but rather is one of resource addition.

Two years ago, the City of Richmond instituted a program of employee loans and exchanges. John L. Bracy, Director of Human Resources for the City of Richmond, explained to the subcommittee that the program allows employees to be loaned to other city departments, to departments in other Virginia localities, and even to other countries. For example, the city is currently arranging an exchange with a municipality in England. Also, the city recently loaned an employee to the City of Hopewell for three months to serve as assistant city manager.

Representatives from CSX, C & P, Blue Cross/Blue Shield and Virginia Power all offered their support for exchange or loan programs. Mark Aron, Senior Vice President for Law and Public Affairs at CSX, explained that since such programs prove to be valuable, CSX would be willing to help develop and implement the program. He added that an "interchange program" may help to alleviate the adversarial position that currently exists between the public and private sectors. However, such a program would also increase the public sector employee's awareness of the disparity between public and private sector wages.

James R. Werner, Manager of Government Relations for C & P Telephone, added that C & P is very interested in an exchange program with the Commonwealth and local governments and would be willing to participate once the program has been established. Eva Tieg, Vice-President of Public Affairs for Virginia Power, and Wilda Ferguson, Director of Community Services for Blue Cross/Blue Shield, both provided the subcommittee with testimony concerning the benefits of such a program to both the public and private sectors.

A presentation by Michelle Allen, Vice-President of Resource Development for United Way, on United Way's Loaned Executive Program added to the subcommittee's understanding of exchange or loan programs. The Loaned Executive Program allows an organization or business to loan or sponsor an individual to work fulltime for the United Way Campaign for 10 weeks. Ms. Allen focused on the benefits to her organization, the sponsoring organization, and the employee.

The subcommittee also sought and received responses from the various secretariats concerning the implementation of such a program. (See Appendix C.)

B. RECOMMENDATIONS AND PROPOSED LEGISLATION

Due to the positive nature of the testimony received and the responses solicited by the subcommittee, the group recommended that legislation be developed for the 1993 Session of the General Assembly. The Department of Personnel and Training offered its services and worked with the subcommittee to formulate the proposed legislation. (See Appendix D.)

Under this proposed legislation, any department or agency of the Commonwealth or any political subdivision thereof may participate in a program of interchange of employees with departments and agencies of the federal government, the state, any of the other states, or any of the political subdivisions of Virginia or any or state, as well as the private sector. The subcommittee concluded that such a program would be beneficial to the Commonwealth, its local governments and the private sector, as cooperation between all of these entities is an essential factor in resolving problems affecting the state. Moreover, the interchange of personnel among and between the public and private sectors is a significant factor in achieving such cooperation and increasing the skills and efficiency of both governmental and private sector entities.

The subcommittee found that interchanges of governmental employees will (i) assist the Commonwealth and its local governments in their missions to provide necessary services to the public in the most efficient and economical manner possible; (ii) expose the Commonwealth and its local governments to the leading-edge operational and managerial techniques of the private sector so that these techniques may be explored and eventually adopted by the governmental entities; (iii) provide a unique developmental opportunity for the Commonwealth's and local governments' entire workforce; and (iv) afford general involvement and understanding of the workings of the private sector to public sector employees.

In addition, the subcommittee concluded that interchanges would be beneficial to the private sector, providing it with (i) unique developmental opportunities for its employees, (ii) greater understanding of state and local government and the governmental process, (iii) opportunities to position itself as leaders in public-private initiatives, and (iv) the ability to achieve greater involvement in government and to deal more effectively with governmental agencies, policies and personnel.

Employees participating in an exchange are considered to be on detail to regular work assignments and remain employees of their "home" agency or department and receive the same salary and benefits as they were receiving prior to the exchange. However, a sending agency who participates in an exchange may negotiate a reimbursement from the receiving agency for the salary and travel expenses of the employee participating in the exchange.

The bill also addresses the issue of liability by stating that any employee who participates in an exchange and suffers disability or death as a result of personal injury arising out of the exchange will be treated as an employee of his "home" agency.

The Department of Personnel and Training will administer this exchange program for the Commonwealth, promulgating regulations for state employees and assisting state agencies, political subdivisions and private sector entities in participating in the program. Entities which have nonclassified state employees, such as colleges and universities, will administer their own interchange programs, in accordance with the provisions of the legislation.

The subcommittee did agree to include an expiration date of July 1, 1997, in the bill. Thus, at the end of this four-year period, the General Assembly will be able to evaluate the interchange program to ensure that it continues to be beneficial to all involved.

IV. CONCLUSION

The members of the subcommittee established pursuant to House Joint Resolution No. 205 believe that an interchange program will benefit all involved: the Commonwealth, the private sector, and all participating employees. The testimony given and the materials provided to the subcommittee by various public and private sector groups, as well as individuals, were invaluable to the joint subcommittee in understanding and evaluating the issues and formulating the legislation. The subcommittee expresses its gratitude to all participants for their hard work, support, and dedication.

Respectfully submitted,

The Honorable Mitchell Van Yahres, *Chairman*
The Honorable Henry L. Marsh III, *Vice Chairman*
The Honorable Mary T. Christian
The Honorable Ward L. Armstrong
The Honorable Richard L. Fisher
The Honorable J. Brandon Bell II*
The Honorable Edgar S. Robb
Ms. Martha A. Duggan
Ms. Dorthula H. Powell-Woodson
Ms. Julia W. Price
Ms. Marilyn D. Wenger

**Dissenting Opinion Attached.*

SENATE OF VIRGINIA



J. BRANDON BELL
21ST SENATORIAL DISTRICT
COUNTY OF ROANOKE, EASTERN PART,
CITY OF ROANOKE
P. O. BOX 11341
ROANOKE, VIRGINIA 24022-1341

COMMITTEE ASSIGNMENTS:
COMMERCE AND LABOR
EDUCATION AND HEALTH
LOCAL GOVERNMENT

MEMORANDUM

TO: Members of the Joint Subcommittee to Study the
Possibility of Having Public and Private Sector
Employees Temporarily Switch Workplaces

FROM: Senator J. Brandon Bell, II *JBB*

DATE: January 25, 1993

RE: Final Report for HJR205

While I believe the intent of the study of private and public employees temporarily switching workplaces is worthwhile, I do not find myself in agreement with its recommendations. I feel that operationally having the employees switch workplaces would be difficult and would not provide the type of incentive that needs to be given.

The idea that I feel displays merit is having public employees switch departments within the public sector allowing a team effort to emerge and providing a stronger support service to the public as a whole. The focus should be on incentives and rewards within the government that enhances and fosters entrepreneurship.

These objectives could be reached through seminars and temporarily switching departments within the public sector. We should take the positive aspects of the private sector and establish them within the public sector. The operation of a measure such as this would be more easily accomplished and less sporadic. Also, the benefits of this type of program could be measured and evaluated on a regular basis.

One of my fears with the proposed recommendations is the chance of misunderstanding by the public and taxpayers with the intentions of the measures. The potential risk is at hand that they would feel that their tax dollars were going in to profit companies and assist them in achieving their profit objectives. I believe this would be a counterproductive initiative.

In conclusion, the problems of administration of the proposed measures would outweigh the potential benefits. There are many questions that have been left unanswered. It would be best to keep the program within the state government empowering the individuals to increase the efficiency of their work groups and provide rewards by doing so.

V. APPENDICES

- A. House Joint Resolution No. 205 (1992).**
- B. Survey of Other States Regarding an Employee Exchange Program**
- C. Secretariat Responses**
- D. Proposed Legislation**

APPENDIX A

House Joint Resolution No. 205 (1992)

HOUSE JOINT RESOLUTION NO. 205

Establishing a joint subcommittee to research the possibility of having public employees and private employees temporarily switch workplaces.

Agreed to by the House of Delegates, March 5, 1992

Agreed to by the Senate, March 3, 1992

WHEREAS, by changing work environments, employees would be introduced to new and different problem-solving strategies in the workplace; and

WHEREAS, many employees have either worked in the public sector or the private sector but not both, and do not understand the unique problems found in each environment; and

WHEREAS, by trading workplaces, employees would experience the problems associated with the each other's operations; and

WHEREAS, many employees in private industry must deal with numerous regulations created by government and do not have much of the necessary information which was required to adopt these regulations; and

WHEREAS, there is a perception among the citizens of the Commonwealth that state agencies operate inefficiently; and

WHEREAS, many methods in the private sector are profit driven and require strict cost controls which could be used in the public sector; and

WHEREAS, such cost control will result in savings to the public; and

WHEREAS, by trading environments, a greater understanding would develop between public and private employees; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to research the possibility of having public employees and private employees temporarily switch workplaces. Among other issues, the joint subcommittee shall consider (i) the feasibility of temporarily switching employees; (ii) the length of time the employees will work at

the other workplace; (iii) what positions, if not all, will be temporarily switched; and (iv) the laws relating to liability including the application of the Workers' Compensation Act during the period of the proposed switch.

The joint subcommittee shall be composed of 11 members as follows: four members of the House of Delegates to be appointed by the Speaker, three members of the Senate to be appointed by the Senate Committee on Privileges and Elections, and three business leaders to be appointed by the Governor. The Director of the Department of Personnel and Training shall serve as an ex officio member.

The joint subcommittee shall submit its findings and recommendations to the Governor and the 1993 Session of the General Assembly in accordance with the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

The indirect costs of this study are estimated to be \$8,698; the direct costs of this study shall not exceed \$7,920.

Implementation of this resolution is subject to subsequent approval and certification by the House/Senate Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

APPENDIX B
Survey of Other States
Regarding
An Employee Exchange Program

SURVEY QUESTION: Has Your State Considered or Implemented An Employee Exchange Program?

The Following Six States Implement A Form of An Employee Exchange Program:

- Maryland:** "Executive Swap" of top administration officials and Executive Fellows Program, whereby private sector executives spend a year in state service.
Montana: Interchange governmental employees; participate in federal-state government exchange.
New York: Loaned Executive Program.
North Dakota: Interchange governmental employees.
Oregon: Loans state employees to private industry.
South Carolina: Interchange governmental employees.

The Following Twenty-Three States Have No Form of An Employee Exchange Program:

Alabama	Indiana	North Carolina
Arizona	Kentucky	Ohio
Arkansas	Maine	Pennsylvania
Colorado	Michigan	Tennessee
Delaware	Minnesota*	Texas
Florida	Nebraska	Utah
Georgia	New Jersey	Vermont
Idaho		Wisconsin

**In 1988 Minnesota passed legislation requesting public post-secondary systems to establish Loaned Executive Action Programs; however, none have been established.*

To Date, The Following Twenty States and the District of Columbia Have Not Responded To The Survey:

Alaska	Louisiana	New Mexico
California	Massachusetts	Oklahoma
Connecticut	Mississippi	Rhode Island
Hawaii	Missouri	South Dakota
Illinois	Nevada	Washington
Iowa	New Hampshire	West Virginia
Kansas		Wyoming

APPENDIX C
Secretariat Responses



COMMONWEALTH of VIRGINIA

Cathleen A. Magennis
Secretary of Economic Development


Office of the Governor
Richmond 23219

(804) 786-7831
TDD (804) 786-7785

MEMORANDUM

October 15, 1992

TO: Ms. Edie T. Conley
Staff Attorney
Division of Legislative Services

FROM: William P. Dickinson, Jr. 
Deputy Secretary of Economic Development

SUBJECT: HOUSE JOINT RESOLUTION 205

I am writing in response to your memorandum of September 22, 1992 to Secretary Magennis concerning HJR 205, which establishes the joint subcommittee to research the possibility of having public employees and private employees temporarily switch workplaces.

As indicated in our telephone conversation, I canvassed the economic development agencies to determine what experience, if any, our agencies have had in programs having public employees and private sector employees temporarily switch workplaces. The results of my survey show that while there is considerable cooperation between public sector and private sector employees in several of our agencies, such as the Department of Economic Development, the Virginia Employment Commission, the Department of Agriculture and Consumer Services, and others, no agency has a formalized "workplace switching" program.

The closest approximation to such a program in this secretariat is the "loaned executive" program in the Department of Economic Development. In that program, the Trade Development Group participates with the Japan External Trade Organization to secure the services of a senior trade advisor. The purpose of this loaned executive program is to assist Virginia businesses in exporting specifically to Japan, and likewise to promote the import of Virginia products into Japan.

Ms. Edie T. Conley
October 15, 1992
Page Two

While some of our agencies -- primarily the regulatory agencies -- thought such an arrangement might be unworkable in their specific programs, others indicated an interest in reviewing any proposals that might come out of this subcommittee. Some agencies responded that the proposal appears to them to have merit, and if a "workplace switching" program becomes available, they would like the opportunity to participate.

Please let me know if I can provide you additional specific information.

WPD/smh

cc: The Honorable Cathleen A. Magennis
Secretary of Economic Development



COMMONWEALTH of VIRGINIA

Paul W. Timmreck
Secretary of Finance

Office of the Governor
Richmond 23219

(804) 786-1148
TDD (804) 786-7765

October 7, 1992

MEMORANDUM

TO: Edie T. Conley
FROM: Danny M. Payne *Danny*
SUBJECT: House Joint Resolution 205

I write to provide you the comments I received from the Finance agencies on the establishment of a public/private employee exchange program. The comments will be set out by the respective agencies because of the uniqueness of their individual operations; however, most of the agencies in the Finance Secretariat believe that such a program is feasible.

DEPARTMENT OF ACCOUNTS

The Department of Accounts (DOA) has not previously exchanged employees with companies in the private sector. While the concept is innovative and in keeping with Human Resource trends (e.g. job sharing), the benefits are not clear at this point.

Numerous policy issues need to be addressed but two immediate questions come to mind. (1) "Which set of policies does an employee fall under during the period of exchange?" (2) "Which employer is responsible in case of a worker's compensation claim?" There is also the issue of downtime - to what extent is the employer willing to provide cross-training?

On the other hand, an employee who has worked only for a private company or only for the state could gain an appreciation of the differences between the two sectors. A suitable time frame, training included, should not exceed 60-90 days. Typical staff that may benefit would be the entry level professional staff. For example, DOA's Accountants, Programmers, etc. may be suitable participants. Managerial staff would not be suitable for such an exchange as the agency could not afford the risk of having private industry managers, who are unfamiliar with state policies, heading up projects and supervising staff.

Edie T. Conley
October 7, 1992
Page Two

Initial reaction is that the employee placed in an exchange program would gain invaluable experience. Employer benefits, however, are not as apparent. In a nutshell, DOA is interested in learning more about the liabilities, as well as the perceived benefits, to the employer.

DEPARTMENT OF PLANNING AND BUDGET

The Department of Planning and Budget (DPB) is not involved in any type of private/public sector employee "swap" program. DPB employees have been loaned to other state agencies for short periods of time, and have borrowed individuals from other agencies when a key position has been unexpectedly vacated during a critical time of the year. Also, an intern program has been implemented during the summer months whereby college and university students work in DPB.

Although a swap would not be easy, it would be feasible. A new employee analyst generally does not become fully functional for about a year, and the same would occur with any individual coming to DPB through this program. The program therefore would have to be an extended one - running at least a year.

Several conditions would need to be in place for a swap program to be feasible. DPB would need assurances that the individual being considered for the swap is a top notch analyst from the private sector that meets our hiring requirements. We would prefer to interview the candidates just as we do through recruitment and to be able to decline a candidate that does not meet requirements. The individual would need to be a quick study to learn the critical processes and procedures of the agency. It would also be preferable that the candidate possess some working knowledge or educational preparation in government. We would also want someone who has a great deal of private sector work experience so we could learn from them during the swap. Both the private and public sector organizations should be able to terminate the arrangement should the placement not be working out.

A swap could be most readily accommodated within the evaluation section or one of the budget sections. These sections employ DPB Analyst A, B, and C positions. We would not advocate swapping more than one position, and the timing of the swap would be critical. An individual coming into evaluation should come in at the beginning of a study to participate in the full process. These studies often begin at the conclusion of the General Assembly session, but can start at other times of the year. The best time to move into a budget section would be in the spring following the conclusion of the General Assembly.

As a final note, DPB would be willing to participate in a swap if it would truly help the agency. However, we do not have the luxury of a position to spare, and would be less willing to participate if this was viewed as an experiment and no one was sure how helpful it really would be for the agency.

STATE INTERNAL AUDITOR

The Department of the State Internal Auditor would be interested in pursuing switching certain of our employees with private sector employees. Since internal auditors in the public and private sectors use the same set of international auditing standards, this would enhance the use of those transferred in both environments, and reduce the learning curve.

We would recommend the time period of the transfer to be at least six months in duration and no longer than one year. The levels of internal auditors we would suggest be involved in such a program would be senior (grade 13) and manager (grade 16) levels.

TAXATION

The Department of Taxation believes that this program is feasible only if restricted to specific types of positions, typically those which require some particular technical skills. Examples might include computer technology and applications, physicians, marketing representatives, and professors. A more general job switching program does not appear to be productive for either the private or the public sector.

In order to obtain any meaningful information or serve any useful purpose, employees would have to switch workplaces for potentially as much as thirty days. The effects that this would have on both public and private sector productivity would certainly be noticeable. In addition, the core differences in the objectives of the public (service) and private (profit) sectors cannot be overlooked.

As the program relates to TAX specifically, we would of course have some serious concerns over any job exchange which would give private sector personnel any access to confidential information. To do so would create significant and uncontrollable potential for abuse.

In summary, we would suggest that before any program is seriously considered, the scope be limited to specific types of positions. Further, we would suggest that the subcommittee contact the Council of State Governments which operated a similar exchange program among the states.

TREASURY

The Department of the Treasury has no such program in place, nor do we have plans to implement such a program at this time.

In general, while such a program would be feasible, we do not see a benefit for the parties that would be involved in the process. Treasury is much like any other treasury operation in the public sector. We invest funds, arrange for debt financing, and carry on typical treasury operations. The one difference is that we have more restrictions placed upon us than does the private sector in relation to the type and structure of the investment portfolio and in relation to the statutory and constitutional restrictions for debt financing.

Edie T. Conley
October 7, 1992
Page Four

Such a program should provide a benefit for both parties at a minimum of cost. We do not see that cross training in the treasury area would provide a benefit to either party since the skills needed are virtually the same with the exception of the restrictions. Knowledge of the restrictions would not benefit those in the public sector and the restrictions would not allow us to become involved in certain areas in which the public sector can operate.

One final thought on the feasibility of such a program is that the higher the position, the least likely the program is to have any benefit for either organization or person.

I hope this information is helpful and if you have any questions, please do not hesitate to give me a call.

DMP/0613/ljg

c: William H. Forst
John H. Huston
William E. Landsidle
Eddie N. Moore, Jr.
Karen F. Washabau



COMMONWEALTH of VIRGINIA

Ruby G. Martin
Secretary of Administration

Office of the Governor
Richmond 23219

(804) 786-1201
TDD (804) 786-7765

October 9, 1992

Ms. Edie Conley
Staff Attorney
Division of Legislative Services
General Assembly Building
910 Capitol Street 2nd Floor
Richmond, Virginia 23219

Dear Ms. Conley:

As I indicated to you in my letter dated October 2, 1992, I wrote each Agency Head in my Secretariat to determine whether any of them had instituted an exchange or cross-training program with private industry. In addition, I asked that they comment on the feasibility of such a program even if such a program had not been instituted.

None of the agencies in my Secretariat have ever instituted an exchange or cross-training program with the private sector. The agencies agreed, however, that the idea of instituting an exchange program with private industry could be advantageous and certainly is worthy of further exploration. In particular, two of the agencies (the Department of General Services and the Council on Human Rights) commented that such an exchange program would be extremely beneficial in furthering the agencies' missions. For example, the main focus of the Council on Human Rights is to investigate unlawful employment discrimination in private companies. As such, it was felt that an exchange with private sector employees could provide the Council and the private sector an opportunity to view each other's mission more objectively and enhance an understanding of the Council's function. Similarly, the Department of General Services indicated that much of what it does can be found in the private sector. As such, it was

While several of the agencies indicated that because of their size or mission, implementation of an exchange program in their agencies may prove difficult, none rejected the idea. Only one agency, the Department of Veterans' Affairs, indicated that because its employees must receive federal accreditation, implementation of an exchange program in that agency may be impractical.

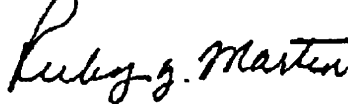
Ms. Edie Conley
October 9, 1992
Page 2

believed that the Department could benefit from exposure to private sector processes and procedures, and vice-versa.

Although there was unanimity that such a program could have merit, agencies cautioned that the initial implementation may present difficult changes. Given the current fiscal concerns, it may be difficult for agencies to operate without those staff members who have a thorough knowledge of program operations for an extended period of time. Thus, it was recommended the program should be voluntary and, at least initially, that the exchanges not be for extended periods of time.

Thank you for the opportunity to provide comments.

Sincerely,



Ruby G. Martin

:rjw



COMMONWEALTH of VIRGINIA

O. Randolph Rollins
Secretary of Public Safety

Office of the Governor
Richmond 23219

(804) 786-5351
TDD (804) 786-7765

October 9, 1992

Edie T. Conley, Esquire
Staff Attorney
Legislative Services
910 Capital Street, 2nd Floor
Richmond, Virginia 23219

Dear Mr. Conley,

I have reviewed your September 22, 1992 letter which requested a response to questions contained in House Joint Resolution 205 (Delegate Mitchell Van Yahres), studying the possibilities of having public employees and private employees temporarily switch workplaces.

I have enclosed a summary of the responses from each of the Public Safety Agencies. There seems to be no formal participation in such a program at this time in within this Secretariat. The responses from the head of each agency are on file in my office. Should the study committee determine that they need more detailed information, please let us know.

Sincerely Yours,

A handwritten signature in cursive script that reads "O. Randolph Rollins".

O. Randolph Rollins

cc: Delegate Mitchel Van Yahres
T. Twitty
G. Baker Ellett



COMMONWEALTH of VIRGINIA

O. Randolph Rollins
Secretary of Public Safety

Office of the Governor
Richmond 23219

(804) 786-5351
TDD (804) 786-7765

October 8, 1992

MEMORANDUM

TO: O. Randolph Rollins

FROM: G. Baker Ellett

RE: House Joint Resolution 205

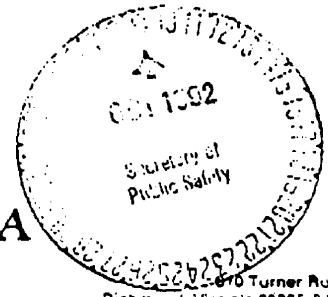
The responses to your request of information concerning HJR 205 are complete. Their answers are very similar in nature.

To the first question of whether or not there are any existing instances of work exchange the answer is no. There is a small example in the Department of Emergency Services who has some "Private Sector" technical consultants and it has given technical consultations in return. Most agency heads agree that support staff positions such as Human Resources, Information systems, and Auditing could possibly be feasible. They also agree that there are certain jobs that it would be ill advised to switch such as Law Enforcement Officers, Wardens, Commonwealth Attorneys (the nature of their cases). In our Agency there is no concrete participation, of any form, in a work exchange program.

In answering the second question there seems to be two trains of thought. They are that a work exchange program would have to be well defined (more so than in HJR 205) in order for it to be successful and that it is an interesting idea. The consensus of the agency heads is that while "work exchange" is an interesting idea there needs to be better definition on how to accomplish it, which is exactly what the study committee is assigned to do. There are no real outlines or detailed plans which could contribute to the goal of the committee. I have, however, attached a PROS and CONS list from the DES for your information.

I would conclude that the Public Safety Agencies agree that they would not benefit directly because of the specialized positions that would need to be exchanged. If you need any further information on this matter I have a file with all of the responses.

Post It™ brand fax transmittal memo 7671		# of pages ▶ 1
To <i>Edie Conley</i>	From <i>Baker Elliot</i>	
CC <i>Legislative Services</i>	Co <i>Public Safety</i>	
	Phone # <i>786-5307</i>	
Fax # <i>371-0169</i>		



COMMONWEALTH of VIRGINIA

Department of Emergency Services

A. E. SLAYTON, JR.
State Coordinator


Keith A. Keister
Deputy Coordinator

670 Turner Road
Richmond, Virginia 23225-6491
(804) 674-2400
(TDD) 674-2417

October 8, 1992

MEMORANDUM

TO: The Honorable O. Randolph Rollins

FROM: *for* A. E. Slayton, Jr. 

SUBJECT: Information Exchange

In response to your memorandum of October 2, 1992, subject as above, the following is provided:

1. This agency has not instituted any exchange or cross-training programs, either on a formal or informal basis, with the private sector.

However, we do have an employee on loan from Virginia Power who is involved in providing technical assistance to local governments in the maintenance of Radiological Emergency Response Plans for the Surry and North Anna Nuclear Power Stations. In addition, some of our Hazardous Materials Officers have provided technical assistance and training to the private sector.

Our Special Projects Branch has also provided limited guidance and interface to private firms on disaster preparedness. Efforts are mainly focused on those firms that provide an essential service in the disaster response/recovery phase such as contractors, financial institutions, etc. There is no formal physical exchange; only the sharing of information.

2. With respect to comments on the establishment of an employee exchange, the pros and cons of such a program are as follows:

PROS:

- a. Would enhance the exchange of ideas and the sharing of valuable management, strategic planning, operations and goal setting strategies.
- b. Employees might gain a different appreciation of ensuring cost-effectiveness of operations.
- c. State employees would benefit in seeing how regulatory actions impact the private sector.
- d. Private sector employees would gain a better appreciation of how the public sector has to be responsive to legislation, citizens demands, political considerations, and public officials during implementation of policies and regulations.
- e. Both type employees would benefit from the sharing of technological information which supports administrative/operational activities.
- f. Both type employees would gain in terms of encouraging them to look at all activities with open eyes and from all sides of an issue. Would help eliminate tunnel vision syndrome.
- g. State employees would be exposed to the type of pressure generated by the "profit motive;" a different perspective from the considerations that generally drive public sector personnel.
- h. Bureaucratic attitude may be altered by interface with private sector employees and supervisors.
- i. Greatest benefit would come from learning different types of management and related issues, personnel administration, incentive programs, worker incentive programs, etc.

CONS:

a. Funding of state employees; all federal, federal and state matching grants and special funds, could possibly restrict exchange of certain employees.

b. Possible problems related to workers compensation, liability insurance would have to be resolved.

c. Would limit activities of program management due to absence of authorities to make-some decisions.

d. A period of training would be required which could minimize productivity.

e. Small agencies generally have small sections, not infrequently two or three people, and even a temporary displacement could diminish productivity.

3. With respect to this agency becoming involved in such an employee exchange program, our mission would limit our participation. A greater percentage of our employees participate in programs funded wholly or in part by federal grants or special funds, fully committed to completion of contractually specified work elements. Support of these programs vary from two to four employees, who must be trained from three to six months to become fully productive. To remove an employee for exchange purposes would severely impact their program completion, considering the length of time to properly train a private sector employee to perform. Agency mission disciplines which might possibly lend themselves to support of an exchange program and require a somewhat shorter period of training are communications, hazardous materials, fiscal and human resources. Our human resource office, for example, has only two people in it.

The Honorable O. Randolph Rollins

Page 4

October 8, 1992

A suggested exchange program that would be more suitable to this Agency would be one in which private sector and Agency employees would spend one to two weeks in a mission orientation and work observation mode.

In general terms, the concept of an employee exchange program could potentially be of great benefit to both the state and private sector in that the employees exchanged should become a more effective, more knowledgeable and more respectful of the roles each play in their respective sectors of the work force.

AESjr/vwm



COMMONWEALTH of VIRGINIA

John G. Milliken
Secretary of Transportation

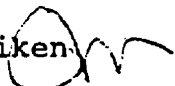
Office of the Governor
Richmond 23219

(804) 786-8032
TDD (804) 786-7765

October 13, 1992

MEMORANDUM

TO: Mr. E. M. Miller
Director, Division of Legislative Services

FROM: John G. Milliken 

SUBJECT: HJR 205

I shared your letter of September 22, 1992, with the Secretariat's agency heads and requested their respective comments.

The Virginia Department of Aviation (DoAV), Virginia Alcohol Safety Action Program (VASAP) and the new Department of Rail and Public Transportation (DRPT) do not have exchange programs in place. These three smaller agencies (each has between 5 and approximately 35 employees) have general concerns related to manpower and productivity issues. Each suggested that the loss of one or two people for a designated time period may have a significant impact on day-to-day operations. However, each will withhold final comment until more information is provided.

The Department of Motor Vehicles (DMV) does not have an exchange program in place, although they have participated in the Loaned Executive Program for the Combined Virginia Campaign. DMV has a general interest, but will withhold final comment until issues relating to training, manpower hours and resources are fully addressed.

I have attached the Virginia Department of Transportation's (VDOT) response. It outlines the Department's concerns and offers a possible alternative related to internships.

Please call Mike Edwards in my office if you need any additional information.

JGM/mle

Attachment

cc: Mr. Michael L. Edwards



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
1401 EAST BROAD STREET
RICHMOND, 23219

RAY D. PETHTEL
COMMISSIONER

October 6, 1992

The Honorable John G. Milliken
Secretary of Transportation
607 Ninth Street Office Building
Richmond, Virginia 23219

Dear Secretary Milliken:

I appreciate the opportunity to comment on consideration being given to having public employees and private employees temporarily switch workplaces, as requested by HJR 205 from the 1992 General Assembly.

We have not undertaken any exchange of personnel with private industry, although there have been very limited occasions, as in our Disadvantaged Business Enterprise program, in which we have provided, and continue to provide, employees to serve as "mentors" to assist private industry in doing business with the Department.

The concept addressed by HJR 205 is fundamentally sound, that there could be a mutual benefit from the proposed exchange program. In practicality, however, I think its application would be limited -- and probably run more in favor of sending public employees to private industry than the reverse.

I find it difficult to see management-level employees actually switching positions and performing the duties of the employee with whom each is switching. It would seem these assignments would have to be of limited duration. State rules allow employees to work "out of their classification" for up to 90 days before pay and position status, as well as benefits, become issues. Perhaps this could be extended to as much as 180 days, for purposes of the exchange. Beyond just the rules, it seems impractical to project that

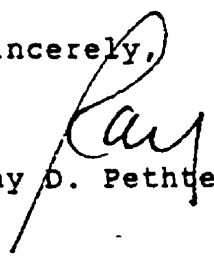
The Honorable John G. Milliken
Page Two
October 6, 1992

employers will wish to share their employees for greater lengths of time. Moreover, I doubt that either we or private industry would be willing to develop management employees to handle substantive responsibilities for such a short period.

In looking into the feasibility of switching employees, the subcommittee may wish to consider a program based on having employees serve "internships" instead of switching jobs. In this manner, I believe there would be a clearer chance of a mutually beneficial cooperation and benefit between the public and private sectors. Each could gain through technology transfer, orientation to business practices, and process evaluation. Areas of our work coming readily to mind are human resources, information systems, auditing, purchasing, budgeting, accounting, and public information. Professionals in these areas could work with their counterparts learning of how those on the "other side of the fence" approach similar issues and processes. Ninety days would provide plenty of time for this experience to be valuable, I would think.

I will be interested in hearing more of the deliberations of the subcommittee.

Sincerely,


Ray D. Pethel, Commissioner

cc: A. W. Coates, Jr.
R. J. Boyd, Jr.
Mary Lynn Tischer



COMMONWEALTH of VIRGINIA

Elizabeth H. Haskell
Secretary of Natural Resources

Office of the Governor
Richmond 23219

(804) 786-0044
TDD (804) 786-7765

October 14, 1992

Ms. Edie T. Conley
Staff Attorney
Division of Legislative Services
Commonwealth of Virginia
General Assembly Building
910 Capitol Street, 2nd Floor
Richmond, Virginia 23219

Dear Edie:

I am responding to your letter requesting information for the HJR 205 study committee on public and private employees temporarily switching workplaces.

The Natural Resources agencies have not instituted any exchange or cross-training programs with the private sector. The Department of Air Pollution Control has participated in exchange programs with the Environmental Protection Agency, a federal agency.

The positive benefit of an exchange program would be the value of bringing innovative ideas from the private sector into state government. Exposure to alternative methods of performing related duties may prove to be an invaluable tool for enhancing job performance. Private sector employees would be exposed to the differences between the public and private sector and the challenges and constraints that public employees face. Also, public employees would benefit from learning about the world of the clients they serve and the challenges they face.

If such an exchange program is instituted, it must be designed so that it could not slow down or compromise the permitting activities and regulatory roles of the Natural Resource agencies.

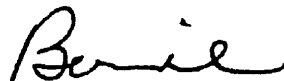
As far as the feasibility of such a program, I do not believe that the private sector would want environmental regulators to have free access to their places of business. Additionally, it would be inappropriate for an employee of a regulated entity to participate in regulatory decisions of the agency. However, it may be feasible to establish a training program that could benefit both sectors. Often when new environmental programs are established, a strong demand is created in the regulated community

Ms. Edie T. Conley
October 14, 1992
Page 2

for technical staff with specialized expertise in the new environmental program. As a result, we have difficulty retaining staff in these new programs. It may be possible for industry to hire staff with the proper technical background and have them work for the environmental agency. This would have to be for a period long enough to learn the new program and provide some return to the agency.

Thank you for the opportunity to comment on this study.

Sincerely,



Bernard J. Caton

BLC/cak



COMMONWEALTH of VIRGINIA

James W. Dyke, Jr.
Secretary of Education

Office of the Governor
Richmond 23219

(804) 786-1151
TDD (804) 786-7765

MEMORANDUM

October 14, 1992

TO: Edie T. Conley, Esquire
Staff Attorney, Division of Legislative Services

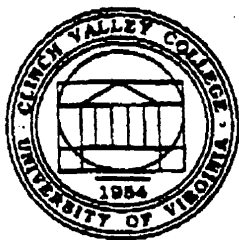
FROM: Cindy Lane, Staff Assistant *Cindy Lane*

SUBJECT: Public Employees and Private Employees
Temporarily Switch Workplaces

I've enclosed copies of letters from several of my agencies in regard to the above proposal. As you can see, several think it's a good idea, several others who are smaller, do not have the staff and don't think that it's a good idea for them. We, the Secretary of Education's office, will not have anyone speaking on our behalf. However, the State Council of Higher Education will send Ann Pratt to speak on their behalf only.

If you have any questions, please call me at 786-1151. I hope this information is helpful, and I'm sorry that we will not have anyone available to speak to the subcommittee. Thanks for requesting our opinions and comments.

/crl
Enclosures



Clinch Valley College of the University of Virginia

College Avenue, Wise, Virginia 24293-0016

OFFICE OF THE CHANCELLOR

OFFICE: (703) 328-0122

FAX: (703) 328-0115

TDD: (703) 328-0191

October 13, 1992

The Honorable James W. Dyke, Jr
Secretary of Education
Office of the Governor
Richmond, Virginia 23219

Dear Secretary Dyke:

I write in response to your request for comments on the possibility of having public employees and private employees temporarily switch workplaces. Having reviewed this proposal and the charge put forward to the Joint Subcommittee, I believe there is merit in further exploration of the issue. I can quickly imagine several areas where such work swaps would be possible and positive.

There currently is not a program of exchange or cross-training at Clinch Valley. All in all, we believe that such an arrangement would be mutually beneficial to the College and participating private entities.

Sincerely,

A handwritten signature in cursive script that reads "L. Jay Lemons".

L. Jay Lemons
Chancellor

LJL:rg



James Madison University
Office of the President
Harrisonburg, Virginia 22807
(703) 568-6241

October 12, 1992

Karen Petersen
Deputy Secretary of Education
Commonwealth of Virginia
Office of the Governor
Richmond, VA 23219

Dear Karen:

I am responding to Secretary Dyke's inquiry regarding the joint subcommittee examining the possibility of having public and private employees temporarily switch workplaces.

While it is difficult for us, not being a research institution, to incorporate this type of exchange, we have on a limited basis involved corporate and business representatives in what we do. However, our new College of Integrated Science and Technology (CISAT) presents a much greater opportunity for this type of initiative in the future. In fact, we currently have a representative from industry assisting us on CISAT curriculum development. This person has a one year faculty appointment.

If you have any more questions regarding this issue, please do not hesitate to contact me.

Sincerely,

Barbara Castello

Barbara P. Castello
Executive Assistant
to the President

mjw/yc



Radford University

Radford, Virginia 24142
(703) 831-5401

Office of the President

October 13, 1992

The Honorable James W. Dyke, Jr.
Secretary of Education
Commonwealth of Virginia
The Office of the Governor
Richmond, Virginia 23219

Dear Secretary Dyke:

In response to your memorandum of October 7, 1992, I must say that I certainly do support the idea of offering professional development opportunities which serve to motivate our employees and to improve our programs. It would appear that the intent of the endeavor being explored by the subcommittee is to foster learning and creative thinking for both public and private sector employees. With regard to higher education, it might also be possible, in some instances, to improve relationships with universities and their communities.

Although these are all laudable goals, I do not believe that this particular approach (based on the information provided in the October 7 memo) is a viable one. In short, I feel that a temporary employee exchange would not be successful in accomplishing the goals it is designed to meet. Specifically, I feel that the "exchange" itself would be counterproductive; the one person likely to make an exchange worthwhile would be the very person with whom a participant would be "switched." It would seem that these two individuals would benefit most by working together for a period-- not by trading places.

While I believe that development opportunities are valuable and worthwhile and I support the subcommittee's efforts to develop such a program, I feel that a temporary exchange of employees would be generally unproductive.

Sincerely,

Donald N. Dedmon
President

DND/db

UNIVERSITY OF
VIRGINIA

Madison Hall • P.O. Box 9014 • Charlottesville, Virginia 22906-9014 • 804-924-3252 • FAX 804-982-2770

SENIOR VICE PRESIDENT
AND CHIEF FINANCIAL OFFICER

October 13, 1992

The Honorable James W. Dyke, Jr.
Secretary of Education
Commonwealth of Virginia
Office of the Governor
Richmond, Virginia 23219

Dear Jim:

President Casteen asked that I respond to your October 7 memorandum regarding public and private employees temporary workplace switches.

The University of Virginia does not have a formal or informal program which facilitates the exchange of our employees with those in the private sector. The University and its faculty have participated in "visiting scholar" programs; however we have not interpreted the joint resolution as applying to these programs.

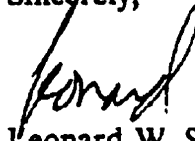
We could envision an exchange program for certain administrative jobs where counterparts' jobs exist in the private sector. It is also possible that an exchange could be practical for some jobs in our Medical Center and counterpart jobs in private hospitals. The challenge of such a program would be to assess the interest of the private sector in such an exchange program. The private sector has felt historically they could teach the public sector a great deal, but they had little to learn from the public sector. If this perception is true, there may be a limited market for an exchange program.

The University would be a willing participant in a pilot program if the Subcommittee deemed that an "experimental" approach was preferred to a statewide initiative. We would encourage consideration of a "pilot" program and would recommend that initially such a program be limited to an exchange period of not less than six months nor more than one year. Programs of this type have been successful when the employees involved in the exchange were not required to relocate and change residences.

The Honorable James W. Dyke
October 13, 1992
Page 2

We would recommend the Department of Personnel and Training work with Agency representatives to identify any impediments which could potentially disadvantage Commonwealth employees who might be participants in such a program. Thank you for the opportunity to comment on this proposal. If we can provide any additional information, please let us know.

Sincerely,



Leonard W. Sandridge
Senior Vice President and
Chief Financial Officer

LWS:ktj

cc: Mr. John T. Casteen, III
Mr. Ronald A. Bouchard



Virginia Commonwealth University

October 13, 1992

The Honorable James W. Dyke, Jr.
Secretary of Education
200 Ninth Street
P.O. Box 1475
Richmond, Virginia 23212

Dear Secretary Dyke:

I am writing in response to your request for comments on the possibility of public and private employees temporarily switching workplaces.

This proposal would certainly be of interest to VCU as we strive to expand our academic programs into the community. One of the new initiatives which I established on my arrival at VCU is a program of Community Service Associates. This program, coordinated by Dr. Grace Harris, Vice Provost for Continuing Studies and Public Service, allows our faculty the opportunity to work on approved projects with neighborhoods, civic associations, governmental or private organizations. While it does not provide for "switching" positions with another employee, the program allows faculty to bring their expertise directly to bear on a problem or issue of impact on the community or agency. Its intent is to be mutually beneficial to the organization and the faculty member.

There also are many examples of the private sector participating in health education programs at VCU. Health professional schools, for many years, have had the private health care providers come in and work side by side, both in instruction and in health care with faculty and students. At the same time, our outreach activities often put our health care professionals working in private offices, seeing patients in consultation, or in private hospital facilities such as is the case with our cancer outreach programs. Many of our health care professional program faculty are involved in outreach education sites in the private sector.

I do not believe this proposal would be feasible or cost effective in the hospital or where patient care is being delivered in our clinics. These areas are part of a highly competitive local health care environment. Private sector professionals are dependent on trained and functional staff members. The health care workers in the private sector come from quite different environments from ours and their patients are not nearly so critically ill. Also they may be concerned about having "outsiders" come in and, perhaps, learn their business plans.

804 3670978

OCT 13 '92 16:23 VCU BRUEGMAN

P.2

The Honorable James W. Dyke, Jr.
October 13, 1992
Page 2

Thank you for the opportunity to offer comment on the General Assembly's study to establish an exchange program. Please let me know if I can be of further assistance.

Sincerely,



Eugene P. Trani
President

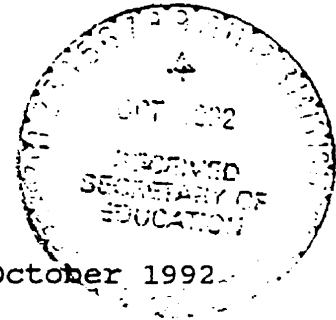
kfb

COMMONWEALTH OF VIRGINIA



VIRGINIA MILITARY INSTITUTE

LEXINGTON, VIRGINIA 24450-0304



OFFICE OF THE SUPERINTENDENT
703-464-7311

8 October 1992

The Honorable James W. Dyke, Jr.
Secretary of Education
Ninth Street Office Building
Richmond, Virginia 23219

Dear Secretary Dyke:

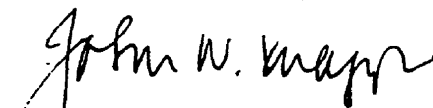
I have received your memorandum and a copy of the letter from the Division of Legislative Services regarding the possibility of public and private employees temporarily switching workplaces.

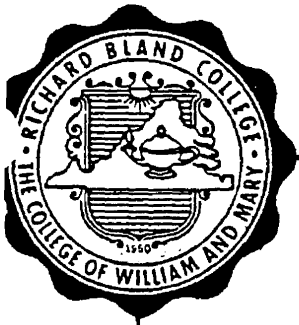
At a small college such as VMI, it would be extremely difficult to send one or more of our key administrators or faculty members away during the academic year for a period of time sufficiently long enough to make the switching of workplaces beneficial to the parties involved. If the switch were to take place during the summer months, however, the proposal has great merit for our employees. The problem with the summer months, of course, is that a private employee then would not see the Institute in action with cadets in residence.

The positions that appear to be the best candidates for such exchanges or cross-training are in the areas of management, budgeting, planning, public relations, marketing, and maintenance and operations.

A nearby area where such exchanges and partnerships have been conducted with success is the Lehigh Valley of Pennsylvania where colleges and business have formed an organization called "Quality Valley U.S.A." I hope that the joint subcommittee will have an opportunity to study the accomplishments of that community.

Sincerely,


John W. Knapp
Major General
Superintendent



Petersburg, Virginia 23805

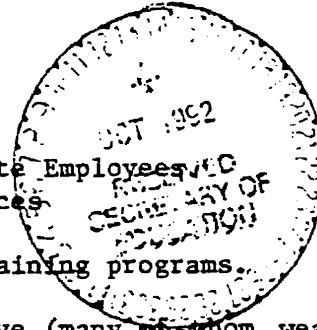
804-862-6290

October 8, 1992

The Honorable James W. Dyke, Jr.
Secretary of Education
OFFICE OF THE GOVERNOR
Richmond, Virginia 23219

Dear Jim:

RE: Public Employees and Private Employees
Temporarily Switch Workplaces



We have no formal or informal cross-training programs.

With the limited number of staff we have (many of whom wear "two hats"), the College would suffer during any extended cross-training above the custodial or lower-level maintenance positions.

Sincerely,

Clarence Maze, Jr.
President



Colonial Plantation of George Mason
Father of the Bill of Rights

GUNSTON HALL

Mason Neck, Virginia 22079
(703) 550-9220


Thomas A. Lainhoff
Director

October 7, 1992

MEMORANDUM

RE: Public Employees and Private Employees
Temporarily Switching Workplaces


TO: James W. Dyke, Jr.
Secretary of Education

FROM:  Thomas A. Lainhoff

Gunston Hall has not instituted any public employee/private employee exchange or cross-training programs of either a formal or an informal basis, and there are no plans present to do so.



**COMMONWEALTH of VIRGINIA***Science Museum of Virginia*Walter R. T. Witschey
Director2500 West Broad Street
Richmond, Virginia 23220-2054
Direct # 804/367-6798**MEMORANDUM**

TO: James W. Dyke, Jr.
FROM: Walter R. T. Witschey 
DATE: October 13, 1992
RE: Workplace Switch

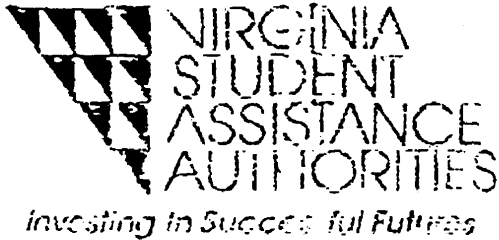
We have researched the possibility and advisability of having employees of the Science Museum of Virginia temporarily switch jobs with individuals in the private sector.

1. This possibility offers us three major benefits: (a) additional training for our staff in private sector environments; (b) in-house training of non-switched staff by the visitors from the private sector as well as new viewpoints and techniques; (c) new volunteer and donor relationships between the Science Museum and the private sector firm for the future.
2. The ability of the Science Museum to switch employees would be most helpful in the areas of exhibit fabrication and video or multimedia production. Switchovers of one to three weeks would be possible and beneficial.
3. At our present level of staffing, and during this period of much-reduced budgets, many of our staff are wearing more than one hat - filling multiple roles at our agency. As a result, until the economic climate improves somewhat, and our staffing levels are closer to our day-to-day minimum requirements, switching employees would be difficult for us.

WRTW/mm

8047754005

OCT-13-92 TUE 16:09 VA STUDENT ASST AUTH P.02



One Franklin Square
411 East Franklin Street
Richmond, VA 23219

804 775-4000
Fax 804 775-4005
Toll Free 1-800-750-1000
TDD Line 1-800-521-1000

M E M O R A N D U M

TO: Secretary James W. Dyke, Jr.
FR: S. Michelle Gardner-Lee *ML*
DT: October 13, 1992
RE: Public Employees and Private Employees Temporarily
Switch Work Places

The Virginia Student Assistance Authorities has an interest in participating in the above mentioned program. It is our suggestion that if we institute such an exchange that it be for a minimum of six months.

We feel that some of the following positions within our Authorities could be viable candidates for this program:

Administrative Assistants
Customer Service Representatives
Personnel Specialists or Human Resource Personnel
Research Analyst

If you would like any further comments, please do not hesitate to contact me at 775-4644. Thank you.

cc: Bob Schultze

Howard M. Cullum
Secretary of Health and Human Resources

*Secretary Cullum's office responded via telephone
that no exchange or loan programs currently exist
in any of the agencies he supervises.*

APPENDIX D
Proposed Legislation

1993 SESSION

LD6881480

HOUSE BILL NO. 1643 Offered January 22, 1993

A BILL to amend the Code of Virginia by adding in Title 2.1 a chapter numbered 2.01, consisting of sections numbered 2.1-20.1:10 through 2.1-20.1:15, relating to the interchange of government and private sector employees.

Patrons—Van Yahres, Armstrong, Christian and Fisher; Senators: Houck, Lambert, Lucas, Marsh, Maxwell and Miller, Y.B.

Referred to the Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Title 2.1 a chapter numbered 2.01, consisting of sections numbered 2.1-20.1:10 through 2.1-20.1:15, as follows:

CHAPTER 2.01.

INTERCHANGE OF GOVERNMENT

EMPLOYEES AND PRIVATE SECTOR EMPLOYEES.

§ 2.1-20.1:10. *Definitions.—For the purposes of this chapter:*

“Agency or department” of a federal, state or local government means any agency, department, board, commission, committee or institution of higher learning thereof.

“Interchange” means the temporary assignment of an employee to another department or agency of the federal, state or local government or a private sector entity.

“Receiving agency” means any department or agency of the federal government, or a state or local government, or a private sector entity which receives an employee of another government or private sector entity under the provisions of this chapter.

“Sending agency” means any department or agency of the federal government, or a state or local government, or a private sector entity which sends any employee thereof to another government agency or private sector entity under the provisions of this chapter.

§ 2.1-20.1:11. *Interchange of governmental employees authorized; length of assignment; public officials.—A. The Commonwealth recognizes that cooperation between the public and private sectors is an essential factor in resolving problems affecting the Commonwealth and that the interchange of personnel between and among governmental agencies, at the same or different levels of government, and private sector businesses, corporations and industries is a significant factor in achieving such cooperation and increasing the skills and efficiency of both governmental and private sector personnel. Thus, any agency or any political subdivision of the Commonwealth is hereby authorized to participate in a program of interchange of employees with private sector businesses, corporations, and industries; departments and agencies of the federal government; or this or any other state or any of its political subdivisions as a sending or receiving agency.*

B. Interchanges of governmental employees shall (i) assist the Commonwealth and its local governments in their missions to provide necessary services to the public in the most efficient and economical manner possible; (ii) expose the Commonwealth and its local governments to the leading-edge operational and managerial techniques of the private sector so that these techniques may be explored and eventually adopted by the governmental entities; (iii) provide a unique developmental opportunity for the Commonwealth's and local governments' entire work force; and (iv) afford general involvement and understanding of the workings of the private sector to public sector employees.

It is the intent of the General Assembly that interchanges will benefit both the private and public sectors. Interchanges may provide the private sector with (i) unique developmental opportunities for its employees, (ii) greater understanding of state and local government and the governmental process, (iii) opportunities to position itself as leaders in public-private initiatives, and (iv) the ability to achieve greater involvement in government and to deal more effectively with governmental agencies, policies and personnel.

C. The period of individual assignment or detail under an interchange program shall be negotiated and determined by the receiving and sending agencies.

D. Employees of the Commonwealth or any of its political subdivisions and their respective agencies and departments shall negotiate and agree upon the terms of any interchange.

§ 2.1-20.1:12. Status of employees of state sending agencies.—A. Employees of a state sending agency participating in an exchange of personnel as authorized in § 2.1-20.1:11 shall be considered during such participation to be on detail to regular work assignments of the sending agency.

B. State employees who are on detail shall be entitled to the same salary and benefits to which they would otherwise be entitled and shall remain employees of the sending agency for all other purposes, except that the supervision of their duties during the period of detail may be governed by agreement between the sending agency and the receiving agency. However, nothing in this chapter shall prevent the sending agency from negotiating a reimbursement from the receiving agency for the salary and travel expenses of the employee participating in the interchange.

C. Any employee of a sending agency who participates in an exchange under the terms of this chapter who suffers disability or death as a result of personal injury arising out of and in the course of an exchange, or sustained in performance of duties in connection therewith, shall be treated, for the purposes of the sending agency's employee compensation program, as an employee who has sustained such injury in the performance of his duties with the sending agency, but any benefits so received as an employee of the sending agency shall be reduced to the extent he is entitled to, and elects to receive, similar benefits under the receiving agency's employee compensation program.

§ 2.1-20.1:13. Relation of interchanged employees with receiving agency.—A. When any agency or department or any private sector entity acts as a receiving agency, employees of the sending agency who are assigned under authority of this chapter may be assigned without regard to the laws or regulations governing the selection of employees of the receiving agency.

B. Employees who are detailed to a receiving agency shall not by virtue of such detail be considered to be employees of the receiving agency, nor shall they be directly paid a salary or wage by the receiving agency during the period of their detail. The supervision of the duties of such employees during the period of detail shall be determined by agreement between the sending agency and the receiving agency.

§ 2.1-20.1:14. Regulations.—The Department of Personnel and Training shall promulgate regulations and administer the provisions of this chapter as they affect state employees and shall assist private sector entities and any agency or department of a federal, state or local government in participating in employee interchange programs as authorized by this chapter. Entities which have nonclassified state employees shall promulgate their own regulations and administer the provisions of this chapter.

§ 2.1-20.1:15. Expiration of chapter.—The provisions of this chapter shall expire on July 1, 1997.