

Proposals For (Quickly) Instituting A Quarterly Quality Bonus Program

As discussed with management on Friday, February 13, 2009, instituting a quarterly quality bonus program (in addition to the annual quality bonus program) will help offset the financial burden of the production bonus cap on the examining corps. Also as discussed with management, it may be difficult to incorporate OTQR in the initial quarterly quality bonus program because the current quality review process is not transparent – e.g., examining attorneys are not aware what files have been reviewed unless the actions are deemed either excellent or deficient. Moreover, if a file is deemed satisfactory, examining attorneys are not advised of the reviewer’s thoughts/comments which would promote enhanced future quality. For these reasons, it appears that quickly instituting a supplemental quality bonus program will necessarily require criteria outside of OTQR. The following are proposed:

1. Mimic the currently existing annual program and apply it to each of the four quarters. This would be in addition to the annual program, but would reward quality in a more timely manner (thereby increasing the motivation to achieve outstanding quality at all times). The annual program currently awards a 3% quality bonus for outstanding quality for the year. We propose that a quarterly quality bonus program provide a percentage of the quarterly salary of the examining attorney. This should not be viewed as a redundant quality award. Rather, it is an incremental award leading up to the annual award. The incremental awards will provide quarterly financial benefit to those attorneys doing outstanding work. These attorneys may or may not qualify for the annual quality bonus award.
2. Examiner’s Amendment Bonus Program. In view of the Office’s desire to provide excellent customer service, the Office should promote the use of Examiner’s Amendments by means of a supplemental bonus program. Examiner’s Amendments are currently tracked through production reports, so no additional reporting will be necessary. Accordingly, this is a program that could be initiated quickly and will likely encourage examining attorneys to resolve issues by telephone. In addition, the bonus structure could be a multi-level approach, rewarding examining attorneys for satisfactory, commendable, and/or outstanding levels of Examiner’s Amendment use.
3. Combine quality goals with the Office’s currently existing awards program. Managers should consider recognizing work that goes above and beyond typical examining duties by nominating attorneys for On-the-Spot (when available), Special Act, Smart Bonus, etc. awards. For example, when an examining attorney prepares a presentation for a law office meeting that serves to educate members of the examining corps and promote enhanced quality, that attorney may be recognized through an existing award program. With respect to this combined quality/award program, following are the identified purposes for these types of

awards, as presented in the Incentive Awards & Recognition Programs Manual. (This manual is the result of work done by the TM Human Capital Strategic Plan: Incentive Awards and Recognition Programs Team.)

On-the-Spot Award – To recognize employees for “day to day” efforts, which contribute “in a special way” to getting the job done. This award is designed for immediate recognition of small contributions that do not qualify for either a performance award or a special act or service award.

S*M*A*R*T Bonus (Suggestion Award) – To acknowledge ideas that contribute directly to the economy, efficiency, or effectiveness of operations. The award is based on the benefits realized as a result of the implementation of the idea. The Suggestion Award is also know as the S*M*A*R*T (Save Money and Reduce Taxes) Award.

Special Act or Service Award – To honor an employee, or group of employees, whose exemplary efforts go significantly beyond expected job performance.

4. Establish additional criteria for quality rewards. For example, the Office action is the result of preliminary work. Ultimately, an outstanding search is fundamental in preparing an outstanding Office action. Accordingly, search strategies could be reviewed to determine excellence in searching. (This is not necessarily a new quality criteria, because searches are reviewed in an OTQR review. This would merely reward outstanding work with respect to searching.)

In a related matter, NTEU 245 proposes that management reduce the production bonus thresholds for the Outstanding and Commendable bonus levels for all examining attorneys (GS-11 through GS-14) by 4%. The fully satisfactory floor threshold will remain at the current level, an indicator of satisfactorily achieving examining attorney requirements. (Note that a 4% reduction was selected to provide an appreciable impact on case inventory.)

With respect to the Outstanding and Commendable bonus thresholds, a reduction in the floor number of each level will help to maintain case inventory. Specifically, the following reductions are proposed:

	GS-11	GS-12	GS-13	GS-14
Current O/S	515	535	540	575
Current Commendable	490	510	515	550
Proposed O/S	494	514	518	552
Proposed Commendable	470	490	494	528