



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, DC 20410-0001

June 2, 2009

MEMORANDUM FOR: All HUD Employees
FROM: Shaun Donovan
SUBJECT: **POLICY STATEMENT** – Alternative Dispute Resolution

I am issuing this Alternative Dispute Resolution (ADR) Policy Statement in furtherance of my commitment to assuring that HUD is a workplace where all employees are given equal employment opportunity and are free from discrimination.

ALTERNATIVE DISPUTE RESOLUTION

It is the policy of the Department of Housing and Urban Development to use Alternative Dispute Resolution (ADR) in the settlement of all appropriate workplace disputes, consistent with ADR's core principles, fairness, and the Department's goal of creating a fair work environment.

By a fair work environment, I mean one in which each manager, supervisor, and staff person has a stake in an organizational environment that promotes feedback, acceptance, inclusion, and respect.

ADR is the resolution of workplace disputes through informal, consensual techniques (mediation, facilitation, negotiation, etc.) without litigation or formal administrative complaint processes. ADR is a non-adversarial process that does not render a judgment with respect to the dispute. The Department is committed to the use of ADR as a management tool to resolve disputes at an early stage -- and to prevent or minimize the escalation of dispute -- in an expeditious, cost-effective, and mutually acceptable manner.

As required by Equal Employment Opportunity Commission (EEOC) Regulations at 29 CFR 1614.102(b)(2), HUD's ADR Program is available to all of its employees, former employees, and applicants for employment who believe that they have suffered discrimination in the workplace because of their race, color, national origin, religion, sex, age, or disability or in retaliation for participating in the equal employment opportunity (EEO) complaint process or for having opposed a practice that is illegal under the EEO statutes. The program's objectives are to reduce the number of HUD EEO cases; reduce expenses incurred through the traditional administrative complaint process; reduce time spent by employees and managers in litigation and away from the job; improve overall organizational ability to resolve conflict at the lowest level

possible; improve morale; enhance workplace relationships; and improve productivity and performance. HUD's ADR Program, as in most federal agencies, uses mediation as its principal ADR technique to accomplish "win-win" resolutions of potential and pending formal EEO complaints. The program is built on fairness (voluntarism, neutrality, confidentiality, enforceability, and flexibility) and utilizes the services of federal Shared Neutrals, as well as contract mediators.¹

HUD's ADR Program has a number of advantages over the traditional administrative complaint processing techniques, such as the following:

- Resolving issues and disputes in a constructive manner;
- Providing faster, less expensive, and more effective resolution of disputes;
- Increasing communication and finding areas of agreement or common ground and creative solutions that provide mutual gain;
- Improving working relationships among the parties;
- Reducing or avoiding litigation costs;
- Reducing staff time and resources expended to facilitate litigation or other formal administrative complaint processes;
- Providing participants with control and ownership of mutually acceptable results;
- Creating a confidential forum for open discussion; and
- Fostering a continuing win-win relationship.

To ensure fairness and equal employment opportunity in each HUD organization, the Department depends on the Assistant Secretaries and other equivalent principal staff members, as EEO Officers, to plan and carry out activities and training tailored to their unique cultural and organizational environments. In this effort, they are assisted by their designated high-level Discrimination Complaint Managers and Equal Employment Program Managers located in Headquarters.

Therefore, as part of HUD's policy, I expect Assistant Secretaries and other equivalent members of the principal staff to:

- i. actively seek to resolve conflict using the ADR process and to inform managers that once an aggrieved person/complainant has elected to participate in ADR and the agency has determined that a matter is appropriate for ADR, management has a "responsibility to participate" and, moreover, if an agreement is not reached, to write to me, telling me why ADR failed;
- ii. assure that all managers, supervisors, and executive-level personnel attend training in ADR and conflict management theory and practice;
- iii. promote ADR as an available option in the early resolution of workplace disputes;

¹ Shared Neutrals are trained and Certified Mediators (nonagency employees) who aid the parties in resolving workplace disputes. The basic concept is that agencies "share" employees to serve as impartial third parties or "neutrals" during mediation sessions.

- iv. assure that all staff are informed about general ADR principles; and
- v. support the Shared Neutrals program and allow, as appropriate, trained and certified staff mediators to participate as volunteer Shared Neutrals.

I expect each of you to promote HUD's ADR Program as an effective means of resolving your workplace disputes at the earliest possible time. Questions regarding the ADR Program should be directed to the ADR Program staff at 202-402-2414.