

IBM's U.S. Concerns and Appeals Program

Concerns and Appeals Program (Open Door, Panel Review & Confidentially Speaking)

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Notices

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1. Overview of IBM's U.S. Concerns and Appeals Program

From time to time an employee may have a problem, question or concern that, if not addressed, could affect job satisfaction and work performance. There are three processes in the IBM's U.S. appeals program which provide a timely and thorough investigation of employee issues and concerns when a resolution cannot be reached by working with management: Open Door, Panel Review, and Confidentially Speaking. Frivolous, trivial, or repetitious issues will not be addressed under the program. Normally, an employee must come forward on his/her own behalf to initiate an Open Door or Panel Review.

While an employee may choose any of the three appeals processes, when issues arise, careful consideration should be given to the appeals process selected. Panel Review decisions cannot be appealed through the Open Door process and vice versa. A Confidentially Speaking concern may be converted to a Panel Review or Open Door before a response is given. Additionally, when an appeal is requested, the individual responsible for administering the process has sole discretion to determine the scope of the investigation which may be conducted.

An employee, including an employee on leave of absence, a former employee, and a retiree, who has fully executed a separation or similar agreement releasing IBM from all claims is ineligible to use IBM's appeals program for anything that happened prior to his/her signing that document.

[Anyone tampering or attempting to tamper with the Concerns and Appeals Program by actions such as intimidation, threats, harassment, etc., will be subject to disciplinary action].

1.1 Open Door

The Open Door process reviews actions or inactions by management which directly related to and affect an employee. All issues, except policy decisions and operational business issues, are eligible for review under this process. The process will not accept situations over which it has no jurisdiction, such as setting or changing company policy; amending operating schedules or general levels of pay and benefits; evaluating position bands; or operational business decisions. The intent of the process is to ensure an objective and thorough review of the issues. The process will not make legal determinations. It will, however, determine whether the employee was treated fairly.

1.2 Panel Review

Under the Panel Review process, a panel of employees and managers will decide appeals involving how the interpretation and/or application of specific company policies, procedures, or established practices affects employees. The panel will not accept situations over which it has no jurisdiction, such as setting or changing company policy; amending operating schedules or general levels of pay and benefits; evaluating position bands; or operational business decisions. No Panel Review will be convened if circumstances are such that, in the opinion of the corporate employee relations special programs staff, the issues should be addressed through another internal appeals process. The intent of the process is to ensure an objective and thorough review of the issues. The process will not make legal determinations. It will, however, determine whether the employee was treated fairly.

1.3 Confidentially Speaking

Confidentially Speaking is a confidential two-way communications channel that an employee can use to raise concerns, express opinions, report inappropriate or questionable acts or Business Conduct Guidelines issues, or obtain information on company-related subject.

2. Open Door

The Open Door process reviews actions or inactions by management that directly and personally impact an employee. Normally, an employee must come forward on his/her own behalf to initiate an Open Door.

When an Open Door is requested, the individual responsible for the process has sole discretion to determine the scope of any investigation which may be required. Under such an investigation, a trained investigator, usually a senior manager, is assigned to gather relevant facts and recommend a resolution to the reviewing executive. The investigation and conclusion are designed to take place in a timely fashion. Normally, the entire process will take between 30-60 business days. This time period may be extended depending on various factors, such as the complexity of issues and availability of the parties involved.

However, there are instances when such a formal process is unnecessary. Based on the issues and facts presented by the employee, there may be enough information to give the employee an answer without meeting with him/her or requiring a structured investigation.

The incident or issue which the employee wishes to appeal should, under normal circumstances, be brought to the attention of management within 90 days of the issue or incident. Only on an exception basis will the Open Door process accept issues older than 90 days.

2.1 Employee Eligibility

All regular full-time and part-time employees, supplemental employees, employees on a leave of absence, and retirees are eligible to use the Open Door process. In addition, a former employee, who within 90 days of his/her departure brings forth issues related to his/her employment, is also eligible. However, any employee that has fully executed a separation or other agreement releasing IBM from all claims is not eligible to use any of the appeals processes for any issues that occurred before they signed the separation agreement.

2.2 Issue Eligibility

All issues, except policy decisions and operational business issues, are eligible under this process. The Open Door process will not accept situations over which it has no jurisdiction, such as setting or changing company policy; amending operating schedules or general levels of pay and benefits; evaluating position levels; or operational business decisions. Examples of eligible issues are: performance appraisals, dismissals, compensation. Examples of ineligible issues are: technical direction, mission transfers, benefit changes.

2.3 A Necessary First Step for the Open Door Process

Before an employee may use the Open Door process, he/she must give management an opportunity to resolve the concern .

The employee must discuss the issue with his/her first-line manager. If the employee has already discussed the issue and is not satisfied with the manager's response and wishes to pursue the matter further, the employee must contact the next level of management or the first level of management not involved in the issue.

If the employee disagrees with that second management response, the employee may pursue the Open Door process, providing the issue is eligible.

2.4 Open Doors to the Corporate Office

The corporate office includes those senior executives who report directly to the chairman. Concerns directed to the corporate office will be acknowledged to the employee by the corporate employee

relations special programs staff. The concern will be assigned to an appropriate executive for handling, such as division general managers or other senior executives.

Appeals sent to the corporate office will be reviewed by the individual responsible for the process on the corporate staff. If that person concludes it is necessary or appropriate, recommendations and comments will be made to the appropriate senior executive before the final decision is made.

2.5 Requesting an Open Door

Any employee with a problem that has not been resolved satisfactorily by the two levels of management may bring the matter to the attention of senior management in the operating unit or to the local human resources manager.

A corporate Open Door may be requested through the Essential Links on the On Demand Workplace or directly via [http://w3.ibm.com/hr/global/concerns_and_appeals/]. Employees may also initiate an Open door through a letter to the appropriate executive, sending a Lotus Note to APPEALS/Armonk/IBM or by calling tieline 641-4147 or outside number 914-499-4147. Normally, within two business days, the employee will receive a phone call to discuss the appeal. At that time, the employee will be told which executive has been assigned to handle the Open Door. The extension listed above will accept collect calls.

2.6 The Investigator

The investigator is the representative of the executive to whom the appeal was assigned. Whenever practical, an investigator will be assigned from the local area. The investigator, however, must not have been involved in the issue being investigated and, in IBM's opinion, is sufficiently removed organizationally from the employee to provide objectivity.

The investigator's primary responsibility is to provide an objective and thorough review of the issues. In addition, the investigator is responsible for recommending: any disciplinary action management should take, an action plan to prevent the issue(s) from recurring, and an action plan to ensure an equitable result for the employee making the appeal.

2.7 The Investigation

Under normal circumstances, the investigator should interview both the employee initiating the Open Door and his/her management. In addition, the investigator should consider interviewing others who may have relevant first-hand knowledge of the facts and circumstances, including individuals suggested by the employee. At the investigator's discretion, these interviews can be handled by phone or in person. However, the investigator reserves the right to determine with whom he/she will speak during the investigation.

2.8 Communicating the Decision

Open Door investigations under normal circumstances should be closed with the employee over the phone. However, closure may be in person if in the judgment of the investigator circumstances warrant it. In addition, the employee will usually receive a written response from the reviewing executive.

3. Panel Review

3.1 Employee Eligibility

The Panel Review process is open to regular full-time and part-time employees. In addition, a former employee, who within 90 days of his/her departure brings forth issues related to his/her employment, is also eligible.

3.2 Issue Eligibility

Panel Review is an issues-related appeals process that has been created to review appeals of management decisions involving how the interpretation and/or application of specific company policies, procedures, or established practices affect an employee. The actual policies, procedures, or established programs are not eligible under this process, nor are issues already being considered through the Open Door process .

The panel cannot accept situations over which it has no jurisdiction, such as setting or changing company policy; amending operating schedules or general levels of pay and benefits; evaluating position bands; or operational business decisions. The intent of the program is to ensure an objective and thorough review of the issues. The process will not make legal determinations. It will, however, determine whether the employee was treated fairly.

The incident or issue which the employee wishes to appeal should, under normal circumstances, be brought to the attention of management within 90 days of the issue or incident. Only on an exception basis will the Panel Review process accept issues older than 90 days.

Examples of eligible and ineligible issues include, but are not limited to, the following:

ELIGIBLE ISSUES	INELIGIBLE ISSUES
Compensation	Benefits
Demotions	Harassment
Discrimination*	Layoffs
Dismissals	Medical
Favoritism	Mission transfers
Leaves of absence	Resource actions
Manager	Selection of managers
PBC	Amending operating schedules
Promotions	Technical direction
Request for transfers	Trivial, frivolous, or repetitious issues
Retribution	
Unfair treatment	
Work assignments, schedules	

* The process will review those issues, such as unfair treatment relating to compensation, dismissal, promotions, etc., that lead an employee to believe he/she has been discriminated against.

3.3 A Necessary First Step For The Panel Review Process

Before an employee may use the Panel Review process, he/she must give management an opportunity to resolve the concern.

The employee must discuss the issue with his/her first-line manager. If the employee has already discussed the issue and/or is not satisfied with the manager's response and wishes to pursue the matter further, the employee must contact the next level of management or the first level of management not involved in the issue.

If the employee disagrees with that second management response, the employee may pursue the Panel Review process, providing the issue is eligible.

3.4 Initiating A Panel Review

The employee may request a Panel review through the Essential Links on the On Demand Workplace or directly via [http://w3.ibm.com/hr/global/concerns_and_appeals/]. Employees may also initiate a Panel Review in writing (hardcopy or electronically) to his/her local human resources (HR) manager, who will then contact the corporate employee relations special programs staff. Included in this request should be: a description of the facts and circumstances leading to the issues or concerns the employee wants the panel to resolve, the names of any individuals who have relevant first-hand knowledge of the facts and circumstances (and why they are needed), and the desired outcome.

The HR manager will develop a summary of issues as well as a list of any individuals having relevant first-hand knowledge of the facts and circumstances based on input provided by the employee.

Human resources is responsible for all administrative duties associated with the program, including setting up the meeting and providing the summary and individuals list described above to the panel in advance of the panel session.

3.5 Choosing The Panel

The panel consists of five voting members: three employees and two managers. A non-voting representative from human resources will coordinate all activities associated with the appeal.

All panel members will be selected from regular full-time employees who currently demonstrate satisfactory performance. No one may serve while on notice for violating a Condition of Employment. It is anticipated that panel members will serve no more than once or twice a year. Each panel will review only one employee's concern(s).

Serving on the panel is voluntary. Members are responsible for ensuring an objective investigation based solely on the facts. Anyone tampering or attempting to tamper with the panel by actions such as intimidation, threats, harassment, etc., will be subject to disciplinary action.

Anyone connected with the employee or his/her issue may not serve on the panel reviewing the appeal. In addition, anyone having (or are perceived to have) a personal or professional relationship with the employee, such as friends, relatives, co-habitants, subordinates, managers, co-workers, etc., may not serve on the panel. Also, the representative from HR may not coordinate the panel if he/she provides advice and counsel to the function from which the dispute arose.

Panel members are selected randomly by both the employee and the manager named in the appeal. The following steps will be taken to select panel members:

1. The employee randomly selects five employee panel members. The manager then chooses three of these people to serve on the panel.
2. (If the employee is non-exempt, the employee pool from which the five "employees" are chosen will contain the names of non-exempts only. If the employee is exempt, the pool used will contain exempt employees only. If the employee is a manager, the pool will contain the names of managers organizationally at the same level as the employee.)

3. The manager then randomly selects three manager panel members from a list of managers organizationally at the same level as him/her. The employee chooses two of these people to serve on the panel.
4. (If the employee is a manager, the management pool will include managers at least one organizational level above the employee.)
5. One non-voting representative from human resources is assigned by the site/area HR manager to coordinate the panel's proceedings.

Before any employee serves on a panel, he/she will receive training.

3.6 The Investigation

The panel will listen to both the employee and the manager and will determine who else has relevant information. Panel members may individually ask the employee and the manager questions. The human resources representative may also ask the employee and manager questions. Site human resources has the responsibility of gathering the appropriate information the panel needs to come to a decision.

The employee, manager, and individuals with relevant facts will present their information privately to the panel and normally in the following order: employee, manager, and other individuals.

3.7 Making And Communicating The Decision

Upon completion of the investigation, the panel will meet in private to discuss the information and make its decision. Appropriate documentation necessary for the panel to reach a decision may be requested by the panel.

The panel has the ability to uphold, modify, or change the outcome of situations, but cannot impose penalties more severe than those originally imposed. In addition, the panel cannot award monetary damages, other than those required to make the employee whole, such as back pay. IBM reserves the right to vacate the panel's decision if that decision violates the law or any IBM policy or practice, or in any other way exceeds the panel's authority.

Every voting member must vote; no abstentions are permitted; and the voting will be by secret ballot. The panel's decision is final for both the employee and management and may not be appealed through other IBM grievance channels.

Human resources will review the decision with both the employee and the manager and then notify the employee and all appropriate managers of the decision in writing.

While the decision is by majority vote, all panel members must abide by it.

4. Confidentially Speaking

IBM established the Confidentially Speaking program more than 45 years ago, yet it has never been more relevant to our business. A tangible example of our values in practice, Confidentially Speaking lets employees express concerns on any company-related subject, whether related to their own job (such as benefits, careers, safety, or bureaucracy), or involving violations of our Business Conduct Guidelines (including suspicions of fraud, theft, improper business practices, and other ethical issues).

Since the program's founding, Confidentially Speaking submitters' identities have remained confidential, known only to the Confidentially Speaking administrator. To maintain the program's integrity, no one else is told who the submitter is, even those investigating the submission, without the writer's permission. The program's track record for maintaining confidentiality has been perfect since the program began.

Confidentially Speaking may not always be the appropriate channel to obtain information about specific employee human resources issues, such as your base pay increases or promotions. Without the investigator knowing your identity, he or she will likely be unable to resolve your concerns. For those types of issues, consider using either Open Door or Panel Review.

4.1 Employee Eligibility

Regular full-time and part-time employees and supplemental employees, as well as employees on leave of absence, are eligible to use the Confidentially Speaking process.

4.2 Issue Eligibility

Any company-related subject may be raised in a Confidentially Speaking concern. However, no frivolous, trivial, or repetitious issues will be accepted under this process.

4.3 How the Confidentially Speaking Process Works

Employees may submit a Confidentially Speaking concern through the Essential Links on the On Demand Workplace or directly via [http://w3.ibm.com/hr/global/concerns_and_appeals/]. Employees may also initiate a concern via e-mail, send a note with details of your question or concern to: Confidentially Speaking/White Plains/IBM.

To send a Confidentially Speaking via mail or fax, you can write a letter (marked "Personal") and send it to:

Lynea St. Pier
U.S. Confidentially Speaking Administrator
IBM Corporation, Zip 41X
2070 Route 52
Hopewell Junction, NY 12533

Secure fax: tieline 532-6775/(845) 892-6775

In addition to your written submission, you may request a confidential interview with the investigator. This interview may take place in person or anonymously by phone.

In most cases a reply is prepared and the Confidentially Speaking administrator reviews it for accuracy and completeness. Your reply will be sent to you according to the option you choose on the writer questionnaire. If a reply is mailed, it will be sent to your home via the external mail.

Replies or status reports are generally sent within 20 days. In those instances when a reply is not prepared, you will receive an acknowledgment from the Confidentially Speaking administrator detailing what is being done with the Confidentially Speaking concern.