

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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EQUAL EMPLOYMENT OPPORTUNITY BRIEFING

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PUBLIC MEETING

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Nuclear Regulatory Commission
One White Flint North
Rockville, Maryland
Wednesday
February 6, 2002

The Commission met in open session, pursuant to notice, at 9:30 a.m., the Honorable RICHARD A. MESERVE, Chairman of the Commission, presiding.

COMMISSIONERS PRESENT:

RICHARD A. MESERVE, Chairman of the Commission

NILS J. DIAZ, Member of the Commission

GRETA J. DICUS, Member of the Commission

JEFFREY S. MERRIFIELD, Member of the Commission

EDWARD McGAFFIGAN, JR., Member of the Commission

STAFF AND PRESENTERS SEATED AT THE COMMISSION TABLE:

ANDREW BATES, Secretary

KAREN D. CYR, General Counsel

WILLIAM TRAVERS, EDO

PATRICIA NORRY, DEDM

IRENE LITTLE, SBCR

PAUL BIRD, HR

MARTIN VIRGILIO, NMSS

MICHAEL MARSHALL, ACCAA

JESSIE DELGADO, HEPAC

MICHAEL CULLINGFORD, APAAC

JANE GUNN, FWPAC

BUCK IBRAHIM, CAD

FRANK AKSTULEWIORZ, JLMEEOC

CHAIRMAN MESERVE: Good morning, ladies and gentlemen. The Commission meets today to discuss the status of the Agency's Equal Employment Opportunity Program.

This is the first of two meetings that will be held this year on this subject, reflecting not only our implementation of the requirements of the Energy Reorganization Act of 1974, but also our continuing commitment to foster equal opportunity for all NRC employees. And as I think most of you know, the achievement of our EEO objectives is one of the Commission's highest priorities.

Despite the progress in a number of areas in recent decades, EEO matters must remain at the forefront of the Commission's agenda. We need to ensure that our procedures and practices are as fair and equitable as possible for all of our current employees so that they may reach their maximum potential. At the same time, we must seek to attract new employees, many of whom will be minorities and women, with the skills and abilities necessary to take on the task of protecting the public health and safety in the next decades.

These two objectives are complicated by three other factors -- the NRC's aging workforce, developments in nuclear energy external to the NRC and beyond our direct control, and workforce restructuring plans that are now being developed and implemented in part to address these external changes. These additional factors could take us in a number of new directions at anytime. As a result, we are at a crossroads in the Agency's history where the progress we make in the EEO area will have an extraordinary impact on the NRC of tomorrow. It is, therefore, with great interest that the Commission looks forward to today's briefing.

Dr. Travers, you may proceed.

MR. TRAVERS: Thank you, Mr. Chairman. We usually have a pretty good turnout for these meetings, but I think we may have the best turnout today that we've ever had. So, it's good to see everyone, and good morning.

We, as you have indicated, in fact, are pleased to be here to report to you on the status of our ongoing progress in the Agency's Equal Employment Opportunity Program. As is the custom, let me introduce the people at the table here and the people in the back row.

Starting at my left, Michael Marshall is the Chair of the Advisory Committee for African Americans, and Mike is going to provide a perspective on employee issues.

Marty Virgilio, of course, you know is the Director of the Office of Nuclear Material Safety and Safeguards, and Marty is going to discuss implementation of our EEO Program in his office.

Pat Norry, of course, is my Deputy for Management Services.

Irene Little, of course, is here representing the Office of Small Business and Civil Rights.

And Paul Bird is our Director of Human Resources.

Also participating in our briefing today and seated in the first row behind me are Jessie Delgado, who is the Co-Chair of the Hispanic Program Employment Advisory Committee; Michael Cullingford, who is the Co-Chair of the Asian/Pacific American Advisory Committee; Jane Gunn, who is the Chair of the Federal Women's Program Advisory Committee, and Buck Ibrahim, Co-Chair of the Committee on Age Discrimination. Seated next to Buck is Frank Akstulewicz, who is the Co-Chair of the Joint Labor/Management EEO Committee. Also joining us today is Dale Yielding of the National Treasury Employees Union.

I should point out that someone asked me if I knew how to pronounce Frank's name before the briefing. And I said I've known Frank Akstulewicz for a long time and, when it gets hard, a lot of us just say Frank A-to-Z. I'm glad to see Frank back there.

I'll begin my report by noting that we are, as you've mentioned, Chairman, continuing to focus on our Agency's EEO and diversity goals. As we've discussed in previous briefings, one of the four corporate management strategies that we have included in our strategic plan is to sustain a high-performing and diverse workforce, and it's obvious to me that to this end we are going to have to remain committed and diligent in our efforts to advance the principles of the Agency's affirmative employment plan.

We have, as you've indicated, continued to make steady, if somewhat slow, progress, and we have implemented several EEO and diversity management initiatives of late. Our written report to you describes some of the "best practices" that

we have implemented throughout the Agency, and some of these initiatives of course will be highlighted in this morning's presentations.

I want to briefly just take a minute to highlight three areas that are significant, I think, in our efforts. Those are management accountability, internal communications, and some discussion of the progress we've made in our entry level hiring initiatives.

As you may recall in fiscal '01, we developed performance plans for SES managers that included a separate subelement which clarifies and enhances accountability for management support of the Agency's EEO and diversity goals. In order to complete that process and re-emphasize the importance of these issues to our management team, I've observed a similar requirement for non-SES supervisors to be effective for the 2002 performance appraisal cycle. In this, of course, we are seeking a more uniform Agency-wide approach to establish consistent expectation for EEO and diversity management performance.

Our communication efforts, like internal communication efforts, are also ongoing. I personally, and many of our management team, are seeking initiatives to more broadly communicate with the workforce using different techniques to help foster internal communications. One initiative that I think is quite important that I'd like to mention is an initiative that I kicked off to emphasize the importance of constructive and honest feedback in the appraisal process.

One thing I think we have over the years not been particularly good at is providing employees with a good benchmark of where they stand in their career enhancement. And if you don't do that, I think it's a loser from a number of perspectives, but we are in the process of making additional efforts to make sure that in the appraisal process in any given year -- and not just once a year, but throughout the year -- we are emphasizing to our employees what they are doing well and what they are not doing so well at, and where constructively they might seek some additional enhancement in their career objectives. So, that's an issue that I think is quite important.

Let me mention another initiative, entry level hiring, which I believe is also significant to increasing our workforce diversity. In March of 2000, I established a goal to hire at least 25 percent of our professional employees at the entry level, and I am glad to report that during 2001 we have somewhat exceeded that. Of the 124 professional hires, 34, or 27 percent, were at the entry level, and included 17 minorities and ten white women.

So, while I am pleased with some of that progress and some of what you'll hear this morning, we don't stand here, by any means, satisfied with those efforts. We've made this challenge one that we think needs to be one that is a continuing one, and we intend to address it throughout the year.

We plan to discuss with you several other initiatives which are, we believe, helping us to meet these challenges, and to begin the process of discussing this with you, I'll turn to Pat Norry.

MS. NORRY: Thank you, Bill. I'd like to echo what Bill said, that we have made some positive strides but, as we discuss the things we are doing, some of them are going to be of a nature that will take longer in terms of what you see in positive results, but I think we have a lot -- we've already achieved some results, and we have a lot ongoing which should put us in good stead for the future.

I'd like to talk about three areas. In succession planning, we have several strategies to get women and minorities in a position to be able to move into higher level jobs in the future. Largely, the formal programs to support this are the Leadership Development Program and the SES Candidate Program, with which you are familiar.

The SES Candidate Program, of the 2001 graduates, has currently placed 17 out of the 23 graduates in SES positions. So that has been a positive force, and not waiting for that to finish out totally, we've started another program, and we have 147 applications for that program, and these represent a diverse pool of candidates. And it also represents, I think, an interest on the part of Agency managers to move into SES positions, which is good.

The Leadership Potential Program, which we did for the first time -- it started in June of last year -- and we had a good, diverse pool of candidates selected -- nine African Americans, four Asians, three Hispanics, one Native American, 11 white women and 14 white men. And as you know, this program will provide high performing employees the opportunity to get ready for positions that require supervisory and managerial skills. That will conclude in May, and I expect that that's a program that we are also going to want to continue as we do the SES Candidate Program.

The second challenge I'd like to talk about is the need for candid, constructive and timely feedback to employees. This is an ongoing challenge which we are addressing in part by re-emphasizing the requirement that managers provide candid and constructive feedback to staff, and that is included in this new EEO subelement that Bill mentioned earlier, the one for all managers.

But to help managers be able to provide this feedback, we have revised our course -- HR has revised their course on effective management participation in merit staffing to include specifically some skills on how you do this, how you provide feedback. And all supervisors are recommended to take that course.

I want to emphasize something here which I think is important. Feedback is not just an EEO issue, although it feeds into a lot of the EEO concerns. It is something that is important for every stage of career development, and it is a

management responsibility. And we are going to re-emphasize that. Every employee has a right to expect feedback on how they are doing, and it's not just checking some boxes once a year on a performance appraisal, it's got to be more than that.

Since the last time we met with you on this briefing, I had a brainstorming session with a small group of the African American community in the Agency, to hear what their perspectives were on enhancing diversity. And the recurring themes, as you might expect, were recruitment, retention, feedback and sponsorship. Now, by sponsorship -- it might not be immediately apparent what that means -- it means someone who is willing to look after the career of a person and, you know, provide perhaps even informal support.

So, as a result of this input, we developed an action plan to address these issues across the Agency that results in some actions, such as building relationships with campus officials so that our recruitment efforts are enhanced; evaluating student course work and other factors, in addition to the GPA, where these factors might suggest high potential for successful intern candidates as opposed to just looking at the GPA; encouraging honesty back from supervisors and rating panels, as I mentioned before; and enhancing management awareness of the skills and competencies of those who seek career advancement.

We also convened some facilitated focus groups, with small groups to talk about their perceptions regarding fairness and equity in the merit selection process, and recommendations arising from those focus groups were: we need to enhance staff awareness and understanding of how merit selection panels are formed; what is the feedback process if one is not selected, and also there was concern about the use of temporary promotions. So, those discussions are ongoing, and how we address those issues is going to be something that, of course, will involve the entire Agency.

Recently, I also met with a group of Asian/Pacific American employees to begin a dialogue about how to more effectively address some of their issues related to career enhancement. I think it was a productive beginning which will require more followup regarding the number of Asians in supervisory and management positions, time-in-grade concerns, and recruitment. So, now HR and SBCR are going to focus on those issues as we develop specific actions to address it.

I need to stress here that the issues that have been raised by these groups -- and earlier we had similar meetings with Hispanic groups which were largely focused on recruitment and retention -- these issues have wide applicability, and when we devise strategies to address them, they will be applicable to the entire Agency.

Finally, one of the biggest challenges we face as an Agency, as the Chairman referred to in his opening remarks, is the aging workforce and the potential loss of corporate knowledge as a result of attrition, and how do we facilitate transfer of that knowledge to mitigate the loss.

So, we, of course, as you know, when we briefed you last on human capital, we have some things that we are using to promote this. For example, managers are authorized to double-encumber certain positions where a loss is going to occur in a critical area, so that hiring or selection of a person to replace that person could take place in time to allow that knowledge transfer to take place.

We also have, as you know, waivers on the ban on dual compensation in some areas, so that if people have retired we can bring them back, where they represent critical skills.

So, implementation of these and other initiatives will help to ensure that we continue to be a viable competitor in the job market and a desirable workplace for employees and for applicants.

Finally, as an overarching principle for all of this, we must consistently communicate to our employees our willingness to be fair and to empower them to excel in a positive work environment. That's basically what sums up everything.

Irene will now highlight some of the Agency's "best practices" in advancing EEO and diversity. Irene.

MS. LITTLE: Thank you, Pat. Before I proceed, I will ask Mike Marshall if he would like to make a statement on behalf of the EEO Advisory Committees. Mike?

MR. MARSHALL: Thank you. Good morning. I have the privilege to present the views of the EEO Advisory Committees on the NRC's EEO program and diversity management process.

The Advisory Committees have collectively agreed to focus on five areas, and we would like to acknowledge that the NRC management has already been actively addressing these areas, as Pat mentioned and Irene will continue later.

Many of us on mandatory on the Advisory Committees are well aware of the efforts of the EDO, in particular Ms. Norry, SBCR, HR, and the offices and regions, to address these focus areas. The committees have worked with NRC management to identify issues that need attention, and to develop approaches to address those issues, and our Advisory Committees would like to encourage NRC management to continue their efforts.

The five areas the Advisory Committees have selected to focus on are, first, enhance opportunities for advancement

of minorities, women and employees over 50, and individuals with disabilities in professional positions. And NRC has taken steps in this with regards to their targeted recruitment efforts to address the underrepresentation of Hispanics in the workforce.

Also, the NRC has begun targeted recruitment of African Americans. And one thing that the committees are interested in for new hires and the current employees is that it is vigilant to ensure that all are fairly and equally considered for advancement and development once they are onboard and they are working here.

Second, expand the pool of minorities, women, employees over 50, and individuals with disabilities for supervisory and management and senior level positions. In the individual statements of most of the committees, you will notice that the Leadership Potential Program is singled out here as a great mark or good step that we all recognize as the Agency's commitment to diversity. And we also look forward to the SES Candidate Development Program as another effective tool for addressing this area.

Another important aspect of the development of this is the development of minorities to ensure minorities, women, individuals with disabilities are prepared to compete for slots in these development programs and for promotions.

Third, conduct periodic reviews of the merit selection process to ensure that the current procedures and practices are consistent with the goals and objectives of the EEO program and diversity process -- and Ms. Norry touched on this with addressing the need to ensure appearance of fairness to all employees.

Fourth, demonstrate through its action that management is concerned for employee welfare, morale and recognition.

Fifth and very importantly, encourage management to create and maintain a work environment that fosters open communication, mutual trust and respect, and most of us consider feedback under this, which Bill addressed earlier, as being very important as far as employee development.

The committees also encourage inclusion of employees in decisionmaking processes to ensure their views are considered, and involvement of the committees recently in addressing and strengthening the EEO program is another fine example of that. Not only do we meet here twice a year, but in between these meetings we have a number of separate meetings with SBCR, with the EDO, with Ms. Norry, with the individual office managers, and a whole host of folks, to make sure these issues are continually addressed throughout the year.

And the Advisory Committees look forward to working with NRC management to implement the EEO program in its diversity process. For example, we will be continuing to talk about the ratings of older employees, and the time-in-grade with Asian Americans, and issues of relevance to the women and African Americans and the different groups that the Advisory Committees represent.

One final point we'd like to make is that both the EEO Advisory Committees and NRC management need to provide more frequent and effective communication with our fellow employees so that NRC efforts to strengthen EEO and enhance diversity.

The NRC goals and objectives for EEO and diversity should be treated as key messages, and the progress that NRC makes towards those goals, the outcomes that are achieved, should be treated as key messages. Thank you.

MS. LITTLE: Thank you, Mike. Mike referenced several issues are areas of concern that the committees have worked very closely with us on and are continuing to work on.

I want to take a moment just to say thank you to the EEO Advisory Committees. They are working with us as a team. We are not always a great big happy team, but we believe we are an effective team, and I want to say thank you to the committees for that team effort.

This morning, I will highlight some of the strategies or "best practices" that we've put in place to continue to help us enhance diversity in the workplace and effectively manage our diverse workforce.

The first strategy is the Agency's integrated recruitment team approach. This approach includes managers and Human Resource representatives, staff and members of the EEO Advisory Committees in a team approach to attract highly qualified science, engineering and administrative candidates for entry level positions.

This recruitment approach includes up-front contacts made with colleges and universities. It includes a review of resumes prior to the recruitment trip, and on-the-spot offers are made and sometimes recruitment bonuses are offered to attract highly qualified applicants.

Another critical aspect of this recruitment model is aggressive post-offer followup with the applicants. Using this model, we have been able to attract a significant number of highly qualified, diverse applicants. For example, in Fiscal Year 2002, over 100 written offers have been extended, and 39 offers have been accepted. This represents success in the number of offers that have been made in a relatively short period of time, and in the diversity of the candidates, and in the number of acceptances. We think we know how to do effective focus recruitment at this point.

A second "best practice" that the Agency has put in place is the Alternate Dispute Resolution process for resolving allegations of discrimination. As required by EEOC, in January 2000 the Agency put an Alternate Dispute Resolution process in place to encourage early resolution of allegations of discrimination.

The ADR process provides a neutral environment to facilitate discussion and resolution of EEO issues. This process also encourages open communication between management and the employee or applicant who makes the allegation. Our experience has shown that ADR is the most cost-effective and efficient process for resolving EEO issues. And even in cases where the final resolution is not reached and a settlement agreement signed, generally both parties provide positive feedback on the process.

Since January 2000, we have had 13 requests for the Alternate Dispute Resolution process, and nine of those resulted in a settlement or a closure. We believe that use of the ADR process has had a positive impact on the participating employees and managers because ADR preempts what could be a long and somewhat protracted complaint process.

Our EEO counselors continue to be effective in working with managers and employees to resolve allegations of discrimination at the informal level. In addition to the 13 ADR cases, 27 allegations of discrimination were handled by our counseling staff and, at the end of FY 2001, only six informal cases were pending.

The status of formal complaints in the Agency is as follows: We carried over 19 formal complaints from Fiscal Year 2000. During Fiscal Year 2001, 15 new formal complaints were filed. That's down by one from the former year. Sixteen formal complaints were filed in 2000.

During Fiscal Year 2001, 13 formal complaints were closed and, at the end of the year, 21 formal complaints were pending. We track the number of complaints filed, not as a yardstick for success, we do it in order to determine if an unusual number of complaints are filed in a particular office, division or section because the number of complaints alone is not a good measure of EEO success in an organization.

A better measure of success is how effectively managers are working to resolve issues early in the process, and whether they are using lessons learned to eliminate the bases for valid complaints.

There has been no significant change in the number of complaints filed over the past three years, and the number of formal complaints filed within NRC is small in comparison to other agencies of similar size.

The third strategy I'd like to discuss is the use of a merit staffing checklist. This practice was put in place by the Human Resources staff, and its purpose is to be used by the Human Resource Specialist to serve as a guide for managers when posting vacant positions, to remind them to use broad rating factors when possible, and to consider posting jobs at a level lower than the full performance level to facilitate upward mobility.

The checklist also serves as a reminder to managers to establish rating panels that include diverse members, and to interview all internal applicants that make the best qualified list. The overall purpose of the checklist is to increase uniformity and enhance the perception of equal opportunity in the merit selection process.

More needs to be done to educate and inform our employees about the merit selection process so that they are better equipped to effectively and fairly compete for career advancement.

We believe that the Agency's managing diversity initiative is another best practice. In Fiscal Year 1999, the Office of Small Business and Civil Rights took the lead in implementing a managing diversity process within the Agency. The goal of this process is to assist managers in understanding and leveraging workplace diversity to enhance individual and organizational performance.

We completed the first step of the process, which was to provide orientation to managers and employees to make them aware of the value of diversity in the workplace. The principles of managing a diverse workforce includes employee participation in the planning and decisionmaking process that affects them. It includes open communication up and down the management chain, and candid, timely and constructive feedback to all employees on issues that impact the workplace and their careers.

In the second phase of the managing diversity process, my staff is working with some of the Program Offices to assist managers in achieving two broad goals: to identify and address processes, procedures, perceptions, and behaviors that could adversely impact employee morale and productivity, and the second broad objective is to institutionalize actions that create a positive work environment where all employees are afforded the opportunity to develop their full potential in contributing to the mission of the Agency and in building a successful career.

Later in this briefing, Mr. Virgilio will discuss the diversity initiative that is ongoing in the Office of Nuclear Material Safety and Safeguards. Even though the Agency has experienced downsizing and realignment, and each year a significant number of employees have exercised their option to retire, we have continued to make incremental progress in increasing the representation of women and minorities in the NRC workforce.

For example, in 1999 minorities represented 22 percent of the NRC workforce. Today, minorities represent 27 percent of the workforce. During this same period, the number of white women in SES positions increased from 15 to 17, and the number of minorities also increased from 15 to 17. Minorities in senior level positions increased from 5 to 6, and white women in senior level positions increased from 9 to 11.

Additionally in Fiscal Year 1999, NRC hired 102 employees. Twenty-two were minority and 36 were women. In Fiscal Year 2001, the Agency hired 158 employees, 54 were minorities and 42 were women. While this represents some progress -- and we are proud of that progress -- there is still much that needs to be done. Our challenge continues to be providing timely, candid and effective feedback to staff, and fostering a work environment of mutual trust and respect.

I believe we are on the right path and will continue to see improvement in our outcomes provided we don't put too much emphasis on the processes and not focus on the outcomes that we are after. We will continue to make progress as long as our strategies support our declaration that our employees are indeed our most valuable resource. Thank you, Pat.

MS. NORRY: Thank you. Martin?

MR. VIRGILIO: Thank you, Pat. I am pleased to have the opportunity to provide the Commission an overview of NMSS' approach to activities regarding EEO and diversity. First, I'd like to acknowledge that nothing would happen without the support of the NMSS management and staff in this area, particularly the 12 members of the Diversity Panel I'm going to talk about in a few minutes. I'd also like to acknowledge the support that we've gotten from SBCR management, Irene and staff, and particularly Barbara Williams, for all their efforts in supporting our diversity initiatives in NMSS.

We believe that managing diversity requires organization and cultural changes, and that, for us, we identified six keys in making a successful cultural change. I'm going to outline the six, and then I'll give you some examples of what we've done in each of those six areas.

First, there's the alignment of the change with our organizational goals and values. Second, a committed leadership that's willing and able to model the desired change. Third, staff input. Fourth, the establishment of an infrastructure of policies, procedures and practices that reinforce the change that you're striving to achieve. Fifth, effective and ongoing communication. And, sixth, a measurement and assessment process so that you know where you are with respect to these changes.

The specific goals that we hope to achieve through our efforts in managing diversity include the following: First, enhance recruitment and development and retention of a high quality, diverse workforce. Second, a healthy work environment and relationship amongst the staff within the organization. And, third, improve quality, including innovativeness and quality and timeliness of our organizational products.

I'll quickly review now what NMSS has done in each of these six areas. First, with respect to the alignment with our goals and values, we first established organizational values, visions and expectations in NMSS consistent and complementary with the Agency-based system, including an emphasis on the value of successfully managing a diverse workforce.

We have linked our diversity strategies to our core business strategies, which I think is very important, and we expect our managers, supervisors and staff to adopt behaviors consistent with the values that we've laid out.

Trust is a key to any healthy human relationship, of course, and in the workplace it is especially important as we look to promoting diversity. Trust can be achieved and maintained only when a number of conditions are met. People need to know what to expect. People need to know that the expectations are fair and equitable, and that the actions that surround those expectations are clear and consistent with the expectations.

So, we felt it was critical to share our organizational values, clarify our boundaries and, most importantly, that we all talk the walk in this area.

The second has to do with NMSS leadership commitment. The NMSS executive team and leadership team meet frequently to develop and monitor our NMSS organizational initiatives, including our initiatives around managing diversity. A senior management contact has been designated for the NMSS members in each of the EEO Advisory Committees. The managers meet at least quarterly to exchange views on office-wide concerns and practices that require additional attention. A designated change agent within NMSS monitors our diversity actions, and other organizational and Human Resource management initiatives.

We've also employed a part-time diversity consultant to work with our Diversity Panel to design, administer and interpret our diversity survey which was of use to obtain feedback from the staff regarding their perceptions of diversity management within NMSS. The consultants also provided us diversity training, group and individual coaching to help improve our performance in this area.

The third area is staff input. Staff input was obtained from an NMSS-wide survey conducted in April 2001. As a result of careful planning to maximize the response, we used data collection strategies that resulted in approximately 75 percent response rate from all of NMSS, and approximately 65 percent from representative and reasonably size subgroups within NMSS. And when you think about that, the typical overall response rate is on the order of 40 to 50

percent. So we think that 75 percent was very good.

Now, what we got out of that survey was the interpretation of the information told us that we need to establish clear and more definitive definitions of diversity management in the staff, communicate between management and staff regarding diversity management within NMSS, and enhance perceived fairness and equity across subgroups in NMSS regarding Human Resource management policies, procedures and practices, especially those involving development and recognition rewards and promotions.

Another item from the survey was that we needed to clarify responsibilities and accountability regarding managing diversity, especially with regard to managers and supervisors. And, most importantly, we needed to establish a mechanism to measure the effectiveness of NMSS management diversity initiatives.

I mentioned earlier the NMSS Diversity Panel. This is a panel that was established as a result of the survey and some of the other things that we were learning about diversity, and it serves as a focal point for recommending improvements regarding diversity-related issues to the management team.

The panel consists of 12 employees who were randomly selected from the NMSS personnel and is representative of the demographics in our office. SBCR and a union representative have standing invitations to all the panel meetings.

First, we developed a charter, and the panel charter was to develop recommendations in five specific areas -- defining diversity, goals and approaches to diversity that merit focus; concepts/techniques for fostering an appropriate use of diversity including accountability; methods for fostering diversity within NMSS policies, procedures and practices, particularly focused on succession planning, recruitment, hiring, orientation, training, work assignments, appraisals, and a recognition and award system; and, finally, methods for measuring the effectiveness of diversity.

With regard to the fourth area, infrastructure and accountability, we've made some changes in this area -- for example, a revision of our performance elements for managers that was emphasized earlier, ensuring that we stress the importance of managing diversity in the organization.

The Diversity Panel has made some recommendations regarding policies, procedures and practices related to Human Resource management, including greater emphasis on mutual responsibility of management and staff.

It may sound programmatic, but I think our policies and procedures must align with our desired diversity outcomes. So, it's not just a matter of developing programs, I think we need that foundation in order to achieve our goals.

The fifth area is effective and ongoing communication, and I think you can't underestimate how much you need to communicate and communicate and communicate around the issues. We've established several communications mechanisms in this area. As previously mentioned, we've got the NMSS members of each EEO Advisory Committee now have a senior management contact, and we have periodic meetings.

The Diversity Panel has established a Web Page to include communication within NMSS on diversity issues, and I invite you all to log on to that Web Page. It's got a lot of good information about what we're doing inside NMSS. It includes monthly updates, and staff are invited to use the Web Page to provide comments on the panel's recommendations to management in these areas.

The Diversity Panel has also established communication boxes throughout NMSS work areas. This allows staff an opportunity to make recommendations regarding diversity. So, through these mechanisms, we seek open and honest dialogue around diversity management.

The sixth area is measuring effectiveness, and NMSS management is currently looking at a three-pronged approach that has been proposed to us by the Diversity Panel. One would be a followup survey that would build on what we learned from our survey this time last year, and a test to see if the initiatives are making progress.

The second piece would be specific diversity activities and intervention assessments. If we make a change in one area, how do we know whether that change was effective? So, we would focus on gathering data about that one particular change.

And the third is the review of statistical data regarding workforce subgroups. While we believe that many positive actions are taking place in NMSS, we also need to measure progress in the same way we measure other bottom-line organizational initiatives.

Now, with respect to the NMSS' workforce demographics hiring and awards, as of the end of September of this year, we had a total of 347 permanent onboard employees. Nineteen percent of the staff are minorities, 34 percent are female. That compares overall to NRC's 23 percent minorities and 38 percent female population.

While these percentages are essentially the same at the end as they were at of 2002, we've been able to maintain diverse staffing levels in the face of very high attrition rates. The tables in the Commission Paper depict NMSS' workforce by race, ethnicity and gender.

NMSS' recruitment efforts have been twofold. We look at attracting and maintaining critical skills needed for our current and future licensing responsibilities and, second, ensure that we are enhancing NMSS' workforce racial, ethnic and gender diversity.

We fully supported the Agency's initiative to establish ongoing and effective relationships with targeted colleges and universities, and we believe this provides great potential for attracting high quality, diverse applicants. We've also established cooperative education agreements with nine colleges and universities.

During 2001, NMSS filled 31 positions, of which 16 were technical hires. Six, or 38 percent, of the technical hires were at the GG-5 through GG-11 entry level. Stepping back, of the 31 positions that I talked about that were filled, 7 were filled with minority candidates, 15 with white females, and 9 white male hires.

NMSS has implemented the traditional awards program which recognizes employees for exceptional performance. As an addition, we've implemented the Employee of the Month program which provides us another opportunity for recognizing good staff performance.

If you look at the statistics within NMSS, you find that the distribution of awards closely follows the ethnicity and general percentages of the NMSS onboard staff.

In summarizing the data, I think NMSS has maintained a constant level of staff diversity through 2000 and 2001, despite our high attrition rate. Nonetheless, as everybody at the table has mentioned, we will continue to strive for continued improvement in this area.

In conclusion, I'd like to say that we're proud of the course that we've undertaken in NMSS regarding managing diversity. We acknowledge issues such as the high attrition rates provide temporary stumbling blocks to success, but we remain steadfast in our commitments and belief that the importance of managing diversity is worthy of pursuit, and we welcome your support and feedback. Thank you.

MR. TRAVERS: Mr. chairman, that concludes our presentation this morning.

CHAIRMAN MESERVE: Thank you very much. I much appreciate the thoughtful presentations that all of you have made. I believe it is Commissioner Dicus' opportunity to go first this morning.

COMMISSIONER DICUS: Thank you, Mr. Chairman. First of all, the first question goes to the intern program, which I'm pleased to know is being successful and certainly support. I hated to see it go away in the first place.

What kind of -- could you elaborate a little bit more on the feedback from the managers, how well the interns are doing, and then maybe what feedback you're getting from the interns themselves?

MR. BIRD: I could comment on that, and this is anecdotal feedback. I think, overall, it's very positive from the managers' perspective. I think they, as a body, are impressed with the credentials and the abilities of the people that have come in so far. I think they are equally as impressed with the credentials of those who will be coming during the next few months, and that's a fairly large number of new, additional interns that are coming in.

I get feedback from the Technical Training Center in Chattanooga that complements that feedback. The groups that have been down there have been successful overall. Again, I think the staff at the TTC has been impressed with the ability of the people that are coming in for the intern program and going on to Chattanooga. So, I think it really, overall, bodes very well. I have not had negative feedback. We haven't been in a position of addressing probationary removals or anything of that nature, which one might expect with the intake of new employees.

At this time, again, in my opinion based on the feedback that we're getting from various offices -- and Marty might speak to that -- I think it's a very, very positive sign on entry level hiring being successful.

MS. LITTLE: If I could just add one comment on that, I'm sure there are a lot of examples, but I'm aware of one particular example from Region I where they have a formal program to welcome and help to orient their interns. They actually have a meeting with the Regional Administrator. There's a coordinator that has been identified at the Regional level to work with the interns to try to get them incorporated into the workforce, not just from a work perspective but a little bit from a social perspective, and I think that's important when you're bringing in new employees, younger people, to a workforce that is pretty much Baby Boomers. So, I think some of the offices, Region I notably, has put together a process to make that happen.

MR. VIRGILIO: I would just like to underscore what Irene just said. That's really important, we can go out and hire the interns, but if we don't indoctrinate them, orient them, they'll get lost in the system, and it's important that we particularly pay attention to them as they move forward through the system.

COMMISSIONER DICUS: I would agree. In effect, what's happening in Region I -- and regional offices are not as large, obviously, as we are here at Headquarters. So, what are we doing at Headquarters to be sure they don't get lost in

the system?

MR. BIRD: I think, again, that the offices overall have embraced this. They work with my staff and with SBCR sort of continuously on what we can do to improve. We've got some very good suggestions from staff involvement with that.

One of the things that's always a challenge with someone coming is housing. We're working harder on trying to work with that issues. The expense of the area and how you can get people together to share apartments and that sort of thing, again, that's something we need to continue to work on, is the transition from the colleges to this area and getting the housing and the fundamentals sort of settled so that they can become productive employees rather quickly. And that's an ongoing challenge. Again, the feedback that we get is the informal part, in some respects, at the beginning, is as important as the formal part of what we're offering them in terms of job opportunities and training and so forth. And so I totally agree with what's being said here, with the effort that goes into the orientation and trying to make people feel comfortable and to be introduced to others in their same age group.

We had a recent group of interns that came in that our current interns spoke to, and I thought that was an extremely productive session. And it was followed by an opportunity for a social event where I think many of the people that came joined the people that were here and went out for the evening. Again, I think that built a lot of informal dialogue and connections that was invaluable in this process, and that's something we need to continue to focus on.

MS. LITTLE: There are two other examples that are going on in Headquarters. One is the EEO Advisory Committees. The Hispanic Committee has been very active. The Asian Committee, African American -- the committees have made a commitment to do some personal mentoring to new people that are coming in, and that really works well.

Our facilitated mentoring program is available also, to help employees find mentors with the help of their supervisors, so that they have a mentor that they can talk to and consult with in case they have issues they need to informally resolve.

I'm sure we can do more, but some things are being done.

COMMISSIONER DICUS: Okay. Thank you. I note you have recently hired a contractor to help with diversity management, or to look at diversity issues that might exist. I know it's rather recent. Is it too soon to have any feedback on what the contractor is doing or coming up with? And if it is, I'll ask the question again in six months.

MS. LITTLE: The answer to your question is yes, it's too soon, but we do have an idea what to expect. We've put together a very comprehensive Statement of Work. We worked with NMSS in getting the contractor that they have so that we do know exactly what we expect. We can't address what the outcome will be, but the element of a good managing diversity process, you've got to have leadership from the top. And so we want to work specifically with the office directors to do some specific things in their offices, and there's got to be training, and the contractor can provide training and other tools and interventions -- is what the contract referred to it as -- to assist managers in identifying things that need to be changed, and giving them tools for making that change. Accountability -- those are the things that Marty talked about. Employees need to know who is accountable for what, and what to expect. And there needs to be some proactive efforts on our part as the leaders of EEO in the Agency, and I think we're doing that. Hopefully we can provide some more specific outcomes as we experience what the contractors will be doing.

COMMISSIONER DICUS: Thank you. With regard to the attrition rate in NMSS, I know that you are looking at why you have the high attrition rate. Again, maybe I'm asking too soon, but if you have completed that evaluation or if you have any preliminary ideas why this is the case, or do you want to study it further and get back with us later?

MR. VIRGILIO: We have been monitoring it for the last several years, so I can give you some perception as to what's going on. On an Agency-wide basis, I think the attrition rate is running around 9 percent. What we're seeing in NMSS is anywhere from 12 to 14 percent. It's a significant turnover for us that turns out to be on the order of maybe 40 to 45 people per year.

So, we've looked at the statistics around that, and the driver of the largest, the dominant, it tends to be that movement outside of NMSS but within NRC. So, it's roughly 50-some-odd percent of our staff turnover is to other offices within NRC, and we think that's a good thing. We are encouraging people to get out, to broaden themselves, to seek other opportunities. It's a small organization, we'll be back together again, is what I usually tell people as they move out -- either I'll move or they'll move -- and it's a good thing.

The next largest contributor tends to be retirements. So, we're seeing on the order of 20 percent. That's, I think -- and Paul can correct me -- I think what we're seeing is less retirements in NMSS than some of the other offices, just the demographics. We tend to have a younger crowd in NMSS.

And then the third tends to be people moving out of NRC. That's roughly 15 percent. So, it's 50, 20 and 15 percent. That 15 percent is tending to move out for promotions outside and to go into other industries. The other thing we have, I think, is a very marketable workforce. People inside NMSS are marketable outside of the NRC, and so that's a contributor to our losses.

MR. BIRD: If I could just comment on that, external attrition is different than internal attrition, and basically what Marty is talking about is the impact of both those affect an individual office. In NMSS' case, their external attrition is around,

last year in 2001, was close to -- a little under 7 percent whereas the Agency's overall external attrition was right about 6 percent. So, there is a little bit of differential there. But then they had the largest number of people who moved from their office to another office. And that, of course, was offset by people moving from other offices to NMSS, and that's not in this data, so we're going to try to look at that as well because we believe that the movement internally is very good for the organization, and we want to encourage that and not have it misconstrued as a loss to the Agency when someone moves from one office to the other.

COMMISSIONER DICUS: It's just a loss to that particular office.

MR. TRAVERS: We'd like to actually even encourage people who are leaving the Agency to think of us later in their career, and we actually have been quite successful in hiring some people back. I hired back Drew Persinko from a job that he had, back into the Agency. So, there are a number of examples of that as well.

COMMISSIONER DICUS: I just have a couple more -- I'm about to use up my fair share of time here. I know that we are -- the term, I guess, is "outsourcing" some of our jobs based upon OMB's sort of requirements that you identify positions that could be done by the private sector, and to what extent we might be doing that in terms of when we are looking at positions that might be handled by the private sector and making an evaluation of that position, is it included in that evaluation any impacts having that particular position or activity done in the private sector, looked at as what it might do with our EEO diversity?

MS. NORRY: Well, we'll have to look at that, but right now we're still at the beginning stages of this. We are required by OMB to have 5 percent of our positions that -- we've already identified the positions that can be commercial in nature. We've already done that. And that resulted in a certain number for the entire Agency. We're required to have 5 percent of those that are actually contracted out or subject to a competition between Federal and private sector in 2002.

In 2003, that doubles. So, we'll have more of a challenge as we go on. Obviously, we'll have to look at EEO impacts along with a lot of other impacts as we pursue this.

COMMISSIONER DICUS: Okay. Final question. I have the opportunity to be corrected, but it's my understanding, in a vague way actually, that in order to be considered for an SES position, you have to have gone through the SES program. Is that true or not?

MR. TRAVERS: Let me address that. What we have done --

COMMISSIONER DICUS: And I don't have an opinion one way or the other, I'm just trying to get some information.

MR. TRAVERS: The short answer is no. That's the short answer. The longer answer is what we have done in establishing this program is suggest to the management team who are responsible for vetting people into the program is that we need to do a good job at the front-end of that process, and there should be an expectation that if we do that good job at the front end, that we should have a corollary pool of good candidates when they graduate, so that our first look for filling new positions or positions that are coming open within the SES should be, in my expectation to the management team is that they will, in fact, look first to that qualified pool of individuals who have already been vetted through a formal process of the Agency. It doesn't mean that there's a 100 percent lock that if we have to fill each position that comes up, but as a minimum the first thing that's going to occur and the first thing that has occurred is that we've looked to that pool for the first identification of qualified people who could fill the jobs.

And to talk about results, I can tell you that I don't know of a single -- you can correct me -- of a single instance where we have filled a job in recent months, or perhaps the last year, year and a half or so, that hasn't been filled with a qualified graduate of our SES Candidate Development Program, and I think that's a good thing because it emphasizes a whole host of things that we expect in the conduct of that program.

MS. NORRY: And we're not going to get good people to apply for this program and to go through the year and a half of training for this program, if we don't make that kind of a commitment. And so all of the senior management of the Agency participated in making that commitment, which is basically you've got to prove to me why you're not putting one of those candidates in the job. And then if you get it by me, you've got to prove it to Bill. I mean, I think you have to make that kind of a commitment in order to make these programs really work.

MS. LITTLE: If I can make one comment, I think this is an example where we learn from our past mistakes. When this was not the case and there were certified people in the SES program that could have been selected and we went outside and posted, it adds to the perception of preselection or not giving minorities an opportunity to get selected for these jobs, especially when persons that are certified are, indeed, minorities. So, this is a good thing from an EEO perspective.

COMMISSIONER DICUS: Okay. And I don't disagree with the comments that you've made, I want to make that clear. I'm not criticizing this particular situation because I think it makes sense that if a person is going to devote their time to the program and if the Agency is going to support the program, it should have some meaning on the other end of the program. So, I don't necessarily disagree with that at all.

I would only say, as a closing comment, that that being the case, and since I've surfaced it, at least those here and those listening are realizing it, but we make it clear across-the-board to our entire staff that that is a good way to get an

SES position, a good pathway to take, and that everyone is aware of that. I think that would be very important. Thank you.

MR. TRAVERS: I agree, and I think it should be an advertisement for the broadest possible sort of interest being expressed by employees that are interested in going in that direction because this is our intent, to work the program in just that way.

COMMISSIONER DICUS: Thank you, Mr. Chairman.

CHAIRMAN MESERVE: Commissioner Diaz.

COMMISSIONER DIAZ: Thank you, Mr. Chairman. Let me start by thanking Mr. Marshall for his comments, and especially for singling out people over 50. I have a vested interest in the fact that there is a small probability -- I must say small -- that I will ever reach that area, but it's there.

I debated whether to go at the performance measures or to actually take a broader look, and normally I decided to take a broader look at what has happened, so let me just make a couple of comments -- and this isn't new, I've said it before, as a person that was involved with programs very actively -- for years I directed minority programs as a sideline, although they became more than a sideline -- is that this program really essentially exists to eliminate the reasons of its existence. The long goal is that we don't need them anymore, and I think that is a vital principle that must rule what we do.

Eventually, the effectiveness of this program is eventually, not at any one time, is determined by the decreasing need for action, decreasing need for activity, decreasing need for achievement, decreasing number of challenges, and I think that's something that we must realize, that really if we are doing good, then we don't need to do that much anymore.

The ultimate goal, of course, is to make sure that the dignity of each person, and the dignity of the diversity is so valued that race, ethnicity, national origin or religion disappears in the background. It's not something that you need to deal with, but it's something that really slowly, but surely, gets overwhelmed by the performance of the individual, by his work ethics, by all the things that he does.

So, I always get concerned that programs getting more effective or large, and that might be an indication that awareness is permeating the structures and, therefore, there are more things to do. On the other hand, progress should be measured in the fact that really sometime -- and I don't know when that time is, and that will be the question -- that these programs eventually should be carried out in a way that slowly there won't be that much need for it. Having been here now on this side of the table -- this is my sixth time -- where are we? Is there more need for the EEO programs of five years ago? Does that mean that the awareness of the management, everybody in the Agency has increased and therefore that increases the need for activities? Is it level enough? Is it coming down? Where are we?

MS. LITTLE: That's a big question, but I'm going to take a stab at it. We certainly still need in the EEO program the measures of progress sometimes attenuate to change. If I could go back to the '70s -- I wasn't here, but I was the EEO Director at the Environmental Protection Agency -- there were basically quotas. And so the success was in pure numbers. And so that was successful. When the quotas went away and we moved to affirmative action, we looked at actions. The emphasis was on efforts and actions. And that was the case for a while. And someone looked around and said, "We've got a lot of processes in place, but we don't have much outcome".

The newest thing is what are the outcomes? And what we are trying to do here today, we are talking about managing diversity. We want to institutionalize a way of thinking so that whoever sits on that side of the table, whoever sits in my chair, whoever sits as the EDO, will not have to start over again with their own personal philosophy and commitment. It will be institutionalized within the Agency. And we believe that if we can pursue a managing diversity process so that the culture in the Agency does exactly what you suggest -- places religion, race, ethnicity in the background and merit and employee development and contributions to the mission up front, we have then succeeded. Now, whether the bar will change in five years, don't know. But that's where we are trying to get.

COMMISSIONER DIAZ: That's an excellent answer. I really appreciate it. I'm impressed. Excellent answer. So, now going down to the bottom line, is the number of activities that you have to conduct increasing?

MS. LITTLE: Could you clarify "activities"?

COMMISSIONER DIAZ: Everything you do, the amount of effort, resources, the amount of time that people are putting. It's not bad, by the way, it might very well be that you will be successful, that people are realizing what needs to be done and therefore you need to do more. Is it getting larger and, if so, why? And are you being successful at institutionalizing diversity in a manner that you are getting to the point where there is a program that is now steady and addressing the issues -- because I applaud the efforts in hiring, which is half of the battle -- maybe not half, maybe 30 percent of the battle -- and efforts that are being made to make sure that our employees have the right opportunities when they are here, and they are not only treated fairly, but they feel they are treated fairly because that is important. There's that cultural issue, am I being treated fairly? So, the issue is are we getting to a point where the number, the quality, the intensity of activities that are devoted, is it flat? Is it increasing or decreasing, and why?

MS. LITTLE: I will again take a stab at it. That's a big issue, a big question. If I were to react to whether employees

believe today that the system is fairer and that the perception of unfairness is decreasing, I would have to tell you that answer is no. I do not believe that employees today believe that the system is fair.

On the other hand, I believe the system, if you look at the managers and the processes and what we are doing, I believe we are doing a lot to make the system fairer. We are not communicating it well enough because employees do not believe in the system, as a whole. We don't have a survey, we haven't had a broad survey asking that question for a while, but the anecdotal information, the issues that play out in our space, from the EEO Advisory Committees, the employees believe that a lot more needs to be done to ensure that every subgroup in this workforce is treated fairly, it's not that way.

What are we doing? Some of the things we are doing in my office -- we spent a lot of time planning special emphasis programs, and I think you all participated in the decision that says "let's not spend 40 percent of our time planning and executing five to six special emphasis programs, let's do a diversity day. Let's take those resources and spend them on something else like managing diversity".

I do know that all the office directors in this Agency, for the most part, have identified things that they are specifically and personally doing to help the process work. NRR, NMSS, the Regions, Research, a lot of the office -- OGC, Admin -- they have programs that say "I'm aware of what I need to be doing", and I think a lot more of that is happening. We need to communicate it better.

There is still a lot that needs to be done because employees' belief and trust in the system is key to whether we have an effective program.

COMMISSIONER DIAZ: Thank you. Let me just make one comment and then go back to the questions. I really believe, because I have experienced it, that any improvement that is effected on any one group actually benefits all the groups because it is the issue of how those efforts permeate the structures. So, improvement for African Americans benefit Hispanics, improvement for Hispanics benefit Asian and African Americans. I think it is very important that that be clear. It is never an effort for any group, it is an effort for everybody, and everybody of course includes this group that we call "white" that are sometimes very preponderant, but they are part of us, they are part of what we do, and they actually need to be considered also.

Having that said, and I listened attentively to you, occasionally the Commission can do a little more if we are brought up with the issue. Is there anything that the Commission could do to actually to affect things that are maybe taking too long or are not clearly understood, and maybe that should be directed to the EDO, or eventually, since the buck stops there, that you eventually will go that way. But is there anything that really should come to the Commission, that the Commission should consider this, because I know my fellow Commissioners are as worried as I am that this programs really go forth, and that eventually, you know, by the time Commissioner McGaffigan goes out of here in his fourth term, we will actually sit in here and say this is really going well and it is time now to move into something else.

MS. LITTLE: I'm sure the EDO and my boss, Pat, probably want to say something about this as well, but my response to that is I'm sure there are a lot of things that we can ask you to do to help us with the program. I would like to think about that and respond to that in a much more comprehensive and well thought out manner than here. If I say something here, it may not be the most important thing.

COMMISSIONER DIAZ: I hope you do.

MS. NORRY: I would just say that I'm sure the Commissioners can do a lot in the communication phase of this. One of the things that -- if you say we're having increased activities, we are. But a lot of it relates to how well we're communicating, and that goes across the Agency, of course. We're trying to do a much better job in general of communicating, so obviously the Commissioners have a role in that as well.

MR. TRAVERS: Pat actually stole my answer, but communication, as an example -- walking the walk, talking the talk -- I think the Commission is actually engaged in that. I mean, several examples that I think of are opportunities that you periodically make on your staffs for rotational assignments and the like are opportunities for a diverse group of employees to gain a better insight into the higher level workings of the Commission.

But, by example, I think in the sorts of comments that Pat made, by communicating the expectations that the Commission has of us in carrying out this program, I think that's a principal means that I see as you are positively impacting the end result that you would like to see occur.

COMMISSIONER DIAZ: Thank you. I look forward to finding out what Ms. Little and you actually believe that could be added to our tasks. Thank you.

CHAIRMAN MESERVE: Commissioner McGaffigan.

COMMISSIONER McGAFFIGAN: Thank you, Mr. Chairman. I'm going to ask one question -- I probably should have told you it was coming, but I didn't know it was coming until I sat down here, because it's probably technical. But in response to the last Commission meeting, one of the issues we had raised was whether the Center in San Antonio could be more involved in the HBCU program, and the answer we got back is we can involve them, but not with Nuclear Waste Fund monies, which is most of what their monies are, and there's a statutory impediment apparently to using Nuclear

Waste Fund monies for HBCU purposes. And, honestly, as I read that, I found that surprising, given my previous experience with Senator Bingaman and Senator Domenici, where we routinely pressured the laboratories to engage in minority activities with our universities, trying to recruit Hispanics, African Americans, et cetera. And nobody ever said to me funds prevent us from doing that.

So, what is the statutory impediment and, if there is one, is it one we could remove?

MS. LITTLE: I don't know if we can remove it. We talked to the lawyers and they indicated to us that, No. 1, the funds cannot be augmented because we have monies -- we have monies that we have in our HBCU program and we wanted to place the students and faculty from the HCBU colleges at the Center, but they cannot do that because they would be augmenting the fund, and we couldn't do that. I do not know the legal reasons for that.

MS. CYR: It's a question of augmenting our appropriations for nuclear waste because we get a specific appropriation for nuclear waste activities. To the extent that I took General Funds and was trying to augment work on nuclear waste to do that -- so if you took SBCR funds --

COMMISSIONER McGAFFIGAN: Why can't I just have some of the Nuclear Waste Fund go to -- along with the General Fund, and mix them. I mean, is there any prohibition to giving this Oak Ridge group that runs the HBCU program for us some Nuclear Waste Fund monies, so you wouldn't be augmenting the Nuclear Waste Fund with General Fund, you'd be using Nuclear Waste Fund money just like we use General Fund money to work with Historically Black Colleges and Universities.

MS. CYR: The question would be whether that would be being spent on nuclear waste activities. I mean, because you have to spend on nuclear waste activities whether depending on how that money was -- purposes and what the individual was doing and how you were spending that money, whether that would be construed -- I mean, I guess that is our concern in terms of how you set that up, whether in fact what you were doing was, in fact, spending it on nuclear waste activity.

COMMISSIONER McGAFFIGAN: I would hope that if we had somebody at the Center from an Historically Black College and University working on something in nuclear waste activity, it would be regarded as a nuclear waste activity, it wouldn't be -- I certainly hope all this activity in the HBCU program is not make-work, that it really is work that helps advance our programs and has a programmatic goal.

MS. LITTLE: Let me respond to that. We actually match up the students and faculty with NRC projects so they are working on specific NRC projects at the Labs.

COMMISSIONER McGAFFIGAN: I don't want to belabor this and use all my time. I think you need to take a second look at this, to be -- Commissioner Merrifield?

COMMISSIONER MERRIFIELD: I think when we asked that question, it wasn't so narrowly focused to say having those folks work just on issues associated with the economic project, there's a notion of can they work at the Southwest Center on other activities utilizing those monies. But I think the answer that was -- the question that was answered by OGC was a narrower question rather than the more expansive one that the Commission was looking at.

COMMISSIONER McGAFFIGAN: The answer that we got from the EDO on November 19th said we could only use these monies apparently because the money that goes to RIs -- now that I understand it, the money that goes to Oak Ridge comes from the General Fund, therefore, we have activities at the Center, things like West Valley or whatever that are General Fund activities, and the determination was made that we could place people if they wanted to work on those sorts of projects, but we couldn't place them working on Nuclear Waste Fund projects because we weren't using any Nuclear Waste Fund money to fund RIs. It strikes me that you could mix in some Nuclear Waste Fund money to the extent that we thought there were useful activities that an HCBU professor or student could do, and then you could use that money at the Center and it would tax the Nuclear Waste Fund in a very small way, I suspect, but it's something I just think we should consider.

The other thing -- I've mentioned it previously, and I'm aware of it because it applies to the Department of Defense -- but there are also incentives in law to work with Hispanic-serving universities similar to the HCBU program, that apply to the Department of Defense. I know we don't have that authority here, but have we ever thought about seeking that authority, because I, again, think that the relationships you forge at the student and with universities can help in the recruitment in the longer term. So, again, I'd just raise the issue as to in the future in our legislative programs, should we proactively look at the DOD language and see whether that language could be applied to us. These are very small taxes. I know that programs tend to regard them as taxes, but if they are properly expended, they can be -- that the taxes can bring a profit, unlike most taxes, unlike the taxes that we pay to the IRS, I suppose, but whatever. So, I just throw that out as a suggestion.

One of the other things I saw, looking at the data, I know we're going to have an opportunity to fix this because we, for the first time in years, are going to be growing in terms of our FTEs this year and next, if Congress supports our FY 2003 budget, but the table on page 2 of whichever annex, showing the age profile of this Agency, we've gone from when Commissioner Diaz and I showed up and Commissioner Dicus -- she was here, I think, in '96 -- I showed up at the end of FY96 and the start of '97 -- we went from 24 percent of our workforce being 39 and under, to 19 percent of our workforce being 39 and under, from 741 people in '97 to 539 in '01. Now, there's a lot of 36-year-olds or 40-year-

olds who managed to bump themselves up to the next category during that period, but we really are still -- we don't have, based on this data, a very happy age profile and, from the point of view of having this Agency be reinvigorated over a 10- or 20-year period, from the point of view of being one of the 539, you know, your odds of being EDO are probably never better 20 years from now, but I think we need to think about it. I mean, I know it's going to be addressed, but I think we need to look very hard at how we -- you know, at getting this percentage back up at least to the '97 level. And I know why the decline, we weren't hiring a lot of people, we were hiring just to replace and we weren't always fully hiring for replacement because our FTE numbers were going down. We have a real opportunity to fix this, and I just urge us to take it.

MR. TRAVERS: You're right, I think we do have an opportunity, and part of that opportunity lies in the fact that we are growing, as you mentioned, for a number of reasons. The target that I laid out in March of '01 of 25 percent entry level was in part -- not entirely, but in part -- intended to help overcome of the statistic, and recognize that going forward we've got to put ourselves in a position where we're not vulnerable to a great deal of our expertise walking out the door on any given day of the week.

We've actually exceeded those, as I mentioned early in my presentation. In fact, I think last quarter we were up to 40-some-odd percent entry level hires. So, it's a continuing challenge. It's not going to be turned around in any given quarter, or perhaps any given year, but it's one that we're going to have to continue to be conscious of and direct our efforts to overcoming.

COMMISSIONER McGAFFIGAN: I agree, it's something -- there's another table in here -- you know, you look at these statistics and they tell stories. In the 56-plus range of managers and supervisors, we went from 65 in '00 to 75 in '01. Now, there are a fair number of retirements during that period, so we have a heck of a lot of 56-year-old managers who are 56 in '01 in this Agency, because I don't think we hired anybody from the outside into that, and we have obviously a heck of a lot of people over that age. If you are 56-plus today, your chances -- unless you are a saint -- of being here a decade from now are not high. So, that's 75 people that we're probably going to have to replace certainly in the next decade, and many of them sooner. So, there's just going to be an enormous turnover in this place in the next few years, is what this data is telling us.

MR. TRAVERS: We use that factoid to attract new people to come into the Agency, and suggest that there are going to be opportunities at NRC in upcoming --

COMMISSIONER McGAFFIGAN: I think that should be part of our communication strategy, you know, there are a lot of upward mobility potential in this Agency.

Are we trying to -- in terms of retention of these younger people, are we trying to track, say, at the three-year point, whether we've retained the people that we hired? Do you have any tool looking at retention of people we're hiring so that we know where we stand and whether we're keeping them?

MR. BIRD: That's exactly the benchmark that we've established for looking at this, and we have begun tracking it. And we haven't had the three years to measure whether we were successful or not, but if you look at the Green Book, in the back, I think that is represented there. We are --

COMMISSIONER McGAFFIGAN: You're going to have a performance measure on three-year retentions?

MR. TRAVERS: Yes, but it's numbers and basis. In other words, individually, as people leave the Agency, we have exit interviews where we seek to elicit what it is that's the reason.

COMMISSIONER McGAFFIGAN: I think that's important. It was mentioned that you are trying, in recruiting people, you're looking at course work in addition to their GPAs. That could be for two reasons, I hope it's for the good reason. When I look at grade inflation that's happening in the campuses -- you know, that the new President of Harvard is taking on his faculty because I think over 50 percent of the grades given there are As nowadays, which makes it hard to tell one student from another, and apparently that's happened elsewhere. There was an article in the paper the other day about a fellow not getting tenure because he was a hard-ass about giving out Bs and Cs, and they basically wouldn't retain him at that university -- at least that's the allegation that he made.

So, if everybody has got 4.0s or 3.9s or 3.5s, you have to look at the course work to make sure that this isn't somebody that's just being passed on to us by a bunch of university professors not willing to do their jobs, or is it -- the alternative theory is that, you know, we're trying to justify taking people with 2.5 or 2.0 GPAs based on taking a peek at their course work and seeing whether they might still be good enough for us.

MS. NORRIS: The focus of this is -- and I don't think this is something that's going to end up being widespread because, when we established the requirements for the intern program, we did so with an idea that we wanted to maintain standards at a certain level, and that's what we have. But we were getting feedback from program officials who interviewed people, who said, "You know, this person -- there could be various reasons why their GPA was not up where the level should be", but they looked at other factors, and they wanted to have some flexibility to be able to occasionally bring someone like that onboard. And so we thought that was a good thing.

COMMISSIONER McGAFFIGAN: I'll just tell you, I haven't done a lot of hiring in recent years, but in Senator

Bingaman's office, we had to hire people to be mostly legislative correspondents. And they had to be able to write. And I was turning down people from major law schools who had good GPAs at the law schools, who could not -- we had to institute a writing test in order -- which we would give them on-the-spot -- here's a letter, take a crack at answering it -- in order to figure out who could write and who couldn't write simple declarative sentences.

MR. TRAVERS: We hope you don't give that standard to the current NRC staff.

(Laughter and simultaneous discussion.)

COMMISSIONER McGAFFIGAN: I'm not real big, as you can tell, on our university system at the moment because I'm not sure it's doing its job. Obviously, some very, very good people get through it and do well, and some people get passed through it who really aren't very competent because the professors won't do their job and actually give out Bs and Cs and Ds. I'm sure Professor Diaz was not one of them, but I think with that I'll leave.

CHAIRMAN MESERVE: Commissioner Merrifield.

COMMISSIONER MERRIFIELD: I'll play off that comment in going back to the answer that Irene gave to Commissioner Diaz' first question in which he mentioned it was an excellent answer. We have enough people in this Agency who have been students of Commissioner Diaz who can attest to the fact that he's not an easy grader, so I think you should take that as quite a compliment.

As we go through this, I think that the questions that have preceded mine talked to the issue of balance, and that is we have had a notable success in our ability to bring in new entry level people, and I think it goes without question that so far that has gone very well.

Keeping those people and making sure that we have people coming in at the mid-levels to fulfill all of our needs is important, too. And on the balance issue, I'm reminded of an old example of what happened in the former Soviet Union. There was an instruction, a five-year plan to make glass. And in the first five-year plan, they said we want to have a certain number of meters of glass, and that prescription was made, but they found out that the glass was very, very thin and kept breaking. So, in the second five-year plan they said we're going to require our glass to be manufactured, and they put a tonnage weight on it, and they found out that they had very thick glass that didn't meet the requirements as well. And meeting that sort of "sweet spot" in the middle, I think, is something that we're going to have to continue to try to achieve in order to get the vision that I think Commissioner Diaz has laid out of a sustainability in our programs where we can meet our goals and do it in a way that is holistic of where we want to go as an Agency.

All that having been said, one of the questions was directed towards Mr. Bird related to some of the new hires and whether there was a comfort level of them on coming to the Agency. You seem to have a fairly optimistic statement in that regard, and overall I think that may be the case.

I have had occasion to talk to a number of the new hires, and I would say -- and this, again, is an isolated example -- I think there is some level of concern out there. I don't think all is roses and red wine, so to speak.

My question is this: Do we believe that some of the management folks within the Agency, who really have to care and nurture for these folks, are doing all that they can do to make sure that we are going to be able to retain them down the line and not add to our attrition rate down the road?

MR. BIRD: I think certainly that's mixed. Some managers are doing an outstanding job in this regard, others for various reasons, in my opinion, are not having the time to devote to this, are not committing the time to devote to the nurturing that's necessary here for a new employee, to get them fully integrated, to try to work with them on retention issues, to show them how we do business. In the Leadership Development Program, one of the groups is focused on this and is trying to work around that to provide some supplementary sources of nurturing, if you will, and certainly Irene's staff and others are trying to do the same thing and pick that up. And I do think there is some concern about that, that if the people that are coming are not challenged with meaningful jobs and meaningful feedback and some means of going to someone who will help them see how we do business and understand our processes, we could have a shortfall there.

One of the things this group, this Leadership Development Group, is doing is offering their own time to help fill that void and to work with new employees as peers. They are basically looking to them as peers, and I think this is a very valuable thing in the Agency for that to happen. And you will see some of that start to materialize as this group works to the end of their project here. But I don't disagree with you, and it is mixed. Some are working very hard at this and doing a very, very good job, and others aren't devoting as much time to that nurturing.

MR. TRAVERS: I should comment, though, that in an age or an era when there are a lot of challenges for the management team at NRC, this is another one, and it's significant. We ought to do well. But I do recognize the limitations on what we ask of the management team.

We need to continue to emphasize this and work with them, and make sure that we understand all of what it is we are asking the management team to do as we struggle with a host of important issues, and where we need to help, from the senior level, whether it be via resources to help in this arena, or some other factor, I think we've got to remain aware

of the overall challenge that we ask so that they can, in fact, be successful in all of the areas where we expect success. I'm not sure we've always done as good a job, from my level, in making sure that the expectations of our management team are reasonable, but we're working hard to try to do that now, and we're going to continue to keep our eye on that.

COMMISSIONER MERRIFIELD: Well, it's a fair point. Again, I think it's one worth spending some time. You know, the old adage is you can go out and you can purchase very good seeds, but if you don't water them and nurture them appropriately, they will not grow nor will they thrive, and that, I think, is part of where we are right now.

I'd be interested in maybe a followup later on of if we are appropriately capturing within the review process for our senior managers their commitment to these kind of efforts, in their yearly reviews.

Dr. Travers, over a year ago, at this point, you had an instruction to members of the SES Candidate Development pool to come up with a strategy on communications for the Agency, and they came up with a document called Communications is the Key.

I'm struck by one of the comments this morning about a seeming disparity between, as Irene mentioned, the feelings of senior management that we are doing the appropriate things to have a system that is fair, i.e., for hiring and for having people go through our system that is fair, yet a belief among many out there that it is not fair, that they are not being treated fairly.

One of the notions that Ms. Little talked about was a notion that communications plays a part in that. And so I'm wondering to what extent are we going to fix that, and how?

MR. TRAVERS: There are a number of means, and communication is a broad arena. The one that I think perhaps most directly applies to this issue is the one that I spoke to at the outset, and that is -- the one that's in the paper -- and that is the obligation that we, as managers, have to our staff of fairly assessing their performance, giving them instructive feedback on where and how they might develop in areas where they are perhaps not as strong as they might be.

I think the disservice you can do by not providing that is multi-faceted. One of the disservices you do is you can provide to an employee who you are not giving that feedback to, where perhaps you as a manager don't feel comfortable providing critical feedback is you don't provide the opportunity for the employee to know where they stand and where they may need to focus their own efforts -- this is a two-way street -- in developing themselves to the point where they should be more strongly considered for advancement in the NRCc.

I think sometimes it's easier -- and perhaps it's easier with minority staff -- to not provide critical assessments, even if they're intended to be constructive, because of the concern that you're going to be viewed in a fashion that's not complimentary to you. I think that's just wrong, and there are certainly different styles for how you provide that feedback, and it ought to be positive and it ought to be constructive, but it ought not to always send glowing messages about performance. It ought to be balanced in terms of what you are doing well and where you need to improve your performance, so that you have the opportunity to understand where management perceives your capability to be at any point in time, thereby providing the employee an opportunity to do something about it.

That's not the only area, but I think it's a key one. I think the other areas of opportunity that we have are stressing the way we carry out some of our competitive selection processes into things like SES Candidate Development, by providing information about the rigor associated with those processes. And, frankly, I don't think you'll at anytime completely overcome, in some staff minds, the view that it's a system where people are earmarked for advancement. I think that's a natural sort of function of organizations, but having said that, I think we ought to do everything we can to provide the information that suggests otherwise in how we are conducting these sorts of selection processes, in how we are conducting appraisals, in how we are mentoring minority staff in the Agency, and other staff in the Agency.

So, there ought to be a fairly obvious to all staff -- there ought to be obvious information that suggests that we are, in fact, acting fairly on all fronts.

MR. BIRD: If I could just comment on that, there's a recent Merit System Protection Board study that has been released that suggests that this problem of a perception of process fairness is throughout government. I think the feedback, if I remember it, was that about 40 percent of the people who responded felt that the systems were fair and equitable, and that's a very low percentage, and OPM will certainly take on this challenge, and we are a part of that, and we need to take on the challenge as well because the perception, as you know, becomes reality in the minds of the people that we're interacting with, and I think that study might give us some insights as to how to begin to address that issue. And we need to do more in trying to communicate both here and throughout government.

COMMISSIONER MERRIFIELD: I have two quick questions left. The first one, Ms. Little, when you talked about the success in the ADR process that you've had, which I have previously and continue to be very supportive of, despite that, however, there was, I think -- if I got it right -- you did have an increase in the backlog of some of those actions out there. And I'm wondering -- from FY 2000 and FY 2001 -- and I'm wondering what you're doing to address some of that and narrow the period of time necessary that those are out there before they are addressed?

MS. LITTLE: We did not have an increase in the number of formal complaints that were filed. The number I mentioned --

COMMISSIONER MERRIFIELD: No, not the number filed, the carryover.

MS. LITTLE: The 19 complaints that were carried over were from prior years, and some of those were already former. The 21 that carried over were some of those 19 that are still in courts. So we have to look below the figures. We are pretty pleased with new complaints that are coming in, at how we are dealing with those, but some of the carryover complaints are as old as '96, '97, '95, and they continue to be carried over. We are adding some to that list, but for the most part the new complaints we are resolving. So, yes, we added two to that number, but when we think about it, we had 40 incidents of counseling, 13 went to ADR, 27 were handled by the counselors, and 15 of those actually resulted in formal complaints. Yes, we added a couple, but that was it.

What are we doing? We're still encouraging people to use ADR. It is the complainant's choice. We cannot make that decision for them. So, ours is one of educating them about the process and the benefits of the process, and giving the employee the choice very early.

COMMISSIONER MERRIFIELD: And I don't want to take away from success, I'm just saying that we, on this side of the table, frequently take the staff to task on backlog and, gee, are we getting this behind, and the amount of time they are backlogged and all that. I just wanted to get some sense -- typically, again, the practice on this side of the table, to make sure you focus on that, too, to get those out of there.

Last question briefly to Mr. Bird, you talked about how we have -- I think it was a 6 percent internal attrition rate, I think that was the number you talked about. Obviously, there's a whole variety of factors in that, but I am concerned about the extent to which people are leaving the Agency to go to other Federal agencies or to -- out in the private sector. Are we concerned about that number, or do we have an understanding of how that breaks out, and what some of the reasons are for it and, most importantly, is there anything we can do to improve it?

MR. BIRD: Well, we look at feedback we get from employees as they leave. Some leave us good feedback that we can draw some conclusions from, others just say "thank you", and don't really leave us a lot to work with.

We, frankly, don't lose a lot to other agencies or to outside entities compared to the rest of the Federal Government. We have recently lost our share to retirement, and that tends to be the most common reason for leaving.

I think our challenge is going to change there as, again, the younger population, the interns will have opportunities, and they are going to be looking for those opportunities. And that, to me, will make a difference in the future.

We do periodically go back and look at the statements that are made by the people that are leaving, and we break down those reasons, and they typically have been reasons of family moves and that sort of thing, more so than dissatisfaction with NRC as a good working environment, and we'll look at that again. I just don't have that with me.

COMMISSIONER MERRIFIELD: Thank you. Thank you, Mr. Chairman.

CHAIRMAN MESERVE: Let me make an observation that would be my answer to Commissioner Diaz' question "where are we", which is obviously the fundamental reason we are here, and ask you whether you think I'm right.

As I read the paper and look at the statistics, I see a large number of very aggressive efforts that we're taking to deal with the situation we're confronted with. I know that they are sincere. I think they are well received, and I think they are proving to be effective. But as I look at the data, I see that we're not there yet, and we look at the percentage of managers, we look at some of the statistics in terms of the SES representation and the like, that we have a ways to go. And this is not something you can turn around on a dime, that you have to deal with the age profile problem, you have to constantly fight that issue, as an example, and bringing in and new recruiting and you're filling positions, that's something -- you have a few of those opportunities a year to be able to deal with it, so that one wouldn't expect to have success overnight on something like that.

But my sense of this is this is a problem we're working on. We're working on it aggressively. We aren't there yet. And as part of our candid evaluation process here that you've emphasized, I'd like to get your sense. Is my report card a fair one?

MR. TRAVERS: I think it is. I think, you know, anybody who has been here a while and has seen the Agency grapple with some of the statistics and some of the numbers, it's obviously one where we've made some progress, but it's slow. There are reasons for that. You have indicated we are a very highly technical organization in the main, so sometimes our ability to reach out and attract diversity in our workforce is somewhat limited. Our ability to pay people is somewhat limited.

But I think we have made -- the strides that we have made are notable. We have efforts in place to remedy some of the more obvious issues, like underrepresentation in specific areas. But it's pretty clear to me that it's going to continue to require concerted effort. It's going to continue to require that we explore additional activities. Commissioner Diaz asked a question about whether more activities are in play. I think today more activities are in play. Many of those activities are less focused -- we take credit for them in EEO diversity's face -- but if you look at them, communications and other forms of our efforts, are really, as Pat mentioned in her opening remarks, much more broadly applicable to the work environment that we have here at NRC. And I think that where we've perhaps made the greatest gain -- and some

of what we've done is less quantitative, but more qualitative in the sense of the quality of the work environment, that we do have the diversity that we do enjoy here and those sort of things, but I think your assessment is fair. The numbers, if you look at them sort of coldly, in the main, haven't changed greatly over the years. They've improved some, and I think lately they've been improving at a little bit faster pace, but I wouldn't expect to see next time we meet, or even the next time we meet, to be dramatic gains in these numbers. I think it's going to take a concerted effort in all areas that we've been talking about today, to make the sort of improvement that I think you'll hold us accountable for making in the longer-term.

MS. NORRY: I would just say one thing, which is I agree with what Bill said, and I agree with your assessment, but one of the perhaps disadvantages of being around as long as I've been is that I tried to remind myself that the fact that we've made progress since the beginning is not something that we should talk about a lot and congratulate ourselves on, but we have, in fact, made progress, and I can only, just as one small example -- I remember we went through years and years and years where the number of women in SES positions was in single digits, and we -- the big achievement was going to be if we could ever get it out of single digits. So, these things are measured, you know, by gradual progress and, as Bill said, it's not just the numbers. I think the awareness is what we have to keep looking at, the awareness and the communications.

MR. MARSHALL: Speaking for the committees, in addition to -- there's a lot of activity going on, but as we're working on this, instead of just focusing on the numbers, we're looking at broader measures of progress. You heard a lot of discussion of fairness of the system, a lot of discussion on feedback. Those aren't something we can't put on paper. We realize that those are much more important areas to work on to get outcomes that have longer benefits, that help with retention, because, like Commissioner Diaz said, about 30 percent is getting a whole new group through, it doesn't do a lot of good with regards to leadership positions if we lose that entire group after five years or after ten years. Along the way, you still won't see any change in the numbers themselves, but if there's a stronger sense that the development and progress, promotion that there's a sense of fairness, there's honest feedback on "I know where I stand, I know what I have to do to move through this organization", will increase the chances of retention and then hopefully we'll see better outcomes with those numbers.

CHAIRMAN MESERVE: I just have two much less fundamental questions. You used the term "best practices" to describe the various things you're doing, and it's clear from the discussion that there has been substantial interaction with the various Advisory Committees and with managers and trying to think that problem through, and I endorse that, that's clearly the right thing to do.

I guess I do have the question, however, is the extent we look to other agencies or even the private sector to see whether there are some tools that they are using effectively that we might be able to adapt to our circumstances? I mean, it's very important to have something that builds on internal communications, but there are other things that we haven't thought of that we could learn from outside, and are we trying to get to that information?

MS. LITTLE: The short answer to that is yes. We interact -- I do -- with my counterparts to discuss with them the kinds of things they are doing. And managing diversity wasn't invented by us, we learned that that works from one of our fellow agency. NIH is doing some things there. So, yes, we do, we try to learn from that.

MR. VIRGILIO: The other thing I'd add to that, Irene, is the fact that we've got a new contractor coming onboard. Part of the selection process included looking at what their experience was, and part of our expectations for them is they'll take us to a new level based on what they've learned outside of NRC. So, we've got high expectations for that group to take advantage of the work experience they've had elsewhere and to translate that into NMSS.

The other thing I'd like to go back to, Mr. Chairman, if you'd let me, I think Mike's answer was a great answer to the question that you asked about managing diversity and where we're going. And "there" isn't about just changing the numbers, I think "there" is about increased performance capacity of our organization, about providing the people that we have onboard today work assignments, opportunities, development, and challenge. And I think that may be where "there" is for us right now, as in parallel, we'll work to change the number, changing the environment, changing the opportunities are really important to us, and I think in the end what we're going to see is an increased performance capacity of our organization through managing diversity.

CHAIRMAN MESERVE: Thank you. Just one quick last question. One of the great successes that you had described to us last time and again presented in the paper, is our recruitment in Hispanics, particularly in Puerto Rico, is usually successful.

It appears from reading the paper that you made a similar effort with regard to Asian Americans in California, but from the statistics we see, we didn't seem to get much in the way of applicants. Are there some lessons that we've learned from this about how to do this recruitment effort that gives a better yield?

MR. BIRD: I may be able to speak to that. I don't think you could quite characterize those as equal in terms of investment and the people participating, and particularly with regard to going there with jobs on the other end of the visit. Certainly, I think from some of the discussions that Pat has had with the committee, we want to pick up on that and go back to that with the same level of effort that we were addressing the other events that we had at North Carolina A&T, and certainly in Puerto Rico, to re-examine that and re-examine the jobs that are going to be available, and go there with the intent that we would make on-the-job offers. So, they were well intended, but they weren't quite parallel efforts, in my opinion.

MS. LITTLE: Let me make just one comment. There was another difference also. When you go to Puerto Rico, probably 90 to 99 percent of the students there are going to be Hispanic. When you go to Historical Black College, the same will be the case. When you go to the West Coast schools, you don't have that percentage of any single group represented there.

CHAIRMAN MESERVE: Good. Well, thank you very much. We're to the point in our program where I want to give an opportunity for the representatives of the Advisory Committees and the Union to have a chance to make brief statements.

Mr. Marshall, would you like to make a statement on behalf of the Advisory Committee for African Americans?

MR. MARSHALL: Yes, I would, thank you. The Advisory Committee for African Americans again -- we're concentrating on a subgroup of what all the committees are concentrating on -- that is, advancement of African Americans within NRC, increasing the numbers or advancement of African Americans or preparing them to advance, and to the SES, the FOS, and the supervisory positions, and increase helping the Agency be successful in recruiting African Americans into the Agency. And we're involved in ongoing dialogue and a working relationship especially Ms. Norry at the EDO level, HR, and SBCR, on putting together a framework in which to address that. And the interesting thing is, the framework we're going to tends to leave from increase-the-numbers to improve feedback, sponsorship, focusing on preparing people to be successful in this Agency, and I think that's where a lot of progress is being made that is not as visible as the recruitment efforts. The recruitment efforts are very visible, but these other areas we're working on -- which, again, I think are more as important with regards to feedback, working on the perception of fairness with the merit staffing process we're very active in, and we look forward to continuing working in those areas, and hopefully we will get some very positive outcomes in the near future. Thank you.

CHAIRMAN MESERVE: Thank you. Ms. Delgado?

MS. DELGADO: Good morning, everyone. I would like to thank everybody for giving me the opportunity to speak today, and on behalf of HEPAC, I would like to thank the Commission and all the offices involved for the outstanding recruitment effort this past year.

We sincerely hope these successes will continue as the Agency attempts to address the underrepresentation of Hispanics at the NRC. We also feel that it is important to focus additional attention on long-term retention of those we recruit. To do this, we encourage continued efforts in following up with current recruits to assist in facilitating an open and responsive workplace by establishing IDPs and mentoring, and in providing opportunities for technical and nontechnical Hispanics in highly visible and rotational assignments, including EDO, Commission, and Chairman offices.

HEPAC is committed to continue to be involved with recruiting and welcoming the Hispanics who are coming to the NRC. We will assist with the mentoring of new employees and making them feel a part of the Hispanic and NRC communities. Thank you.

I just wanted to address something that Commissioner Dicus said on feedback from the interns. HEPAC right now plans to conduct an informal feedback program with the interns over the next few months. We are conducting the process to assess factors that may affect the retention of these new employees. Thank you again.

CHAIRMAN MESERVE: Thank you. Mr. Cullingford.

MR. CULLINGFORD: Thank you, Chairman and Commissioners. I am pleased today to represent the views of the Asian/Pacific Committee. I'm the Co-Chair. I would like to relate to you something that happened in December. On December 18th, we had a committee meeting which was to elect new officers and vote new members of the committee. And a problem that has arisen in the past arose at that time, and that was we did not have a quorum. So, the members present of the committee at that time started to discuss, well, why is this? And there were some views expressed at that time, one of them being that they felt that the management had not been addressing the issues that APAAC has raised, and there was sort of a disillusionment. So then the point was, well, is this just the views of one or two members of the committee, so they decided to poll the Asian/Pacific American members of the NRC staff and ask for their views. And what was to me a little surprising was that there was a lot of disenchantment, and the point was, well, it's business as usual, nothing has happened. We had the Commission briefing and, really, Commissioner Diaz, it addresses that question, and also Commissioner Merrifield, of balance, that nothing has happened and, to my surprise, the point was raised, well, why doesn't the Asian/Pacific American Committee just quit, why don't we just stop. And I and some others, quite a number, were opposed to this, of course, because that doesn't really solve anything. Nevertheless, the majority of the responses said we should quit, we should withdraw.

And so I started to look myself at some of this, and going back to the last year's briefing, we had raised the issue, one of the main issues, about the representation of Asian/Pacific Americans in management and supervisory positions. And you know statistics, you can get anything from statistics, but sometimes statistics are very simple, very clear. And so I always wonder, is this a few people sort of had an ax to grind, or they have something they want to say, but it's not real, but this is not just a perception, it seems the statistics show that.

What they show is that our committee, or our members, have over the last five years, the representation in the SES and supervisory positions has actually gone down whereas every other group has gone up. And if you look on Attachment 3 at page 4, you can just see that by looking at all the groups, that since 1997, just look at the percentages and you will see that our group is the only one where representation in management supervisory positions has gone down. And we realize, everybody realizes, that these things require constant attention and they don't change overnight, and nobody

is trying to put people in jobs just because of their backgrounds, they have to be competent. However -- in other words, what are we asking, what does our committee, what do our members ask the Commission to do?

And we would like to ask and request that the Commission focus on this issue and try to take some actions to rectify this underrepresentation of Asian/Pacific Americans. Thank you for your time.

CHAIRMAN MESERVE: Thank you, Mr. Cullingford. Ms. Gunn.

MS. GUNN: Mr. Chairman, Commissioners. At the last EEO briefing, FWPAC stated that we would concentrate on creating developmental and career advancement opportunities for women at NRC. In particular, in that time we've been working on a secretarial initiative as 84 percent of Grades 12 and under at NRC are women. We look to provide a report on that initiative to SBCR in the very near future.

FWPAC has also been working with program offices to address women's concerns. NMSS, in particular, has been actively working with FWPAC. Some of the recent actions they've taken have been hiring floaters for the secretarial staff, to give the secretarial staff an opportunity to take training, to take vacation, or to help out when the workload spikes.

NMSS has also paid close attention to their developmental assignments. As an example, 40 percent of NMSS employees on developmental assignments last year were women. This number is consistent pretty much with the overall percentage of women in the Agency.

FWPAC looks forward to continuing to work with you and all the program offices in the future. Thank you for your time and support.

CHAIRMAN MESERVE: Thank you. Mr. Ibrahim.

MR. IBRAHIM: Mr. Chairman, Commissioners, on behalf of the Committee on Age Discrimination, I would like to express my thanks to you for giving us the opportunity to address the Commission on age issues.

The Committee would like to bring some of their concerns to your attention. You will notice that our current statement has not markedly changed from previous statements presented to the Commission. What does that imply? It implies that not much progress has been made to resolve our concerns.

In the past, we have recommended that some actions be taken to inform and sensitize management to ensure fair and equitable promotions are present, and awards for other staff. So far, we have not seen much in the way of positive action regarding these concerns.

Staff 50 years old and above are the core of this Agency. They possess critical job skills and experience which are essential to the mission of the Agency. The Agency needs to recognize them and value their experience and facilitate its transfer to the younger staff. We hope in future briefings we can report to you that progress has been made regarding this issue.

And, finally, the committee would like to thank the EDO, Dr. Bill Travers, and Brian Sheron for meeting with us to discuss our concerns. In addition to that, we'd like to thank Ms. Irene Little and her staff for providing the data to analyze it and explain what kind of percentage regarding older employee and younger employee get promotion and how much can be accomplished from that. Thank you.

CHAIRMAN MESERVE: Thank you. Mr. Akstulewicz.

MR. AKSTULEWICZ: Thank you, Mr. Chairman, Commissioners. On behalf of the Joint Labor/Management EEO Committee, I'd like to thank you all for the opportunity to speak to you today.

Our committee is a little bit different in the sense that we don't sponsor any ethnic or gender group, but we are a committee comprised of members representing both the union and the management, and our function is to advise management on all matters concerning equal employment opportunities and to provide comments and advice regarding the content of EEO Action Plans and their implementation.

In our oversight role, our committee echoes many of the views expressed in the Joint Statement attached to the Commission Paper. We would like to recognize the many ongoing efforts to enhance the diversity of the Agency workforce at all levels of the organization.

We are encouraged by the initiative such as targeted recruitment in identifying and successfully hiring highly qualified minorities for entry level positions, and we are also encouraged by the Agency efforts to identify and select highly qualified minorities for succession planning programs such as the Leadership Potential Program.

We need to continue to build on these initial successes. Our ability to retain these new employees, to provide them with meaningful and challenging work, and to provide opportunities for advancement in the organization will be the only true measure of success of our EEO programs.

We should also strive as an Agency to find ways to provide meaningful and challenging work to those employees nearing retirement, to ensure that their collective institutional memory is not lost to the Agency upon their retirement.

The Agency might consider pairing both the new hires and the old group nearing retirement, to provide opportunities for both to be more fully engaged and to provide productive employees.

Our committee looks forward to monitoring the Agency efforts now and in the future, and to make recommendations for improvements in the EEO efforts as they may be necessary. Thank you.

CHAIRMAN MESERVE: Thank you. Mr. Yielding.

MR. YIELDING: Thank you. The National Treasury Employees Union would like to thank the Commission for the opportunity to comment on the Agency's EEO progress and how the union has been involved to help this out.

I always try to keep my comments connected with the EEO Briefing Paper, and this time I find it quite easy because page 6 of the EEO Report addresses "worker-friendly" culture and how this will promote staff recruitment and retention.

I think everyone knows our Collective Bargaining Agreement and union involvement is always trying to improve the worker-friendly culture, and about every issue in the Collective Bargaining Agreement deals with that working culture.

I could probably speak for an hour on this, but I'm going to keep this brief and try to focus on the single most important contract change that we have in front of us, and that is work-at-home and how this can promote retention and recruitment. This is also referred to in the contract as "flexi-place" and "telecommuting".

The Agency and NTEU management reached agreement in June of last year, and the program for work-at-home has become effective with the new contract, which became effective in October, four months ago. Management is just now implementing this program in the Collective Bargaining Agreement by collecting applications from employees to get approval for work-at-home, and NTEU applauds this process even though we're not as expeditious and fast as the union had hoped.

We remain cautious that there is soon approaching some high participation goals. I just want to quote a couple of statistics. Congress enacted public law applying the "Work-at-Home Program" to 25 percent of the workforce, and that was due to be implemented last April of 2001. Of course, we missed that deadline because I was still at the negotiating table with management negotiating the contract.

The law further escalates the participation requirements for work-at-home to 50 percent by April of this year, which is three months from now. The Agency has identified 1,000 positions that are eligible for work-at-home, and I think everybody here can do the math -- 50 percent of 1,000 -- and realize that a slow, comfortable implementation will not achieve these high participation requirements set by Congress.

So, all we are asking for here is -- we realize that Work-at-Home is a documented positive recruitment tool, and we hope that the ball now is in the office directors' courts for hopefully expeditiously complying with these requirements and get people working at home.

And I guess our format here doesn't offer questions, but I'll always welcome questions from the Commission either in this meeting or off-line, if you would ever like to have comments from the union privately in your office. Thank you.

CHAIRMAN MESERVE: Thank you very much, Mr. Yielding.

Well, we come to the end of what I think all of us on the Commission view as a singularly important meeting we have periodically. The staff really is our most important resource in this Agency, and it is in the Commission's interest -- I must admit, in the Commission's selfish interest -- in assuring that there is equal opportunity here. That is the best way we have to assuring a high quality staff. So, this is a very important activity for us, as it is for you.

I would like to thank you all for some very helpful presentations this morning. And with that, we are adjourned.

(Whereupon, at 12:50 p.m., the Commission meeting was concluded.)