



South Texas Project Electric Generating Station P.O. Box 289 Wadsworth, Texas 77483

April 17, 2002
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10CFR50

Mr. Ellis W. Merschoff
Regional Administrator, Region IV
U. S. Nuclear Regulatory Commission
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Arlington, Texas 76011-8064

South Texas Project
Units 1 and 2
Docket Nos. STN 50-498, 50-499
South Texas Project Comprehensive Cultural Assessment

- References: 1. Letter, A. A. Thadani to W. T. Cottle, "Confirmatory Order Modifying License (Effective Immediately) and Exercise of Discretion," (EA 97-341), June 9, 1998
2. Letter, E. W. Merschoff to W. T. Cottle, "Request For Partial Relaxation Of Confirmatory Order," November 24, 1999

This letter provides the results of the recent Comprehensive Cultural Assessment and actions planned, and requests that the Regional Administrator authorize revision, in writing, the requirement for the conduct of the 2002 mini-survey (References 1 and 2). STP Nuclear Operating Company (STPNOC) requests the option of conducting the 2002 mini-survey in the form of interviews and focus groups in lieu of a survey. By this letter, we are also informing you of the groups that we plan to survey/interview.

On March 6, 2002, we received the final report from SYNERGY Consulting Services for the Comprehensive Cultural Assessment for the South Texas Project (STP), December 2001. As required by the confirmatory order dated June 9, 1998 (Reference 1), the executive summary of the report is attached. The appendices to the report are considered proprietary to SYNERGY and are available at the station for your review.

Ninety-four percent of the STP workforce responded to the assessment survey. Items considered notable with respect to the report include:

1. STP is maintaining a strong Nuclear Safety Culture and Safety Conscious Work Environment.

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2. STP's General Culture/Work Environment and Leadership, Managerial and Supervisory scores are ranked among the highest in the nuclear industry.
3. STP's initiatives in addressing localized organizational opportunities have resulted in notable improvements. Positive trends in all the targeted organizations from the 2000 assessment resulted in their removal or lowered absolute priority as compared to the industry.
4. Individuals are willing to identify their organizational affiliation at a 98% rate, a positive indication of STP's work environment compared with the industry average of 86% - 87%.
5. Ninety-nine percent of the respondents indicated that if they had a Nuclear Safety concern, they would inform their supervisor or initiate a Condition Report.

Nevertheless, the survey did identify areas where additional improvement is needed. In reviewing the data, demographic variations have been noted between hourly/bargaining unit personnel, contractors, and plant staff. There were five organizations identified in the Executive Summary (Figure VIII.7) as Priority 1 organizations due to their ratings relative to STP general performance and as such will have formal action plans prepared to address the survey results.

We are in the process of sharing and disseminating the results of the survey with our site organizations.

The confirmatory order (Reference 1) requires that the Regional Administrator be informed of the groups to be surveyed during the 2002 mini-survey currently scheduled for early September 2002. By this letter we are informing you of our plans for meeting this commitment.

STPNOC proposes to conduct interviews or focus groups in lieu of a mini-survey for the organizations listed as Priority 1 in Figure VIII.7 in Attachment 1. This approach is designed to provide results that would be the most beneficial to STP, given the expected status of the respective organizational action plans. In September, these organizations will be in the process of implementing their action plans for approximately three months. Any measurable affects as a result of these plans would be expected some six to twelve months later. Accordingly, in the early stages of implementation, we would find it more beneficial to acquire inputs that would assist us in determining whether the current courses of action are appropriate or need adjustment. The nature of interviews and focus groups readily allows for a second-level of questioning that is more supportive of these objectives than a written survey with a fixed set of questions.

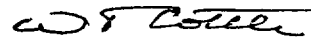
STPNOC therefore requests that the Regional Administrator, authorize the revision of the requirement for the conduct of the 2002 mini-survey to allow the proposed approach. STPNOC believes this proposal meets the intent of the original License Condition. Following written approval from the Regional Administrator, SYNERGY Consulting Services Corporation will administer the proposed approach in early September 2002. SYNERGY will measure the effectiveness of the completed actions in the next Comprehensive Cultural Assessment scheduled for 2003.

Consistent with the committed schedule documented by the NRC in the confirmatory order (References 1 and 2), the following is the status of the open commitments:

- Annual ratings using the "Leadership Assessment Tool" – will complete in 2002.
- Mandatory annual training of supervisors and managers in 10CFR50.7 requirements – will complete in 2002.
- Mini-surveys/interviews – will complete in 2002, as noted above.
- The final Comprehensive Cultural Assessment – will complete in 2003.

All of the requirements from the confirmatory order will be satisfied when the results of the 2003 Comprehensive Cultural Assessment are transmitted to the NRC Regional Administrator within 60 days of receipt of the survey results.

If you have any questions, please contact Mark McBurnett at 361-972-7206 or me at 361-972-8434.



W. T. Cottle
President &
Chief Executive Officer

RDP

Attachment 1: South Texas Project 2001 Comprehensive Cultural Assessment,
December 2001 (without appendices)

cc:

(paper copy)

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Attachment 1
South Texas Project 2001 Comprehensive Cultural Assessment
(Without appendices)



**South Texas Project
2001 Comprehensive Cultural
Assessment**

December 2001



**Chapel Hill, NC
Great Falls, VA
Richmond, VA**



2001 Comprehensive Cultural Assessment South Texas Project

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2001 Comprehensive Cultural Assessment South Texas Project

I. EXECUTIVE SUMMARY

Background

In the Fall of 2001, SYNERGY was commissioned by the South Texas Project Nuclear Operating Company (STPNOC) to independently characterize the organizational culture at the South Texas Project (STP) nuclear generating station. This report documents the methodology, results, recommendations and conclusions applicable to the 2001 Comprehensive Cultural Assessment (CCA). The 2001 CCA is part of an ongoing series of assessments designed to monitor the STP culture and to provide inputs that are beneficial for continuous improvement.

The most recent CCA had been conducted in the Summer of 2000¹. In that assessment SYNERGY concluded that the:

- ♦ Nuclear Safety Culture (NSC)²,
- ♦ Safety Conscious Work Environment (SCWE)³,
- ♦ General Culture & Work Environment (GCWE)⁴ and
- ♦ Leadership, Management & Supervisory (LMS)⁵ skills and practices,

were each ranked at the top of the nuclear facilities surveyed by SYNERGY⁶. These strong results were notable given STP's challenging business environment⁷ and its impact on employees and their work environment. The series of CCAs provided confirmation of STP's ability to maintain or improve its Nuclear Safety Culture while effectively addressing these challenges.

The 2000 CCA identified opportunities for improving employee confidence in the Employee Concerns Program (ECP), for continuing to reinforce 'standards' related to nuclear safety performance expectations (e.g. how STP will continue to balance priorities and continue to improve in an environment of rapid change) and continuing to focus on effective communications, senior management visibility and involvement, employee recognition and individual accountability.

¹ The initial CCA was conducted in August 1998. SYNERGY had previously conducted more limited scope NSC and Employee Concerns Program (ECP) assessments in 1993, 1994 and 1995.

² The NSC cultural metric was measured to be 'Very Good,' with a 'steady' trend.

³ The SCWE metric was measured to be 'Very Good to Excellent,' with a notable improving trend.

⁴ The GCWE cultural metric was measured to be 'Good,' with a 'steady' trend.

⁵ The LMS cultural metric was measured to be 'Good,' with a notable improving trend.

⁶ SYNERGY's experience includes having performed over 90 cultural assessments covering a significant segment of the commercial nuclear power plants in the United States (59 units, 39 locations, 8 corporate locations).

⁷ STPNOC had entered a challenging period of transition that included an increased focus on cost control and competitive business performance, while sustaining strong nuclear safety performance. During this period, STP conducted two ten-year in service inspection (ISI) outages, initiated an early retirement and voluntary severance program, effected a number of reorganizations and addressed changes in NRC's Reactor Oversight Program.



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Notwithstanding the generally strong overall culture measured at STP through the 2000 CCA, SYNERGY identified priorities for additional management attention to promote continuous improvement within specific organizations. Protection Technology, Inc. (a contractor to the Nuclear Plant Protection organization) and the I & C Maintenance organization were 'targeted' as in need of across-the-board improvement based upon having failed to meet acceptable industry norms as interpreted by SYNERGY. Six other organizations were identified as having opportunities for continued improvement in the areas of the GCWE and LMS. With the exception of one organization (Nuclear Plant Protection), all organizations 'targeted' previously by the 1998 CCA showed improvement.

Purpose & Approach

The 2001 CCA was designed to characterize the current organizational culture, to determine areas of relative strength and weakness, and to identify individual organizations that depart from industry norms (as interpreted by SYNERGY) and/or general performance norms at STP. In particular, the 2001 CCA measures trends associated with the culture, the work environment and critical business processes that are or could be important to performance.

The NSC portion of the 2001 CCA focused on proven attributes of effective Nuclear Safety Cultures and work environments, including critical supporting programs and processes. In this regard, the CCA included coverage of:

- Cultural values, behaviors and practices that have shaped and reinforced the STP organization's capabilities, infrastructure and environment for nuclear safety performance;
- The Safety Conscious Work Environment; and
- Employee attitudes and perceptions of the effectiveness of the Employee Concerns Program and related processes.

The GCWE / LMS portion of the 2001 CCA focused on proven attributes of effective General Cultures and Work Environments, key Leadership, Management and Supervisory skills & practices, and critical processes that are important to overall performance. In this regard, the CCA included coverage of:

- Cultural values, behaviors and practices that have shaped and reinforced the STP organization's capabilities, infrastructure and environment for performance;
- Assessment of general cultural, LMS, environmental or programmatic areas that may have an inter-dependent relationship with the NSC; and
- Other Special Topics related to the GCWE / LMS, as identified during the CCA background reviews.

The 2001 CCA also focused on:

- ♦ Areas of prior weakness identified through the 2000 CCA assessment, and



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- ♦ Organizations where there have been improvement initiatives - to measure the degree of progress and to determine if there is a need for adjustments in action plans.

In addition to internal status and trending, outputs are provided in formats useful for benchmarking with other commercial nuclear power facilities.

SYNERGY's approach relies heavily upon obtaining employee input as a measure of the values, behaviors and practices that have shaped the culture and performance. A comprehensive questionnaire was used to confidentially survey the workforce's opinions and to solicit ideas for continuous improvement. All STP employees were afforded the opportunity to respond to the Survey. The Survey allowed representation of STP-wide norms and differentiation of employee demographics and organization / sub-organization trends.

SYNERGY's CCA statistical methodology and cultural models provided the bases for an integrated evaluation of employee attitudes and perceptions. This framework allowed SYNERGY to assess progress, identify areas of strength and to develop suggestions for continuous improvement. The outputs are also designed to support future interactions between management and employees to jointly develop solutions for any identified needs.

Scope and Focus Areas

The primary focus areas for the 2001 CCA were:

- The Nuclear Safety Culture (NSC),
- The Safety Conscious Work Environment (SCWE),
- The General Culture and Work Environment (GCWE) and
- Leadership, Management and Supervisory (LMS) skills & practices.

The inquiries into the GCWE / LMS were designed to include exploration of potential barriers to quality and productivity that may have an inter-relationship with the NSC and STP's overall performance.

Several GCWE / LMS-related Special Topics were also assessed to a more limited degree.⁸ These included:

- Sexual Harassment Prevention
- Industrial Safety and Health
- STP Core Values
- Procedures & Work Methods
- Responsiveness to the 2000 CCA Survey

⁸ Refer to Appendix I for a summary of the Special Topic results.



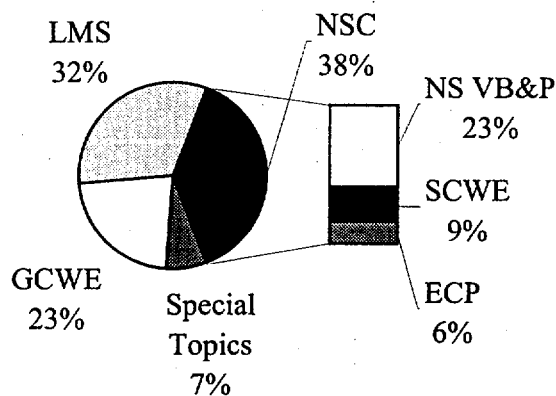
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Sources of Input for the CCA

The 2001 CCA survey questionnaire included a total of 159 multiple-choice question sub-parts and two opportunities to provide write-in comments.

The multiple-choice questions were distributed as shown in Figure I.1:

Figure I.1
Question Type Distribution



Sixty-one (61) question sub-parts were related directly to the NSC:

- 37 question sub-parts related to NS Values, Behaviors and Practices
- 15 question sub-parts related to the SCWE
- 9 question sub-parts related to the effectiveness of the ECP

Thirty-six (36) question sub-parts were related to the GCWE. Many of these were very closely linked to the NSC.

Fifty-one (51) question sub-parts were related to the LMS.

Eleven (11) question sub-parts were related to the Special Topics.



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Summary of Results and Conclusions

The organizational culture at the South Texas Project (STP) was found to be healthy, with each of its major cultural sub-components experiencing 'steady' to nominally improving trends. It is evident from Figure I.2 that between 1998 and 2000, the NSC showed a higher rate of improvement, followed by a leveling trend.

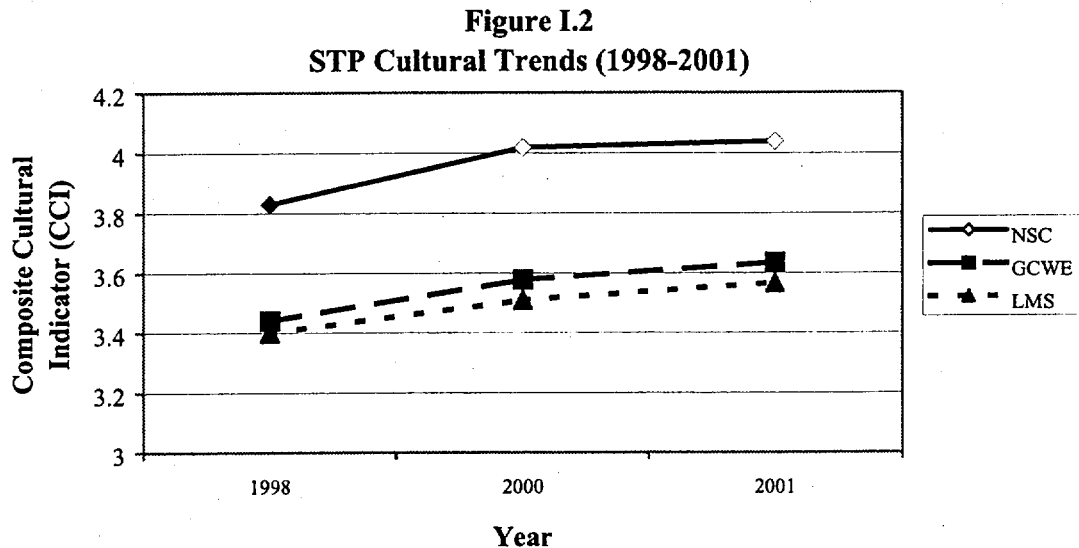


Figure I.3 provides a summary of the status of the STP organizational culture and nuclear industry ranking:

Figure I.3
Status of the STP Organizational Culture

Cultural Model	Measured Status - Cultural Metric	Trend	Industry Percentile ⁶
Nuclear Safety Culture (NSC)	Very Good (4.04)	Steady (+0.5%)	71 st
General Culture & Work Environment (GCWE)	Good (3.64)	Steady (+1.6%)	76 th
Leadership, Management & Supervisory Skills & Practices (LMS)	Good (3.57)	Steady (+1.6%)	90 th



Nuclear Safety Culture Results & Conclusions

The results for the Dimensions or sub-components of the NSC are summarized as follows:

- ♦ ***Nuclear Safety Values, Behaviors & Practices (NS VBP)*** - 'Very Good' (3.93), steady trend (+0.8%), at the 71st industry percentile.

The areas of Operational Nuclear Safety and Identification of Potential Nuclear Safety Issues ranked highest.

- Nuclear Safety is the first and over-riding priority at STP and importance is placed upon improving Nuclear Safety performance. STP management communicates and reinforces expectations and standards for Nuclear Safety performance.
- STP conducts operations, maintenance and modifications in accordance with the licensing and design bases and adheres strictly with procedural requirements as a means of assuring Nuclear Safety. STP anticipates operational risks associated with planned work activities and takes appropriate precautions.
- Supervisors and managers are responsive and place appropriate priority on Nuclear Safety or quality issues / concerns. There is an open door to pursue resolution of potential Nuclear Safety issues or concerns through the management chain, if necessary. Also, actual performance in identifying and resolving potential Nuclear Safety issues is considered 'Very Good.'

It is noteworthy that the question, 'I am confident that our management is making well thought-out decisions in the allocation of resources (adequate staffing, experience and qualifications) to assure Nuclear Safety is maintained,' showed improvement of 7% between 2000-2001.

- ♦ ***Safety Conscious Work Environment (SCWE)*** - 'Very Good to Excellent' (4.41), steady trend (-0.1%), at the 67th industry percentile.

The Safety Conscious Work Environment was the strongest area within the NSC. 'Demonstrated Willingness to Take Appropriate Action' received an "Excellent" rating based upon approximately 99% of respondents indicating they would inform supervision or document a potential Nuclear Safety issue or concern.

'Indicators & Precursors of a Potentially Chilled Work Environment' received a 'Very Good to Excellent' rating based upon the strong overall environment and supervisory / management receptivity and supportive response. Only two organizations had relatively high (~10%) negative response rates - Wackenhut and I & C Maintenance.



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- ♦ **Employee Concerns Program (ECP)** - 'Good' (3.67), steady trend (+0.1%), at the 70th industry percentile.

Perceptions of the ECP as an 'Acceptable Alternative Path' to report concerns remained in the 'Very Good' range, although nominally lower than in 2000 (-0.9% trend). The negative response percentages for 'Overall Confidence' and 'Bases for Confidence' remained somewhat high (~13%). The 'Bases for Confidence' rating improved nominally (~1%) due to improved ratings of 'ECP visibility' and the 'reputation of ECP personnel.'

General Culture & Work Environment Results & Conclusions

The results for the Dimensions or sub-components of the GCWE are summarized as follows:

- ♦ **Highest rated GCWE Dimensions:** Continuous Improvement (3.92 – Very Good), Focus on Performance / Accountability (3.82 - Good to Very Good), Conduct of Work (3.80 – Good to Very Good) and Trust & Respect (3.73 - Good to Very Good), High Standards (3.72 - Good to Very Good).
- ♦ **Lowest rated GCWE Dimensions:** General Communications (3.26 – Adequate), Performance Recognition (3.31 – Adequate to Good), Change Management (3.38 – Adequate to Good), Performance Appraisal (3.39 - Adequate to Good), Personnel Development (3.41 - Adequate to Good).

It is notable that 'Overall Personal Satisfaction & Morale' improved 6% since 2000. Additionally, 'Focus on Performance / Accountability' which was a 'continuous opportunity' area in 2000, improved 7%. The trends for all other GCWE Dimensions remained 'steady.'

Leadership, Management & Supervision Results & Conclusions

The results for the Dimensions or sub-components of the LMS are summarized as follows:

- ♦ **Highest rated LMS Dimensions:** Openness & Receptivity (3.89 – Good to Very Good) and Ensuring High Standards (3.86 – Good to Very Good).
- ♦ **Lowest rated LMS Dimensions:** Management of Change (3.33 – Adequate to Good) and Building Trust in Management (3.34 – Adequate to Good).

It is significant that 'Personnel Development' improved 10% since 2000 based upon supervision more effectively using feedback in helping individuals improve their performance and exercising appropriate tolerance for mistakes. It is notable that 'Personnel Management' improved 6% since 2000 based upon supervision holding people accountable for performance, effectively managing of conflicts, dealing with human performance problems and responding fairly to employee relations issues (Management's ratings in these areas were ~5-8% lower.). The trends for all other LMS Dimensions remained 'steady.'



Opportunities for Continuous Improvement - Progress & Current Needs

The following summary highlights progress and continuing needs. Specific suggestions for STP-wide or more localized actions are provided in Section IX of this report.

Employee Confidence in the Employee Concerns Program - was highlighted for improvement by the 2000 CCA because this area had not progressed to the same degree as other aspects of the NSC and because there were some locales where confidence was especially low. The 2001 CCA results confirm that confidence in the ECP is 'good' overall, but essentially unchanged on a Composite basis and there remain locales where confidence is low. Therefore, this area remains an opportunity for continuous improvement.

Reinforcement of 'Standards' in Assuring Nuclear Safety is Maintained as the Top Priority - was highlighted for improvement by the 2000 CCA based upon rather broad-based employee uneasiness about whether or not 'critical' standards were going to be maintained while STP faced challenges of the competitive business environment. While the 2001 CCA results showed general progress, needs still exist in a set of highlighted organizations beyond the 'normal' levels of STP-wide reinforcement. Therefore, this area remains an opportunity for continuous improvement.

Individual Accountability - was highlighted by the 2000 CCA as an area in need of notable improvement. The 2001 CCA measured notable improvement in all Divisions - 7% overall with a 'Good to Very Good' rating. No organizations declined in a notable manner. Only one organization, Wackenhut had relatively high negative responses, but this organization is on a strong improving trend. Therefore, this area has been removed as an opportunity for continuous improvement.

General Communications - was highlighted for improvement by the 2000 CCA based upon a fairly wide variation of perceptions of the effectiveness of communications, particularly communications about the future and addressing the challenges of deregulation. In the 2001 CCA, these perceptions remained about the same and this area represented the lowest rated General Culture and Work Environment Dimension. Therefore, this area remains an opportunity for continuous improvement.

Recognition - was highlighted for improvement by the 2000 CCA based upon a relatively large number of workers who feel that STP is not effective enough in recognizing performance and accomplishments. While the 2001 CCA measured some improvement (+3.6% trend), this area is still rated relatively low (second lowest General Culture & Work Environment Dimension) with 20% of respondents providing negative ratings of the adequacy of performance recognition practices (through both formal and informal mechanisms) and some expressing concerns regarding favoritism in the workplace. Therefore, this area remains an opportunity for continuous improvement.



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Senior Management Visibility & Involvement - was highlighted for improvement by the 2000 CCA based upon Senior Management being perceived as becoming increasingly dis-engaged with the workforce. These ratings remained relatively steady to slightly lower in 2001 with approximately a quarter of respondents indicating a continuing need for improvement. Therefore, this area remains an opportunity for continuous improvement.

Personnel Development through Coaching - was added based upon the current 2001 CCA results where effectiveness in developing people through coaching was the second lowest rated General Culture & Work Environment question in the survey with a 20% negative response rate. While this area showed a nominal (~ +2% trend) since 2000, it still stood out from other aspects of employee development that had notably higher scores. Also, some organizations and demographic categories had nominally adequate to less-than-adequate results. This area represents a new opportunity for continuous improvement.

Employee Input into the Change Management Process - was added based upon the current 2001 CCA results. 'Management of Change' represented the lowest rated LMS Dimension with a 21% negative response rate. The 2001 CCA results indicate that STP Functional Organization managers are doing relatively better in communicating the bases for changes (18% negative response rate) compared to how well they are perceived as obtaining employee input, buy-in and ownership up-front before implementing significant changes (24% negative response rate). While the 2001 CCA results showed nominal (~ +1%) improvement overall, needs are relatively higher in a set of highlighted organizations and demographic categories. This area represents a new opportunity for continuous improvement.

Progress of Previously 'Targeted Organizations

Each of the previously targeted organizations exhibited notable improvement in one or more of their cultural metrics. Notwithstanding an improving trend, the Wackenhut organization remained on the Targeted Organization listing in 2001 based upon both high 'absolute' metrics and high 'relative' metrics with respect to the STP 'norm.' I&C Maintenance and Support Services (was Maintenance Emergency Response Organization in 2000) remained on the Targeted Organization listing in 2001 based upon high 'relative' metrics with respect to the STP 'norm.'

New 'Targeted Organizations & Recommendations

SYNERGY has identified specific Functional Organizations that provided ratings that failed to meet "Industry Norms of Acceptability" as interpreted by SYNERGY, or represent, on a relative basis, outliers with respect to STP "Relative Norms of Performance," based upon comparison with STP's general performance norms.

Low absolute ratings based on 'industry norms' - Mechanical Maintenance is targeted as Priority Level 2 (remedial action recommended in the near-term) based upon a combination of a notably declining NSC rating and a very low and significantly declining LMS rating. Wackenhut is



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targeted as Priority Level 3 (evaluation of causal factors recommended in the near-term) based upon a low LMS rating. Unit 1 Operations and Risk & Reliability Analysis are targeted as Priority Level 4 based upon notably declining LMS ratings (evaluation of causal factors recommended).

Low relative ratings based on 'STP norms' - Wackenhut, I&C Maintenance, Mechanical Maintenance, Electrical Maintenance and Support Services are targeted as Priority Level 1 (evaluation suggested in the near-term) based upon the combination of a relatively low NSC and/or SCWE rating with a relatively low GCWE and/or LMS rating. Unit 1 Operations, Unit 2 Operations, Health Physics and Plant Design are targeted as Priority Level 3 (evaluation suggested context of continuous improvement) based upon relatively low ratings for both the GCWE and the LMS. The Brock organization is targeted as Priority Level 4 based upon relatively high negative response pockets for the NSC and the SCWE (investigation of causal factors suggested).

Conclusion

The 2001 CCA results confirm that STP has a strong organizational culture, work environment and leadership team. It is notable that:

- ♦ STP is maintaining a strong Nuclear Safety Culture and Safety Conscious Work Environment;
- ♦ The General Culture & Work Environment and Leadership, Management & Supervisory skills and practices are ranked amongst the top in the nuclear industry;
- ♦ STP's initiatives in addressing localized organizational opportunities have resulted in notable improvements;
- ♦ Employees feel that supervision is showing notable progress in their effectiveness in managing personnel, but management is not perceived as effective; and
- ♦ The magnitude of demographic variations amongst positions and worker categories are increasing in relative magnitude for hourly / union personnel, contractors and plant staff. Write-in responses indicate that these factors may be driven by growing dissatisfaction with the inability to agree on a new union contract.

When taken in context, these strong results are particularly significant given the challenges that STP has faced over the last several years. STP is now operating within a more competitive business environment that has involved addressing reductions in force, leadership changes and organizational realignments.



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Collectively, the critical portion of the employees' feedback suggests that, in order to assure continued success, it is desirable for STP to focus management attention on the following:

- ♦ **Nuclear Safety Culture:** Improving employee confidence in the Employee Concerns Program and continue to reinforce 'standards' related to nuclear safety performance expectations (e.g. how STP will continue to balance priorities and continue to improve in an environment of rapid change);
- ♦ **General Culture & Work Environment / Leadership, Management & Supervision:** Continuing to focus on effective communications, senior management visibility and involvement, employee recognition, employee development and employee input; and
- ♦ **Organizational Initiatives:** Addressing the recommendations and suggestions for the identified Targeted Organizations.

In summary, STP has built and maintained a strong organizational culture. This has been made possible through effective leadership and development of a supportive General Culture & Work Environment. STP remains in a difficult period of transition of transforming itself into a more efficient enterprise, while at the same time, sustaining strong nuclear safety performance. While this transition is creating and will continue to create potential challenges to STP's ability to maintain or improve its Nuclear Safety Culture, STP has demonstrated its ability to effectively address these challenges.



II. NOTEWORTHY INITIAL ENVIRONMENTAL CONDITIONS

The CCA Survey questionnaire was administered in the November - December 2001 timeframe.

The following noteworthy environmental conditions were present at STP during the period:

The site executed two intensive refueling outages in 2001. The spring outage in Unit 2 was intense due to a large ambiguity in its scope caused by significant Steam Generator tube degradation and issues associated with the Main Turbine and Main Generator. The outage was executed in 26 days, but Unit 2 struggled during the first few weeks following startup and taxed an already tired workforce. The fall outage in Unit 1 had better scope definition than the spring outage, but was complicated by a forced outage on Unit 2, which required the site to manage two simultaneous outages for the first week of the fall outage. The fall outage on Unit 1 was executed in 21.5 days.

In August of 2001, the contract with the site's Bargaining Unit expired. Negotiations had been ongoing since the spring, but the parties remained far apart. Efforts to use Federal mediation were not successful. The Company and the Union continued to negotiate without a contract in place, but the ongoing lack of an agreement placed additional strain on the relationship between Management and the Bargaining Unit.

During the summer of 2001, a number of management changes were announced that became effective in the fall. The Vice President of Generation moved to the position of Vice President of Special Projects to manage the upcoming replacement of Unit 2 Steam Generators and the Main Generator rotor change out in 2002. The Plant General Manager was promoted to the position of Vice President of Generation and the Operations Manager was promoted to Plant General Manager. The Manager of Modifications and Design Basis Engineering was promoted to Operations Manager and internal changes were made within Engineering to accommodate this change. Additionally, due to a retirement, changes were made in the management of Generation Support and Work Control within Nuclear Generation.

The economic environment for the site was difficult in 2001. Texas is in the process of deregulating the electric utility business and 2001 was a transition year. A great deal of cost control pressure was exerted on the site due to this transition. The site had difficulty in developing a budget for 2002 that was acceptable to its owners. Additionally, the 2001 budget was challenged due to unanticipated outage expenses in Unit 2 and due to increased security costs caused by world events. These stress points contributed to an already challenging work environment.

Finally, site security continued to be a unique challenge beyond the budget issues described above. In July, the Security contractor was changed after repeated attempts to get the previous contractor to meet the site's performance expectations. The change went smoothly and



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improvements in performance and cost management were being achieved when the events of September 11 occurred in New York and Washington. The site immediately went into its highest level of security alert and has remained there. This situation has placed intense pressure on the Security force and on site management as the industry and the site learn to live in the new environment created by these world events.

Overall, 2001 was a year of transition at STP and, as such, created a challenging and somewhat stressful work environment. The site's performance in 2001 was good and, in some ways, remarkable when all the challenges are considered, but still did not meet overall expectations. The overall effects of all these factors continued to make the site's work environment unsettled and somewhat uncomfortable for many employees.



III. ASSESSMENT METHODOLOGY

Overview

SYNERGY performed this assessment using information obtained through a survey questionnaire⁹ that was based upon standard Models developed by SYNERGY for use within the commercial nuclear power industry. Three primary Models¹⁰ were utilized, one each for the NSC, the GCWE and LMS. Write-in comments served to provide additional insights into the underlying cause-effect relationships of selected survey feedback.

Generally, the respondents completed the questionnaire anonymously during group meetings; however, opportunities were offered at the individuals' discretion to take the Survey at different times or locations. In either case, the completed forms were mailed directly to an independent data processing firm retained by SYNERGY to process the raw data inputs.

To assist SYNERGY in interpreting the response data, various demographic and organizational information was requested but not required; e.g. positions, worker categories, years of service and organizational affiliation. The representation of organizational affiliation provided the capability to isolate specific organizational strengths and weaknesses.

The survey questionnaire and the associated write-in comments were complementary in establishing a high degree of confidence that important issues were identified as these apply STP-wide and to specific organizations. The information obtained has been integrated in the development of key findings, suggestions for improvement and conclusions.

Analysis Methods

The 2001 CCA survey questionnaire included 39 multiple-choice questions with 159 total sub-parts. Two additional questions provided the opportunity for write-in comments. There were 148 common questions between the 2000 and 2001 CCAs, providing the ability to trend at the question-, Sub-Dimension, Dimension- and Model- levels for each demographic category, each Division and Functional / Department level organization.

The survey questions were generally designed as "positive" statements to which the respondents rated their degree of agreement or disagreement. A number of questions asked for ratings of "adequacy" of an area of performance or the environment. A few questions requested a "yes" or "no" response.

⁹ The multiple-choice questionnaire format provided an expanded database of information from which to base statistical analyses and to draw more precise inferences beyond what is possible through interview-based assessments alone. The questionnaire also included two questions for write-in comments. The write-in comments provided an opportunity to either further explain earlier responses or to add input in areas that may not have been adequately covered.

¹⁰ The models are sub-divided into 'Dimensions' and 'Sub-Dimensions' that explore specific attributes; e.g. the Safety Conscious Work Environment is a Dimension under the NSC model, 'Indicators & Precursors' is a Sub-dimension and 'supervisory receptivity' is an attribute.



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The following response scales were generally utilized:

Fully agree (5)	Strongly agree (4)	Generally agree (3)	Disagree (2)	Strongly Disagree (1)
and				
Excellent (5)	Very good (4)	Adequate (3)	Less-than- adequate (2)	Inadequate (1)

Thus, the response scales were asymmetric and anchored about a numerical mid-point of “3”, with scores greater than 3.00 representing either a “positive or adequate” response and less than 3.00 representing either a “negative or less-than-adequate” response.

SYNERGY computed means and standard deviations for each question using the response distributions represented by the ordinal values associated with the above response scales. Weighted mean value scores were then developed for the “question sets” that constitute the key elements of SYNERGY’s cultural models, i.e., Sub-Dimensions, Dimensions, and Models -- represented by Composite Cultural Indicators (CCI).¹¹

The analysis looked beyond statistical means to identify any skewing of the employee response data towards extremes, particularly for the “negative” side of the response distributions. Negative responses represent the summation of “disagree (2)” and “strongly disagree (1)” or “less-than-adequate (2)” and “inadequate (1)” responses, in accordance with the above five point response scales. While an organization’s mean may appear in an acceptable range, e.g. greater than or equal to 3.00, high percentages of negative responses provide an indication of stratification or negative “pockets” (arbitrarily defined as greater than a 10% negative response rate for a NSC Dimension and as greater than a 20% negative response rate for a GCWE or LMS Dimension). Such locales may require further validation or special attention to correct underlying weaknesses or to fully engage the employees.

¹¹ The Sub-Dimensions and Dimension metrics are calculated by weighting each assigned question. CCIs for the NSC, GCWE and LMS are calculated by weighting each Dimension in the respective cultural models. SYNERGY specifies weighting factors based upon industry experience on the significance to the culture, work environment or leadership effectiveness.



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Rating Conventions

Correlations between numerical mean value scores and the rating system utilized by SYNERGY are presented below:

<u>Mean Value Range</u>	<u>Rating</u>
> 4.50	Excellent
4.21 to 4.50	Very Good to Excellent
3.91 to 4.20	Very Good
3.71 to 3.90	Good to Very Good
3.51 to 3.70	Good
3.31 to 3.50	Adequate to Good
3.16 to 3.30	Adequate
3.00 to 3.15	Nominally Adequate
2.85 to 2.99	Nominally Less-than-Adequate
2.50 to 2.84	Less-than-Adequate
< 2.50	Significantly Less-than-Adequate

Industry Comparisons

The CCA results were compared with the cultural metrics from recent assessments.¹² The plants included in this comparison reflect a representative spectrum of performance within the commercial nuclear power industry.

Trending

Survey-to-Survey Comparisons

The 2001 CCA results have been compared with the 2000 CCA results to identify trends.

- ♦ The performance indicators for the primary cultural models (i.e., the Composite Cultural Indicators) for the NSC, GCWE and LMS were directly comparable for the two CCAs.
- ♦ Ratings for key cultural model sub-parts (Dimensions) of the NSC, GCWE and LMS were directly comparable for the two CCAs.
- ♦ Ratings of the vast majority of the individual survey questions were directly comparable for the two CCAs.¹³

¹² SYNERGY has performed more than 90 cultural assessments within the nuclear industry -- including 59 nuclear units, 39 locations and 8 corporate locations. The results from recent cultural assessments, generally performed in 2000-2001, were used for the purpose of industry comparisons.

¹³ Approximately 93% of the individual questions in the 2001 CCA survey were either identical or very similar to the questions utilized in the 2000 CCA survey (refer to Appendix H for a correlation of the 2000 and 2001 questions). Reports of trending information for individual questions are provided separately for each demographic category, each Division and each Functional / Department level organization.



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Other Trending Information

For a number of key questions (those associated with the IPI¹⁴), participants provided individual ratings for two time frames: "today" and "approximately 1 year ago." These questions are used as indicators of the direction in which elements of the culture are currently perceived to be heading. Changes in these results are considered to reflect short-term trends and current momentum.

Organizational Changes Potentially Impacting Trending

Between the 2000 CCA and the 2001 CCA, STP made a number of organizational changes. These changes have an impact on trending CCA results between 2000 and 2001. Thus, modifications were made to the organization modeling to assure the new organizational structure and trending comparisons are consistent. SYNERGY re-ran the 2000 CCA analysis with alterations to the input data, reflecting required organizational combinations or splits into the new organizational structure. In some cases, these manipulations result in accurate / highly certain trending comparisons and in other cases, these have less accuracy and certainty. The following changes were modeled:

2000 Organization (s)	2001 Organization	Comments
Cannon Sline & Housekeeping	Brock	May have internal constituency changes
Reliability Engineering	Testing & Programs	Known internal constituency changes
Raytheon	Washington Group	Name only
Emergency Response Org.	Support Services	May have internal constituency changes
Systems Engineering	Systems Engineering	Known internal constituency changes
E, I&C & Mech. / Civil Design	Plt Mods & Design Basis	Known internal constituency changes
Technical Support Engineering	Plant Design	Only 23% from prior TSE org.
Protection Technology	Wackenhut	Name only

Internal constituency changes cannot be re-modeled because the anonymity of SYNERGY's process does not allow identification of individual responses. These situations may or may not impact the accuracy of trending comparisons, but do not impact current results.

¹⁴ The IPI is a metric used as an approximate measure of the NSC when SYNERGY's full NSC Model is not exercised. It can also be used to approximate shorter-term NSC trends when previous cultural assessment data is not available. Because of the selection of Attributes, the IPI and NSC CCI are strongly correlated. However it is important to note that:

- While the IPI provides a reasonable representation of the NSC, it does not address all of the factors contributing to the NSC; thus it is a significantly less "thorough" measure of the NSC than the NSC CCI.
- The IPI includes one factor that represents an overall measure of the GCWE; thus, it is not as "pure" a measure of the NSC as the NSC CCI.

Since the 2000 CCA is full scope, the IPI results are not reported herein, but are maintained for future comparisons.



IV. SURVEY PARTICIPATION

The overall employee response rate of 94% was improved over the 2000 rate of 89% and 1998 rate of 81%. This survey participation rate is amongst the highest encountered by SYNERGY and therefore, is more than sufficient to obtain meaningful insights and to draw necessary conclusions. Figure IV.1 shows the response by Division.

Figure IV.1
2001 CCA Response Summary

Organization	No. Respondents	Org. Total	% Response
Nuclear Generation	675	761	89
Eng. & Tech. Services	302	326	91
Business Services	355	368	94
STP Composite ¹⁵	1,371	1,455	94%

Appendix A provides a detailed summary of the organizational response rates at the Functional Organization and Department levels. Organizational affiliation was provided by approximately 98% of the respondents, thereby permitting meaningful analysis for all organizations. Based upon SYNERGY's experience, the percentage of survey respondents who elected to provide their organizational affiliation is much higher than typical. This is a very positive indication of a healthy work environment.

All employees and contractors were offered an opportunity to respond to the Survey. Therefore, the CCA surveying strategy did not include reliance on random sampling techniques. Ideally, the objective was to obtain 100% participation (vs. setting statistical criteria for selecting a sample). Since the actual response rates were somewhat lower than 100%, the Survey yielded an implicit 'sample' of the STP population. The degree of randomness of this 'sample' is unknown. Given this uncertainty, the CCA objective was to assure that the response was representative enough to draw qualitative conclusions at various organizational levels and for key demographic categories.

There are a variety of factors that could impact the rate of response including both random factors (e.g. absence from work due to vacations or sickness), and systematic factors (e.g. widespread apathy or inadequate survey administration practices). Notwithstanding, it is generally true that with higher response rates, the confidence level in the results is higher and the margin of error is lower. The existence of systematic factors was considered as part of an integrated assessment of all inputs into the CCA and judged not to impact overall conclusions.

¹⁵ Sum includes 39 respondents who either did not indicate their organizational affiliation or were not associated with one of the three major Divisions.



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Given the many factors that could have impacted those that responded and those that didn't, one cannot consider the response to be statistically random. But given the elimination of any known, significant systematic factors affecting the response, it is useful to employ random statistical analysis techniques to provide a 'qualitative' estimate of the level of confidence and margin of error - making an unqualified *approximation* that the response pattern was random. STP composite response rate and the Division response rates are sufficient to estimate results with greater than 95% confidence with less than a 5% margin of error (referred to as a 95/5).

At the Functional and Department levels, response rates ranged from 36% to 100% percent with the majority over 90%. Thus, most organizations had response rates sufficient to estimate a 95/5 confidence level / margin of error. The Support Services organization (previously included the Maintenance Emergency Response organization) had a 36% response; thus, there is a lower confidence level and/or higher margin of error for this organization - but the results still offer valuable insights.

Late Survey Inputs

There were 39 respondents whose survey forms were not received in time to be included in the quantitative results of this CCA. The addition of these responses would have an insignificant impact on the STP Composite results. Nevertheless, these inputs were evaluated by considering the impact on Functional Organization CCA results and processing of any write-in comments. In particular, one larger batch was lost in the mail and other inputs came in individually to SYNERGY's data processing agent. Fifteen Functional Organizations (FO) were affected. Of these, only two organizations had more than two additional responses - Unit 1 Operations (11) and Purchasing & Materials Management (7).

An analysis was conducted to determine if the additional responses impacted the question means for Unit 1 Operations and Purchasing & Materials Management. For Purchasing & Materials Management, it was determined that the changes impacted all question means by less than 5%. For Unit 1 Operations, nine questions had changes in the means of greater than 5% (refer to Appendix J for a summary). All nine changes conservatively improved the results. These were evaluated and determined not to affect suggestions for improvement involving the Unit 1 Operations organization i.e. this organization would not be removed based upon having slightly improved results.

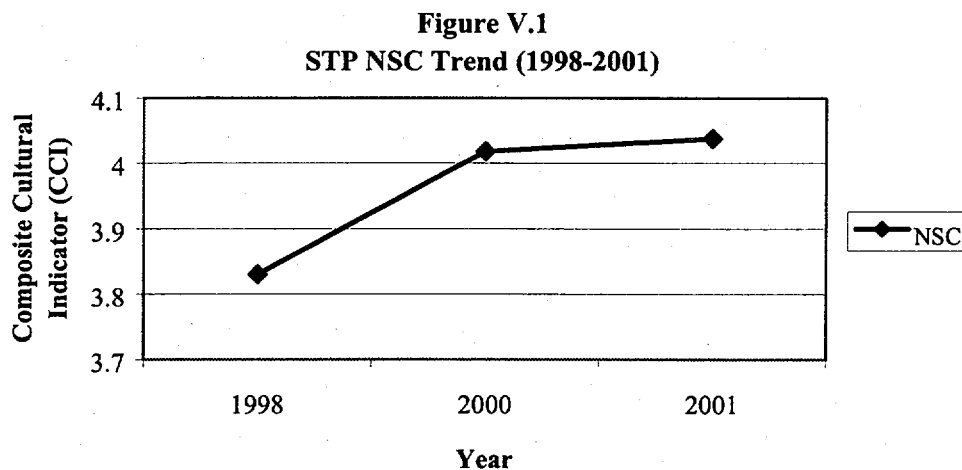


V. NUCLEAR SAFETY CULTURE RESULTS

STP Composite

NSC Metric, Trend and Industry Ranking

The Nuclear Safety Culture Composite Cultural Indicator for the STP Composite is 4.04, which is in the "Very Good" range. This represents a 'steady' trend since the 2000 CCA.¹⁶ This rating places STP in the 71st percentile of nuclear power organizations included in SYNERGY's industry database. The STP Nuclear Safety Culture CCI trend from 1998 to 2000 is shown in Figure V.1. It is evident that between 1998 and 2000, the NSC showed notable improvement, followed by a leveling trend.



STP Composite

NSC Demographic Variations

Figure V.2 provides a summary showing the NSC CCIs by demographic categories. Also shown are the percent variation or differential from the STP Composite CCI and the percent improvement or decline in the respective CCIs since the 2000 CCA¹⁷.

The demographic variations amongst positions and worker categories are similar to what SYNERGY has experienced in other cultural assessments; however, it is apparent that the relative magnitude of these variations is increasing for hourly / union personnel, contractors and plant staff.

In terms of years of service, people in the 5-10 years of tenure fall lower than expected.

¹⁶ The NSC CCI remained stable; with nominal improvements in recent CCAs - 4.02 in 2000 and 3.83 in 1998.

¹⁷ Items highlighted in bold represent either significant (>10% change in mean) or notable (>5% change in mean) variations from the STP Composite or improvements/declines since the 2000 CCA.



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Figure V.2
NSC Composite Cultural Indicators by Demographics

Demographic Category	NSC CCI	Percent Variation from STP Composite	Percent Improvement / Decline since 2000
Worker Category			
Monthly or Salaried	4.24	+5	+2
Hourly or Union	3.84	-5	-1
Contractor (<6mo. Assignment)	3.86	-5	-2
Contractor (>6mo. Assignment)	3.73	-8	-3
Position			
Managers	4.59	+14	+2
First Line Supervisors	4.35	+8	+1
Technical Staff	4.13	+2	+2
Admin. & Support Staff	3.97	-2	+1
Plant Staff	3.71	-8	-3
Years of Service			
< 1 year	4.06	+1	+2
1-5 years	4.12	+2	0
5-10 years	3.93	-3	+1
>10 years	4.06	+1	0

NSC Cultural Dimensions Metrics, Trends and Industry Rankings

The STP Composite rating of:

- *Nuclear Safety Values, Behaviors and Practices* was 3.93, which is in the "Very Good" range. This rating places STP in the 70th percentile of the commercial nuclear power plant sites within SYNERGY's industry database.
- The *Safety Conscious Work Environment* was 4.41, which is in the "Very Good to Excellent" range. This rating places STP in the 67th percentile of the commercial nuclear power plant sites within SYNERGY's industry database.
- The *Employee Concerns Program* was 3.67, which is in the "Good" range. This rating places STP in the 70th percentile of the commercial nuclear power plant sites within SYNERGY's industry database.



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Figure V.3 provides a summary showing the NSC CCI and the major Cultural Dimensions comprising the CCI for the STP Composite and a comparison to commercial nuclear power plant sites within SYNERGY's industry database.

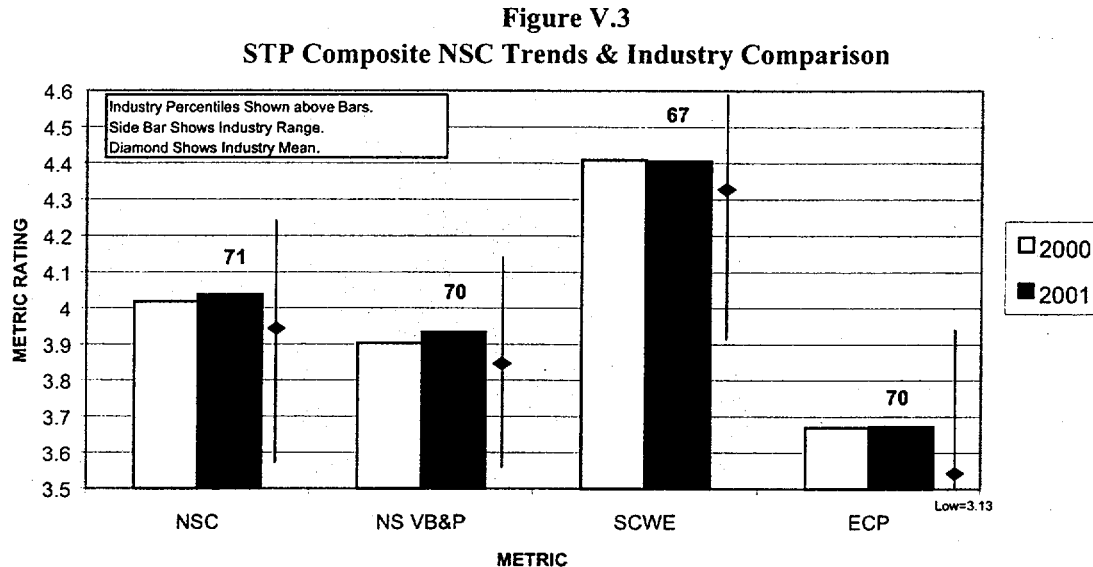


Figure V.4 provides a summary showing the NSC CCI and the major Cultural Dimensions comprising the CCI for the STP Composite and each Division.¹⁸

Figure V.4
NSC Cultural Indicators – STP Composite & Divisions

NSC Cultural Dimension	STP Composite	Nuclear Generation	Engineering & Technical Services	Business Services
NSC CCI	4.04	4.01	4.14	4.01
Values, Behaviors & Practices	3.93	3.90	4.03	3.91
Employee Concerns Program	3.67	3.62	3.72	3.71
Safety Conscious Work Env.	4.41	4.38	4.52	4.36

There is a high degree of uniformity between the Divisions ('Very Good' ratings), with Engineering & Technical Services (ET) providing the highest ratings, followed by Business Services (BS) and Nuclear Generation (NG). These metrics remained 'steady' as there were no notable trends, either positive or negative.¹⁹

¹⁸ Additional information is presented in the Appendices; Appendix B.2 'NSC Windows' tables and Appendix G numerical metrics summary. This information addresses key Department and Functional Unit results and provides more detail for each of the Cultural Dimensions.

¹⁹ The NSC CCI and Dimensional metrics ranged from slightly negative to a +2% improvement between 2000-1.



NSC Cultural Dimensions Sub-Dimensions Results and Analysis

The following information presents a summary of NSC Dimension and Sub-dimension results for the STP Composite organization. Organizations with notable improvement or decline in Dimensional ratings are also identified.²⁰ Appendix B.2 provides additional details, showing Dimension and Sub-dimension results for each organization at STP.

NS Values, Behaviors and Practices

As indicated in Figure V.5, all NS VB&P Sub-dimension ratings were in the 'Good to Very Good' or 'Very Good' ranges. 'Operational Nuclear Safety' received the highest rating.

Figure V.5
NS Values, Behaviors and Practices Sub-Dimension Summary

NS VB&P Sub-Dimensions	Metric	Description	Neg. %	Trend since 2000 CCA
NS VB&P Dimension Rating	3.93	Very Good	5.4	0.8%
Nuclear Safety is Top Priority	3.90	Good-VG	6.7	0.9%
Operational Nuclear Safety	4.04	Very Good	2.4	0.5%
Identification of Potential NS Issues	3.93	Very Good	6.4	0.8%
Effective Resolution of Identified NS Issues	3.87	Good - VG	6.2	1.3%
Continuous Improvement of NS Performance	3.88	Good - VG	5.5	-1.4%

The STP Composite Sub-dimension trends were 'steady' and the negative response percentages were in acceptable ranges. It is noteworthy that question, 'I am confident that our management is making well thought-out decisions in the allocation of resources (adequate staffing, experience and qualifications) to assure Nuclear Safety is maintained,' had a rating of 3.58 mean / 14% negative response and showed improvement of 7% between 2000-2001.

Organizationally, notable changes in the NS VB&P mean ratings were measured as follows:

- ♦ Declining: Mechanical Maintenance (-7%)
- ♦ Improving: Nuclear Fuels & Analysis (+11%), Other Eng. & Tech. Services (+9%), Production Support (+8%), I & C Maintenance (+7%), Chemistry (+6.1), Work Control (+6%)

²⁰ Any organizational improvements or declines of >5% in a mean metric or >10% negative response are highlighted in bold.



The following organizations / demographics had relatively high NS VB&P negative response rates:

- ♦ Organizations: Wackenhut (14%), Mechanical Maintenance (13 %) and I & C Maintenance (13 %)
- ♦ Demographics: Non-designated (14%), Contractor - Long Term (11%) and Plant Staff - Craft (10%)

Safety Conscious Work Environment

As indicated in Figure V.6, the SCWE Sub-dimension ratings were in the 'Very Good to Excellent' or 'Excellent' ranges. 'Demonstrated Willingness to Take Appropriate Action' received the highest rating, placing STP at the 65th percentile of the commercial nuclear power plant sites within SYNERGY's industry database. The 'Indicators & Precursors of a Potentially Chilled Work Environment' rating also placed STP at the 65th percentile.

Figure V.6
Safety Conscious Work Environment Sub-Dimension Summary

SCWE Sub-Dimensions	Metric	Description	Neg. %	Trend since 2000 CCA
SCWE Dimension Rating	4.41	VG - Excellent	3.8	-0.1%
-Indicators & Precursors of a Potentially Chilled Work Environment	4.29	VG - Excellent	6.2	0.2%
-Demonstrated Willingness to Take Appropriate Action	4.52	Excellent	1.5	-0.3%

The STP Composite Sub-dimension trends were 'steady' and the negative response percentages were in acceptable ranges.

Organizationally, notable changes in the SCWE mean ratings were measured as follows:

- ♦ Improving: Nuclear Fuels & Analysis (+6%)

The following organizations had relatively high SCWE negative response rates:

- ♦ Organizations: Wackenhut (10%) and I & C Maintenance (10 %)



Employee Concerns Program

As indicated in Figure V.7, the ECP Sub-dimension ratings were in the 'Good' or 'Very Good' ranges. Ratings of the ECP as an Acceptable Alternative Path to raise and pursue potential NS issues received the highest rating.

Figure V.7
Employee Concerns Program Sub-Dimension Summary

ECP Sub-Dimensions	Metric	Description	Neg. %	Trend since 2000 CCA
ECP Dimension Rating	3.67	Good	11.3	0.1%
Acceptable Alternative Path	3.97	Very Good	7.0	-0.9%
Overall Confidence Rating	3.59	Good	12.9	-0.4%
Bases for Confidence	3.51	Good	13.3	1.2%

The STP Composite Sub-dimension trends were 'steady;' however, the negative response percentages for 'Overall Confidence' and 'Bases for Confidence' remained somewhat high. The 'Bases for Confidence' rating improved nominally due to improved ratings of 'ECP visibility' and 'reputation of ECP personnel.'

Organizationally, notable changes in the ECP mean ratings were measured as follows:

- ♦ Declining: Risk & Reliability Analysis (-16%), Mechanical Maintenance (-6%), Electrical Maintenance (-6%), Systems Engineering (-5%), Unit 2 Ops (-5%)
- ♦ Improving: Other Business Services (+26%), Chemistry (+12%), Other Eng. & Tech. Services (+10%), Nuclear Fuels & Analysis (+10%), Human Resources (+8%), I & C Maintenance (+7%), Support Services (+7%), Production Support (+6%), Quality (+5%)

Demographically, notable changes in the ECP mean ratings were measured as follows:

- ♦ Declining: Non-designated (-12%), Contractor - Short Term (-6%), Contractor - Long Term (-5%), Plant Staff - Craft (-5%)

The following organizations / demographics had relatively high ECP negative response rates:

- ♦ Organizations: I & C Maintenance (29%), Risk & Reliability Analysis (25%), Wackenhut (19%), Security, Access, ER, PA (19%), Mechanical Maintenance (18%), Unit 2 Ops (18%), Electrical Maintenance (18%) and Support Services (16%).
- ♦ Demographics: Plant Staff - Craft (19%) Non-designated (18%) and Hourly - Union (15%)



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NSC Survey Question Responses

A complete listing of the NSC survey question responses for the STP Composite²¹ is provided in Appendix C as follows:

Appendix C.1 Nuclear Safety Values, Behaviors & Practices
Appendix C.2 Safety Conscious Work Environment
Appendix C.3 Employee Concerns Program

A CD-Rom has been prepared with similar information for each STP organization.

NSC Response Distributions & Comparisons

The STP composite response to the vast majority of the NSC questions was very positive, with all questions having means higher than 3.00. The STP composite means ranged from a low of 3.40 to a high of 4.83, with a median of 3.93.

Figure V.8 provides a histogram showing the question mean distributions, comparing the sum of the NSC questions with the Dimensional subsets - NS VB&P, SCWE and ECP questions. It is evident that the SCWE dominates the higher (more positive) region of the range, the ECP the lower region and the NS VB&P the middle region. This pattern is typical in the nuclear industry.

Figure V.9 shows the distribution of questions with improving or declining means between the 2000 and 2001 CCAs for all common questions and for the subsets of NSC, GCWE and LMS questions²². The histograms also show the percent improvement or decline. Changes in means of greater than +/- 5% are considered notable. Changes in means of greater than +/- 10% are considered significant²³.

It is important to note that approximately 75% of the 55 common NSC questions showed improvement and no mean declined more than 1%. Only one NSC question improved notably. These results indicate that the rate of improvement of the STP NSC has leveled.

²¹ The questions are sorted by mean ratings, with negative response percentages and trends.

²² Appendix H provides the correlation between the 2000 & 2001 CCA Survey questions

²³ Changes in means between zero to +/- 5% are considered to be representative of a 'steady' or 'flat' trend.



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Figure V.8
Distribution of Mean Response Metrics
NSC Questions vs. NS VB&P, SCWE & ECP Questions
for STP Composite

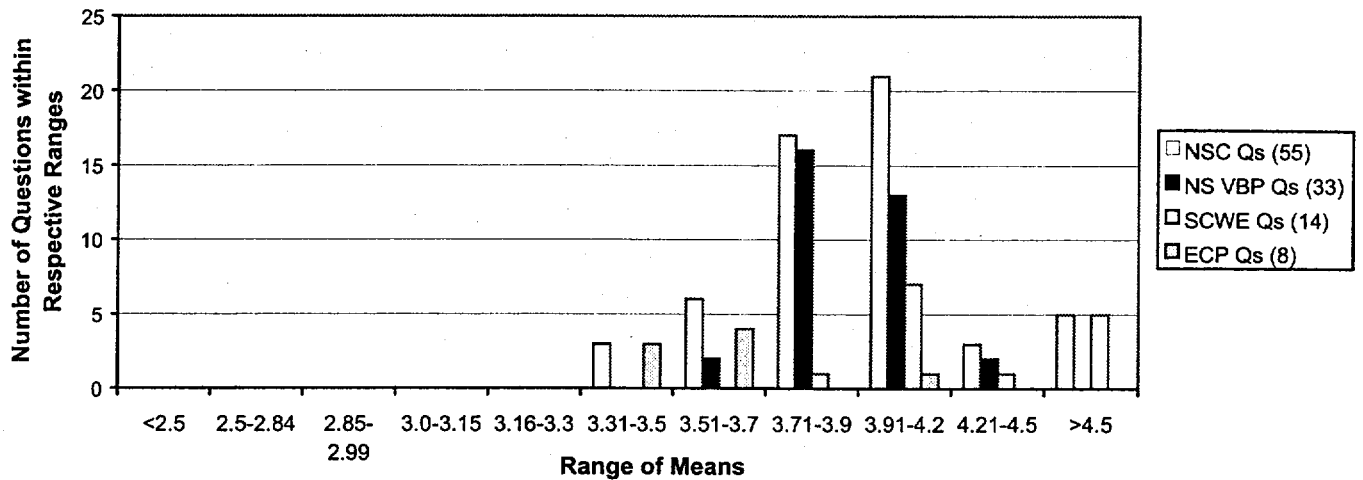
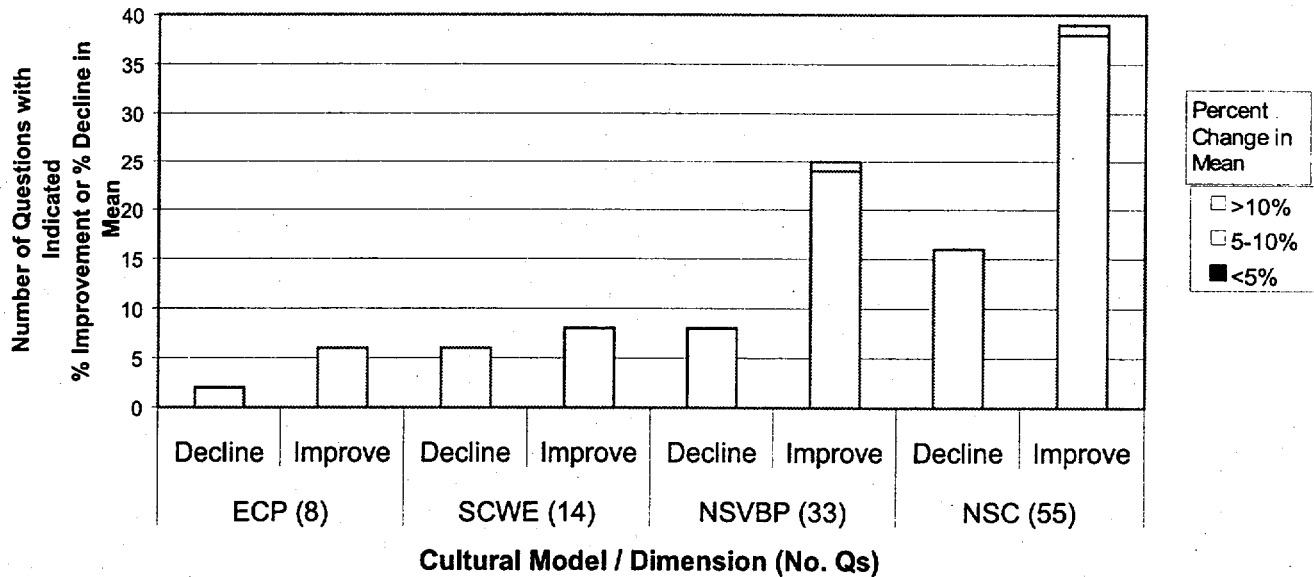


Figure V.9
Analysis of Common Questions between 2000 & 2001 Surveys
for STP Composite





NSC Survey Question Responses Areas of Strengths and Weaknesses

The following sections highlight responses to the highest and lowest rated multiple-choice survey questions; thus, providing significant insight into areas of relative strength and weakness.²⁴ The information presented below is for the STP Composite organization.

NSC Areas of Relative Strength

Key areas of relative strength within the Nuclear Safety Culture (NSC), based upon the STP Composite responses to the survey questions, are presented below²⁵.

The Safety Conscious Work Environment was the strongest area within the NSC. The vast majority of STP personnel indicated that:

- ♦ The plant environment has a positive effect on their willingness and likelihood of reporting potential Nuclear Safety issues (4.06 / 96%).
 - Employee 'willingness' is reinforced by supervision that reacts positively (3.93 / 93%) and is responsive (3.98 / 93%) to Nuclear Safety issues or concerns.
- ♦ There is receptivity to workers who raise potential Nuclear Safety or quality issues/concerns....
 - Generally at STP (3.97 / 95%).
 - By their supervision (4.13 / 96%).
 - By their Functional Organization management (4.02 / 94%).
- ♦ They would inform their supervisor and/or write a Condition Report if they identified a potential Nuclear Safety concern (4.56 / 99%).
- ♦ Supervisors and managers within their Functional Organizations value workers who identify potential Nuclear Safety or Quality issues or concerns (4.00 / 95%) and place appropriate priority on these issues or concerns based upon safety significance (4.01 / 95%).
- ♦ During the past year, they had not received a negative reaction for having raised an issue or concern related to Nuclear Safety from....
 - Their supervision (4.80 / 95%).
 - Their peers (4.83 / 96%).
 - Their management (4.76 / 94%).

²⁴ The means, response percentages and trends are shown in parentheses. 'Positive' response percentages are shown for 'strengths' and 'negative' response percentages are shown for 'weaknesses.' Trends between 2000-2001 are highlighted with arrows. Single arrows up or down represent 'notable' improvement or decline (>5%, but <10% change in means), respectively. Double arrows up or down represent 'significant' improvement or decline (>10% change in means), respectively. If no arrow is shown, this indicates a 'steady' trend (within plus or minus 5% change in the means).

²⁵ The following NSC survey questions received mean ratings of > 3.90. For NSC key areas of relative strength, 'positive' response percentages are shown along with the means and trends (where available).



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- ♦ They did not know someone who has experienced a negative reaction from supervision or management for having raised an issue or concern related to Nuclear Safety (4.52 / 88%).
- ♦ There is an open door to pursue resolution of potential Nuclear Safety issues or concerns through the management chain, if necessary (4.26 / 97%).
- ♦ They would take the concern further up the management chain if they identified a potential Nuclear Safety concern and were not satisfied with their supervisor's response (4.38 / 97%).

Nuclear Safety Values, Behaviors and Practices were also rated very high. The vast majority of STP personnel indicated that:

- ♦ Nuclear Safety is the first and over-riding priority at STP (4.31 / 98%) and this priority is reflected consistently through accompanying behaviors and practices (3.99 / 95%).
- ♦ Within their Functional Organization, expectations and standards for Nuclear Safety performance are effectively communicated and reinforced (4.01 / 97%) and importance is placed on improving Nuclear Safety performance (3.95 / 96%).
- ♦ Supervisors and managers respond promptly to Nuclear Safety or quality issues or concerns (3.92 / 94%).
- ♦ Within their Functional Organization, they adhere strictly with procedural requirements as a means of assuring Nuclear Safety (4.00 / 96%).
- ♦ Operations, maintenance and modifications are conducted in accordance with the licensing and design bases (4.16 / 99%).
- ♦ STP conducts thorough safety analyses (3.92 / 97%).
- ♦ Operational risks associated with planned work activities are anticipated and appropriate precautions are taken (3.97 / 97%).
- ♦ STP is effective in identifying and resolving potential Nuclear Safety issues (3.96 / 97%) and there is confidence that the Condition Report system ensures that potential Nuclear Safety problems are identified (4.04 / 96%).

The majority of STP personnel indicated that the Employee Concerns Program is an acceptable, alternative path to pursue resolution of potential Nuclear Safety issues or concerns (3.97 / 93%).

The question of confidence that senior management is making well thought-out decisions in the allocation of resources (adequate staffing, experience and qualifications) to assure that Nuclear Safety is maintained (3.58 / 86% ↑) did not meet the threshold for presentation herein; however, this area improved a notable 7.3% since the 2000 survey.



NSC Areas of Relative Weaknesses

Key areas of relative weakness within the Nuclear Safety Culture, based upon the STP Composite responses to the survey questions, are presented below²⁶:

- ♦ While the Employee Concerns Program was rated 'good' overall, some employees indicated their confidence in the ECP is adversely affected by ...
 - The results it produces (3.40 / **16%**).
 - The quality of investigations (3.44 / **16%**).
 - Its visibility and general cultural acceptance (3.49 / **12%**).

Additional Insights from the NSC Write-in Comments

There were a total of 117 individual NSC-related comments provided. This represents 19% of the total STP write-in comments. Of these, approximately 41% were positive in nature and approximately 56% were negative in nature.

Most (73%) of the NSC-related comments were related to Nuclear Safety Values, Behaviors and Practices (NSVBP).²⁷ The positive NSVBP comments involved general endorsements of the strength of the NSC at STP and of how it is reinforced and supported by management, supervision and work practices. The negative NSVBP comments (in the order of highest frequency cited) involved concerns related to:

- Maintaining NS as the top priority at STP -- including effects of budget cuts and placing cost and/or schedule considerations ahead of longer-term plant safety and reliability.
- Several aspects of the adequacy of the nuclear security program and nuclear security practices.
- The effectiveness of the CAP process, including the thoroughness of root cause evaluations and the effectiveness of resulting corrective actions.
- Too much "managing to metrics" and the impact this has on receptivity to documenting concerns and/or classification of reported concerns.
- Receptivity of line organizations to findings and recommendations made by QA.
- The self-assessment process is cumbersome and dilutes from the effectiveness of self-assessments.

²⁶ The following NSC survey questions received mean ratings of < 3.50. For NSC key areas of relative weakness, negative response percentages are shown along with the means and trends (where available). Negative response percentages of >10% are highlighted in bold.

²⁷ Approximately 44% were positive in nature and approximately 53% were negative in nature.



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Approximately 10% of the NSC-related comments were related to the Safety Conscious Work Environment (SCWE).²⁸ The positive SCWE comments involved general endorsements of the strength of the SCWE at STP, particularly with respect to openness and receptivity to raising concerns. The negative SCWE comments (provided by only a few respondents) involved actions / reactions by supervision that, while “politically correct,” sent the message that the raising a concern was not appreciated (but did not provide additional details), a “shoot the messenger” environment (but did not provide additional details) and some employees fearing they will be reprimanded if they report safety concerns.

Approximately 17% of the NSC-related comments were related to the Employee Concerns Program (ECP).²⁹ The positive ECP comments indicated that the leadership and actions of the ECP Manager, including taking constructive criticism to heart and meeting with Departments to explain the ECP, have improved the credibility of the program. One commenter noted that the “early intervention” activity was particularly useful. The negative ECP comments involved program confidentiality and effectiveness in obtaining appropriate resolution of reported concerns. One commenter noted that program credibility is affected by the fact that there has not been information published that shows that there has been even a single case where a reported concern was determined to be correct. Another commenter noted that the ECP needs to publish and advertise how it has successfully resolved a reported concern. One commenter indicated that the ECP does not take contractor concerns seriously.

²⁸ Approximately 50% were positive in nature and 50% were negative in nature.

²⁹ Approximately 25% were positive in nature and approximately 70% were negative in nature.



VI. GENERAL CULTURE & WORK ENVIRONMENT RESULTS

STP Composite

GCWE Metric, Trend and Industry Ranking

The General Culture & Work Environment Composite Cultural Indicator for the STP Composite is 3.64, which is in the “Good” range. This represents a ‘steady’ trend since the 2000 CCA.³⁰ This rating places STP in the 76th percentile of nuclear power organizations included in SYNERGY’s industry database.

The STP GCWE trend from 1998 to 2000 is shown in Figure VI.1. The Leadership, Management and Supervision trend is included for comparison. It is evident that these two metrics have paralleled each other and over approximately a three and a half year period, there has been notable improvement.

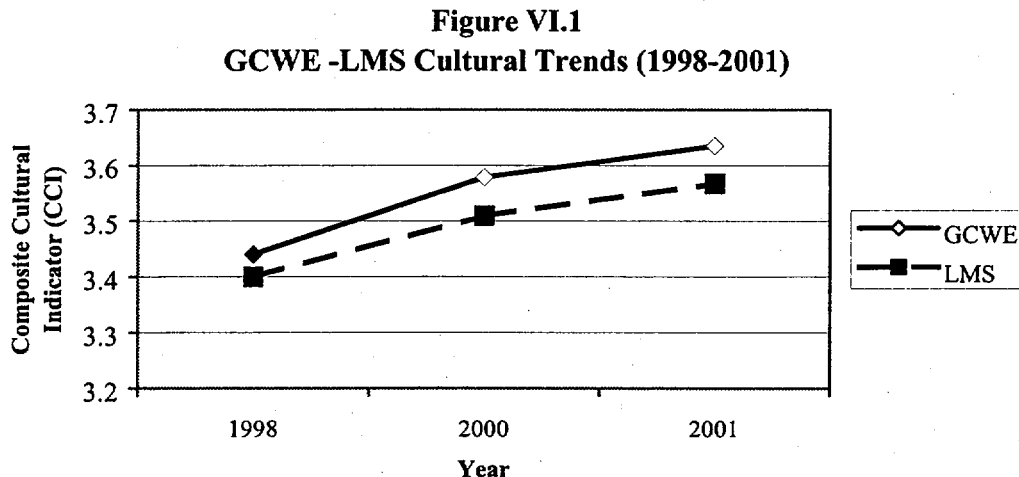
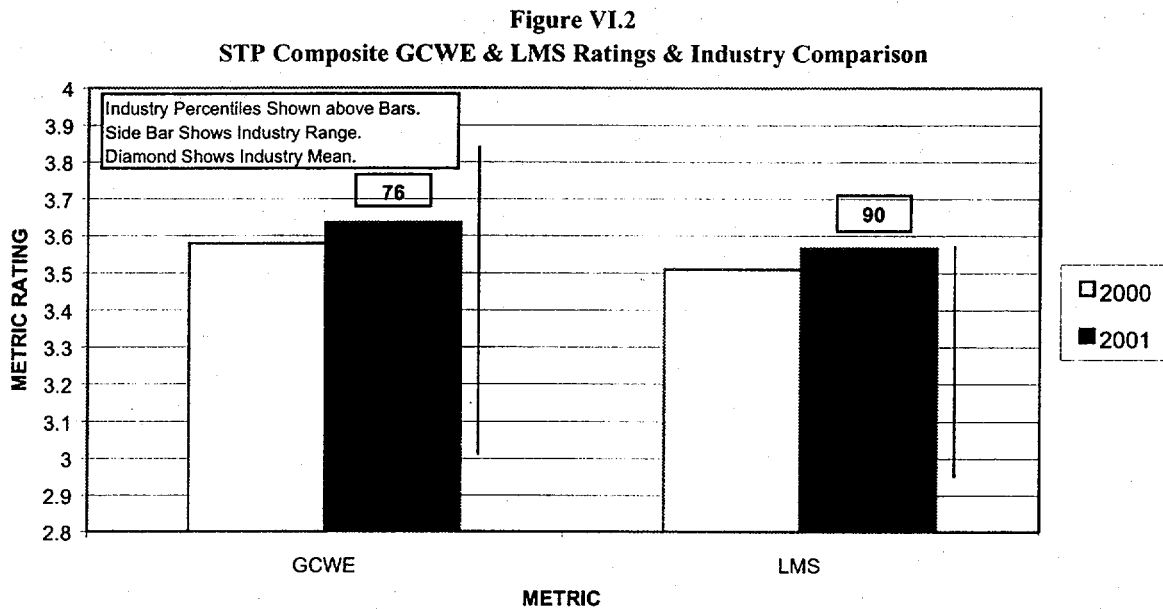


Figure VI.2 provides a complementary summary showing the GCWE and LMS CCI metrics for the STP Composite, the trend between the 2000 - 2001 CCAs and a comparison to commercial nuclear power plant sites within SYNERGY’s industry database.

³⁰ The GCWE CCI remained stable; with nominal improvements measured in recent CCAs - 3.58 in 2000 and 3.44 in 1998.



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STP Composite & Division GCWE Metrics

Figure VI.3 provides a summary comparing the GCWE Composite Cultural Indicator for the STP Composite and each Division.³¹

Figure VI.3
GCWE Composite Cultural Indicators – STP Composite & Divisions

Metric	STP Composite	Nuclear Generation	Engineering & Technical Services	Business Services
GCWE CCI	3.64	3.57	3.74	3.66

There is general uniformity between the Divisions.³² Engineering & Technical Services (ET) provided the highest ratings with 'Good-VG' ratings, followed by Business Services (BS) and Nuclear Generation (NG) with 'Good' ratings. These metrics remained 'steady' as there were no notable trends, either positive or negative.³³

³¹ Additional numerical information is presented in Appendix G, providing the GCWE metrics for each Department and Functional Unit.

³² The spread (~4.7%) between ET and NG has widened recently as ET has progressed and NG has remained steady.

³³ The GCWE CCI metric improved approximately 3% in ET and BS and remained essentially unchanged in NG between 2000-1.



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STP Composite GCWE Demographic Variations

Figure IV.4 provides a summary showing the GCWE CCIs by demographic categories. Also shown are the percent variation or differential from the STP Composite CCI and the percent improvement or decline in the respective CCIs since the 2000 CCA³⁴.

The demographic variations amongst positions and worker categories are similar to what SYNERGY has experienced in other cultural assessments; however, it is apparent that the relative magnitude of these variations is increasing for hourly / union personnel, contractors and plant staff.

In terms of years of service, people in the 5-10 years of tenure fall lower than expected.

Figure VI.4
GCWE Composite Cultural Indicators by Demographics

Demographic Category	GCWE CCI	Percent Variation from STP Composite	Percent Improvement / Decline since 2000
Worker Category			
Monthly or Salaried	3.80	+4	+4
Hourly or Union	3.44	-5	-1
Contractor (<6mo. Assignment)	3.74	+3	+3
Contractor (>6mo. Assignment)	3.41	-6	-2
Position			
Managers	4.13	+14	+2
First Line Supervisors	3.87	+6	+1
Technical Staff	3.68	+1	+3
Admin. & Support Staff	3.65	0	+4
Plant Staff	3.34	-8	-3
Years of Service			
< 1 year	3.86	+6	+5
1-5 years	3.71	+2	-1
5-10 years	3.51	-3	+1
>10 years	3.65	0	+1

³⁴ Items highlighted in bold represent notable variations from the STP Composite or notable improvements/declines since the 2000 CCA.



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GCWE Cultural Dimensions Metrics & Trends

The following information presents a summary of GCWE Dimension results for the STP Composite organization. Organizations with notable improvement or decline in Dimensional ratings are also identified. Appendix B.3 provides additional details, showing Dimension and Sub-dimension results for each organization at STP. Figure VI.5 provides a summary showing the GCWE CCI and the major Cultural Dimensions comprising the CCI.³⁵

Figure VI.5
General Culture & Work Environment Dimension Summary

GCWE Dimensions	Metric	Description	Neg. %	Trend since 2000 CCA
GCWE CCI Metric	3.64	Good	12.1	1.6%
High Standards	3.72	Good - VG	9.4	1.4%
Focus on Performance / Accountability	3.82	Good - VG	7.2	6.9%
Continuous Improvement	3.92	Very Good	5.0	-0.3%
Conduct of Work	3.80	Good - VG	5.8	-0.5%
Teamwork	3.69	Good	10.3	-0.6%
Employee Involvement	3.62	Good	12.2	1.0%
Trust & Respect	3.73	Good - VG	12.0	0.2%
General Communications	3.26	Adequate	21.1	0.3%
Change Management	3.38	Adeq.- Good	17.4	-0.1%
Personnel Development	3.41	Adeq.- Good	16.3	0.5%
Performance Recognition	3.31	Adeq.- Good	20.2	3.6%
Performance Appraisal	3.39	Adeq.- Good	16.3	4.8%
Overall Personal Satisfaction & Morale	3.62	Good	15.9	5.7%

³⁵ Items highlighted in bold represent notable improvements/declines (>5%) since the 2000 CCA or relatively high negative response rates (>20%). Additional information is presented in the Appendices; Appendix B.3 'Windows' tables and Appendix G numerical form. This information addresses key Department and Functional Unit results and provides more detail for each of the Cultural Dimensions.



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GCWE Dimension Details:³⁶

The following discussion of GCWE Dimension results and trends highlight the principal drivers of the GCWE Dimensional ratings for the STP Composite and Functional Organizations:

- ♦ Highest rated GCWE Dimensions: Continuous Improvement (3.92 – Very Good), Focus on Performance / Accountability (3.82 - Good to Very Good), Conduct of Work (3.80 – Good to Very Good) and Trust & Respect (3.73 - Good to Very Good), High Standards (3.72 - Good to Very Good).
- ♦ Lowest rated GCWE Dimensions: General Communications (3.26 – Adequate), Performance Recognition (3.31 – Adequate to Good), Change Management (3.38 – Adequate to Good), Performance Appraisal (3.39 - Adequate to Good), Personnel Development (3.41 - Adequate to Good).
- ♦ Notable Improving GCWE Dimensions: Focus on Performance / Accountability (+7%), Overall Personal Satisfaction & Morale (+6%).
- ♦ Notable Declining Dimensions: None.
- ♦ Key Functional Organizational trends:

Highest Overall Ratings: Washington Group (4.36), ETS Admin. Services (4.23), Met. & Radiological Lab (4.21).

Lowest Overall Ratings: Mechanical Maintenance (3.18), Wackenhut (3.24), I&C Maintenance (3.28).

Significant Overall Improvement: Nuclear Fuels & Analysis (+14%), Security, Access, ER, PA (+11%), Chemistry (+10%), Production Support (+10%).

Notable Overall Improvement: Licensing (+8%), Plant Mods & Design Basis (+8%), Wackenhut (+7%), Work Control (+7%), Operating Experience Group (+7%), I&C Maintenance (+6%), Purchasing Materials Mgmt. (+6%).

Notable Overall Decline: Mechanical Maintenance (-8%).

High Dimensional Negative Responses: Figure VI.6 provides a summary of relatively high Functional Organization negative response rates in the lower rated GCWE Dimensions.

³⁶ Also refer to GCWE 'Windows' Tables in Appendix B.3. These tables provide details of GCWE results and trends by Division and key Departments / Functional organizations, respectively.



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Figure VI.6
High Negative Response % in Lower Rated GCWE Dimensions

Organization	Performance Appraisal	Personnel Development	Change Mgmt.	Performance Recognition	General Communications
Brock	21		20		
Chemistry	23				
Electrical Maintenance	31	22		26	36
Health Physics			25	25	
I & C	26	30	32	28	50
Mechanical Maintenance	45	31	34	38	42
Operating Experience Grp.		25	50		
Plant Mods & Design Basis		25			
Production Support	22	24			
Risk & Reliability Analysis					39
Security, Access, ER, PA	27			27	
Support Services			33	33	34
Training	24				
Unit 1 Ops	25		30	35	
Unit 2 Ops	41		33	43	43
Wackenhut	25	25	30		



GCWE Survey Question Responses

A complete listing of the GCWE survey question responses for the STP Composite³⁷ is provided in Appendix C.4. A CD-Rom has been prepared with similar information for each STP organization.

NSC Response Distributions & Comparisons

The STP composite response to the vast majority of the GCWE questions was very positive, with all questions having means higher than 3.00. The STP composite means ranged from a low of 3.24 to a high of 4.02, with a median of 3.61.

Figure VI.7 provides a histogram showing the question mean distributions, comparing the sum of the GCWE questions with the NSC and LMS questions. It is evident that the NSC dominates the higher (more positive) region of the range, with the GCWE the lower region and the LMS the middle region. The relatively stronger LMS, compared to the GCWE is somewhat atypical in the nuclear industry.

Figure V.8 shows the distribution of questions with improving or declining means between the 2000 and 2001 CCAs for all common GCWE and LMS questions³⁸. The histograms also show the percent improvement or decline. Changes in means of greater than +/- 5% are considered notable. Changes in means of greater than +/- 10% are considered significant.³⁹

Approximately 53% of the 32 common GCWE questions showed improvement and no mean declined more than 2 ½ %. There were no GCWE questions that improved notably (i.e. >5%). These results indicate that the rate of improvement of the STP GCWE has leveled.

³⁷ The questions are sorted by mean ratings, with negative response percentages and trends.

³⁸ Appendix H provides the correlation between the 2000 & 2001 CCA Survey questions

³⁹ Changes in means between zero to +/- 5% are considered to be representative of a 'steady' or 'flat' trend.



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Figure VI.7
Distribution of Mean Response Metrics
GCWE Questions vs. NSC & LMS Questions
for STP Composite

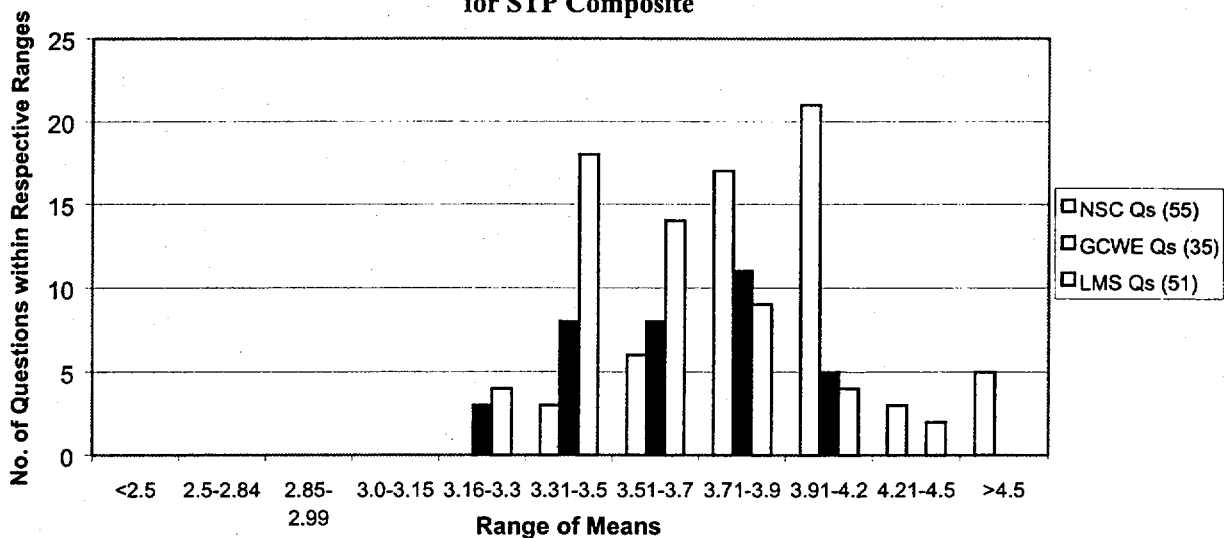
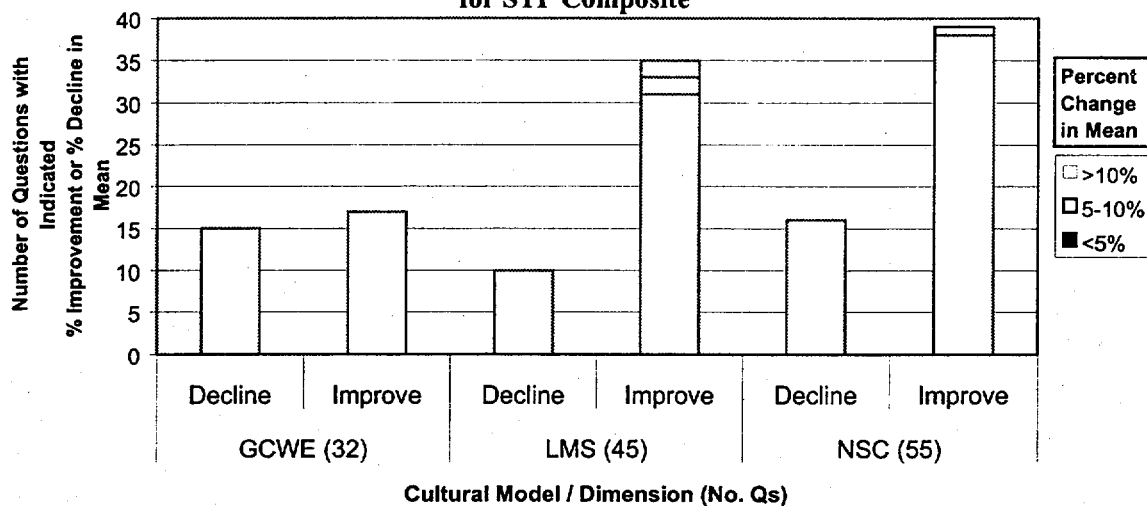


Figure VI.8
Analysis of Common Questions between 2000 & 2001 Surveys
for STP Composite





GCWE Survey Question Responses Areas of Strengths and Weaknesses

The following sections highlight responses to the highest and lowest rated multiple-choice survey questions; thus, providing significant insight into areas of relative strength and weakness.⁴⁰ The information presented below is for the STP Composite organization.

GCWE Areas of Relative Strength

Key areas of relative strength within the General Culture & Work Environment (GCWE), based upon the responses to the survey questions, are presented below⁴¹:

Within the area of GCWE Values, Behaviors and Practices, work practices – particularly “continuous improvement,” “focus on performance & accountability,” “trust & respect” and “high standards” – received the highest ratings. The vast majority of STP personnel indicated that:

- ♦ Through the daily activities of their Work Group, they ...
 - Strive to improve performance (4.01 / 96%).
 - Are quality conscious and pay attention to details (4.02 / 98%).
 - Are self-critical and have questioning attitudes (4.02 / 97%).
 - Make conservative, well-balanced decisions (3.77 / 94%).
 - Are effective at foreseeing potential problems (3.78 / 95%) and taking appropriate actions to minimize impacts (3.74 / 94%).
 - Have sufficient opportunity to input their ideas (3.86 / 93%).
 - Collaborate and promote teamwork (3.73 / 90%).
- ♦ Within their Functional Organization, they...
 - Have high standards and values and apply these in the conduct of their business (3.86 / 94%), understand STP's Core Values (3.78 / 95%) and place importance upon performance and results (3.93 / 95%).
 - Take actions to ensure learning lessons from internal and external experiences (3.74 / 91%).
 - Feel safe to voice their opinions and ideas (3.74 / 87%).
 - Have open communications and provide feedback (3.71 / 88%).

⁴⁰ The means, response percentages and trends are shown in parentheses. ‘Positive’ response percentages are shown for ‘strengths’ and ‘negative’ response percentages are shown for ‘weaknesses.’ Trends between 2000-2001 are highlighted with arrows. Single arrows up or down represent ‘notable’ improvement or decline (>5%, but <10% change in means), respectively. Double arrows up or down represent ‘significant’ improvement or decline (>10% change in means), respectively. If no arrow is shown, this indicates a ‘steady’ trend (within plus or minus 5% change in the means).

⁴¹ The following GCWE survey questions received mean ratings of > 3.70. For GCWE key areas of relative strength, ‘positive’ response percentages are shown along with the means and trends (where available).



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The vast majority of STP personnel obtain a sense of personal satisfaction from their work (4.05 / 94%).

Industrial Safety also received relatively higher ratings. The vast majority of STP personnel indicated that STP has an effective industrial safety and health program (3.83 / 94%) and their supervisors and managers take industrial/personnel safety seriously (4.11 / 97%).

Recent training on sexual harassment prevention was effective in improving awareness (3.84 / 91%).

GCWE Areas of Relative Weakness

Key areas of relative weakness within the General Culture & Work Environment, based upon the responses to the survey questions, are presented below⁴²:

- ♦ While “general communications” was rated as ‘adequate’ overall, some employees expressed dissatisfaction with the quality and quantity of communications regarding ...
 - Future plans for STP (3.24 / **22%**).
 - The competitive business environment and what it means to STP (3.30 / **20%**).
 - Priorities, as used in decisions and resource allocation at their plant/location (3.27 / **20%**).
- ♦ Some STP personnel perceive that their supervisors and managers are not effective at developing people through coaching (3.27 / **20%**) and in recognizing performance and accomplishments (3.31 / **20%**).

Additional Insights from the GCWE Write-in Comments

There were a total of 195 individual GCWE-related comments provided. This represents 32% of the total STP write-in comments. Of these, approximately 21% were positive in nature and approximately 79% were negative in nature.

The positive GCWE comments involved a spectrum of topics; the most frequently recurring themes were belief that STP is an excellent place to work, there is good teamwork and STP has a ‘quality’ workforce.

⁴² The following GCWE survey questions received mean ratings of < 3.35. For GCWE key areas of relative weakness, ‘negative’ response percentages are shown along with the means and trends (where available). Negative response rates of >20% are highlighted in bold.



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The negative GCWE comments (in the order of highest frequency cited) involved concerns related to:

- Deterioration of teamwork across the site, including observations that the “WE TEAM” concept is gone.
- Concerns about insufficient staffing and the resulting excessive workload. (This is also considered to be an LMS issue.)
- Inadequate pay / compensation policies and practices.
- Personnel development through training has declined or is non-existent, including observations that the only training being conducted is that required by NRC or INPO.
- The need for increased communications about the future, including plans to address the challenges of deregulation.
- There is insufficient/no emphasis on continuous improvement, including observations regarding backing away from high standards / goals.
- The adequacy of performance recognition practices, including concerns regarding favoritism in the workplace.
- The effectiveness of work processes / practices, including the observation that changes need to be made to improve productivity.
- The effectiveness of the PMR process.



VII. LEADERSHIP, MANAGEMENT & SUPERVISION RESULTS

STP Composite

LMS Metric, Trend and Industry Ranking

The Leadership, Management and Supervision Composite Cultural Indicator for the STP Composite is 3.57, which is in the "Good" range. This represents a 'steady' trend since the 2000 CCA.⁴³ This rating places STP in the 90th percentile of nuclear power organizations included in SYNERGY's industry database.

The STP LMS metric trend from 1998 to 2000 and industry comparisons were shown previously in Figures VI.1 and VI.2, along with similar information on the GCWE. It is evident that these two metrics have paralleled each other and over approximately a three and a half year period, there has been notable improvement.

These results reflect strong Leadership, Management and Supervision at STP, amongst the top in the nuclear industry.

STP Composite & Division

LMS Metrics

Figure VII.1 provides a summary comparing the GCWE Composite Cultural Indicator for the STP Composite and each Division.⁴⁴

Figure VII.1
LMS Composite Cultural Indicators – STP Composite & Divisions

Metric	STP Composite	Nuclear Generation	Engineering & Technical Services	Business Services
LMS CCI	3.57	3.49	3.73	3.56

There is general uniformity between the Divisions.⁴⁵ Engineering & Technical Services (ET) provided the highest ratings with 'Good-VG' ratings, followed by Business Services (BS) with 'Good' ratings and Nuclear Generation (NG) with 'Adequate to Good' ratings. These metrics remained 'steady' as there were no notable trends, either positive or negative.⁴⁶

⁴³ The LMS CCI remained stable; with nominal improvements in recent CCAs - 3.51 in 2000 and 3.40 in 1998.

⁴⁴ Additional numerical information is presented in Appendix G, providing the LMS metrics for each Department and Functional Unit.

⁴⁵ The spread (~6.8%) between ET and NG has widened recently as ET has progressed and NG has remained steady.

⁴⁶ The LMS CCI metric improved approximately 4.6% in ET, 1.5% in BS and 0.8% in NG between 2000-1.



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STP Composite LMS Demographic Variations

Figure VII.2 provides a summary showing the LMS CCIs by demographic categories. Also shown are the percent variation or differential from the STP Composite CCI and the percent improvement or decline in the respective CCIs since the 2000 CCA.⁴⁷

The demographic variations amongst positions and worker categories are similar to what SYNERGY has experienced in other cultural assessments; however, it is apparent that the relative magnitude of these variations is increasing for hourly / union personnel, contractors and plant staff.

In terms of years of service, people in the 5-10 years of tenure fall lower than expected.

Figure VII.2
LMS Composite Cultural Indicators by Demographics

Demographic Category	LMS CCI	Percent Variation from STP Composite	Percent Improvement / Decline since 2000
Worker Category			
Monthly or Salaried	3.76	+5	+4
Hourly or Union	3.34	-6	-1
Contractor (<6mo. Assignment)	3.50	-2	-2
Contractor (>6mo. Assignment)	3.31	-7	-3
Position			
Managers	4.10	+15	+2
First Line Supervisors	3.83	+8	+2
Technical Staff	3.65	+2	+4
Admin. & Support Staff	3.53	-1	+3
Plant Staff	3.25	-9	-3
Years of Service			
< 1 year	3.76	+6	+5
1-5 years	3.67	+3	-2
5-10 years	3.44	-4	+1
>10 years	3.58	0	+2

⁴⁷ Items highlighted in bold represent notable variations from the STP Composite or notable improvements/declines since the 2000 CCA.



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LMS Cultural Dimensions Metrics, Trends and Industry Rankings

The following information presents a summary of LMS Dimension results for the STP Composite organization. Organizations with notable improvement or decline in Dimensional ratings are also identified. Figure VII.3 provides a summary showing the LMS CCI and the major Cultural Dimensions comprising the CCI for the STP Composite.⁴⁸

**Figure VII.3
Leadership, Management & Supervision Dimension Summary**

LMS Dimensions	Metric	Description	Neg. %	Trend since 2000 CCA
LMS CCI Metric	3.57	Good	13.5	1.6%
LEADERSHIP SKILLS & PRACTICES	3.47	Adeq. - Good	15.0	0.2%
Provide Direction / Build Confidence in Mgmt.	3.42	Adeq. - Good	14.4	-0.3%
Set a Good Example / Build Trust in Mgmt.	3.34	Adeq. - Good	20.1	-0.2%
Ensure High Standards	3.86	Good - VG	5.9	1.1%
Focus on Goals and Objectives	3.60	Good	9.0	1.9%
Promote / Demonstrate Teamwork	3.64	Good	11.7	-0.4%
BUSINESS MGMT. SKILLS & PRACTICES	3.57	Good	12.5	1.3%
Make Decisions / Solve Problems	3.70	Good	10.5	1.1%
Establish effective Plans	3.44	Adeq. - Good	12.8	0.7%
Manage Change	3.33	Adeq. - Good	21.0	1.5%
Manage Resources	3.55	Good	12.0	2.5%
Manage Systems / Processes	3.70	Good	9.8	0.8%
PERSONNEL MGMT. SKILLS & PRACTICES	3.66	Good	12.9	3.5%
Provide a Supportive Env. - Openness & Recept.	3.89	Good - VG	9.8	1.2%
Provide a Supportive Work Env. - General	3.68	Good	12.0	0.2%
Personnel Management	3.62	Good	12.9	6.3%
Personnel Development	3.53	Good	15.2	10.0%
Promote Employee Involvement	3.47	Adeq. - Good	16.6	1.7%

⁴⁸ Items highlighted in bold represent notable improvements/declines (>5%) since the 2000 CCA or relatively high negative response rates (>20%). Additional information is presented in the Appendices; Appendix B.4 'Windows' tables and Appendix G numerical form. This information addresses key Department and Functional Unit results and provides more detail for each of the Cultural Dimensions.



LMS Dimension Details:⁴⁹

The following discussion of LMS Dimension results and trends highlight the principal drivers of the LMS Dimensional ratings for the STP Composite and Functional Organizations:

- ♦ Highest rated LMS Dimensions: Openness & Receptivity (3.89 – Good to Very Good) and Ensuring High Standards (3.86 – Good to Very Good).
- ♦ Lowest rated LMS Dimensions: Management of Change (3.33 – Adequate to Good) and Building Trust in Management (3.34 – Adequate to Good).
- ♦ Significant Improving LMS Dimensions: Personnel Development (+10%).
- ♦ Notable Improving LMS Dimensions: Personnel Management (+6%).
- ♦ Notable Declining Dimensions: None.
- ♦ Key Functional Organizational trends:

Highest Overall Ratings: Licensing (4.32), Met. & Radiological Lab (4.20), Washington Group (4.19), ETS Admin. Services (4.09).

Lowest Overall Ratings: Mechanical Maintenance (2.96), Wackenhut (3.09), Unit 1 Ops (3.20), Unit 2 Ops (3.28) and I&C Maintenance (3.29).

Significant Overall Improvement: Security, Access, ER, PA (+15%), Operating Experience Group (+12%), Licensing (+11%), Nuclear Fuels & Analysis (+11%), Plant Mods & Design Basis (+10%), I&C Maintenance (+10%), Chemistry (+10%) and Support Services (+10%).

Notable Overall Improvement: Production Support (+8%), Facilities (+8%), Work Control (+7%), Wackenhut (+5%) and Training (+5%).

Significant Overall Decline: Mechanical Maintenance (-12%).

Notable Overall Decline: Unit 1 Ops (-6%) and Risk & Reliability Analysis (-5%).

High Dimensional Negative Responses: Figure VII.4 provides a summary of relatively high Functional Organization negative response rates in the lower rated LMS Dimensions.

⁴⁹ Also refer to LMS 'Windows' Tables in Appendix B.4. These tables provide details of LMS results and trends by Division and key Departments / Functional organizations, respectively.



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Figure VII.4
High Negative Response % in Lower Rated LMS Dimensions

Organization	Personnel Development	Promote Employee Involvement	Establish Effective Plans	Provide Direction / Build Confidence in Mgmt.	Set a Good Example / Build Trust in Mgmt.	Manage Change
Brock		28				28
Electrical Maintenance		21		23	25	25
Health Physics		21				
I & C	23	21	26	36	38	33
Mechanical Maintenance	28	31	42	44	51	36
Plant Mods & Design Basis						27
Production Support	22					
Risk & Reliability Analysis	27	25				31
Security, Access, ER, PA						
Support Services		25			32	28
Unit 1 Ops		33	22	23	38	41
Unit 2 Ops		23	20	28	33	37
Wackenhut	25	33	23		35	36



LMS Survey Question Responses Areas of Strengths and Weaknesses

The following sections highlight responses to the highest and lowest rated multiple-choice survey questions; thus, providing significant insight into areas of relative strength and weakness.⁵⁰ The information presented below is for the STP Composite organization.

LMS Areas of Relative Strength

Key areas of relative strength within Leadership, Management & Supervisory (LMS) skills & practices, based upon the responses to the survey questions, are presented below⁵¹:

Certain supervisory skills & practices received the highest ratings.

- ♦ The issue of supervisors and managers holding people appropriately accountable for performance and results showed a significant decline between 1998-2000. In the 2001 survey, this question was posed with respect to supervisors and showed a notable 8.5% improvement (3.71 / 90% ↑).
- ♦ The majority of STP personnel feel that their immediate supervisors....
 - Make it comfortable to approach him/her with problems (4.07 / 93%).
 - Have earned their trust (3.92 / 90%).
 - Seek (3.89 / 90%) and utilize (3.85 / 90%) their input when appropriate.
 - Encourage workers to identify and discuss problems (4.04 / 93%).
 - Take timely and positive action to address problems (3.86 / 92%).
 - Are sufficiently visible and accessible to employees (3.89 / 92%).
 - Are sufficiently knowledgeable of their performance (3.84 / 90%).
 - Are appropriately tolerant of mistakes (3.89 / 93%).
 - Encourage cooperation and teamwork (4.00 / 93%).
 - Use feedback effectively to help people improve their performance (3.78 / 91%).
- ♦ Within their work groups, employees generally feel they are encouraged to challenge the way things were done in the past (3.76 / 89%).
- ♦ With respect to their work assignments, employees generally feel that supervision and management have been effective in developing an understanding of responsibilities and

⁵⁰ The means, response percentages and trends are shown in parentheses. 'Positive' response percentages are shown for 'strengths' and 'negative' response percentages are shown for 'weaknesses.' Trends between 2000-2001 are highlighted with arrows. Single arrows up or down represent 'notable' improvement or decline (>5%, but <10% change in means), respectively. Double arrows up or down represent 'significant' improvement or decline (>10% change in means), respectively. If no arrow is shown, this indicates a 'steady' trend (within plus or minus 5% change in the means).

⁵¹ The following LMS survey questions received mean ratings of > 3.70. For LMS key areas of relative strength, 'positive' response percentages are shown along with the means and trends (where available).



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performance expectations (4.23 / 98%) and how peoples' work adds value to STP (4.20 / 97%).

While not meeting the threshold for presentation herein, several supervisory practices improved notably-to-significantly between the 2000-2001 surveys:

- Managing conflicts and disagreements (3.64 / 88% ↑).
- Dealing with human performance problems (3.64 / 88% ↑↑).
- Responding to employee relations issues consistently and fairly (3.67 / 88% ↑↑).

LMS Areas of Relative Weakness

Key areas of relative weakness within LMS skills & practices, based upon the responses to the survey questions, are presented below⁵²:

- ♦ While rated 'adequate-to-good,' trust and confidence in senior management was the lowest rated LMS area. Some STP personnel expressed dissatisfaction with STP senior management's...
 - Visibility and accessibility (3.18 / **25%**).
 - Openness and honesty in communications and interactions (3.24 / **23%**).
 - Setting a positive example of what is preached (3.25 / **22%**).
 - Demonstrating teamwork (3.32 / 19%).
- ♦ Some perceive that supervisors and managers in their Functional Organizations need to improve how they build peoples' pride, self-esteem and commitment to the organization (3.34 / **20%**).
- ♦ Some STP personnel perceive that their supervisors and managers do not obtain employee input, buy-in and ownership up front before implementing significant changes (3.25 / **24%**).
- ♦ Some perceive that management has not adequately addressed feedback from the 2000 cultural survey....
 - Across the entire site (3.15 / **23%**).
 - Within Functional Organizations (3.18 / **23%**).

⁵² The following LMS survey questions received mean ratings of < 3.35. For LMS key areas of relative weakness, 'negative' response percentages are shown along with the means and trends (where available). Negative response percentages >20% are highlighted in bold.



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Additional Insights from the LMS Write-in Comments

There were a total of 281 individual LMS-related comments provided. This represents 46% of the total STP write-in comments. Of these, approximately 7% were positive in nature and approximately 93% were negative in nature.

The positive comments noted a spectrum of supportive behaviors and practices by management and supervision. The most recurring theme was related to actions that promote an "open and receptive" work environment.

The negative comments addressed a spectrum of related topics. Of these, the following were the most recurring themes:

- Relationship between Management and Union personnel, including:
 - Deterioration of trust between Management and Union personnel.
 - Frustration / anger / disappointment regarding the failure of Management to resolve the Union contract issues.
 - Concerns that Management is bringing in non-qualified, non-trained contract personnel to do Union work.
- Insufficient employee involvement / engagement -- including seeking employee input prior to making plans / decisions, lack of receptivity to employee input and lack of response to employee input.
- Trust in Senior Management, including:
 - Declining and insufficient visibility, accessibility, involvement & awareness of what is going on in the workplace.
 - Other trust-related concerns, such as the fairness of the ICP distributions.
- Confidence in Senior Management, including:
 - Lack of development and / or communication of a Vision, business strategy and associated goals and plans.
 - Questions regarding management's ability to successfully address a changing business environment associated with deregulation.
- Confidence in Management and Supervision, including:
 - Effective management of resources and setting priorities.
 - Quality of decision-making.
 - Failure by management and supervision to effectively address performance problems, including holding people accountable to high standards of performance / work ethic.
 - Personnel management -- including recognition & reward, favoritism in promotions and work assignments, effectiveness of the hiring and promotion processes and the lack of succession planning.
 - Failure of management and supervision to provide a supportive work environment including demonstrating that workers and their contributions are valued.
 - Visibility and availability of supervision and management to support day-to-day work activities in the field.



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VIII. ORGANIZATIONAL ASSESSMENT

The following sections provide a Summary of the Functional Organization results⁵³ -- highest / lowest rated and most improved / declined. A summary of progress of the 2000 'Targeted Organizations' is also presented. The Summary is followed by an Organizational Analysis to identify and to suggest priorities for any organizations that may require further validation, intervention or remediation based upon the 2001 CCA results.

Summary of Functional Organization Results

Highest Rated Organizations: The organizations identified in Figure VIII.1 provided the highest across-the-board ratings based upon the 2001 CCA results. These organizations had high CCI metrics for the NSC (>4.30), the SCWE (>4.55), the GCWE (>3.90) and LMS (>3.85). Figure VIII.1 provides a ranking according to the NSC CCI metric.

Figure VIII.1
Highest Rated Organizations⁵⁴

Organization	NSC CCI	SCWE Metric	GCWE CCI	LMS CCI
Other STP	4.61 (+5.0%)	4.88 (+4.7%)	4.20 (+1.0%)	4.27 (+1.6%)
Met. & Radiological Lab	4.57 (-0.4%)	4.78 (-1.5%)	4.21 (+0.8%)	4.20 (-0.7%)
Washington Group	4.54 (na)	4.65 (na)	4.36 (na)	4.19 (na)
Other Nuclear Generation	4.51 (+1.5%)	4.78 (+0.4%)	4.16 (+4.0%)	4.05 (+4.2%)
Licensing	4.48 (+1.1%)	4.82 (0%)	4.19 (+7.9%)	4.32 (+11.4%)
Project Mgmt. - Field Eng. - Production	4.44 (+3.6%)	4.78 (+3.4%)	3.97 (+3.1%)	3.99 (+4.1%)
Work Control	4.39 (+5.0%)	4.70 (+3.6%)	4.00 (+6.9%)	3.91 (+6.5%)
Planning & Controls	4.36 (+1.2%)	4.68 (+0.3%)	4.03 (+1.1%)	3.89 (-0.4%)
Nuclear Fuels & Analysis	4.35 (+9.2%)	4.78 (+5.5%)	3.94 (+14.0%)	3.92 (+11.1%)
Other Eng. & Tech. Services	4.32 (+7.5%)	4.59 (+4.5%)	3.96 (+7.9%)	4.06 (+10.0%)
Administrative Services	4.3 (-0.5%)	4.68 (+2.0%)	4.23 (-0.6%)	4.09 (-1.5%)

⁵³ Detailed organization-specific information has been provided to STPNOC on a CD-ROM that includes survey question-by-question statistics, including comparisons of the 2001 and 2000 CCA results.

⁵⁴ The numbers in parentheses refer to the percentage change (+ or -) in the respective metric between 2000-2001.



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Lowest Rated Organizations: The organizations identified in Figure VIII.2 provided the lowest ratings based upon the 2001 CCA results. Figure VIII.2 provides a ranking according to the respective CCI metrics. Cutoffs of <3.50 for the NSC CCI and <3.35 for the GCWE and LMS CCIs have been established. Also shown in parentheses are the respective negative response percentages. Negative response percentages of approximately 10% for the NSC and approximately 20% for the GCWE and LMS may indicate a need for further validation to determine if there are sub-groups within these organizations that warrant management attention.

**Figure VIII.2
Lowest Rated Organizations⁵⁵**

NSC (CCI <3.65)	GCWE (CCI <3.40)	LMS (CCI <3.40)
Wackenhut 3.58 (13%)	Wackenhut 3.24 (22%)	Wackenhut 3.09 (26%)
I & C Maintenance 3.63 (13%)	I & C Maintenance 3.28 (21%)	I & C Maintenance 3.29 (21%)
Mechanical Maintenance 3.64 (12%)	Mechanical Maintenance 3.18 (23%)	Mechanical Maintenance 2.96 (30%)
	Unit 1 Operations 3.38 (16%)	Unit 1 Operations 3.20 (21%)
	Unit 2 Operations 3.37 (17%)	Unit 2 Operations 3.28 (18%)
	Electrical Maintenance 3.37 (16%)	Electrical Maintenance 3.38 (15%)
	Health Physics 3.37 (16%)	Health Physics 3.39 (14%)
		Plant Design 3.39 (13%)

⁵⁵ The numbers in parentheses refer to the negative response percentage associated with the respective metric.



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Most Improved Organizations: The organizations identified in Figure VIII.3 demonstrated the most significant improvement since the 2001 CCA based upon having two or more cultural metrics with notable improvement (greater than a 5% change in CCI). The organizations identified in the Figure VIII.3 are ranked by degree of improvement in the NSC.

**Figure VIII.3
Most Improved Organizations⁵⁶**

Organization	NSC CCI	GCWE CCI	LMS CCI	SCWE Metric
Nuclear Fuels & Analysis	4.35 (9.2%)	3.94 (14.0%)	3.92 (11.1%)	4.78 (5.5%)
Other Eng. & Tech. Services	4.32 (7.5%)	3.96 (7.9%)	4.06 (10.0%)	4.59 (4.5%)
Production Support	4.20 (5.9%)	3.66 (9.7%)	3.52 (8.4%)	4.52 (1.8%)
Chemistry	4.09 (5.1%)	3.58 (10.0%)	3.54 (9.8%)	4.49 (1.8%)
I & C Maintenance	3.63 (5.1%)	3.28 (6.4%)	3.29 (10.0%)	4.06 (0.7%)
Work Control	4.39 (5.0%)	4.00 (6.9%)	3.91 (6.5%)	4.70 (3.6%)
Wackenhut	3.58 (2.4%)	3.24 (6.6%)	3.09 (5.2%)	3.97 (1.7%)
Plant Mods & Design Basis	4.04 (2.0%)	3.68 (7.6%)	3.65 (10.3%)	4.39 (1.0%)
Operating Experience Group	4.17 (1.7%)	3.54 (6.6%)	3.68 (12.0%)	4.70 (0.1%)
Licensing	4.48 (1.1%)	4.19 (7.9%)	4.32 (11.4%)	4.82 (0%)
Security, Access, ER, PA	4.14 (0.4%)	3.74 (11.3%)	3.69 (14.6%)	4.44 (-3.3%)

Other organizations with at least one notably improving metric included:

NSC:	'Other' STP	4.61 (5.0%)
GCWE:	Purchasing & Materials Mgmt.	3.85 (5.7%)
LMS:	Support Services	3.40 (9.5%)
	Facilities	3.60 (7.7%)

⁵⁶ The numbers in parentheses refer to the percentage change (+ or -) in the respective metric between 2000-2001.



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Most Declined Organizations: The organization identified in Figure VIII.4 demonstrated the most significant decline since the 2000 CCA based upon having two or more cultural metrics with any decline (greater than a 5% decline is considered notable – shown bolded).

**Figure VIII.4
Most Declined Organization**

Organization	NSC CCI	GCWE CCI	LMS CCI	SCWE Metric
Mechanical Maintenance	3.64 (-6.1%)	3.18 (-8.1%)	2.96 (-12.3%)	4.11 (-3.6%)

Other organizations with at least one declining metric included:

LMS:	Unit 1 Operations	3.20 (-6.3%)
	Risk & Reliability Analysis	3.80 (-5.1%)



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Progress of the 2000 'Targeted Organizations': As indicated in Figure VIII.5, significant improvements have been made in the ratings by most of the organizations "targeted" for improvement based upon the 2000 CCA results.

**Figure VIII.5
2001 CCA Ratings by 2000 Targeted Organizations**

Organization	NSC CCI	GCWE CCI	LMS CCI	SCWE Metric
Production Support	4.20 (5.9%)	3.66 (9.7%)	3.52 (8.4%)	4.52 (1.8%)
Chemistry	4.09 (5.1%)	3.58 (10.0%)	3.54 (9.8%)	4.49 (1.8%)
I&C Maintenance	3.63 (5.1%)	3.28 (6.4%)	3.29 (10.0%)	4.06 (0.7%)
Security, Access, ER, PA	4.14 (0.4%)	3.74 (11.3%)	3.69 (14.6%)	4.44 (-3.3%)
Operating Exp. Group	4.17 (1.7%)	3.54 (6.6%)	3.68 (12.0%)	4.70 (0.1%)
Support Services ⁵⁷	3.80 (-0.7%)	3.44 (3.3%)	3.40 (9.7%)	4.22 (-3.2%)
Wackenhut ⁵⁸	3.58 (2.4%)	3.24 (6.6%)	3.09 (5.2%)	3.97 (1.7%)

Each of the previously targeted organizations exhibited notable improvement in one or more of the cultural metrics.

The Maintenance Emergency Response, Mechanical / Civil Design and Housekeeping organizations were also targeted in the 2000 CCA, but were subsequently reorganized. The Maintenance Emergency Response organization became the Support Services organization and is shown in Figure VIII.5 above. Mechanical / Civil Design became part of the Plant Modifications & Design Basis organization which is one of the 'most improved' organizations. Housekeeping became part of the Brock organization, which is a nominal outlier from the STP norm with respect to NSC and SCWE negative pockets (Refer to next section for a discussion.).

Notwithstanding an improving trend, Wackenhut remained on the Targeted Organization listing in 2001 based upon both high 'absolute' metrics and high 'relative' metrics with respect to the STP 'norm.' I&C Maintenance and Support Services remained on the Targeted Organization listing in 2001 based upon high 'relative' metrics with respect to the STP 'norm.' (Refer to the next section for a discussion.).

⁵⁷ The Support Services organization trends are based upon the 2000 CCA metrics for the Maintenance Emergency Response Organization.

⁵⁸ The Wackenhut trends were based upon the 2000 CCA metrics for Protection Technology, Inc.



Organizational Analysis

SYNERGY has established and implemented a methodology⁵⁹ to identify any specific Functional Organizations that:

- Provided ratings that failed to meet “Industry Norms of Acceptability” -- as interpreted by SYNERGY, or
- Represent, on a relative basis, outliers with respect to “Relative Norms of Performance” based upon comparison with STP’s general performance norms.

This “two-step” methodology provides the ability to differentiate between:

- A situation involving **recommended** investigative or remedial actions to address a targeted organization’s failure to meet industry norms of acceptability; and
- A situation involving **suggested** actions to seek continued improvement in a targeted organization that meets industry norms of acceptability, but is a relative outlier with respect to the Site’s general performance norms⁶⁰.

The methodology also incorporates a capability to identify relative priorities for any recommended or suggested actions.

In applying this methodology, key cultural metrics were evaluated to identify both absolute and relative organizational strengths and weaknesses using complementary analytical techniques and specified selection criteria related to:

- Either low absolute or relative NSC CCI, SCWE, GCWE CCI or LMS CCI ratings.
- Either high absolute or relative negative response rates (i.e., negative pockets).
- Declining NSC CCI, SCWE, GCWE CCI or LMS CCI ratings since the previous CCA.

⁵⁹ Appendix F provides a detailed discussion of SYNERGY’s organizational assessment methodology and selection criteria.

⁶⁰ Organizations with key cultural metric ratings and/or negative response pockets that are approximately equivalent to the lower quartile (i.e., a percentile ranking < 25%) of the STP Functional Organizations.



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Application of "Industry Norms of Acceptability" Criteria

The results of the evaluation of the individual STP Functional Organizations using "Industry Norms" criteria (as interpreted by SYNERGY) for the NSC, SCWE, GCWE and LMS are presented in Figure VIII.6. The bases for the assigned Priority Level are highlighted in bold.

As indicated:

- One Functional Organization is targeted as Priority Level 2 based upon a combination of a notably declining NSC rating and a very low and significantly declining LMS rating.
- One Functional Organizations is targeted as Priority Level 3 based upon a low LMS rating.
- Two Functional Organizations are targeted as Priority Level 4 based upon notably declining LMS ratings.

For the Priority Level 2 organization, it is recommended that STP management further evaluate this situation and take remedial action, as appropriate, in the near-term. For the Priority Level 3 organization, it is recommended that STP management further evaluate the causative factors for the lower or declining ratings in the near-term. For the Priority Level 4 organizations, it is recommended that STP management further evaluate the causative factors for the declining LMS ratings. It is important to note that any actions in accordance with the Priority Levels assigned to individual Functional Organizations should be based on the integration of this and other information known to STP management⁶¹.

Figure VIII.6
Recommendations for STP Targeted Organizations - "Industry Norms" Criteria

Organization	Priority Level	NSC	SCWE	GCWE	LMS
Mechanical Maintenance	2	Declined 6.1%		Declined 8.1%	2.96 CCI 30.0% neg. Declined 12.3%
Wackenhut ⁵⁸	3				3.09 CCI 25.6% neg.
Unit 1 Operations	4				Declined 6.3%
Risk & Reliability Analysis	4				Declined 5.1%

⁶¹ It is also noteworthy that the ratings by "Non-Designated" personnel declined notably for the NSC (9.2%) and for the LMS (9.7%), and declined significantly for the GCWE (10.1%).



Application of "Relative Norms" Criteria

The methodology for applying the Relative Norms criteria (based upon comparison with STP general performance norms) inherently includes consideration of all key cultural metrics. The specific criteria utilized for identifying targeted organizations based upon "Relative Norms of Performance" at STP are as follows:

"Relatively Low CCI Ratings"

- NSC CCI Rating of <3.89 which is >5% below the STP Site Composite Rating
- Overall SCWE Rating of <4.28 which is >5% below the STP Site Composite Rating
- GCWE CCI Rating of <3.42 which is >5% below the STP Site Composite Rating
- LMS CCI Rating of <3.39 which is >5% below the STP Site Composite Rating

"Relatively High Negative Response Pockets"

- NSC CCI Negative Response Pocket >7.4%, which is >2.5% higher than the STP Site Composite Negative Response Pocket size for the NSC CCI
- Overall SCWE Negative Response Pocket >5.3%, which is >2.5% higher than the STP Site Composite Negative Response Pocket size for the Overall SCWE
- GCWE CCI Negative Response Pocket >18.6%, which is >5% higher than the STP Site Composite Negative Response Pocket size for the GCWE CCI
- LMS CCI Negative Response Pocket >18.4%, which is >5% higher than the STP Site Composite Negative Response Pocket size for the LMS CCI

The results of the evaluation of the individual STP Functional Organization using "Relative Norms" criteria are presented in Figure VIII.7. The bases for the assigned Priority Level are highlighted in bold.

As indicated:

- Five Functional Organizations are targeted as Priority Level 1 based upon the combination of a relatively low NSC and/or SCWE rating with a relatively low GCWE and/or LMS rating.
- Four of these organizations had relatively low ratings for all four key cultural metrics.
- Four Functional Organizations are targeted as Priority Level 3 based upon relatively low ratings for both the GCWE and the LMS.
- One Functional Organization is targeted as Priority Level 4 based upon relatively high negative response pockets for the NSC and the SCWE.

For the Priority Level 1 organizations, it is suggested that STP management further evaluate these situations and take remedial action, as appropriate, in the near-term. For the Priority Level 3 organizations, in the context of continuous improvement, it is suggested that STP management conduct further evaluation of the causative factors for the relatively lower ratings. Investigation of the causative factors for the relatively high negative response pockets is also suggested for the Priority Level 4 organization.



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When defining appropriate action for these organizations, STP Management should take into consideration the ratings by organizations with little involvement in Nuclear Safety-related activities, as these may not be accurate reflectors of the NSC.

Additionally, it is important to note that any actions in accordance with the Priority Levels assigned to individual Functional Organizations should be based on the integration of this and other information known to STP management. Such review may result in changes to this initial determination including the deletion or addition of specific organizations from the list⁶².

Figure VIII.7
Recommendations for STP Targeted Organizations – “Relative Norms” Criteria⁶³

Organization	Priority Level	NSC	SCWE	GCWE	LMS
Wackenhut	1	3.58 13.1%	3.97 10.0%	3.24	3.09
I&C Maintenance	1	3.63 13.2%	4.06 9.9%	3.28 20.8%	3.29 21.3%
Mechanical Maintenance	1	3.64 12.4%	4.11 8.9%	3.18 22.8%	2.96 30.0%
Electrical Maintenance	1	3.77 7.8%	4.12 7.2%	3.37	3.38
Support Services	1	3.80		3.44	
Unit 1 Operations	3			3.38 20.8%	3.20
Unit 2 Operations	3			3.37	3.28
Health Physics	3			3.37	3.39
Plant Design	3			3.46	3.39
Brock Projects	4	8.9%	9.5%		

Similarly, ratings by personnel in the following “Demographic Categories” were relatively low:

- Plant Staff / Craft: NSC (3.72), SCWE (4.13), GCWE (3.34) and LMS (3.25).
- Long-term Contractors: NSC (3.73), SCWE (4.10), GCWE (3.41) and LMS (3.31).
- Short-term Contractors: SCWE (4.17).
- Hourly or Union: GCWE (3.44) and LMS (3.34).

⁶² It is also noteworthy that the ratings by “Non-Designated” personnel were relatively low for all four key metrics: NSC (3.54), SCWE (3.96), GCWE (3.21) and LMS (3.22).

⁶³ Figure VIII.7 presents mean metrics and negative response percentages.



IX. SUGESTIONS FOR CONTINUOUS IMPROVEMENT

The following suggestions are related to both STP-wide opportunities for continuous improvement and suggestions related to specific organizations. Given STP's strong overall culture, the STP-wide opportunities are presented as providing a foundation for additional improvements, rather than being needed to address critical deficiencies. The organizational suggestions for the higher priority Targeted Organizations are considered more critical and should be approached similarly to those targeted in 2000.

Employee Confidence in the Employee Concerns Program

Confidence in the ECP was highlighted for improvement in the 2000 CCA because this area had not progressed to the same degree as other aspects of the NSC and because there were some locales where confidence was especially low. The 2001 CCA results confirm that confidence in the ECP is 'good,' but essentially unchanged overall and still low in selected organizations. As shown in Figure IX.1, there are some organizations or demographic categories (mostly inside the plant) that deviated from the STP 'norm' and some that provided nominally adequate to less-than-adequate results in one or more areas.⁶⁴ It is important to note that improvement was measured in several organizations.

Approximately 17% of the NSC-related comments were related to the Employee Concerns Program (ECP). Positive comments on the ECP indicated that the leadership and actions of the ECP Manager, including taking constructive criticism to heart and meeting with Departments to explain the ECP, have improved the credibility of the program. One commenter noted that the "early intervention" activity was particularly useful. Negative comments had recurring themes about program confidentiality, concerns regarding effectiveness in obtaining appropriate resolution and limited information on communicating results.

There is a continuing need to understand the local drivers leading to the negative perceptions of the ECP in the highlighted organizations, as well as factors leading to improved perceptions in other organizations. An evaluation should focus on the relationship between these perceptions and either particular events or general operating practices that may be causing problems. Evaluations and actions in these locales should be accompanied by continuing communications to the workforce in general to reinforce understanding of the importance of the ECP, where the ECP fits into the overall nuclear safety performance strategy and how it has/will be effective. This recommendation remains unchanged.

⁶⁴ In addition to the organizations shown in Figure IX.1, the following organizations / demographic categories provided low ratings in a single 'Bases for Confidence' area:

Unit 1 Ops:	Management Support of ECP	3.19	20%
Health Physics:	Integrity	3.16	23%
Plant Design:	Reputation of ECP Reps	3.04	19%
Contractor-LT	Reputation of ECP Reps	3.16	19%

In some cases, the collective 'Overall Confidence' ratings were higher.



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Figure IX.1
Organizations & Demographics⁶⁵
With Lower Relative Confidence in the ECP

Organization or Demographic	Bases for Confidence Areas						Overall Confidence ECP
	Visibility / Acceptance	Mgmt. Support	Integrity	Quality Invest.	Results Produced	Reput. of ECP Reps	
I&C Maint.	3.11 (23%)	3.00 (30%)	3.00 (34%)	2.96 (33%)	2.94 (30%)	3.08 (25%)	2.83 (37%)
Risk & Rel.				3.00 (33%)	3.00 (33%)		3.14 (29%)
U2 Ops	3.11 (19%)				3.02 (23%)	3.08 (21%)	3.17 (26%)
Mech. Maint.		3.06 (34%)				3.13 (27%)	3.18 (18%)
Wackenhut		3.19 (18%)	3.03 (25%)	2.91 (31%)	2.91 (28%)	2.95 (26%)	3.21 (21%)
Support Services			3.15 (31%)	3.08 (33%)			3.21 (21%)
Non- designated	3.11 (11%)	2.88 (31%)	3.00 (19%)	2.94 (25%)	3.00 (13%)	2.87 (20%)	3.11 (22%)
Plant Staff - Craft		3.16 (23%)				3.16 (20%)	3.19 (21%)
STP Composite	3.49 (12%)	3.56 (12%)	3.51 (15%)	3.44 (16%)	3.40 (16%)	3.51 (13%)	3.59 (13%)

⁶⁵ These organizations / demographic categories are highlighted because they provided negative responses of over 20% in 'Overall Confidence' ratings and either provided mean scores in a 'Bases for Confidence' area of 3.00 or less and/or the mean scores were >10% lower than the corresponding STP composite mean. The organizations / demographics are ordered according to their 'Overall Confidence in ECP' rating from lowest-to-higher. The table entries include the means and negative response percentages.



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Reinforcement of 'Standards' in Assuring Nuclear Safety is Maintained as the Top Priority

Last year, the CCA highlighted employee uneasiness about whether or not 'critical' standards were going to be maintained while STP faced challenges of the competitive business environment; particularly those standards associated with sustaining strong nuclear safety performance. Many seemed concerned about STP's continued ability to seek improvement and some even questioned the ability to 'maintain.'

Most positively, there was notable overall improvement (+7.3% change in mean since 2000) in peoples' ratings of management making well thought-out decisions in the allocation of resources to assure Nuclear Safety is maintained (adequate funding, staffing, experience and qualifications). 86% of respondents feel management is finding the correct 'balance.' Notwithstanding this progress, the following organizations or demographic categories⁶⁶ stood out negatively on a relative basis and may require some additional attention:

	<u>Mgmt. Decisions on Resource Allocation</u>	
Mechanical Maintenance	2.78	34%
I&C Maintenance	2.94	37%
Wackenhut	2.97	34%
Support Services	3.00	29%
Unit 2 Operations	3.11	20%
Brock	3.22	33%
Non-designated	3.11	21%
Plant Staff - Craft	3.12	25%
Contractor - Long Term	3.16	27%
STP Composite	3.58	14%

⁶⁶ These organizations / demographic categories are highlighted because they either had mean scores of 3.00 or less and/or the mean scores were >10% lower than the corresponding STP composite mean. The organizations / demographics are ordered according to their mean ratings from lowest-to-higher. The values shown are the means and negative response percentages.



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The 2001 CCA showed mixed results in how the pressures of workload, schedule and meeting goals may be having an adverse impact on individual willingness to identify and pursue resolution of potential Nuclear Safety issues/concerns. Overall, ratings in these areas stayed essentially the same since the 2000 CCA; however, the following organizations / demographics⁶⁷ stood out from the STP 'norm.'

	<u>Schedule / Goals</u>		<u>Workload</u>	
Brock	3.09	32%	3.29	26%
Wackenhut	3.13	25%	3.10	27%
Mechanical Maintenance	3.23	26%	-	-
Electrical Maintenance	3.35	13%	-	-
I&C Maintenance	3.38	15%	-	-
Contractor - Short Term	3.15	30%	3.15	20%
Contractor - Long Term	3.30	21%	3.29	23%
Non-designated	3.35	18%	3.31	13%
STP Composite	3.76	10%	3.74	11%

Additionally, some organizations stood out based upon their employees indicating that during the past year, they know of someone who experienced a negative reaction from supervision or management for having raised an issue or concern related to nuclear safety.⁶⁸

	<u>Know Someone Who Experienced Neg. Reaction</u>	
Mechanical Maintenance	3.48	38%
Wackenhut	3.77	31%
I&C Maintenance	3.77	31%
Quality	4.07	23%
Non-designated	3.95	26%
STP Composite	4.52	12%

These results suggest that there may be a need to reinforce SCWE standards with supervisors and/or managers in these organizations.

⁶⁷ These organizations / demographic categories are highlighted because they had mean scores that were >10% lower than the corresponding STP composite mean. The organizations / demographics are ordered from lowest-to-highest mean ratings for 'schedule / goals' topic. The values shown are the means and negative response percentages.

⁶⁸ The response percentage shown represents that percentage of respondents that indicated they knew of someone.



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There were a number of recurring themes expressed in the write-in comments where respondents cited the effects of budget cuts and placing cost and/or schedule considerations ahead of longer-term plant safety and reliability. Also, some felt that too much "managing to metrics" impacted receptivity to documenting concerns and/or classification of reported concerns.

Continuing changes predictably fuel the need for substantive communications about these changes and the bases. STP management has an ongoing challenge in demonstrating how STP's expectations and priorities for Nuclear Safety Performance will be implemented.

There is a continuing need for discussion and clarity on how STP's Nuclear Safety 'standards' will be maintained in the current business environment. It is suggested that management continue to emphasize: (1) affirming and communicating the STPNOC Vision, Values, Standards & Expectations and Priorities; (2) explaining key changes (including how and why); (3) responding to employee questions and/or concerns in this area; and (4) ensuring that behavior reinforcement occurs and is visibly communicated through examples. (5) Also, the CCA results suggest that some additional attention beyond general communications may be warranted in the highlighted organizations. This recommendation remains unchanged.



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General Communications

The 2000 CCA indicated that depending upon the topic, there was a fairly wide variation of perceptions of the effectiveness of communications. Communications on matters affecting the future of STP and priorities as used in making resource allocation decisions were felt to be less adequate than communications on STP goals and performance. This situation was felt to be consistent with other enterprises undergoing change, driven by a higher personal interest and personal 'need to know' where there may be a personal impact.

In the 2001 CCA, these perceptions remained about the same. The write-in comments were consistent with the survey metrics, indicating a desire for increased communications about the future, including plans to address the challenges of deregulation. While general communications were 'adequate' overall, this area represented the lowest rated General Culture and Work Environment Dimension, with an 'adequate' rating of 3.26 and a 21% negative response rate. In the following organizations⁶⁹, the ratings of these two communications topics were rated nominally adequate to less-than-adequate:

	<u>Future Plans for STP</u>		<u>Priorities</u>	
I&C Maintenance	2.50	53%	2.67	43%
Mechanical Maintenance	2.56	42%	2.68	46%
U2 Operations	2.62	45%	2.69	41%
Risk & Reliability Analysis	2.71	43%	2.43	43%
Support Services	2.73	40%	-	-
Operating Experience Group	2.75	25%	2.75	25%
Electrical Maintenance	2.82	40%	2.98	30%
U1 Operations	2.86	29%	2.95	31%
Quality	2.93	27%	-	-
Facilities	3.00	33%	3.00	30%
Plant Staff - Craft	2.75	42%	2.92	36%
Non-designated	2.83	44%	2.81	38%
Hourly or Union	2.95	34%	-	-
STP Composite	3.24	22%	3.27	20%

Given the relatively steady metrics in this critical area and low ratings in the highlighted organizations, it is suggested that all levels of management place increased emphasis on face-to-face communications with the workforce -- to explain, to clarify, obtain the feedback and address concerns. (This issue is integrally tied to the issue of senior management visibility and involvement discussed later.) This recommendation remains unchanged.

⁶⁹ These organizations / demographic categories are highlighted because they either had mean scores in a communications area of 3.00 or less and/or the mean scores were >10% lower than the corresponding STP composite mean. The organizations / demographics are ordered according to the 'Future Plans' rating from lowest-to-higher. The table entries include the means and negative response percentages.



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Recognition

Approximately 20% of respondents feel that STP is not effective enough in recognizing performance and accomplishments. While this area improved somewhat since the 2000 CCA (3.6% change in mean), it is the second lowest General Culture & Work Environment Dimension with an 'adequate' rating of 3.31. The write-in comments also expressed concerns about the adequacy of performance recognition practices (through both formal and informal mechanisms), including concerns regarding favoritism in the workplace.

The following organizations / demographic categories stood out negatively on a relative basis and may require some additional attention:

	<u>Recognition of Performance / Accomplishments</u>	
U2 Operations	2.77	43%
U1 Operations	2.81	35%
Mechanical Maintenance	2.82	38%
I&C Maintenance	2.90	28%
Plant Staff - Craft	2.98	34%
STP Composite	3.31	20%

In view of the critical importance that employee motivation and morale will play in STP's future, it is suggested that affirmative action be taken to enhance the effectiveness of implementation of existing programs and day-to-day practices to sufficiently and appropriately recognize the performance and accomplishments of employees. This recommendation remains unchanged.



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Senior Management Visibility & Involvement

The 2000 CCA results indicated that Senior Management was perceived as becoming increasingly disengaged with the workforce. These ratings remained relatively steady to slightly lower in 2001 with approximately a quarter of respondents indicating a continuing need for improvement. These concerns do not generally relate to how senior management has promoted an "open and receptive" work environment, which was the highest rated LMS Dimension.⁷⁰ The concerns are relevant to peoples' level of trust and confidence in management in general. 'Setting a Good Example / Build Trust in Management' was the second lowest LMS Dimension with an 'adequate-to-good' rating of 3.34.

A number of write-in comments cited declining and insufficient visibility, accessibility, involvement and awareness of what is going on in the workplace. Some comments also focused on declining trust based upon the perceived fairness of the ICP distributions. It appears that these perceptions have impacted some peoples' perceptions of how well senior management has developed and communicated the STP Vision, business strategy and associated goals and plans and management's ability to successfully address a changing business environment associated with deregulation.

These perceptions were expressed in three relatively low rated survey questions on Senior Management's openness and honesty in their communications and interactions with employees, visibility and accessibility to employees and setting a positive example by practicing what is preached. While the STP composite ratings in these areas are 'adequate,' some organizations and demographic categories had nominally adequate to less-than-adequate results.

	----- Senior Management -----					
	<u>Open/Honest</u>		<u>Visibility /</u>		<u>Positive</u>	
	<u>Communications</u>		<u>Accessibility</u>		<u>Example</u>	
Mechanical Maintenance	2.26	58%	2.34	54%	2.34	58%
I&C Maintenance	2.39	54%	2.62	42%	2.59	44%
Support Services	2.43	57%	2.60	47%	2.71	50%
U2 Operations	2.50	47%	2.62	42%	2.79	36%
Electrical Maintenance	2.66	40%	2.89	30%	2.68	44%
U1 Operations	2.71	39%	2.55	47%	2.68	42%
Facilities	2.85	37%	2.93	37%	2.78	48%
Risk & Reliability Analysis	3.00	29%	-	-	-	-
Wackenhut	3.00	27%	2.95	28%	2.92	29%
Plant Staff - Craft	2.49	50%	2.65	43%	2.60	47%
Hourly or Union	2.72	42%	2.84	38%	2.82	39%
Non-designated	2.78	44%	2.88	41%	2.87	33%
STP Composite	3.24	23%	3.18	25%	3.25	22%

⁷⁰ Dimension mean of 3.89 and negative response of 10%



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The low ratings by the Plant and Union Staff may be related to the failure to resolve the Union contract and a deterioration of trust between Management and Union personnel. Some are also concerned that management is bringing in "non-qualified, non-trained" contract personnel to do Union work.

The overall results for Functional Organization managers - in being straightforward, open and honest in their communications and interactions with employees - are notably higher than for senior management; however, some of the same organizations provided lower relative results.

	Functional Org Mgmt. <u>Open/Honest Communications</u>	
Mechanical Maintenance	2.44	56%
U1 Operations	2.60	44%
Wackenhut	2.69	46%
I&C Maintenance	2.85	39%
U2 Operations	2.87	36%
Plant Staff - Craft	2.84	38%
Hourly or Union	2.98	34%
Contractor - Long Term	2.98	37%
Non-designated	3.00	42%
STP Composite	3.41	21%

As in 2000, these perceptions remain critical at a time when substantive communications and direct involvement is necessary to explain bases for changes and to re-affirm STP's commitment to high standards.

In light of similar feedback as the 2000 CCA, it is suggested that all levels of management continue to place increased emphasis on face-to-face communications with the workforce -- to explain, to clarify, and to obtain the feedback necessary to make adjustments as appropriate. This recommendation remains unchanged.



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Personnel Development through Coaching

Effectiveness in developing people through coaching was the second lowest rated General Culture & Work Environment question in the survey with an 'adequate' rating of 3.27 and a 20% negative response rate. This area showed a nominal, approximately +2% change since 2000, but still stood out from other aspects of employee development that had notably higher scores. While the STP composite ratings in these areas are 'adequate,' some organizations and demographic categories had nominally adequate to less-than-adequate results.

<u>Development through Coaching</u>		
Mechanical Maintenance	2.74	44%
Operating Experience Group	2.75	38%
I&C Maintenance	2.79	37%
Wackenhut	2.90	31%
U1 Operations	2.90	25%
Health Physics	2.96	29%
Support Services	3.00	27%
Non-designated	2.95	32%
Plant Staff - Craft	3.00	31%
STP Composite	3.27	20%

The write-in comments included a number of concerns about training declining, including observations that the only training being conducted is that required by NRC or INPO. With more and more pressures being placed on streamlining discretionary training, coaching may become more and more important.

In view of the critical importance that employee capabilities and knowledge transfer will play in STP's future, it is suggested that increased emphasis and accountability be placed on supervision and management to enhance the effectiveness of coaching as an adjunct to STP's formal training programs.



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Employee Input into the Change Management Process

Overall, Management of Change represented the lowest rated LMS Dimension with an 'adequate-to-good' rating of 3.33 and a 21% negative response rate. The 2001 CCA results indicate that STP Functional Organization managers are doing relatively better in communicating the bases for changes ('adequate-to-good' rating of 3.41 with an 18% negative response rate) compared to how well they are perceived as obtaining employee input, buy-in and ownership up-front before implementing significant changes ('adequate' rating of 3.25 with an 24% negative response rate). Both of these areas showed nominal, approximately +1% changes since 2000. The ratings were relatively lower in the following organizations / demographic categories:

	<u>Employee Input Prior to Changes</u>	
U1 Operations	2.55	44%
U2 Operations	2.63	43%
Wackenhut	2.70	41%
Mechanical Maintenance	2.74	38%
Production Support	2.98	39%
Health Physics	3.00	28%
Plant Staff - Craft	2.91	38%
Hourly or Union	2.97	33%
Contractor - Long Term	2.98	35%
STP Composite	3.25	24%

In view of the fact that employee ownership and buy-in are so critical to the change management process and performance in general, it is recommended that this area be considered as part of STP's actions to enhance communications and increase management's visibility and involvement, particularly in the highlighted organizations and demographic categories.



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Individual 'Targeted' Organizations

SYNERGY has identified the Mechanical Maintenance organization as a "Priority Two" targeted organization based upon "absolute results" criteria. That is, they failed to meet "Absolute Standards of Acceptability" based upon industry norms as interpreted by SYNERGY. This organization has been 'targeted' as in need of remedial action in the near-term based upon low and declining cultural metrics. Also, the Wackenhut organization was recommended for further investigation in the near term of causative factors for their low "absolute" results. It is important to note that while Wackenhut (previously Protection Technology, Inc.) remains as a targeted organization, they have shown notably improved metrics since the 2000 CCA. Declining LMS metrics in Unit 1 Operations and Risk & Reliability also indicate a need for investigation, but over a longer-term.

Several other organizations, the I&C Maintenance, Electrical Maintenance and Support Services, were identified as a "Priority One" targeted organizations based upon "relative results" for the several cultural areas, i.e. low NSC, SCWE, GCWE or LMS metrics compared to the STP 'norm.' For these organizations, it is suggested that the causative factors for the relatively low NSC and GCWE/LMS ratings be investigated in the near-term. Several other organizations as identified in Figure VIII.7 had either relatively low GCWE or LMS metrics or negative pockets.

Actions should be based on the integration of this and other information known to STP management. Such review may result in changes to this initial determination including the deletion or addition of specific organizational units from the targeted organization list.



Appendices

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CD-ROM Index

The following Adobe Acrobat files are on the CD:

Banners:

- STP 2001 Demographic banner.pdf
- STP 2001 Eng Tech and Business Svc banner.pdf
- STP 2001 Nuclear Generation banner.pdf

Organization Question-level results:

- STP 2001 Org Sorts.pdf (all 2001 CCA questions)
- STP 2001 Org Sort Comp 2000 to 2001.pdf (comparison of common 2000-2001 questions)



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