

U.S. Nuclear Regulatory Commission



FY 2004-2009 Strategic Human Capital and Workforce Restructuring Plan

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Table of Contents

Section I. Introduction	1
Goal V. Management	1
Management of Human Capital	2
Human Capital Vision	2
Section II. Strategic Human Capital and Workforce Restructuring Plan	3
Changing Conditions	3
Human Capital Goal	4
Strategic Workforce Planning Process	6
Workforce Analysis	7
Human Capital Strategies	9
Section III. Human Capital Implementation Plan	17
Roles and Responsibilities	17
Appendix A	19
Appendix B	20
Appendix C	21

Section I. Introduction

The U. S. Nuclear Regulatory Commission (NRC) was established by the U.S. Congress on January 19, 1975, as an independent agency to regulate commercial and institutional uses of nuclear energy and materials. The NRC's purpose is defined by the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, as amended. The Acts provide the foundation for NRC's mission and authority.

To fulfill the NRC's responsibility to protect the public health and safety, the environment, and national security, the agency performs three principal regulatory functions: (1) establish standards and regulations, (2) issue licenses for nuclear facilities and users of nuclear materials, and (3) inspect facilities and other uses of nuclear materials to ensure compliance with regulatory requirements.

The NRC is headed by five Commissioners who are appointed by the President of the United States and confirmed by the U. S. Senate for five-year terms. The Chairman serves as the principal executive officer and official spokesman for the Commission. The chief operating officer is the Executive Director for Operations who carries out the program policies and decisions made by the Commission and who reports directly to the Chairman.

The NRC has approximately 3,000 permanent employees. About two-thirds of the staff is located in Rockville, Maryland, and about one-third of the staff is located in the four regional offices and other locations. The regional offices are located in King of Prussia near Philadelphia, Pennsylvania; Atlanta, Georgia; Lisle near Chicago, Illinois; and Arlington near Dallas, Texas. Resident inspectors, comprising about 3 percent of the staff, are stationed at approximately 70 sites including nuclear power plant sites, certain fuel fabrication facilities, and gaseous diffusion plants. The NRC also maintains a technical training center in Chattanooga, Tennessee.

In its FY 2004 - FY 2009 Strategic Plan (NUREG-1614, Volume 3), NRC included a management goal and articulated a set of strategies and means to ensure excellence in agency management. A table showing the NRC's mission, vision, strategic objective, and five goals in the FY 2004 - FY 2009 Strategic Plan is included as Appendix A. Goal V. Management, which forms the basis of this Strategic Human Capital and Workforce Restructuring Plan is shown below:

Goal V. Management

Ensure excellence in agency management to carry out the NRC's strategic objectives.

Two strategic outcomes are defined for this goal:

- Continuous improvement in NRC's leadership and management effectiveness in delivering the mission.
- A diverse, skilled workforce and an infrastructure that fully supports the agency's mission and goals.

For the management of human capital, the NRC's Strategic Plan lists the following strategies:

Management of Human Capital
(1) Optimize the agency's organizational structure to facilitate achievement of performance goals. (2) Use innovative recruitment, development, and retention strategies to achieve a high quality, diverse work force with the skills needed to achieve our mission. (3) Develop the agency's current and future leaders. (4) Strengthen managerial and supervisory accountability for setting individual and organizational performance expectations and for providing timely and complete feedback. (5) Foster a work environment that is free of discrimination and provides opportunities for all employees to optimally use their diverse talents in support of the NRC's mission and goals. (6) Use competitive sourcing to improve the efficiency of commercial activities while ensuring organizational effectiveness.

To guide the NRC's program for the strategic management of human capital, the agency has developed a human capital vision:

Human Capital Vision
A diverse, high performing workforce with the skills needed to achieve the agency's mission and goals.

Section II describes the workforce and organizational structure challenges the agency faces and how the human capital strategies will address them.

Section II. Strategic Human Capital and Workforce Restructuring Plan

To develop the NRC's Strategic Human Capital and Workforce Restructuring Plan, the staff examined the external and internal factors that will have an impact on the agency's ability to sustain the technical competence needed to achieve our mission and goals.

Changing Conditions

The major external factors that drive NRC's human capital strategies have evolved over the past several years. The events of September 11, 2001, served to raise the urgency of increased attention on security, safeguards, and emergency preparedness, which had always been an integral part of NRC's safety mission. Other changes include the possibility that the agency will receive a high level waste repository licensing application and nuclear industry interest in license renewal and potential new reactor construction. The major internal factors driving NRC's human capital strategies are the shift to using a more risk-informed and performance-based regulatory approach and the aging of its highly technical workforce.

External Drivers

The events of September 11 impacted NRC's mission significantly, elevating security, safeguards, and emergency preparedness concerns and focusing attention on how well the agency was positioned to carry out its responsibilities. The incidents highlighted the need to review NRC's safeguards, physical security, and emergency preparedness programs, and the skills of the staff in these areas. A new critical skills area, threat analysis, emerged. A continuing emphasis on nuclear plant security and emergency planning is reflected in the agency's strategic human capital planning effort. NRC staff activities in support of national security policies are expected to increase.

Other changes that are expected to affect the future work of the agency include continuing requests to renew existing nuclear power plant licenses. Analog safety systems and control room instrumentation will be replaced with digital systems. Requests for reactor power uprates have also generated new work as the nation's demands for electricity increase. In addition, the potential for applications for licenses for new power reactors or certification of reactor designs, and the potential for an application from the Department of Energy (DOE) for licensing the Yucca Mountain high-level waste repository are having a major impact on the work of the agency and its human capital. Information technology will play a major role in supporting the potential proceeding for licensing the construction of this facility, which is projected to be one of the most complex and voluminous Federal administrative adjudications ever held.

The labor market for engineers, scientists, threat analysts, and information technology professionals with core competencies critical to the accomplishment of NRC's mission will become increasingly competitive over the next 3-5 years due to increased demand and reduced availability in these occupational areas. NRC, the nuclear industry, contractors, and others who need staff with technical training in nuclear engineering and related fields are finding that the nation's colleges and universities are graduating fewer individuals with these specialties. The pool of experienced individuals from which the

NRC could draw is reduced due to the downsizing that affected the commercial industry, the United States Navy, and vendors over the last decade. As the labor market supply diminishes, organizations, including the NRC, are forced to broaden their human capital strategies to continue to meet the need for technical skills.

Internal Drivers

NRC's internal environment is also changing. The transition to a greater use of a risk-informed and performance-based regulatory approach in the agency's nuclear reactor and nuclear materials programs is expected to continue. The level of effort is expected to remain constant through at least FY 2006. This shift presents NRC with training and development challenges.

The NRC will need to continue to offer its employees workplace benefits which serve as valuable recruitment and retention tools. One of the most promising benefits, telecommuting, is the ability to work from home or an alternate location. Gradually increasing numbers of employees participating in the telecommuting program will place increased demand on the agency's technology infrastructure and staff to provide access to e-mail, office automation software, and agency business applications. At the same time, encouraging employees to telecommute will not only improve the NRC's ability to recruit and retain a high-quality workforce but will serve to protect the environment by reducing traffic, improve employees' work lives by allowing a better balance of work and family responsibilities, and reduce work-related stress.

NRC will be required to enhance security for computer systems and to monitor and improve security over the systems life cycle, resulting in greater demand for computer security specialists. Agency telecommunications requirements are expected to remain level, as will the relevant staff support.

NRC expects to work with other Federal agencies to develop common electronic government systems, to review existing legacy systems and business processes to look for better ways to serve citizens, and to respond to more reporting requirements related to information technology systems.

The agency will continue to invest in human capital given its workforce demographic profile, a competitive labor market, and increased demand for specialized skills.

Based on these conditions, the NRC will focus its efforts in the strategic management of human capital on achieving the following human capital goal:

Human Capital Goal
Sustain the technical competence of the NRC's workforce and enhance its effectiveness in achieving the mission.

In pursuit of this goal, the NRC will employ the human capital strategies outlined in the FY 2004 - FY 2009 Strategic Plan. These strategies incorporate the human capital objectives of the President's Management Agenda (PMA) and link to a variety of agency documents that guide

our activities in the strategic management of human capital, as shown in the following table. For reference, the PMA's Human Capital Standards for Success are provided in Appendix B.

NRC Human Capital Strategies	Linked NRC Documents	PMA Human Capital Standards for Success
1. Optimize the agency's organizational structure to facilitate achievement of performance goals.	Succession Plan Office Self-Assessments of Organizational Structure E-Government Plan	Workforce Planning and Deployment
2. Use innovative recruitment, development, and retention strategies to achieve a high quality, diverse workforce with the skills needed to achieve our mission.	Recruitment Plan Training and Development Strategic Business Plan (to be developed)	Talent (Skills and Experience)
3. Develop the agency's current and future leaders.	Succession Plan Knowledge Management Plan (to be developed) Training and Development Strategic Business Plan (to be developed)	Leadership and Knowledge Management
4. Strengthen managerial and supervisory accountability for setting individual and organizational performance expectations and for providing timely and complete feedback.	FY 2004-2009 Strategic Plan Annual Agency Performance Plan Office Operating Plans SES Performance Plans Employee Performance Plans	Results-Oriented Performance Culture
5. Foster a work environment that is free of discrimination and provides opportunities for all employees to optimally use their diverse talents in support of the NRC's mission and goals.	Affirmative Employment Plan Comprehensive Diversity Management Plan (to be issued)	Results-Oriented Performance Culture
6. Use competitive sourcing to improve the efficiency of commercial activities while ensuring organizational effectiveness.	Competitive Sourcing Plan	Workforce Planning and Deployment

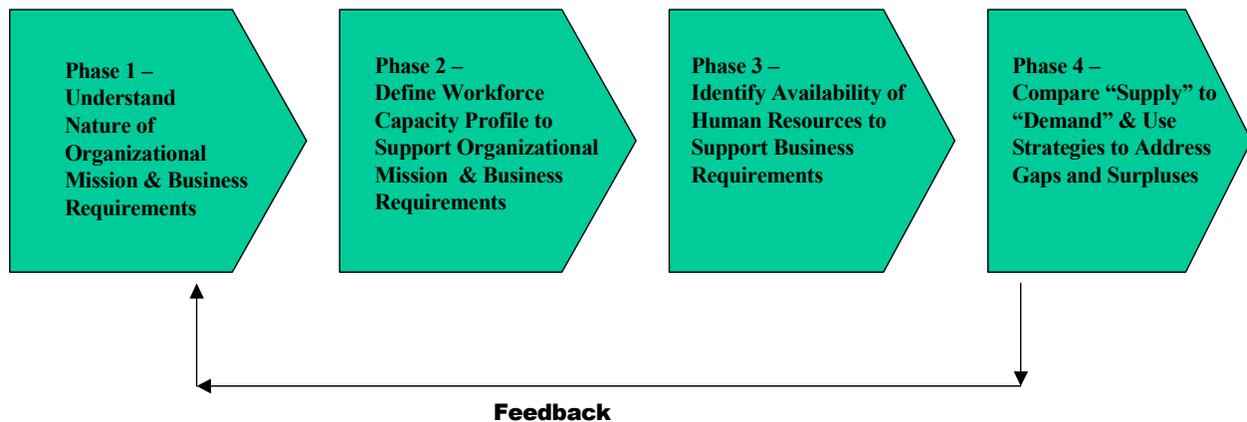
Implementation of these strategies is carried out within a framework of strategic alignment and accountability that links with both the PMA's Human Capital Standards for Success and with the NRC's Planning, Budgeting, and Performance Management (PBPM) process. The PBPM process provides for an annual review of the agency's strategic direction, updates planned accomplishments and determines resource needs, establishes measures and metrics for

performance monitoring, and assesses performance. To support its human capital initiatives, the NRC formulates a human capital budget as part of the annual PBPM process to provide a corporate view of the investments that are planned.

Strategic Workforce Planning Process

The NRC has developed and implemented a systematic approach for addressing its human capital needs through a comprehensive strategic workforce planning process. The workforce planning process provides the basis for strategic resource decisions on the most effective methods for maintaining NRC workforce capacity to achieve business results.

NRC uses a conceptual model to guide its workforce planning efforts, following steps to: understand the agency’s strategic direction and its workforce needs, analyze the current state of agency resources, identify gaps and challenges, and develop strategies and actions to address those gaps and challenges. Through measurement of the results achieved, the agency will evaluate its progress and refine its plan, as needed. An illustration of the model follows.



Strategic Workforce Planning Model

To measure the skills supply and demand, NRC’s strategic workforce planning web-based tool was implemented in June 2002 with the rollout of the skills assessment survey for employees in technical occupations. The system provides managers with a means to specify their near-term and long-term skills needs and provides employees with a way to indicate their level of expertise in these skill areas. Managers are able to view the skills assessments done by their staff members, along with demographic information including educational attainment and retirement eligibility. They can access reports with information that will help them do workforce planning. The website also contains handy reference information in the form of a Manager’s Tool Box that describes the human capital tools and strategies available and specifies the process for requesting and gaining approvals to use them. Employees can print their own skills profile and can get information on current and emerging skills needs of the agency.

The Strategic Workforce Planning web-based system employs a modular design, which has allowed expansion and enhancements as the needs of the organization have grown. A new section to measure leadership competencies was added in FY 2003, along with a tool for succession planning. New categories of skills have been created to assist workforce planning efforts for new work, such as the anticipated application for a High Level Waste Repository at Yucca Mountain and the development of new technology in the nuclear power industry.

Staff in the Office of Human Resources (OHR) analyze the agency-wide skills data and work with individual offices and managers to help them identify and strategically use the wide variety of human resource programs available. Through feedback, OHR will continue to assess the usefulness of the system and will refine it, as needed, to meet agency needs.

Workforce Analysis

In June 2001 NRC completed its workforce analysis to respond to OMB's Bulletin No. 01-07. With a benchmark date of September 30, 2000, the agency found that its workforce of 2,828 permanent employees was approximately 18% smaller than its permanent workforce had been in 1993. After 7 years of downsizing, the average age had risen to 48.3 years and less than 2% of the permanent workforce was age 29 or under.

Over the last four years, NRC's managers have used workforce planning information to guide actions that will balance the workforce and to assure that critical skills and competencies will be available to meet future needs. As a result of these actions, the demographic profile of NRC's workforce is changing. As of September 30, 2004, the average age of the workforce had dropped to 47.9 and 7% of the permanent workforce was age 29 or under.

NRC's workforce is 74% white, 13% African American, 7% Asian Pacific American, 5% Hispanic, and 0.35% Native American (as of September 30, 2004). This demographic profile compares favorably with the composition of the labor market for engineers and scientists in specialties that match NRC's technical occupations.

While the number of retirements has risen steadily over the last five years, the percentage of those eligible for retirement who actually retired has remained fairly constant. For the June 2001 submission to OMB, NRC used prior year data and projected that 17 percent of retirement-eligible employees would retire in each of the next five years. The actual rate of retirements among those eligible for voluntary retirement in FY 2001 was 14 percent. Based on this result and recent economic trends and world events, NRC reduced its expectations for retirement rates in the short term and projected a return to higher rates in the longer term. In FY 2002, 14 percent of those eligible for retirement exercised that option. In FY 2003, the rate was 16 percent, while in FY 2004 it was 15 percent. We project that between 15 and 16 percent of those who are eligible to retire in FY 2005 and FY 2006 will retire.

The NRC continues to project a permanent full-time staff attrition rate of approximately 6 percent per year in the near term. However, attrition rates are expected to increase should there be a growing interest in nuclear power plant construction. In FY 2005 and FY 2006, the NRC workforce will increase in size as the number of Full Time Equivalents (FTE's) grows to accommodate increased work demands and robust recruiting activity replaces departing staff members and fills new positions.

The list of mission-critical skills identified in 2001 has been updated to add crucial skills that emerged following the events of September 11, 2001. In addition, offices have specified their needs for the potential upcoming licensing proceeding for the Yucca Mountain high level waste repository. NRC's mission-critical skills requirements include occupations in engineering, science (including health physics), law, threat analysis, and information technology. Nearly 84% of NRC's employees have completed the on-line assessment of their expertise. Analysis of that data in combination with the skills needs analysis completed by supervisors and managers on-line and the responses of office directors to the annual information call has resulted in the identification of potential skills gaps that are being addressed.

New work, including license renewals, applications for power uprates, and the potential licensing of Yucca Mountain, represents an increase in staff resource needs. At the same time, the shift in work for nuclear materials as more states assume regulatory responsibilities under the NRC Agreement States Program will continue, resulting in opportunities to change staff responsibilities. New technology in the nuclear industry and new technology to facilitate the regulatory process will increase the demand for new skills. An increase in security, safeguards, and emergency preparedness work brings with it the requirement to acquire and train staff with skills not currently available at NRC, or not available in sufficient strength to meet the demand.

NRC's information technology infrastructure is being called upon to support more telecommuting and more agency processes. Staff members need project management skills and systems analysis education and experience to implement the transition from legacy systems to enterprise-wide, or government-wide electronic government systems. Computer security specialists are needed in greater numbers, or contract resources will be required to meet increased demand in this specialty area.

As NRC implements electronic government and competitive sourcing initiatives, the agency is assessing the impact on its workforce. The recent decision to move payroll and human resources servicing to the Department of Interior's National Business Center reduced payroll operational responsibilities for the Office of the Chief Financial Officer. In addition, some payroll functions that had been the responsibility of the Office of the Chief Financial Officer were shifted to staff members in the Office of Human Resources. The implementation of additional E-government initiatives, such as Enterprise HR Integration (EHRI), Recruitment One-Stop, and E-Training, will afford the NRC the opportunity to realize efficiencies that may have an impact on workforce deployment.

There are no skills currently available in NRC's workforce that are expected to be obsolete over the next five-year planning horizon. Given the potential changes noted above, however, some of the scientific, engineering, and technical skills that will be needed may not be currently available or not available in sufficient supply within the agency. This has implications not only for gaining access to new staff resources with the requisite skills but also for investment in technical training and development of the current workforce.

The following set of objectives and the means to carry them out describes how the NRC will align its human capital strategies with its strategic direction and ensure accountability for results.

Human Capital Strategies

1. **Optimize the agency's organizational structure to facilitate achievement of performance goals.**

Over the last decade, the NRC has changed its organizational structure to reflect changes in the internal and external operating environment and in the way its business is carried out. For example, following the events of September 11, 2001, the Office of Nuclear Security and Incident Response was created to focus the agency's efforts in the areas of security, safeguards, and emergency preparedness. Subsequently, the position of Deputy Director for Homeland Protection and Preparedness was established to increase executive oversight of security-related work and additional changes were made to consolidate and realign resources devoted to emergency preparedness.

Beginning in 1995, NRC offices also focused on delayering, achieving a reduction of approximately 50% of the numbers of managers and supervisors. Since that time, the agency has continued to track the ratio of managers and supervisors to employees and to look for more effective ways to deploy its management corps.

In FY 2002, NRC staff conducted an organizational review that assessed the degree to which agency organizational structures and processes were aligned with the strategic direction and new performance requirements. Staff in the Office of Nuclear Reactor Regulation, the Office of Nuclear Materials Safety and Safeguards, the four Regional Offices, and the Office of Human Resources analyzed how structures and processes could be changed to improve organizational effectiveness. Staff analyzed the work flow and management structures for nuclear safeguards, security and incident response; nuclear byproduct licensing and inspection activities; fuel cycle facility inspections; regulatory improvement programs; future licensing requests; and enforcement activities. Their efforts led to restructuring proposals to the Commission and subsequent creation of the Office of Nuclear Security and Incident Response, consolidation of the fuel cycle program in Region II, and transfer of materials licensing activities from Region II to Region I. These changes were designed to improve the responsiveness of the physical security and safeguards program, to improve the efficiency and effectiveness of licensing and inspection activities, and to concentrate resources on direct rather than indirect program support.

In FY 2003, the Commission tasked the staff with developing a strategy for continuing the review of the agency's organizational structure to meet emerging mission requirements and to look for greater effectiveness through redesigned work processes, realigned functions, and the reduction of unnecessary layers of management. Offices undertook self-assessments of the effectiveness of their management structures that resulted in a variety of changes to improve the span of control, particularly for first-level supervisors. NRC also re-evaluated its regional structure and staff made recommendations to the Commission in 2003.

With the update of the agency's Strategic Plan for FY 2004-2009, the NRC will implement a strategy to optimize its organizational structure in alignment with performance goals. The set of objectives and the means that will be used to carry this out are shown below:

Objectives

- Conduct periodic, systematic analyses of the organizational structure to ensure the most effective and efficient way to respond to changing mission requirements.
- Assure alignment of NRC's organizational structure with the evolution of E-government and competitive sourcing initiatives.
- Deploy managers and supervisors in a way that maximizes organizational effectiveness.
- Optimize office organizational structures.

Means

- Analyze the efficiency and effectiveness of office organizational structures.
- Continue to conduct ongoing organizational structure reviews that consider the impact of E-government projects and competitive sourcing alternatives.
- Conduct self-assessments of the deployment of managers, supervisors, and staff, considering the most effective delineation of roles and responsibilities.

2. Use innovative recruitment, development, and retention strategies to achieve a high quality, diverse workforce with the skills needed to achieve our mission.

NRC currently uses a wide variety of human capital policies and programs for recruiting, hiring, training and development, and retention to ensure that it has the right people with the right skills in the right place at the right time. Details on these policies and programs are given in Appendix C.

The set of objectives and the means to implement them are shown below:

Objectives

- Recruit and hire skilled individuals to meet current needs and build capacity for the future through an emphasis on filling entry-level positions.
- Improve the diversity of NRC's workforce in mission-critical occupations (engineering, science, mathematics, and information technology)
- Make NRC jobs attractive to both experienced and entry-level hires.
- Improve the delivery of services to managers and applicants as they participate in the recruitment and hiring process.
- Maintain a dynamic program of training, development, and knowledge management to ensure that the NRC acquires and maintains the competencies needed to implement the strategic plan.
- Promote an organizational culture that values learning and sharing information.
- Implement an ongoing strategic workforce planning process, following the strategic workforce planning model
- Forecast the staffing levels and critical skills needed to accomplish ongoing and new work, including the specific expertise to review license applications for new types of facilities and to regulate domestic nuclear security in the changing threat environment.
- Identify skills needed to maintain the technical competence of NRC's workforce.
- Measure the level of skills in the current staff.
- Integrate the strategic workforce planning process with the annual Planning, Budgeting, and Performance Management (PBPM) process.

- Help managers consider a variety of options for identifying, acquiring, and developing needed staff resources and skills.

Means

- Target recruitment outreach to colleges and universities, professional organizations, and geographic areas with concentrations of qualified applicants from under-represented groups.
- Use temporary appointments of college and university professors to augment skill needs for mission-critical programs and establish potential recruitment sources for targeted skill areas.
- Measure the extent to which recruitment, development, and retention strategies increase and maintain diversity at all levels.
- Use administratively-determined pay rates, as needed, to compete for qualified engineers, scientists, and information technology professionals.
- Offer recruitment bonuses to applicants with educational backgrounds in engineering, scientific, and information technology disciplines, to applicants for the Honor Law Graduate Program, to others for whom special pay rates have previously been authorized as recruitment incentives, and on a case-by-case basis as requested by offices to fill critical skill needs.
- Provide repayment for student loans for applicants and employees with the unique skills and competencies that are considered critical in sustaining the NRC's mission and program requirements.
- Pay retention allowances to employees with critical skills and competencies when those employees are known to be likely to leave the NRC and for whom replacement would be difficult.
- Provide relocation bonuses to encourage employees to transfer to geographic areas in need of skilled staff.
- Waive dual compensation restrictions to re-hire retired individuals with skills needed by the NRC in engineering and scientific fields or for security-related work.
- Maintain a Nuclear Safety Professional Development Program to attract and retain entry-level hires in engineering, scientific, and administrative support jobs.
- Provide meaningful occupation-specific project assignments to students who work for NRC during the summer.
- Use a web-based recruiting and hiring system (NRCareers).
- Use early replacement hiring (double encumbering) to allow new employees to learn from experienced employees.
- Provide technology tools to support the capture and retrieval of organizational knowledge.
- Offer undergraduate scholarships and graduate fellowships.
- Use Individual Development Plans to guide training and development activities.
- Implement a Learning Management System to record and track training and development activities.
- Provide technical training to develop and maintain skills that fulfill mission-critical needs.
- Provide training to upgrade communication, critical thinking, project management, contract management, and information technology skills.
- Develop and implement e-learning strategies to provide effective training at lower cost.
- Develop and maintain a comprehensive training plan and a knowledge management plan.

- Use the strategic workforce planning and analysis system as a tool for managers and supervisors to document their workforce skills needs over the near-term (0-2 years) and long-term (2-5 years).
- Use the strategic workforce planning and analysis system as a tool for employees to indicate their level of expertise on skills the NRC needs for the near-term (0-2 years) and long-term (2-5 years).
- Conduct gap analyses to identify skills needs.
- Use human resources options for recruitment, hiring, training, education, knowledge management, and development programs strategically to close skills gaps.
- Determine optimum sourcing strategies, including outsourcing work that could better be accomplished through contract resources.

3. Develop the agency's current and future leaders.

NRC uses the Office of Personnel Management's (OPM) leadership competency model to select and develop its leadership corps. Most often, individuals selected for leadership positions come from within the agency. NRC has active leadership development programs for both mid-level and senior-level positions, as well as supervisory development courses and executive leadership seminars. The agency also uses details and rotational assignments to broaden the experience of staff throughout the organization.

As of September 30, 2004, 28% of NRC's senior executives were eligible for voluntary retirement, while the retirement eligibility of non-SES managers and supervisors was 14%. Succession planning is assuring that individuals are identified and ready to assume leadership positions as they become available.

The strategic workforce planning system includes a module that allows everyone to indicate their level of competence for each of the 27 leadership competencies. It provides a mechanism for individuals to indicate their interest and availability for deployment to any of NRC's geographic locations. The system also includes a succession planning module for senior managers to identify potential successors.

The NRC's Training and Development website contains information about NRC's formal leadership development programs and training courses.

The set of objectives and the means to implement this strategy is shown below:

Objectives

- Continue to analyze workforce data to keep current information on potential vacancies in leadership positions.
- Understand the level of leadership competencies (OPM leadership competency model) available in the current executive, management, and supervisory workforce.
- Design leadership development programs that meet agency needs.
- Identify a diverse group of candidates for leadership roles.
- Prepare a cadre of individuals to assume leadership positions.
- Conduct succession planning.

- Use formal development programs and succession planning to create a diverse cadre of skilled leaders who are committed to achieving the agency's mission, goals, and strategies and who are prepared for appointment to leadership positions.

Means

- Use a competitive process to select participants for development in Leadership Potential Programs.
- Use a competitive process to select participants for development in Senior Executive Service (SES) Candidate Development Programs.
- Provide leadership development training opportunities for staff aspiring to leadership positions.
- Use rotational assignments to broaden the experience of future leaders.
- Encourage the use of mentoring and coaching programs to enhance leadership skills.
- Use the self-evaluation data in the strategic workforce planning system to identify training and development needs to enhance and improve agency executives, managers and supervisors leadership competencies.
- Provide continuing training and development opportunities for all executives, managers, and supervisors.
- Use the strategic workforce planning system to identify interest of SES members in reassignment to other geographic locations.
- Use the succession planning module in the strategic workforce planning system to identify successors for critical leadership positions.

4. Strengthen managerial and supervisory accountability for setting individual and organizational performance expectations and for providing timely and complete feedback.

NRC fosters a performance culture that keeps employees focused on the NRC's mission and goals. Through effective performance planning, feedback, and rewards, managers communicate the link between individual and organizational performance.

The set of objectives and the means to implement this strategy is shown below:

Objectives

- Communicate NRC's strategic direction.
- Communicate the link between individual performance outcomes and organizational performance outcomes.
- Continue integrating human capital planning into the planning, budgeting, and performance management process.
- Align office program goals and individual performance plans with NRC goals and objectives.
- Participate in the periodic Safety Culture Survey conducted by the NRC's Office of Inspector General (OIG) and OPM's Governments-wide Human Capital Survey when it is offered.
- Hold managers and supervisors accountable for strategic human capital management in their program areas.

- Develop and maintain a documented HR accountability system to assure merit-based human resources management.
- Devise an accountability system with defined roles, responsibilities, desired outcomes, and a process for evaluation and continuous improvement.
- Strengthen accountability for results in performance plans for members of the Senior Executive Service (SES).
- Reward performance that contributes to organization success.
- Improve individual performance, including that of individuals whose work is less than satisfactory.

Means

- Use the Intranet, e-mail communication, and the NR&C (employee newsletter) to inform and engage employees about issues and challenges facing the agency.
- Hold discussions among senior leaders about the human capital implications of NRC's strategic direction to develop a corporate answer to the challenges.
- Integrate and align human capital planning with agency strategic and performance plans, with the budget, and with office operations.
- Develop an agency-wide human capital budget and report results and expenditures against it.
- Use reports of FTE utilization to align human capital planning and budget planning.
- Use results from the OIG Safety Culture Survey and OPM's Government-wide Human Capital Survey to identify areas of improvement in the strategic management of human capital.
- Link office program goals to specific NRC goals and track performance.
- Conduct periodic site assessments of all HR operational components.
- Complete a program evaluation of NRC's strategic management of human capital in FY 2005.
- Include accountability for human capital management in SES performance plans.
- Revise performance plans, as necessary, to strengthen the link between individual performance goals and organizational goals.
- Develop a communication plan focused on individual and organizational performance.
- Use effective feedback and management tools to improve performance.
- Review recognition and award systems to assure that rewards are linked with results.
- Provide training to managers on effectively using the performance management system to improve performance and to deal with poor performers.

5. **Foster a work environment that is free of discrimination and provides opportunities for all employees to optimally use their diverse talents in support of our mission and goals.**

NRC continues to focus on creating a discrimination-free work environment through effective communication, teamwork, and early resolution of issues. Efforts in this regard are guided by the Affirmative Employment Plan (FY 2001 - FY 2005) and the Comprehensive Diversity Management Plan (to be issued).

The Affirmative Employment Plan establishes four Guiding Principles to achieve the NRC's Equal Employment Opportunity Standard for Excellence through employment of a highly skilled workforce which is representative, at all levels, of America's diversity:

Affirmative Employment Plan Guiding Principles

- I. Create a working environment that is free of discrimination, including sexual harassment, and is accessible to individuals with disabilities.
- II. Ensure that Agency policies, processes, and procedures provide all employees the opportunity to participate in mission accomplishments, and to compete fairly and equitably for career enhancement and advancement.
- III. Employ a competent and highly skilled workforce, representative at all levels of America's diversity; and enable employees to accomplish the Agency's mission by providing support, tools, and a positive work environment.
- IV. Recognize, appreciate, and value diversity, thereby demonstrating trust, respect, and concern for the welfare of all employees within the Agency.

The Comprehensive Diversity Management Plan will detail strategies for addressing areas for improvement in diversity management, specify goals and measures, and define success.

The agency holds managers accountable for their leadership and management practices, and provides them with training and tools to assist them in their efforts. The EEO Advisory Committees work with management to address agency-wide issues that may impact EEO and diversity management.

The set of objectives and the means to implement this strategy is shown below:

Objectives

- Communicate the value NRC places on having a diverse workforce.
- Provide a work environment with the facilities, programs, and flexible work arrangements that help employees balance their work and life responsibilities.
- Maintain awareness and sensitivity to the special needs of persons with disabilities.

Means

- Provide EEO/Diversity Management training to managers, supervisors, and employees.
- Hold an annual Diversity Day to celebrate the NRC employee community.
- Support flexitime and flexiplace work options through technology tools and management flexibility.
- Provide child care facilities.
- Provide a health center at Headquarters and support for equivalent services for field staff.
- Provide child care tuition assistance subsidies to eligible employees.
- Subsidize the costs of an on-site fitness center at Headquarters and provide equivalent support for field staff.

- Support employee job satisfaction and success through mentoring relationships and career counseling services.
- Provide reasonable accommodation for employees and applicants with special needs.
- Provide semi-annual briefings of the Commission on the status of the EEO program.
- Provide the EEO Advisory Committees with opportunities to assist the agency in developing EEO initiatives.

6. Use competitive sourcing to improve efficiency of commercial activities while ensuring organizational effectiveness.

The NRC's Competitive Sourcing Plan (December 15, 2003) details how NRC will use competitive sourcing to determine whether the private sector or Federal employees can perform a specific commercial activity in the most cost-effective manner. The agency will conduct Business Case Analyses (BCAs) to determine which functions to consider for competitive sourcing. The BCAs will examine various factors including severability of the work from core agency functions, potential for performance improvement or cost savings, and human capital management considerations. An agency Core Team for Competitive Sourcing will provide guidance and assistance in implementing the plan.

The objective and the means to implement this strategy are shown below:

Objective

- Implement a competitive sourcing plan based on agency-established criteria for identifying commercial activities to be considered for competition.

Means

- Establish an agency Core Team for Competitive Sourcing.
- Conduct Business Case Analyses annually.
- Update the agency's FAIR Act inventory on an annual basis
- Conduct Streamlined Competitions, as required.

Section III. Human Capital Implementation Plan

NRC will carry out the implementation of its Strategic Human Capital and Workforce Restructuring Plan through an annual planning and accountability process that is integrated and aligned with the agency Planning, Budgeting, and Performance Management (PBPM) process. The annual human capital implementation plan will focus on near-term priorities and will link to tactical plans for recruitment, retention, training and development, workforce restructuring, and specific initiatives for that year. NRC will develop its first annual human capital implementation plan in FY 2005.

Roles and Responsibilities

A wide variety of individuals and offices in the NRC are involved in the many aspects of the strategic management of human capital. The table below shows roles and responsibilities throughout the agency.

Senior Management	<ul style="list-style-type: none"> • Ensuring alignment with the agency's mission, vision, and values • Committing to an integrated, agency-wide approach to human capital management • Clearly communicating commitment and support for implementation • Providing guidance for designing optimal organizational structures • Funding office initiatives in human capital management through an agency-wide human capital budget • Holding managers accountable for results
Offices	<ul style="list-style-type: none"> • Participating in the development of the agency's strategic human capital and workforce restructuring plan • Integrating human capital considerations with program plans and budgets • Communicating the office's approach to managing human capital • Identifying short-term and long-term skills needs • Analyzing office workforce demographic data and skills • Identifying and forecasting skills gaps • Working in partnership with the Office of Human Resources to determine appropriate gap closure strategies and taking action to close skills gaps • Analyzing office functions and roles and responsibilities to assure that the organizational structure is aligned with the mission and goals • Proposing office restructuring, as appropriate • Assessing human capital management results

Office of Human Resources	<ul style="list-style-type: none"> • Working in partnership with offices and regions to assess the internal and external factors that may impact the agency's ability to sustain a high-performing, diverse workforce with mission-critical skills • Developing the strategic human capital and workforce restructuring plan with input from offices • Working in partnership with offices and regions to develop the Human Capital Implementation Plan • Formulating and executing a human capital budget to support agency initiatives • Communicating the agency's approach to the strategic management of human capital • Analyzing office input on optimal organizational structures to assure alignment with guidance • Developing human capital strategies that support the agency's ability to achieve mission success • Analyzing workforce demographic data and providing information to agency senior management and offices • Analyzing office input on skills needs and employee assessments of available skills to identify and forecast skills gaps • Working in partnership with offices and regions to determine appropriate gap closure strategies and taking action to close skills gaps • Assessing and reporting agency progress in strategic human capital management
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Appendix A

From FY 2004 - FY 2009 Strategic Plan:

Mission	
License and regulate the Nation's civilian use of byproduct, source, and special nuclear materials to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment.	
Vision	
Excellence in regulating the safe and secure use and management of radioactive materials for the public good.	
Strategic Objective	
Enable the use and management of radioactive materials and nuclear fuels for beneficial civilian purposes in a manner that protects public health and safety and the environment, promotes the security of our nation, and provides for regulatory actions that are open, effective, efficient, realistic, and timely.	
Goals	
I. Safety:	Ensure protection of public health and safety and the environment.
II. Security:	Ensure the secure use and management of radioactive materials.
III. Openness:	Ensure openness in our regulatory process.
IV. Effectiveness:	Ensure that NRC actions are effective, efficient, realistic, and timely.
V. Management:	Ensure excellence in agency management to carry out the NRC's strategic objectives.

Appendix B

From the President's Management Agenda (PMA) initiative for the Strategic Management of Human Capital:

PMA Human Capital Standards for Success	
Strategic Alignment	Agency human capital strategy is aligned with mission, goals, and organizational objectives and integrated into its strategic plans, performance plans, and budgets.
Workforce Planning and Deployment	Agency is citizen-centered, delayed and mission-focused, and leverages e-government and competitive sourcing.
Leadership & Knowledge Management	Agency leaders and managers effectively manage people, ensure continuity of leadership, and sustain a learning environment that drives performance improvement.
Results-oriented Performance Culture	Agency has a diverse, results-oriented, high performing workforce, differentiates between high and low performance, and links individual/team/unit performance to organizational goals.
Talent (Skills and Experience)	Agency has closed most mission-critical skills gaps/deficiencies and has plans to close all.
Accountability	Agency human capital decisions are guided by data-driven, results-oriented accountability system.

Appendix C

From the NRC's Strategic Workforce Planning website:

Managers' Tool Box
Recruitment, Hiring, and Retention
<p>Advances in Pay - An advance in pay allows an advance payment of basic pay of not more than 2 pay periods to newly appointed individuals, either entering their first Federal appointment with a scheduled tour of duty or entering a new appointment following a break in service of at least 90 days. This tool can assist in recruiting highly qualified individuals who might otherwise encounter financial difficulties in accepting a position.</p>
<p>CO-OP Program (Student Career Experience Program) - This program offers college or university students pursuing undergraduate and graduate degrees an opportunity to alternate semesters of work and study.</p>
<p>Details - These types of personnel actions can be beneficial when there is an immediate need to temporarily staff a position that has been vacated. For the most part the employee should have the skills required of the position.</p>
<p>Honor Law Graduate Program - This program is designed to attract outstanding individuals from across the Nation who wish to begin their legal careers in a Federal agency. It presents diverse and challenging opportunities to serve the public and to gain valuable experience in the practice of law.</p>
<p>Increases in Compensation and in Number of Senior Level Positions - The market for technical skills, particularly in certain engineering and scientific areas of special interest to NRC (e.g., materials and metallurgical engineering, criticality engineering), as well as in information technology, is becoming increasingly competitive. Higher pay and additional Senior Level (SLS) positions may be required to respond to these needs, both to attract the appropriate expertise and to retain current talent.</p>
<p>Nuclear Safety Professional Development Program - The two year program is designed to attract a diverse and balanced group of individuals and to develop their potential for success in professional assignments and future leadership positions. Only applicants with high academic credentials, interpersonal effectiveness, extracurricular activities or work experience, honors, and awards have been selected for the program. The program includes structured course work, formal and informal training events and activities, and tailored developmental working assignments to expose the individual to a broad range of NRC regulatory challenges in critical mission areas.</p>
<p>Recruitment Bonuses - A recruitment bonus (a "signing bonus") can be used to attract highly qualified and highly competitive applicants. Recruitment bonuses are currently being paid to entry-level engineering and scientific selectees, to Honor Law Graduate Program participants, and to entry-level applicants in certain information technology and financial series and grades. On a case-by-case basis, office directors may request the offer of a recruitment bonus to individuals with other special skills. The amount of a recruitment bonus can be up to 25% of the employee's base pay.</p>

Re-employed Annuitants - Rehiring an employee who has retired is growing to be more common. Many times these individuals possess knowledge, skills and abilities that may be otherwise hard to find. Generally, these types of rehires will have their salary reduced by the amount of their annuity unless an exception is approved (see Waiver of Dual Compensation).

Retention Allowances - A retention allowance authorizes the NRC to pay an employee an additional percentage of pay for a specified period if the employee is planning to leave the NRC. This extra pay encourages essential employees to remain in the agency to carry out a critical activity or function that would be adversely affected if they were to leave or retire. The amount of a retention allowances can be up to 25% of the employee's base pay.

Student Loan Repayments - Repaying student loans is authorized in the NRC as a recruitment and retention incentive for individuals possessing critical skills.

Student Career Experience Program (Summer) - This program promotes hiring college students and/or high school students who wish to work during the summer months or during school vacations and has resulted in a number of permanent hires.

Training, Development, and Knowledge Management

Formal Training and Development Programs - Training is critical to effective workforce planning and ensuring employees have the knowledge and skills to accomplish the agency mission. The agency offers several forums for training including external (universities and other learning centers), internal (Technical Training Center and Professional Development Center) and self-paced learning (courses obtained through online/web-based, videotape-based, CD-ROM, requested workbook training). Formal development and qualification programs are also maintained.

Developmental Assignments - Formerly known as "Rotations," these types of assignments can be very useful tools in filling gaps while giving employees an opportunity to learn and develop in a new environment. Generally, as positions become vacant and an organization is willing to assist in developing someone on a temporary basis, they can elect a developmental assignment. These assignments are now recorded in the Training system.

Knowledge Management/Knowledge Transfer - Knowledge management is capturing critical information and making the right information available to the right people at the right time. Knowledge Management at NRC includes, but is not limited to, databases, electronic reading rooms, formal and informal training, interviews, procedures, desk references, communities of practice, websites and portals.

Graduate Fellowship Program - This program is designed to attract, recruit, retain, and develop technical experts whose qualifications combine experience with advanced technical knowledge or degrees in specialized engineering and scientific disciplines. The program combines an initial period of work at the NRC with a subsequent graduate education and permanent return to the NRC. It enables individuals to acquire specialized knowledge that NRC determines to be a critical technical discipline in short supply.

Undergraduate Scholarship Program - The Undergraduate Scholarship provides tuition, fees, and books for a limited number of college seniors who have worked in the NRC as Co-operative Education students. The program can be used as an early recruitment device to recruit high quality talent before the students are recruited by other sources. Following graduation, the student is obligated for a period of NRC employment.

Early Replacement Hiring (Double Encumbering) - Early replacement hiring is an “FTE overhire bank” that allows a limited number of FTE overhires, enabling the agency to recruit well in advance of planned departures and thereby provide continuity of critical skills to satisfy critical core competency requirements. It is a time for critical knowledge transfer to occur.

Waiver of Dual Compensation Limitations - The NRC has two authorities to waive, in certain circumstances, the regulations that require a salary “offset” when retired Federal employees return to work for the government. The NRC can waive this offset to re-hire selected retirees in engineering and scientific fields who have scarce technical skills, for limited periods when critical work needs compel. The NRC can also waive this offset to re-hire individuals for security-related work resulting from the events of September 11, 2001.

Leadership Development

Leadership Potential Program - This is a part-time program designed for full-time permanent non-supervisory and supervisory employees at grade levels GG 13-15 who have demonstrated technical competence in their field and exhibit potential for, or have demonstrated, successful performance in a team lead or supervisory position.

SES Candidate Development Program - This program provides high potential GG 14 and above employees with training and developmental activities that prepare them for future positions as senior executives within the agency. It is tailored to each participant’s own development needs focusing on SES requirements as established by the Office of Personnel Management (OPM).

Work Environment

Part-Time Employment - A part-time work schedule requires that an employee work at least 16 hours weekly but not more than 32 hours weekly. A biweekly work schedule cannot exceed more than 64 hours. It may be an attractive alternative for an employee, with critical skills, who may otherwise leave the agency.

Telecommuting - Offering flexible work arrangements can be an effective retention tool for quality employees and also provide a valuable tool for recruitment of new employees. Therefore, managers are encouraged to identify positions appropriate for telecommuting. Telecommuting may be project-based or on a fixed schedule and may be done from home or from an official Federal Telecommuting Center.