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UNITED STATES NUCLEAR REGULATORY COMMISSION
BRIEFING ON EQUAL EMPLOYMENT OPPORTUNITY
AND WORKFORCE PLANNING

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WEDNESDAY

May 28, 2008

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The Commission convened at 9:30 a.m., the Honorable Dale E. Klein,
Chairman presiding.

NUCLEAR REGULATORY COMMISSION

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9 Civil Rights

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11 Union

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CHAIRMAN KLEIN: We will begin our meeting this morning.

This is the time at which we get to hear about the EEO matters and workforce planning. Clearly, new hires and retaining our skilled workers and also employee satisfaction is certainly important.

As I've indicated several times and my fellow Commissioners as well, people are our great strength for this agency. So, we get to hear about our EEO programs as well and our semi annual process. We'll have a more rigorous review of that later on in the year. This is really an important subject.

I should also note that while Miriam is not new to the agency she's new in her position as Deputy Director of HR. I know that's a very challenging position trying to keep Jim under control. It's probably full time in itself.

Any comments from my fellow Commissioners? Bill, would you like to begin?

MR. BORCHARDT: Good morning. Thank you, Chairman.

Before I turn it over to Jim to begin the briefing I'd just like to make a couple comments. As we all know this is a very exciting time for the NRC. We have a lot of new work that's arrived. Some additional new work that's going to arrive next week. And along with all that new work we've hired a

1 lot of new people and they have really provided a lot of energy, a lot of
2 diversity of views and of background making an immediate contribution to
3 the staff of this agency.

4 They're bringing with them new ways of working, new ways of
5 interacting with people, new ways of using the latest technology and
6 information sources.

7 This briefing today is going to be largely forward looking. I think the
8 message that I would like the staff to walk away from is to recognize how
9 seriously we're paying attention to the feedback that we get from them
10 through things like the safety culture through the feedback that they're
11 giving their first-line supervisors and their office managers.

12 And what you're going to hear today are a lot of the things that are
13 directly aimed at addressing the needs of all of the staff, but of these
14 emerging needs that it takes to operate in today's environment.

15 We're trying to make maximum use of flexi place, a question that
16 came up yesterday. We see that as a very powerful tool. We think it works.
17 It's worked successfully in various parts of the agency and it has great
18 opportunities to expand.

19 I'm firmly of the belief that the agency can accomplish its mission
20 using those kinds of programs. So, it's not an either or. It's a mutually
21 beneficial system.

1 One other item that I think we're going to need to pay particular
2 attention to as we transition from a growth mode, we've hired over 400
3 people a year for the last couple of years as we staffed up, we're going to
4 go into a steady state hiring mode in all likelihood over the next several
5 years.

6 And we're going to need to pay particular attention, I think, to our
7 diversity issues and make sure that we reach out to those stakeholders and
8 those populations to make sure that we still have a good cross-section of
9 the American population coming to work at the NRC.

10 That was relatively easy to do when we had a lot of hiring to do, but
11 when we get to the steady state and we have about 6% attrition throughout
12 the agency. That will tell you how many people we're going to expect to
13 hire.

14 We're going to have to pay, I believe, particular attention to make
15 sure that we go to the widest range of sources of potential employees
16 possible. So, with that you can go to slide 2, please.

17 This just shows the agenda for today's meeting. And slide 3; I'll turn
18 it over to Jim McDermott.

19 MR. McDERMOTT: All right. I'm going to talk first this
20 morning in keeping with the fact that it's Older Americans Month. I thought
21 I'd point that out before Commissioner Lyons does. Critical skills staffing --

1 that's an old joke between us.

2 Bill just mentioned we've hired like crazy. We're, if anything,
3 overachieving. We'll hire more than 400 new employees by the end of
4 2008. I looked at data this morning. We're right exactly on the target line
5 for a net gain of 200 this year.

6 So, this will taper off in the out years in the next three to five years,
7 but it may be increasingly difficult to recruit because we believe the
8 environment will become far more competitive. Already, there are about
9 two to three jobs available for each graduate in the disciplines of interest to
10 NRC like nuclear engineering and health physics.

11 And retirements will also increase. That's going to be inevitable.
12 We'll continue to work on the tools that we need to attract and retain
13 employees. We'll continue to pursue mid-career and older workers who are
14 coming to us for a second career for job security and for the possibility of
15 health benefits and retirement. That's a huge attractor. We mentioned that
16 the other day.

17 That had worried me, but I got some smarter people to look at the
18 data and I said, "Am I going to create another bow wave of people who click
19 off their five years and then they're out of here in the near term?" The good
20 news is, no, that is not the case.

21 We've hired a number of people over the age of 60 and their

1 retirement eligibility is actually less than the eligibility of the NRC population
2 as a whole. So, that's kind of good. I like things to be gradual rather than
3 jolts.

4 We're leveraging the grant and the scholarship and the fellowship
5 programs that we have to improve our outreach to candidates with the
6 particular skills that we need that focuses skills in the right areas.

7 And to attract employees we're going to streamline the application
8 process a bit. I had the pleasure of meeting with Senator Akaka and
9 Senator Voinovich and they lit off with gory examples of how bad the
10 application process is for the government generally.

11 And I was just afraid that he'd pull up one of my vacancy
12 announcements because it would look an awful lot like the one from OPM
13 that he sort of pilloried in the hearing. Near escape.

14 We're doing things about that. We're trying a little pilot very soon
15 saying, you know we found something out in Region II. We posted, I
16 believe it was an Information Technology Specialist kind of job about the
17 Grade 13 level on the Web, it got 10,000 hits on it, but it only got 60 people
18 to start the application process; fewer than 30 finished it.

19 Senator Akaka made a big point of this saying this process where
20 you get on and you have to answer a gazillion questions online and write a
21 Pulitzer prize-winning essay on each knowledge skill and ability is turning

1 people off. OPM recognizes this at the SES level.

2 They've got their own pilot going saying, "You want an SES job?
3 Give us a resume." Stop. So, we're kind of trying a test on that with a
4 couple of our jobs saying, "Just send us in a resume.

5 A group of SES candidates sponsored by the Department of
6 Agriculture, the USDA School, did a study about Federal hiring and they did
7 some validity studies. It was way over my head. I don't know how good
8 this science is, but they said that one of the highest predictors of a good
9 outcome to a hiring process is the structured interview.

10 One of the worst predictors is reams of paper discussing knowledge,
11 skills and abilities provided by the applicant. They credited that it was
12 something like an 11% value as far as making good decisions. We have to
13 learn from this stuff.

14 Bill already sounded the bell for this. We have to pay a lot of
15 attention to -- the new buzz word is our "on boarding" process. It could use
16 a little work. I came across a quote, not of an NRC employee, but here's
17 what this new employee said.

18 "I was sent to a conference room where someone from HR helped
19 me complete a bunch of forms." That probably rings a bell in the audience.
20 "I was not introduced to anyone. I had no one to go to lunch with and no
21 one had set up my computer access. So, I sat there and stared at the wall.

1 By the end of the day I felt that I had made a terrible mistake in leaving my
2 old job."

3 Well, our boast is we're not that bad, but we are looking at this very
4 seriously and trying to get people to realize the on boarding process should
5 be for the first year. When you go to the majors, you're a rookie for the
6 whole year. You're not just a rookie on Day One and you need that kind of
7 attention and follow up. So, we're trying to take care of it.

8 In five years, nearly half the staff will be here five years or less and
9 these are the new folks that Bill has talked about. They've come from all
10 different generations and all kinds of diverse backgrounds. That's a
11 strength. It also presents some challenges.

12 I think at Turkey Point not too long ago I got question once from a
13 young Turkey Point engineer who raised her hand and said, "How are we
14 going to get the boomers to trust us?" Well, there are, it won't happen
15 overnight, there are trust and respect issues that we'll have to consciously
16 work at to get the best out of this new staff that we have.

17 I'm a broken record. I said this before. We have to work at
18 communicating the core values of NRC. It's the responsibility of the entire
19 staff. It's not just senior manager. It's not even just supervisors, although I
20 think first-line supervisors are the key. Everybody on the staff has a
21 responsibility to model what our real core values are.

1 Our new staff have expectations. They want workplace flexibility.
2 Bill has pointed out that we're doing well at that. Our most recent case for a
3 little bit of a flexible work force has to do with a technical person, an
4 engineer I believe, who will be reviewing things in Kenya while
5 accompanying her spouse who's on an assignment over there.

6 And we've worked it out and we can do this. It will work. We'll
7 probably touch base a couple times during the year. I applaud the
8 management openness to this kind of endeavor.

9 We're working on a pilot project in NRO on more flexible hours of
10 work. One of the newly anointed SES deputy directors there hounded me
11 while on an assignment to Commissioner Merrifield. I don't know how this
12 got put together, but said, "I have a terrific project manager who can only
13 work part-time because of your dumb work rules with regard to hours. If
14 she could just work in the evening or do something like that. She needs to
15 know she's wanted." In NRO they are going to pilot just the kind of
16 arrangement she was pushing.

17 Mike Webber is heading up a group also that will be looking at work
18 life flexibilities.

19 New tools: We ought to think among other things of expanding the
20 child-care subsidy program. It needs to be made available to the lower
21 salaried employees because the costs are pretty terrific in the child-care

1 center.

2 We need near term to improve the student loan program in several
3 aspects and I don't know whether this is within our power or whether it
4 takes legislation. I will find out from OGC. Right now, we don't use it at the
5 front to close the deal with regard to hiring a new person. We say, "Well,
6 it's something we may offer you down stream."

7 Other agencies use it at the front end. They say, "Yeah, this is part
8 of our package. We'll put you into the student loan program." We also, in
9 contrast to other programs, where if you get a benefit you have a service
10 requirement, it's kind of prorated; amount of benefit, length of time.

11 No, this is all or nothing. You either complete all the service you're
12 required to do or you owe the whole subsidy you got for your student loan
13 back. That's a turn off. That's not working as well as it could for us. Those
14 are the kinds of things we have to address. We may need some special
15 pay authorities.

16 The Chairman invited me to think about some things we might need.
17 I thought about some. We're looking at asking to expand the 161d authority
18 of the Atomic Energy Act that right now it allows us to pay up to executive
19 level 4, which gets to executive level 3 with locality pay, for scientific and
20 technical positions.

21 We're thinking about whether or not we should seek to broaden that

1 to other professions; IT, lawyers, accountants, whatever. We have to make
2 a case of difficulty in recruitment to do that and we would need legislation to
3 do that.

4 Another thing that I think we're going to have to think of downstream
5 is getting critical pay authority like NASA has. People have told me that,
6 "Well, we shouldn't ask for that because it's not like we're going to the moon
7 the way NASA people are."

8 Not this one, but the other adult supervisor who watches me on
9 another front said, "What's the matter with them? If something terrible goes
10 wrong on a space flight there are some casualties. If something terrible
11 goes wrong at one of those power plants that you're interested in regulating
12 a lot more people are in trouble."

13 So, we may need, DOE has it, NASA has it, we may need critical pay
14 authority that we can get. We may need to get it on our own because
15 sometimes OPM says, "Gee, we'd like to give it to you, but it's the same
16 case as direct hire. It's just outside the bounds of our legislative ability."

17 And another bombshell I'd like to talk about. I would ask you; do you
18 think the day will come when we'll have to think about hiring non-citizens for
19 some of our critical technical positions? The statistics are, at the graduate
20 level many, many of the majority of candidates are non-citizens. In the
21 nuclear enterprise it's getting totally international.

1 Security clearance has always been sort of a showstopper for that,
2 but that may change as other entities are finding ways to clear non-citizens
3 for certain kinds of sensitive work. Could I have the next chart, please?

4 I'll go through the chart fast. Those are the lists of skills. We're
5 going to have as much trouble acquiring health physics skills as we are
6 engineering skills downstream. That's the one, NEI for example, is worried
7 about. And the market for high end administrative management skills will
8 be tough.

9 Over the next three to five years we plan to improve our strategic
10 workforce planning tool. We need to build a clear relationships between the
11 academic disciplines and the functional or operational specialties that we
12 actually -- how we want them applied.

13 That will help us to integrate the strategic planning, the recruitment
14 and the training and development, so it's kind of a seamless operation
15 when we look at the whole picture. And finally -- next slide, please.

16 This is the Ed McGaffigan Memorial Tsunami Chart. It tells us that
17 we're getting younger. Average age a few years ago was about 49 and
18 change. This says in 2012 will be about 45, which is a good trend. It
19 assumes, too, that we'll continue hiring by 25% at the entry-level, which is
20 very strong for minorities.

21 The key to retaining both the new and the old staff that this chart

1 shows is training and development programs.

2 So, I'll turn the mic over to Kathy Gibson.

3 MS. GIBSON: Chairman, Commissioners. We're in the midst
4 of a pretty significant cultural change in adult learning and development to
5 meet the changing demographics of our workforce. This change is moving
6 learning from an event base instructor focused environment where it was
7 almost exclusively classroom instructor led to a continuous more learner
8 focused environment.

9 And the future of learning here at the NRC is changing right along
10 with the rest of the learning domain. Our learning will be more learner
11 focused. We want to provide the knowledge and skills that our staff needs
12 at the time they need it and where they are.

13 We've made some strides toward this outcome and I'll mention a few
14 of them. The agency's qualification and development programs already
15 include individual study activities, on the job training and experience or
16 actual learning activities.

17 In late 2004, we developed an e-learning plan in response to the
18 administration's e-gov initiatives. Since then, we've designed, developed
19 and implemented over 30 online courses. And when I say "we" I don't just
20 mean HR. The offices have put their own money and resources in the
21 developing some of these courses.

1 We're using the video teleconferencing system and some limited web
2 based webcasting technology through our Professional Development
3 Center contractor to present some training to the regions.

4 In the classroom, we've incorporated an electronic testing tool that's
5 called Quizdom. And this tool allows instructors to gage student
6 comprehension in real time.

7 We also just recently rolled out the new learning management
8 system. We call it i-Learn. This tool provides better information for
9 managers and staff so they can plan, schedule and track their learning
10 activities. It also serves as a portal for online courses.

11 Knowledge Management strategies are also being pursued to
12 facilitate real time knowledge sharing capability. We've successfully
13 completed a pilot of a knowledge networking software product with the
14 offices that involve nearly 300 staff. We're calling it the NRC Knowledge
15 Center and it's being prepared for rollout for agency wide use in the near
16 future.

17 We're forming a small team to update the e-learning plan for the next
18 five-year period. We'll be focusing in a number of areas. Firstly, developing
19 infrastructure requirements to support advanced training methodologies on
20 the desktop and in the classroom.

21 We're looking at virtual worlds, gaming and simulation, webcasting,

1 podcasting, and other applications to provide high quality and convenient
2 learning experiences for our staff.

3 We're looking at other government agencies and private companies
4 to learn from their experiences and collaborate where possible.

5 We have a team working on solutions for simulation capability for
6 new reactor designs. You've already heard some of this at the Digital I&C,
7 the new reactor and the infrastructure briefings. And you've been told that
8 as of now, we're looking at three options.

9 One is to purchase our own simulators, purchasing software models
10 to run on our hardware, or renting time on someone else's simulators.
11 We're looking at a number of factors to assess these options.

12 In terms of skills assessments, we're working with NRR, NRO and
13 the regions to send out a web-based survey to experienced resident
14 inspectors, license examiners and branch chiefs to focus on how their past
15 simulator training has helped them in their jobs.

16 Then this summer we're going to pull a smaller sample of examiners
17 and inspectors to the Technical Training Center. We're going to review the
18 data and draw some conclusions. So, we're rolling an assessment of our
19 past approaches into our future plans.

20 We're doing market research to determine what might be available.
21 Some vendors will build training centers and some won't. Some may make

1 their software loads available to us and some may not. Cost is also a
2 factor. So, we'll likely end up with a mix of solutions for the different vendor
3 designs.

4 We're also considering some of the new technologies like virtual
5 reality and simulation and display capabilities for learning modules that we
6 can use in the classroom or for just-in-time training for our staff.

7 For example, so that inspectors could refresh on things like startup,
8 shut downs, operations; things like that at their desktop just before those
9 evolutions occur.

10 We want to provide a supportive learning environment for all of our
11 employees to work, learn and grow from their first day of employment as
12 Jim mentioned from their orientation to their retirement and then when they
13 come back from their retirement.

14 Statistics have shown the number one reason employees leave their
15 jobs is problems with their supervisor.

16 So, with that in mind, to strengthen our leadership cadre we're
17 instituting a leadership academy conceptual framework to provide the full
18 spectrum of OPM leadership competencies from our senior staff and senior
19 levels to our executives.

20 And this will get at a question that you got yesterday at the all hands
21 meeting on the development program for senior levels and for senior staff.

1 That is incorporated into the leadership academy.

2 The framework recognizes that the needed skills and competencies
3 are different at the different management levels and the development
4 becomes more individualized as leaders move up the ladder. The
5 leadership academy provides for refresher and continuing competency
6 development as well as enrichment for the current level and preparation for
7 future levels.

8 To summarize, agency training is changing as the employees and
9 the environment are changing. Our workload is ever increasing. Our time
10 to competency is much shorter now than it has been in the past. Many of
11 our new hires are from the digital age and they work and learn in new ways.

12 We're responding to these changes in our Knowledge Management
13 learning and leadership development programs. Thank you.

14 MS. COHEN: Good morning, Chairman and Commissioners.
15 It's a pleasure to be here this morning. One of the things that you'll see in
16 the slides -- on the next slide, please -- is we're talking about things that are
17 important to employees.

18 We've heard a lot over the past few weeks and months about how
19 well the NRC has done on the Annual Employee Survey, which was a
20 follow-up to the 2006 survey and it shows that we're doing a lot of things
21 right. I think, as we all know we can't rest on our laurels. We have to

1 continuously improve and as part of that we have to address concerns that
2 have been raised by employees as well as supervisors.

3 We touched on this a little bit at the infrastructure meeting a few
4 weeks ago and it's pretty fundamental and that is that we need to have a
5 focus on meaningful and challenging work. And I think as you look at the
6 employees that have come into the agency over the past few years, and
7 we've hired quite a few of them, we need to ensure that they are balancing
8 the work that they have with training and, in fact, we're going to be looking
9 at improvements at our NSPDP program to ensure that people can get on
10 the ground quicker to make some contributions faster without doing
11 anything detrimental to their ability to train and learn. This is all part of our
12 improvements that we need to make in our programs.

13 Kathy alluded to the Leadership Academy. This is real important to
14 us because we really need to focus on providing quality supervision. If
15 you've seen the statistics in the background on materials that you were
16 provided we have over 1,600 employees that have less than five years of
17 experience. So, they need to be coached, mentored and trained.

18 They can't just be coming into the organization without the tools
19 necessary to do their jobs and to do their jobs well. And so, that will be a
20 real focus of us as we move forward.

21 There's a note on this slide about a flexible work environment and

1 amenities. These have been covered briefly, but we need to do what we
2 can to attract and retain employees that are interested in coming to work for
3 us. Provide them maximum flexibilities in terms of work hour scheduling.
4 We're also looking, obviously, at some of the pay issues that may require
5 legislation.

6 But things like amenities that I can tell you coming from another
7 Federal agency this organization has a lot to offer to prospective
8 employees. The facilities -- despite the space challenges -- are very, very
9 good. We offer the fitness centers in many of our locations. We have
10 eating establishments on the premises and for those of us in Bethesda
11 actually good places nearby to walk to. Those are all factors that are
12 important to people when they consider jobs that they're going to consider
13 taking.

14 As Jim mentioned earlier, as a follow up to the Senior Leadership
15 Meeting that we had in April we have a Work Life Committee that is formed
16 of some senior managers looking at the flexibilities that we can potentially
17 put in place recognizing that at the right time they'll have to be negotiated
18 with the union.

19 With respect to awards and recognition, we do a good job in
20 recognizing employees. There's no doubt about that, but we want to look at
21 any variability that we can provide; awards that can be provided more on

1 the spot.

2 I know in the past that we've had programs looking at on the spot
3 awards and we do special act awards, but we need to think about how we
4 can make sure that we reward people at the time of the event and not have
5 them at special times during the year where maybe it's too far away from
6 when the actual great performance took place.

7 The other thing that I know we're doing now and we can probably do
8 better is look at what the employee may want. Some of the employees that
9 come on board that don't have a lot of leave might want a time off award in
10 lieu of a cash award or it just depends on the individual circumstance. We
11 should consider that as we're contemplating awards for the employees.

12 There's an interesting bullet there that you see on your slide about
13 customer, upward, peer feedback. What we're trying to think about here
14 and it's alluded to in the background materials that you have as far as the
15 360 evaluations is that we're not looking for a mass change in performance
16 management across the agency, but we're looking at novel approaches to
17 provide feedback to employees because right now it's really just top down.

18 I was a product of a peer evaluation back in the mid-90s and it was
19 very insightful whether you got it from your boss or whether it was from your
20 subordinate or actually your customers. This is widely done in the private
21 sector and we should consider where appropriate we could do it here at the

1 NRC. Again, this is forward-looking. It's nothing that we're doing today or
2 tomorrow, but we need to keep our eye on the ball.

3 I'd like to turn very briefly to something that's near and dear to my
4 heart and those are business process improvements. We have a lot of help
5 in this area. I think -- and Jim alluded to some of the inputs that he's
6 received from being down on the Hill as well as you, Chairman, when
7 you've gone down to see our friends -- we need to do a better job at making
8 the application process less cumbersome.

9 We alluded to the fact that we're going to be putting out some jobs
10 where you just supply a resume in lieu of lengthy, lengthy dispositions of
11 your knowledge, skills and abilities. I think this will really help us shorten
12 the time it takes to bring people on board.

13 We also have the ability to automatically rate and rank applicants for
14 jobs through an automated tool that we have in place, which we're currently
15 using for the NSPDP-ers and entry level secretaries. We're going to be
16 expanding that as the years go on with some positions, I think, in the Office
17 of General Counsel as well as in other places where we can get subject
18 matter experts that will identify questions and answers that the computer
19 will be able to weed out those that aren't meeting the minimum criteria.

20 So, again, it's something we're looking at further expanding in terms
21 of reducing the amount of time it takes to bring people on board.

1 As you all know, the Lean Six Sigma study that was done last year
2 looked at how we can close the gap in terms of the minimum number of
3 days to bring people on board after a job has been closed. We're doing
4 better than we were last year.

5 Just a couple of data points because I know everybody loves data
6 here. We are looking at about 49% of our jobs have been filled within 45
7 days and this compares to 31% last year. In terms of average days to fill
8 the job, we're looking at 60 days this year compared to 84 last year. Again,
9 it's not near the target, but the vector is moving in the right direction and it
10 does take a lot of time to change the culture, both from the HR perspective
11 and on the hiring official's perspective.

12 Some external initiatives that you should just be aware of and for
13 those in the audience. There is an e-government initiative with regard to
14 the Electronic Official Personnel File known as the OPF. Right now they're
15 in a lektriever, I believe on the third floor in this building, probably many
16 files, many lektrievers of information and we're looking to automate those
17 as part of a larger e-government initiative that will actually provide
18 employees with on-line access to their historical employment actions since
19 they came to the Federal government.

20 This is something we believe we'll be able to embark on later this
21 year and continue into next year. Other agencies have already started.

1 We're sort of waiting to see how they go before we jump into the lake with
2 them.

3 Another key initiative that's real important is Retirement Systems
4 Modernization. We have heard from Linda Springer that actually this is one
5 of her highest priorities in terms of before she leaves that this is a major
6 improvement to the way retirement claims are processed both from the HR
7 end as well as what the employee can do up front to prepare for their
8 retirement.

9 It's a very, right now, routinized, mechanical process. It requires a lot
10 of counseling on both ends and this is something that we think will help
11 speed up the process. We're looking to move into that system probably late
12 summer, probably early fall as part of a shared service provider that we get
13 from the Department of Interior. So, we'll keep you apprized on that.

14 Finally, this was alluded to yesterday at the meeting. We have some
15 fairly archaic management directives that have not been updated in many
16 years. It takes time to update those directives. We've been really focused
17 on hiring and bringing people in the door.

18 We're going to be looking at how we can provide that information
19 maybe in a more streamlined form that provides more operational guidance
20 as opposed to policy, so we can get that out on the Web, make it
21 searchable, accessible and make it easier for people to do business with

1 us. Right now we're probably challenged in that area and we do a lot of
2 phone call counseling because of the nature of the fact that those directives
3 are fairly out of date.

4 So, again, it's all part of continuous improvement. It's going to take a
5 while to get there, but we believe that's the right way to go. With that, I'll
6 turn it over to Ren.

7 MS. KELLEY: Thank you so much. Chairman Klein,
8 Commissioners, I thank you for the opportunity to bring the semi-annual
9 update of our Equal Employment Opportunity Program and a portion of that
10 is just equal opportunity. The employment piece is not included.

11 Given that this is the interim briefing as the Chairman mentioned, I
12 will be focusing on just a few updates from our last briefing. Some of these
13 items were requested out of SRMs or by way of other requests that the
14 office received. Next slide, please.

15 The agency recently established an outreach and compliance
16 coordination program and I want to just hit on two aspects of that. The
17 outreach portion, which focuses on minority serving institutions program.
18 We've included on this slide just some of the accomplishments from that
19 program. We've been very active and the agency has gotten lots of
20 recognition from some of the things that we've done already.

21 One of those is that in 2008 HBCUs voted NRC as one of the top

1 supporters of HBCUs and the plans for the future would be to recognize the
2 agency in a celebration for this honor. That celebration, I believe, is
3 planned for sometime in February in conjunction with some other awards
4 ceremonies that the HBCUs have planned.

5 NRC is among about 15 Federal agencies that will be getting this
6 award and I will say that we're in good company with other agencies that
7 have lots of money. And that's not the case for NRC, but we try to leverage
8 in lots of ways other than just giving money and that is to work to try to use
9 centers of excellence, collaboration, leveraging one university with another
10 university and trying to maximize the benefit to the growth and development
11 of the capabilities of the facilities themselves, of the faculty and certainly of
12 the students.

13 We funded research that one university believes will end in break
14 through science. We can't attest to this. This is their assertion. We're not
15 arguing with them, but it remains to see whether that belief of it being
16 cutting edge science remains. We were happy to say that the agency funds
17 did contribute to this scientific effort.

18 We funded the STEM program, which is Science, Technology,
19 Engineering and Math. We've tracked at least 300 students who benefited
20 from these efforts, but there have been several others. We know of these
21 300 and we wanted to mention them in particular because we know that

1 these individuals really increased in their own growth and development in
2 the STEM areas, their own performance, their individual performance
3 improved.

4 We were asked by the President's Advisory Board to provide
5 information on NRC's Minority Serving Institutions Program particularly with
6 a focus toward Tribal colleges and universities and we did that. This
7 request came from the White House initiative that other agencies, and the
8 plan is that according to the White House initiative, they will provide some
9 of the information that we shared with other agencies and we have been
10 contacted by other agencies to say what are you doing in this area? So, it
11 is a good sharing and exchanging effort.

12 At the last briefing, we were asked to developed measures to kind of
13 measure the progress of the agency's outreach program and we developed
14 these measures. They were included in the book, but they are now being
15 vetted with the offices.

16 So, they are draft and very preliminary and we've just given the
17 offices something to react to, and we will continue the process of getting
18 those comments and finalizing those measures. Next slide, please.

19 On the compliance side, here again this is a new effort. The agency
20 has always been doing things to ensure that its NRC conducted and its
21 Federal financial assistance activities are done in a way that's

1 nondiscriminatory and that access is given to NRC's Limited English
2 Proficient public. But those things were not brought together in a formalized
3 program.

4 We have since put those in a program and that program basically
5 has about 10 subprogram areas, whether its investigations or doing pre-
6 and post- award reviews or handling a complaint or making sure that we
7 give access to our Limited English Proficient public.

8 Those are just some of the examples of the different program areas,
9 but we have started and we have done work in each of these program
10 areas. It remains a crawl/walk/run approach and we're out of the gate and
11 we expect to be fully compliant as we indicated earlier in about FY-10.

12 To date, we've conducted about 95 pre- and post-award reviews and
13 I focus on that because it's one of the things that we were not doing
14 previously. We have a very viable program for conducting these reviews
15 now. And that's an area where Congress has given some attention.

16 Some Federal agencies have actually had to testify about why they
17 were not doing these reviews, particularly the post award compliance
18 reviews. This is when you give grants to universities or research
19 organizations or what have you. So, we are definitely doing those now.

20 We've provided monitoring assistance to about 57 recipients and
21 those are the ones that we have done pre-award compliance reviews and

1 we're continuing to monitor their progress and their compliance with the
2 Federal requirements.

3 We are working with the offices in terms of their Limited English
4 Proficiency support to their LEP public and we've begun efforts to outreach
5 to the offices and put together a point of contact group in the offices so that
6 we can more closely monitor what the offices are doing, collect that
7 information and report that information out to the organizations that we have
8 to report to. Next slide, please.

9 Turning to our Small Business Program. We continue to have a very
10 small strong small business program and in '07 the agency met four of five
11 contracting goals. We did not meet the Service Disabled Veteran Owned
12 Business goal. That's a 3% of the agency's total contracting efforts.

13 That is a goal that's set universal across the Federal government
14 and so because of that we've put in place a number of strategies to help us.
15 I'll touch on a few of those.

16 We're piloting a mentor protégé program where we will look to pair a
17 large business with a small Service Disabled Veteran Owned Business to
18 help them grow together so that the smaller business can learn, can
19 enhance their capabilities and learn from the larger business and hopefully
20 that will lead to them being more in a position to get a prime contract with
21 NRC, but during the time with the mentor protégé they may, in fact,

1 subcontract -- they may have sub contracts in place already with the large
2 business.

3 We'll do outreach and training; more of that. We do that already, but
4 we will look for opportunities to give information to potential contractors with
5 NRC and help them with how they might be successful in identifying the
6 opportunities and eventually getting that contract award

7 We're looking at putting set-asides in place. We haven't done this,
8 but this is something that is an option for us and looking at what are the
9 procurement opportunities at NRC and which of those are very well suited
10 for a small Service Disabled Veteran Owned Business. The Division of
11 Contracts is working with us in this effort and we're putting heads together
12 to see out of the box thinking.

13 We're looking at incentivizing contract awards for those. Maybe a
14 large business has a 5% goal to do subcontracting to small business. If
15 they exceed that, we may reward them in evaluation factors the next time
16 around that they are considered for contract work.

17 This is not a complete list. There are a number of other things. No
18 holds barred. We're looking at whatever opportunities that we can take and
19 actions that we can take to increase our contracting with Service Disabled
20 Veteran Owned Businesses. That's the ultimate goal, to reach that goal.

21 Next slide, please.

1 With regard to the Comprehensive Diversity Management Plan, we
2 have four measures in place. Overall, the agency is in most cases better
3 than 50% green in each of these categories. The one that we're most
4 challenged on is number two, staff development, and the goal we're
5 revisiting because it may be somewhat unrealistic and unable to be
6 reasonably reached for most offices because it's basically 10% of your staff
7 would need to be in a formalized development program. For small offices in
8 particular, that's a lot.

9 We were somewhat limited in terms of what we would consider and
10 we are re-examining that to say if you are in fact developing your staff in
11 other ways, but they're not in a formalized program, we may have to find a
12 way to give offices credit for that because that's just as valuable as being in
13 the Leadership Potential Program or in the SES CDP or on a formal rotation
14 if you're doing other things to develop your staff.

15 As far as the others, the agency overall is better than 50% green and
16 we're continuing to make progress.

17 Concerning diversity awareness training, a number of offices have
18 requested some diversity training and we're providing that. We're giving
19 some classroom training upon request.

20 We have two seminars that we will be doing in conjunction with
21 Diversity Day this year. This is our first time trying this, but we know that

1 diversity awareness, not just ethnicity and gender, but in a broader sense of
2 the word diversity is something that we can always continue to try to raise
3 across the agency.

4 So, we're going to run two seminars in conjunction with Diversity Day
5 where we'll bring in some experts to speak on that subject and give
6 employees an opportunity to participate in those. Next slide, please.

7 With regard to our complaint management process, we continue to
8 manage the complaints in the informal and the formal and to get contacts to
9 the office. In addition to this, I might mention that HR has a program where
10 the anti-harassment process and we do -- the agency receives complaints
11 under that process as well.

12 So, to kind of get the total picture we need to consider all of these
13 because these are different avenues where an individual can have an issue
14 vetted.

15 In terms of our informal and formal complaint activity, we had 15
16 informal complaints and six formal complaints filed in '08 so far and I
17 believe we have about 24 matters raised in the harassment venue.

18 In terms of the most frequent basis for the complaints that have
19 come through our office, age has been the most frequently raised basis for
20 the '08 complaints; however, if you look at our four year trend its non-sexual
21 harassment.

1 And in terms of the most frequent issue, non selection or lack of
2 promotion has been the most frequent issue for '08.

3 We do not have a backlog of complaints. I say that gladly because
4 that was a challenge for us for some years and we worked very hard to
5 keep that backlog at zero cases, which means that we process them within
6 the timeframe that EEOC has established.

7 We are putting in place a new tracking system that will help us to do
8 our external reporting to EEOC and No Fear Act reporting that goes to
9 Congress and a number of other Federal agencies. We believe this
10 tracking system will enhance our overall monitoring of complaint activity and
11 our reporting requirements.

12 We've completed assessments of the EEO and diversity program.
13 We looked at each of the regional offices and the Technical Training
14 Center. We recognize that the TTC is not an office in and of itself, but with
15 it being kind of displaced physically, we did visit that organization as well
16 and those assessments went very well.

17 We did have some suggestions. We made some observations and
18 we made some suggestions and those have been very well received. It is
19 our plan to do something similar beginning in headquarters and we'll
20 embark upon the headquarters' offices later this year and probably take us
21 until 2009 to complete those. And with that, I thank you very much.

1 MR. BORCHARDT: Well, in closing I'd just like to add my
2 personal recognition and compliments to the staff of these two offices
3 because I think they're doing a very good job of responding to a rapidly
4 changing environment of receiving input from the rest of the NRC
5 organization and actively pursuing improvements that are being identified
6 by those staff members.

7 I think the relationship between these two offices and the staff of
8 these two offices and the rest of the NRC organization has never been
9 stronger and shows great promise for the future of the agency.

10 So, with that, the staff's presentation is complete.

11 CHAIRMAN KLEIN: Thank you for a very good and detailed
12 presentation. I would like to comment before I start my round of
13 questioning that Ren and I often times have an opportunity to work together
14 on some sensitive complaint issues and I would just like to compliment you
15 for the way you conduct yourself and your staff in handling those.

16 I think it's very professional. You go to the root cause, which
17 sometimes isn't fun and you do that in a very professional way. I think it
18 reflects good not only on your office, but on the agency as a whole. So, I'd
19 like to compliment you for your diligent work and your staff in that area.

20 MS. KELLEY: Thank you.

21 CHAIRMAN KLEIN: Jim, just to keep our tradition of asking

1 questions with those who start first, you seem to always get that short straw
2 on starting first.

3 One of the questions I guess in terms of your critical skills you talked
4 about some of the gaps we have and, of course, Commissioner Lyons and I
5 and others have been concerned about the Digital I&C for quite a while.

6 Do you have a road map of how we're going to close the gap on
7 those critical skills?

8 MR. McDERMOTT: Well, we developed a road map for each
9 skill as the office highlights it to us. It's probably not at a completely
10 strategic level because it deals with I would say short-term or relatively near
11 term crises in the office.

12 For the long term, we're talking to Brian and other office directors
13 about saying what should we be growing for you now because you won't
14 get it for three or four years. They're very active in that arena. They are
15 identifying specific needs for which they say I want a graduate fellowship for
16 somebody to go and get this or that particular skill.

17 They've talked about broadening this effort and we have to come up
18 with some money for it. We just recently picked three graduate fellows that
19 we're sending off for various disciplines here and there. And if I was smart,
20 I'd know which ones, but I'm not.

21 That's still, to some extent, episodic. That's why I want to integrate

1 our work force planning with our training and development proficiency in
2 and qualification standards and ultimately that ties right back to recruiting so
3 that we can fill these gaps.

4 I've got to get up above the grass to see exactly where we find major
5 trends in this area. We know about Digital I&C and we recruit heavily for
6 Digital I&C, but we may not always be doing it the right way. That's why I
7 want to integrate all this stuff that we do.

8 CHAIRMAN KLEIN: Thanks. In the area -- I think Bill
9 mentioned that we have about a 6% attrition rate.

10 MR. McDERMOTT: He's wrong again. A year ago we said
11 we would have 6.25%. We downgraded that to 6% and it's actually 5.64%
12 for this year. We might finish out lower.

13 CHAIRMAN KLEIN: He rounded up.

14 MR. BORCHARDT: He's become an engineer.

15 CHAIRMAN KLEIN: Well, he likes the data, right? I guess in
16 terms of that attrition rate, how do we compare with other agencies or
17 departments?

18 MR. McDERMOTT: Lower. We are lower. We have always
19 been lower. There were some years back in the early 90's where our
20 attrition rate was half that of the overall rating government. And that's been
21 one of our strengths. People come. They vote with their feet and they vote

1 to stay here.

2 CHAIRMAN KLEIN: You talked about the child care activities.

3 Are we at maximum capacity on our child care?

4 MR. McDERMOTT: Yes. There's a waiting list. I'm looking
5 around. Somebody besides me may know that. We are at -- for infants,
6 there's a waiting list to get infants in and sometimes it varies from group to
7 group. Basically, we're full. Part of that is we have special arrangements
8 for siblings and stuff like that. The word is if you're thinking, go register right
9 away with the child care center.

10 CHAIRMAN KLEIN: Assuming that concrete starts getting
11 port on White Flint Three, do we have plans of expanding?

12 MR. McDERMOTT: We don't, but we should. We should
13 think about -- see what we would do and how we do it. Are we doing the
14 right thing? It's fair to challenge. It's frightfully expensive for the individual
15 employee. People know -- our employees are able to afford it, but many
16 bypass that for much more economical arrangements closer to home and
17 what not.

18 CHAIRMAN KLEIN: On the critical pay -- you mentioned
19 NASA. I think when I was at DOD they had that as well. Is there any
20 reason that we cannot get that because clearly NASA and DOD has it? Is
21 there any reason we cannot do something similar?

1 MR. McDERMOTT: I'm beginning to understand that they
2 have special legislation for it and we can go and talk to them about their
3 basis and say why don't we try and get this. Can I point at something we
4 absolutely have to have right now today? Maybe not. But tomorrow as
5 these technologies emerge as we find out what we really need to know to
6 safely license and inspect some of these more advanced designs, we may
7 have to go there.

8 CHAIRMAN KLEIN: Thanks. Kathy, on the area of training,
9 obviously something near and dear to my heart since I've being involved in
10 a little educational activities in the past. How do you measure your training
11 effectiveness?

12 MS. GIBSON: How did I know you were going to ask me
13 that? Based on a question you asked Jim at the infrastructure briefing in
14 the SRM, we look at a number of different things. Of course, we've been
15 rated number one in training and development so we looked at survey
16 results. They're always very high.

17 As Bill mentioned, we have a close working relationship with what we
18 view as our customers, the offices. And we get feedback from them on
19 areas of the training that are working well and areas that need
20 improvement.

21 We routinely re-baseline or do needs assessment for different

1 program areas to make sure that it's not necessarily the training that we
2 were doing last year meets the need this year. So, we continuously look at
3 that.

4 The measures that we have in place are, I guess, the things that are
5 most easy to measure, but they are meaningful. We give exams in our
6 technical courses and we look at exam trends. We look at courses that
7 have waiting lists.

8 Jim said people vote with their feet, so that gives us an indicator of
9 training that's effective and training that's not effective. If people don't come
10 then they don't see value in it. So, we look at those.

11 We have a number of different things that we look at to measure the
12 effectiveness of our training.

13 CHAIRMAN KLEIN: How do you determine which to do
14 digitally and which to do with a real live instructor? Because as you
15 mentioned, and I think Jim indicated this in his opening comment about an
16 age difference with Commissioner Lyons.

17 It turns out when I saw the new students coming in, they really relate
18 to a computer screen as opposed to someone standing up and giving them
19 a boring lecture. So, how do you determine what material to do digitally
20 versus that with a live instructor?

21 MS. GIBSON: We have a process that we've documented in

1 our e-learning plan. As I said, we're going to be taking another look at that.

2 At this point in time we largely default to instructor led training. We
3 do, for efficiency reasons, present some training to the regions using the
4 VTC and webcasting.

5 As the infrastructure -- the agency infrastructure gets better
6 especially between headquarters offices and the remote sites, the regions,
7 the TTC, I think we'll be able to go more into advanced learning
8 methodologies.

9 Basically, the 30 courses that I mentioned that we do online are
10 generally shorter courses, narrow topics that are agency-wide. When you
11 have a large number of people to train, it's most efficient to do online
12 training.

13 But I'm sure you've all seen some of those courses and they're what
14 we lovingly refer to as page turners. They're not high tech. And so, that's
15 an area where we are looking at tools that are available to make that
16 training better.

17 The learning management system really was the first step in moving
18 to electronic training in a big way.

19 So, to answer your question, right now the decision is based on the
20 subject matter and the number of students to be trained. In the future, it will
21 be a more complicated decision. Cost will be involved and the

1 effectiveness of the subject matter and the ability that we'll have to transmit
2 it out to the remote locations.

3 CHAIRMAN KLEIN: Great. Thanks. Commissioner Jaczko?

4 COMMISSIONER JACZKO: I had a couple of comments.
5 Kathy, I'll start with you. On the issue of the simulators, I know this is an
6 issue that's come up quite a bit in past Commission meetings as you
7 mentioned and I think it goes back years, it seems like.

8 You mentioned there were three options under consideration and I
9 would just say from my perspective renting time on simulators is not one
10 that I consider viable at this point. I think we absolutely have to go into this
11 with the expectation that we're going to have our own simulator capability.

12 I always have in the back of my head the visit I took to the TTC when
13 people talked about the state of the art originally was simulators, I think, at
14 either Sequoyah or one of the TVA facilities and we would get time
15 somewhere on the back shift.

16 MS. GIBSON: I took my inspector training on the night shift
17 on the Sequoyah simulator.

18 COMMISSIONER JACZKO: I just don't think that's the
19 optimal situation. If we get into a situation where budgets prevent us from
20 doing it any other way than that's an option. But otherwise, I don't consider
21 that to be one of the options at this point.

1 I think we really need to look at having our own capabilities. And
2 certainly, you discussed some options to be able to do that.

3 Jim, perhaps this is a question for you. What is critical pay
4 authority?

5 MR. McDERMOTT: It's an authority to pay all the way up to
6 the Vice President's salary for something that simply defined as critical
7 positions that require an extraordinary level of competence. That's the
8 language in the statute that I saw.

9 COMMISSIONER JACZKO: So, it removes some of the caps
10 right now?

11 MR. McDERMOTT: Exactly.

12 COMMISSIONER JACZKO: When you talked about the
13 attrition rate, I always go back and look at the charts we have for attrition
14 rate. One of the items that's included in there is transfers. It's not clear. I
15 think sometimes when I hear attrition I think of people leaving the agency.

16 So, we include that transfer in our attrition rates. In my view
17 sometimes it skews the numbers a little bit, such as in FY06 we have
18 almost a full percent of transfers which was largely as a result of
19 establishing NRO and movement to those offices.

20 MR. McDERMOTT: That's personnel leaves. That's transfer
21 to another Federal agency.

1 COMMISSIONER JACZKO: Oh, it is? That was the question
2 I had. Those are people leaving the agency?

3 MR. McDERMOTT: Those people who leave the agency.

4 COMMISSIONER JACZKO: I guess it's interesting that in '06
5 there was a spike in transfers. Is there any reason that we know for that?

6 MR. McDERMOTT: No, not off the top of my head. I don't
7 think I can't point to any particular thing.

8 COMMISSIONER JACZKO: This is maybe more of a
9 comment or perhaps a brief question for you, Ren. We talked about some
10 of the efforts that are going on in the Service Disabled Veteran Owned
11 Small Business area. We haven't met the 3% target. I thought we had at
12 least recently actually started to issue some contracts in that area.

13 MS. KELLEY: Yes, we did improve. At one time, we we're
14 almost at 0%. For last year we were close to 2%, I believe. Well over 1%
15 of our contracting dollars did go to Service Disabled Veteran Owned
16 Businesses. We did make progress.

17 COMMISSIONER JACZKO: I think it's important to highlight
18 that. I think the efforts that you have ongoing in this area are going to be
19 very helpful, but I think it's also important to recognize that we are relative
20 to the rest of the Federal family, I think, doing relatively well.

21 MS. KELLEY: Yes. Only a couple of agencies in the Federal

1 government have met this goal and our overall progress was very
2 representative across the government.

3 COMMISSIONER JACZKO: I think continued improvements
4 is always good, but I think it's also important to recognize where we've
5 made some accomplishments.

6 Miriam, I think this is something you touched on a little bit and it
7 came up yesterday and I think Dale had mentioned it at the meeting
8 yesterday about the antiquated nature of some of our personnel documents
9 or our management directives for some of our personnel activity.

10 You talked about some new enhancements, I think, to having a Web
11 interface or other IT enhancements. Will that involve actual updating of the
12 information as well? Is it more of a change in medium? Or do those two
13 things go hand in hand?

14 MS. COHEN: Well, there's a couple things. I'd like to, first of
15 all, enhance the HR Internet Web site that employees see because I think
16 there's a lot of information there, but you just don't know where to find the
17 stuff that you need. So, I think we have to work on enhancing the
18 transparency of the website.

19 Along those lines there's a lot of management directives there that I
20 would actually like to replace with operating procedures. There's some
21 overall policy that guides our programs, but I'd like to take those operating

1 procedures related to hiring and those process oriented activities into a
2 more easy to read, easily accessible and you can get them off our website.
3 That's going to be a long-term project to do both of those things.

4 COMMISSIONER JACZKO: Do we have those kinds of
5 activities in the 2010 budget at this point?

6 MS. COHEN: Not really. A lot of it is we actually need some
7 subject matter experts to write those revised operating procedures, so we
8 really need people that know the area as opposed to bringing in someone
9 from the outside. The transparency and the enhancement of the website
10 we certainly can do through contracts.

11 COMMISSIONER JACZKO: So, the aspect of needing the
12 people -- do we have the people right now?

13 MS. COHEN: We have some of them.

14 COMMISSIONER JACZKO: Is there a plan to hire the people
15 that we need?

16 MS. COHEN: We'd like to. We might be coming to our
17 internal panel to look at maybe bringing in a rehired annuitant for a very
18 specialized short-term -- come in and help us write some of those
19 management directives that need updating.

20 MR. BORCHARDT: If I can just go a little bit broader for a
21 second. Every program, every office has some procedures that it uses.

1 That's part of the cost of doing business. It's not something that's a special
2 budget item, but it's just maintaining the infrastructure.

3 As a general rule I think the direction that we would like to go is one
4 where we were using more checklists than what is today a highly
5 bureaucratic, very detailed management directive or office procedure and
6 get to something that's just more usable, more user-friendly.

7 So, I think this is an approach that's going to be implemented across
8 every office. I wouldn't expect to see a major budget item on that particular
9 activity because it's kind of the inherent budget of each office, each
10 program.

11 COMMISSIONER JACZKO: I appreciate that. I raised it
12 because while I appreciate that these are also the things that get put at the
13 bottom of the list. Sometimes having guidance that this is important to get
14 done helps. I certainly appreciate that and while it may not need to be in
15 the budget perhaps, just even something out of this meeting to indicate the
16 importance of doing those things.

17 Even internally, I have those things in my office and they tend to be
18 somewhere at the bottom of the pile and at the end of the list.

19 This very good chart we have about age distribution of our
20 employees, I think, has been very useful over the years. I'm wondering
21 what might be nice as a comparable chart that shows length of service. I

1 know in the data we have -- I think it would be interesting to see that as well
2 as we start to see -- I think the figure that I heard was 1,600 people with
3 less than five years experience.

4 So, that when you match it up with the age demographics shows that
5 we are hiring a lot of people in mid-career as well as the entry level. It's not
6 strictly the entry level hires that are coming with a few years of NRC
7 experience.

8 So, I think that is certainly an important point to highlight. It would be
9 interesting to see how those two things go together.

10 Kathy, this is a question for you. I think there was recently a note
11 that came up to the Commission -- one of many pieces of paper that we see
12 through our offices -- talking about the upcoming SES class and one of the
13 requirements for that is a rotational opportunity.

14 I think there are some new programs that are on going to kind of
15 come up with a bank or pool of what those rotational opportunities would be
16 so that people have easy access to them. One of the things I certainly
17 would be willing to do for my office is to put my office into that pool of
18 available rotations.

19 I think Commission rotations would be extremely useful for SES
20 Candidate Development Program participants and others as well. But I
21 think I'd certainly be open to including it in some way into that system.

1 The last thing I guess I would have. There was an interesting slide in
2 the back on some of the data about the knowledge management programs
3 and knowledge management dashboard. I guess if somebody could just
4 provide me a little bit of an explanation of what this means. In some ways I
5 was somewhat surprised to see.

6 I'll describe it for those of you in the audience who don't have it, but
7 it's a chart that goes through by all the offices of human resource practices,
8 knowledge sharing, knowledge recovering, IT solutions in the area of
9 knowledge management.

10 There are four different colors that I see in here -- well, five actually.
11 Yellow, green, red, and blue. I think I can guess what yellow, green and red
12 mean. Blue I'm not quite so sure. Mostly what I was surprised by is there's
13 a lot of white. There's a lot of offices that just don't have any indication. I
14 don't know if that's an indication that those programs don't exist in those
15 offices. I'll pick two out in particular.

16 One is succession planning. There's a yellow for ADM, a green for
17 FSME, a green for NSIR, a green for OE and a green for OI. Three of the
18 regions have green research and SBCR. A large number of offices don't
19 have any indication in this area for succession planning.

20 The use of retention allowances, only two offices have any indication
21 which is green. I'm wondering what all the white means; if those programs

1 don't exist or they're just not reporting them into this dashboard.

2 MS. GIBSON: I can address your question, Commissioner.

3 This is a screen shot of a database that we have. If you go to this on the
4 Web and click on the button then it gives you a narrative of what that office
5 is doing.

6 COMMISSIONER JACZKO: Okay. If there's white -- if there's
7 no button, does that mean the office isn't doing anything?

8 MS. GIBSON: Well, no, it means that the office hasn't
9 provided input. It doesn't necessarily mean that they're not doing anything.
10 This was, I guess, the initial input that we got for this and we stood up what
11 we're calling the knowledge management dashboard. This is the
12 information that we received.

13 What we're doing now is going back to each of the offices, meeting
14 with their knowledge management champions and staff leads to discuss
15 with them what these different things are. There are offices that are doing
16 things that they don't label as knowledge management and so it's --
17 admittedly, some offices are further ahead than other offices.

18 It's an initiative that we've undertaken to do some knowledge
19 transfer, some learning between the office and we hired a knowledge
20 management expert. Marty Virgilio is the agency KM champion and we
21 have a knowledge management working group, so we're educating the

1 agency, I guess, as a whole on what knowledge management is, the
2 different aspects of knowledge management.

3 This was our effort to capture what offices are doing so that other
4 offices that maybe don't know what these activities are can look and see
5 what other offices are doing to share that knowledge. We are going and
6 meeting with the offices to understand what they're doing to share best
7 practices; to coach offices that either haven't provided us input or maybe
8 hadn't thought about knowledge transfer activities yet.

9 MR. BORCHARDT: I hope I don't get myself into trouble on
10 this. I think what I'm really going to say is really from my previous job
11 perspective. It wasn't the objective of this chart for every office to turn
12 green on every category, but rather this was a way to help communicate to
13 the end users to the individual offices, these are some of the tools that can
14 be used to help accomplish knowledge management.

15 And the way we used it was to be able to look across and say, "Well,
16 if we're thinking about doing interviews with exiting employees, who else is
17 already doing this? Let's go talk to them and see if it works or if it doesn't
18 work."

19 It's just a way of cross pollinating, if you will, the knowledge amongst
20 the offices. So, it's not a score card. It's not something we're going to hold
21 the offices accountable to turning green on all things. This is -- each office

1 is in a better position to decide what tools will work for their unique
2 circumstances. This just provide a menu to help them.

3 COMMISSIONER JACZKO: It seems, from what you
4 explained, it seems like a very good tool. As I said, I think we've made a lot
5 of strides in the area of knowledge management and I think it's good to see
6 that there are in many cases a lot of offices using a lot of these different
7 tools and they should provide a good framework for the offices that don't yet
8 have them or looking to improve their knowledge management program.
9 Thank you.

10 CHAIRMAN KLEIN: Commissioner Lyons?

11 COMMISSIONER LYONS: Let me start by thanking the five
12 of you at the table. The subject of EEO programs and work force planning
13 certainly are very, very critical to the organization. But while I'm thanking
14 the five of you, I know that you're backed by high quality staff who are
15 working diligently in each of these areas and they deserve thanks, too.

16 Ren, the Chairman singled you out for a special comment on the
17 professionalism of your office and I'd certainly like to second that. You and
18 the staff in your office have a very challenging role and the few occasions
19 that I had to work directly with your office I've been very impressed with the
20 professionalism and dedication of your people.

21 Jim started out with a comment that this is Older Americans Month

1 for three more days. I thank Jim for pointing that out and maybe I could add
2 an endorsement for the lunch tomorrow. I trust you will be there, Jim. I
3 hope you will be there. I'm looking forward to it.

4 MR. McDERMOTT: I won't.

5 COMMISSIONER LYONS: Well, I will be glad to hold the flag
6 for you then. I'll try not to make too many snide comments about your
7 absence. In any case, thank you for noting Older Americans Month. You
8 and I and maybe a few others around the table are appreciative of that
9 recognition.

10 Miriam, I think, and Jim also referred to the importance of flexible
11 working arrangements, which I assume you meant to include
12 telecommuting. I just wanted to mention that Miriam and I were both
13 involved in the national level exercise recently when Hurricane Zoe did
14 quite a number on headquarters.

15 One of the things I came home to us in that exercise was that the
16 more we had worked ahead to set up telecommuting options and the more
17 we had recognized the IT, both limitations and requirements, to expand
18 telecommuting, the more we had available, the more quickly we could
19 respond to that type of a catastrophe.

20 And since that whole national level exercise was predicated on a
21 fairly believable scenario of a hurricane hitting the national capital area, it

1 increased my appreciation which was already substantial for the importance
2 of trying to provide telecommuting opportunities with the additional
3 recognition that it gives us a very interesting, a very robust reconstitution
4 capability in the event we ever need it.

5 Other comments, Jim, you mentioned several different tools that
6 could be considered from the standpoint of attracting and retention. You
7 mentioned child care subsidies, student loan enhancement, possibly critical
8 pay. Of all those, I think certainly I would support exploring those and
9 determining to the extent those would be viable here at the agency. I would
10 be interested in all of them.

11 And just in general to the extent that you and your team develop
12 additional tools, whether they require legislation or not, that might enhance
13 our retention ability, I hope you do continue to bring them up to the
14 Commission. I think we should try to act on it. I fully agree that retention I
15 think is going to be an increasing challenge.

16 If this Renaissance really happens and by "really happens" I mean
17 substantial construction, I think we will be challenged very substantially to
18 retain the excellent staff that we have developed. Okay. Enough
19 comments. A question for Kathy, which Greg to some extent touched on.

20 As you can imagine with my interest in the Digital I&C and
21 simulators, Greg noted a concern about renting simulators. I might not

1 state it quite as strongly as Greg did, but it would take a lot of convincing to
2 convince me that we should be renting simulators.

3 You did refer to a paper on options. I think we've heard about this
4 paper before and I don't know who I should be directing the question to,
5 Kathy or Bill, but we haven't seen that paper yet, have we?

6 MS. GIBSON: No.

7 COMMISSIONER LYONS: Where is that paper and when will
8 we see it? I'm someone who is increasingly nervous about our need to, I
9 think, define a path forward on simulators and then start moving in that
10 direction.

11 MS. GIBSON: Yes. I don't think we'll be ready to send you
12 that paper for about six months. We're doing market research as I
13 mentioned. We're doing a needs assessment. I think we'll be ready in
14 about six months.

15 COMMISSIONER LYONS: Just a comment that I continue to
16 be nervous as we hear from industry about the challenges that they have in
17 getting their simulators ordered, staffed and training their people. I just
18 continue to be nervous that we are moving at an appropriate pace to make
19 sure that our folks, that our inspectors are trained when the time comes.

20 To me, that means moving ahead quite quickly. So, at least for me,
21 if you can shorten six months I'll breathe a little easier.

1 MS. GIBSON: Okay, noted.

2 COMMISSIONER LYONS: Bill, I don't know if you want to
3 add on that matter not.

4 MR. BORCHARDT: I don't want to touch it.

5 CHAIRMAN KLEIN: You may look at a 90% solution as well.

6 MR. BORCHARDT: We'll take a look. Maybe we can get you
7 some information before the final recommendations are sent forward.

8 COMMISSIONER JACZKO: Maybe if you drop the third
9 option it will go faster?

10 COMMISSIONER LYONS: I'm not ruling out the third option,
11 but it would take a lot of convincing, at least in my case.

12 A question for Miriam, at least I think this would go to you. On the
13 employee survey that we do every year, maybe a couple different
14 questions. In general as I read through the survey, certainly generally, it's
15 reflecting significant areas of employee satisfaction.

16 A question that comes up in my mind is do we have either age or
17 years of service demographics in that survey? My reason for asking and I
18 hope somebody doesn't tell me that I'm in an area that I shouldn't ask, but
19 I'm thinking that that survey could be useful if we had that information for
20 showing perhaps if there are different groups of employees: the newly
21 hired, the more senior employees, the ones in the middle, that would reflect

1 different levels of satisfaction and might then lead to different clues to you,
2 to staff, to the Commission in how we should be adjusting programs to
3 reflect -- and again, I don't know whether I should say employee age or
4 years of service because I don't know what, if anything, might be shown in
5 this. I would imagine there could be different sets of responses.

6 MS. COHEN: I see from some of the information that we
7 have demographics on supervisor, non-supervisor, gender and those kinds
8 of categories, but I'm not so sure that we slice it down to that level.

9 MS. GIBSON: I think there's over 40 and under 40.

10 MR. McDERMOTT: Jim Horn does this and he tells me we
11 can do that.

12 MR. HORN: We can do it to some extent. We can take a
13 look at that.

14 COMMISSIONER LYONS: Well, it just strikes me that it could
15 provide some clues in how we could be addressing the needs of different
16 groups of employees. And certainly when we talk about retention, we're
17 talking about retention across the entire spectrum of employees. I'm just
18 guessing that there may well be different needs, different concerns.

19 And while that's certainly very positive to see the results that show
20 the very high satisfaction number as a whole, I'd like to know if there's
21 differences.

1 And the other question I had, again, probably for Miriam on that
2 survey. Certainly, it is very positive, but there are a few areas in there that
3 show up as either "do not know"; telecommuting a large number do not use
4 and in some areas there are at least reasonably significant dissatisfactions
5 indicated.

6 I'm curious how we use the data for the either "do not knows" or
7 "less than satisfied" in terms of folding back into practices within the
8 management. Maybe that's more question for Bill. I don't know.

9 MS. COHEN: I'll take a first shot. One of the things that we
10 did see from the survey that there were some areas of challenge in the area
11 of performance management and also in communications. I think there
12 were some areas that we needed to look at.

13 At the senior leadership meeting that we had this past April we gave
14 all the managers all of their office specific results and they were going to go
15 back to their offices with those results and have meetings with their
16 employees to start the conversation to understand where their challenge
17 areas in their particular offices and to look at ways that we could make
18 some improvements.

19 I think part of what we're trying to do with the survey results as you
20 can see with respect to the workplace we're trying to address those. I do
21 think some components of the communication and the performance

1 management will be addressed through the Leadership Academy, but a lot
2 of what has to change on the ground is the first level supervision that we
3 talked about; being able to be there for the employee to coach, to lead and
4 to mentor.

5 Those are key and I think if you also look at some of the data that
6 Commissioner Jaczko raised, we also have a huge issue with respect to
7 internal attrition. We just can't help the fact that there's a lot of opportunities
8 now with the growth in the agency. And so while external attrition may not
9 be very high, a lot of people are moving around within offices. And so,
10 some of the newer employees aren't getting what I'll call the bonding time
11 with their supervisors because there's a lot of movement.

12 I don't think we have the answers on the internal attrition right now
13 because it's a factor of the growth in the agency, which is a good thing, but I
14 do think it's something that has to be looked at because I think that will add
15 to the stressors in the environment and in subsequent surveys if people
16 don't have a chance to really spend time with their supervisors in terms of
17 developing their careers.

18 COMMISSIONER LYONS: Thank you.

19 MR. BORCHARDT: I'd argue that the items that are on slide
20 10 under the Employee Satisfaction slide were largely derived from the
21 feedback from the staff. Those are areas that they've identified that we're

1 emphasizing now and as a result of previous surveys we had similar
2 communication efforts and changes of policy to adapt to those issues.

3 The one that I think will always be problematic has to do with
4 performance appraisals and dealing with employees that are not performing
5 well. The fact of the matter is we don't advertise what happens to those
6 underperforming individuals when and adverse action takes place. So, we
7 always run the risk of the perception that supervisors and managers are
8 ignoring the problem and nothing is being done.

9 In fact, things are being done but you don't advertise that negative
10 action on an individual, for obvious reasons. So, that's a difficult issue to
11 address. We look at it, but absent making a big splash in different
12 publications about what you did to this underperforming individual, I don't
13 know how you really make a lot of progress quickly.

14 COMMISSIONER LYONS: Thank you.

15 CHAIRMAN KLEIN: Commissioner Svinicki?

16 COMMISSIONER SVINICKI: Thank you. Well, the
17 presentations were very complete as always and my fellow Commissioners
18 have covered a lot of the question areas that I would have had. I would like
19 to start with a couple of observations.

20 I want to thank all of you because again my observation period is
21 somewhat brief as I was noting in the all hands meeting yesterday. I do feel

1 what is a strong suit or what strengthens this agency is that we're talking
2 today about the collective experiences of employees, but what I hear from
3 all of you is also an awareness and concern in understanding the individual
4 experiences of employees because that's what we all have when we come
5 to work at NRC every day.

6 We're having our individual experiences which inform the collective
7 direction that the agency needs to take. I don't know if you have some
8 clever method for throwing certain employees in my path, but I have met
9 some of the agency's newer employees. To a person, they've talked to me
10 about the involvement of senior management in the recruitment process.

11 And when I contrast that with my own start in the Federal
12 government many years ago as a GS-11 engineer it's kind of the
13 unthinkable to me that in my experiences people at the senior management
14 level would have even had any awareness of my recruitment or my coming
15 on board. So, I think it's a tremendous strength.

16 I know my colleagues have talked about it, but I just wanted to add
17 my voice to that. I was at a plant and met a relatively new resident
18 inspector and he mentioned two of the individuals in this room. He said he
19 had affirmatively decided not to look for a job in the Federal government
20 and I didn't ask him what formed the basis of that opinion, but he said,
21 "Well, I met Bill Borchardt and Jim Dyer and they kept contacting me and

1 talking to me about the NRC."

2 He's come here and he's been here, I think, 18 months now. He's
3 having a really positive experience and is glad he's here. So, he credited,
4 again, two individuals with uniquely making the case to bring him on board.
5 So, I think it's a real strength.

6 I also wanted to comment -- I had the opportunity last week to meet
7 with Ren and she introduced me to a number of her staff. Again, I felt there
8 was a real focus on how can we connect with individuals and understand
9 their experiences and strengthen the agency and Ren and I spent some
10 time together.

11 We talked about my on boarding process that occurs at all levels.
12 So, we talked about that. And again, I thank you for your work. Now that
13 you've been singled out, I guess, by three folks up here, but thank you for
14 the work you do. I think it benefits all of us.

15 I did have a couple of specific questions. Kathy, I wanted to talk to
16 you. You touched on it a couple of times about online learning and
17 e-learning initiatives. What types of training is the agency focusing on to
18 make available with that method?

19 MS. GIBSON: Generally, we're looking at training that is
20 required for all agency employees. That's one big category. A subset of
21 that is training as I mentioned that is a focused subject that can be done in

1 a short period of time.

2 There are college courses that people can take online and that's
3 something that we will look at technical training and some of our other more
4 lengthy training courses to see if we can make them online for convenience,
5 mostly for the inspectors for efficiencies for them.

6 It's hard for the regions to remove an inspector from a site for any
7 lengthy period of time. It would be much more convenient if we could
8 provide effective training to the inspectors right there where they are, but I
9 think that's going to be some years down the road.

10 In the shorter term, as I said, what we're looking at is the required
11 training across the board, like the IT security training, computer security
12 awareness, some EEO training can be done online, ethics training. OGC
13 has borrowed from another agency for ethics training for this year.

14 So, those kinds of things that are short, focused subject matter that's
15 required agency wide. That's kind of our first categories.

16 COMMISSIONER SVINICKI: Okay. And you've been asked
17 about training effectiveness. Do any of those online training modules
18 conclude with a survey to get feedback on those who have had to take the
19 online training on what they think about it?

20 I know sometimes some of those courses will conclude with a brief
21 survey if the user is willing to participate. So, are we doing any of that?

1 MS. GIBSON: We haven't done that yet. We needed to get
2 the learning management system up and running and we've done that now.
3 That's a capability of that system. That's something we will be looking for in
4 the future, not just for online training, but also for classroom training to do
5 the surveys through the learning management system.

6 It makes it much easier to track and trend the results that way. Now,
7 our evaluation forms are all filled out by hand and all of our metrics that we
8 monitor are recorded and calculated by hand.

9 COMMISSIONER SVINICKI: I agree with you. Sometimes I
10 think there's more interest in participating if it's just another two minutes
11 right at the end of your training module. I think people would be more likely
12 to fill it out. I encourage you to continue to explore that.

13 Jim, I wanted to put in my plug. You have your tough recruitment
14 areas and I know we talked a lot about Digital I&C. For me, cyber security
15 you had listed on there and identified that there's a big government wide
16 push and so I think that will be a tough one to recruit for.

17 So, if we're looking at where you said you're asking folks to identify
18 something they're going to need in three or four years because it's going to
19 take some time. And there's also limited, I think, graduate study in that
20 area.

21 I think it is growing at a number of universities, but there are some

1 specialized programs that are hard to find. There's limited enrollment, but
2 anything we could do to support opportunities at the Federal government is
3 going to need this expertise, it tends to be at a Ph.D. level. In many cases,
4 at least at NSA, I know they recruit at that level.

5 I think we'll be in a very competitive environment as you've identified.
6 So, not that -- I also agree on Digital I&C, but cyber security jumps out at
7 me as being very important.

8 And Ren, I did want to touch on the Small Business goals a little bit.
9 I commend you. I've worked recently with agencies and departments that
10 are struggling and not anywhere near meeting any of their categories of
11 small business goals. So, I think that's commendable and I know you have
12 identified the mentor protégé as an option to be explored.

13 I've seen that very successfully used, specifically Department of
14 Energy Environmental Remediation Program has actually graduated out
15 protégé companies out of the small business category because they've
16 been successful in growing through a mentor protégé. So, I've seen it.

17 I've also seen some challenges in the defense industry where it
18 has -- maybe because there's such an imbalance sometimes between the
19 size of the mentor company, which is huge, and the protégé. But I have
20 seen it work well, so I'm encouraged that it's something that you're looking
21 at.

1 And I just wanted to conclude with the same comment I had made at
2 the all hands meeting. I was so impressed with the outreach materials that
3 your staff has developed for the Minority Serving Institutions Outreach. I
4 have worked with some of those departments that have a lot more money
5 to put into that activity and I have not seen things that impressed me nearly
6 as much from them as I saw from your staff.

7 So, I want to compliment you on that and I think it's tremendous that
8 you've been recognized, the program has been recognized and it just being
9 a couple of years old and it's already being held up and you're having
10 others call you to say, "What are you doing?" and to learn from NRC. So, I
11 think that's great as well. So, thank you.

12 MS. KELLEY: If I may, I just want to thank -- I owe a large
13 debt of gratitude to the staff, to the other offices, OGC, HR, ADM and so
14 many other offices work with us on a daily basis to get done the things that
15 we get done.

16 Our graphics office. They help us a lot to make things look nice and
17 be able to have an impression and send a positive message. And I really
18 just want to thank everyone for the help that we get and certainly, none of
19 this would work if it were not for the support that we get from the top.

20 So, from the Chairman, the Commissioners, the EDO and all offices
21 and everyone. I want to just express my thanks for your support for all the

1 work that we try to do on behalf of the agency.

2 COMMISSIONER SVINICKI: Thank you. Thank you,
3 Mr. Chairman.

4 CHAIRMAN KLEIN: Miriam, I was working down my list of
5 presenters. It's a turn for you to go for some questions. I noticed that a lot
6 of people sort of have us as a target as being the best place to work and
7 have been coming out and asking what do we do to maintain that.

8 I noticed that NSF has some positive responses as well. Could you
9 comment a little about what you're doing to stay ahead of the curve as
10 people are trying to learn from us? Could you talk about how we're trying to
11 learn from others who are also doing well?

12 MS. COHEN: That's a great question. I think one of the
13 advantages that we have is that we got on the pedestal and everybody
14 wants to be up there with us. We need to continuously improve.

15 We're involved in a lot of outreach with the other agencies within the
16 HR community. Jim is on a number of chief human capital council
17 meetings. Kathy goes to a number of training workshops where she
18 outreaches to different coordinators and their agencies.

19 But one of the best things that we do is when we go out and we meet
20 with people and we try to bring people into the agency. I think we've been
21 extremely successful in touting our recent successes. If you also look at

1 the demographics in the agency, we started to bring a lot more people in
2 from the outside. Jim refers to me and them as aliens.

3 Actually, that is really good and really healthy because it gives the
4 agency different perspectives on how to do things. I guess I could
5 respectfully call you an alien, but that doesn't sound right.

6 I think what's happened is the agency has had a tradition of being a
7 lonely little agency out at Rockville and for those of us who came from
8 different agencies; maybe we're downtown and had more of the activity and
9 hullabaloo about being downtown and seeing what else goes on.

10 I think as this agency brings in more of that talent, I think that's going
11 to help us perpetuate ourselves as being number one. I know that when I
12 came here four years ago in the years that I've been here I think four or five
13 people have come from my agency.

14 As we get out to different meetings with different people and we get
15 the ability to tell folks about what we can do, that helps us. It is also no
16 small secret that the grade structure in this agency is pretty darn good. As
17 coming from one of those agencies that may be the grade structure wasn't
18 as high, that's an important selling point and I think that if people look at the
19 quality of life issues they can have coming here especially looking at people
20 that maybe used to work downtown like myself and wanted to have an
21 improvement in the quality of life. That's a plus.

1 If you take those kinds of things plus being competitive with the
2 salaries and looking at some of the other critical pay and other possible
3 flexibilities and additional enhancements for telecommuting and maybe
4 maxi flex schedule somewhere down the road, I think it's going to make us
5 even more competitive than we are now.

6 I do think what we do have to think about is until we see this White
7 Flint Three come, I do think for those offices that are not in headquarters, I
8 think we do have a challenge in keeping those folks connected.

9 I speak for myself being down at Gateway half the time during the
10 week. We have people at EBB. We have people that are moving to
11 Church Street and into Twinbrook. I think in this interim period where we're
12 going to have people on the go its even more important that we try to stay
13 connected, whether there are some additional social activities that we can
14 do as an agency.

15 But I think in the short term until that concrete is poured we really
16 need to make sure that those who aren't on campus still feel a part of the
17 whole.

18 CHAIRMAN KLEIN: Thanks. Could you talk a little bit about
19 how many areas are using the 360 evaluation?

20 MS. COHEN: I can defer probably to Kathy on that. I do
21 know that back, and this is probably dating myself, back in the mid-90s

1 when they were doing the reinventing government, a lot of Federal
2 agencies were exploring 360.

3 At the time, I was at the Department of Commerce and we were
4 using it on a pilot basis. I know the Army Corps of Engineers had used it
5 back in the '90s as well. I don't know the widespread use, but probably
6 would ask Kathy to comment on it.

7 CHAIRMAN KLEIN: Mine is primarily within the agency,
8 within NRC.

9 MS. GIBSON: Right now we use 360s just for developmental
10 purposes, not for performance. Right now, we're using them just in our
11 formal developmental programs, the Leadership Potential Program, Team
12 Leader Development Program and the SES Candidate Development
13 Program.

14 Region I is doing a pilot 360 in a slice of their organization to answer
15 some questions about its usefulness for development at all levels. If you
16 look at the leadership academy concept that we provided in your
17 background material, we proposed in there periodic 360s at all levels,
18 again, for developmental purposes, so that the individual could look
19 backwards and see whether the activities that they undertook for their
20 development actually worked and then use the results of the 360 to plan
21 their development for the future.

1 CHAIRMAN KLEIN: Since I am an alien and came from
2 another agency, at the Department of Defense we used that 360 within our
3 unit and I thought it was very effective because it tells you different things.
4 It tells you how you're viewed going up. It tells you how you're viewed with
5 your peers and it gives you, I thought, a lot of really good information that
6 you would not necessarily get through another process.

7 So, I would encourage you to start looking at utilizing that activity
8 because it does give you additional information.

9 Well, Ren, could you comment a little bit on some of your -- I know
10 you're working with the service disabled through some of the contacts at
11 DOD. Could you talk a little about growing your own and how you intend to
12 potentially develop that program?

13 MS. KELLEY: Well, we are trying to get the support of an
14 individual who has some experience in this area and we plan to learn a lot
15 from this person to help us with that. But that certainly is a part of the
16 overall picture for Service Disabled Veteran Owned and we've had several
17 meetings with this person who has experience with the Department of
18 Defense, I believe it is.

19 And so, we are trying to tap into what worked there and repeat some
20 of it here at NRC. Obviously, we're a lot smaller than the Department of
21 Defense, but there are things that it looks like we will be able to include in

1 our overall package as a part of that to grow our own.

2 If we can latch on, even through the mentor protégé program, if we
3 can pair large and small business and have that business grow, the intent
4 would be great if we could actually roll them out of being small. We're
5 going to track those.

6 CHAIRMAN KLEIN: Just for my fellow Commissioners'
7 benefit, that individual that Ren is talking with I used to work with at DOD in
8 acquisition technology and logistics. He was very effective at trying to grow
9 and develop those individuals and help nurture them and get them into
10 business.

11 It is a difficult area to do even in a large department like DOD that did
12 have a lot of acquisition. It still took a lot of effort to grow those companies
13 and develop those individuals. And I think for those individuals that have
14 put their lives on the line to protect our country, we owe it to them to try to
15 help develop that kind of business. I certainly encourage you to keep
16 working on it.

17 I know it's hard, but I think it's something that's the right thing to do.
18 Commissioner Jaczko?

19 COMMISSIONER JACZKO: I just have one question. You
20 have some good slides that talk about our hiring ability and our hiring over
21 the last couple of years. And descriptions of what our age demographic is.

1 Maybe you can talk a little bit about how we stand right now in terms of
2 filling positions and vacancies throughout the agency.

3 Are we uniform in our distribution of vacancies, I guess I could say?
4 Is it uniform both across offices as well as vertically across different
5 positions? Are there particular areas where we have vacancies and we're
6 having trouble filling those vacancies?

7 MR. McDERMOTT: There's some organizations that are still
8 striving to get up to speed. I look at them constantly. I look at a biweekly
9 report and you can just scan it and see, "Oh, look there, somebody is really
10 down." NRO is still down; still staffing up. FSME is staffing up in the
11 materials area. They are suffering from the skill shortages there. They're
12 having a hard time. We're talking to them about what can we do to help.

13 COMMISSIONER JACZKO: When you say they're still
14 staffing up. Is it branch chief level? Is it entry-level position?

15 MR. McDERMOTT: It's mostly at the non-supervisory levels
16 at the grades 7 through 13 or 14. Those are the areas we're just trying to
17 fill those. We tend to fill most of the supervisory positions from within,
18 which of course creates a little bit of a vacuum farther down the chain.

19 There's some offices that have very good strategies in place and
20 they're going like gangbusters. Like I say, we're overachieving. We're
21 going to be robust by the end of this year. We'll be slightly or somewhat

1 over '09 ceiling when we start the year if the 200 plus people that have
2 accepted an offer and are on their way here get here by the end of the
3 summer.

4 COMMISSIONER JACZKO: Will those address some of
5 those offices where we have shortages?

6 MR. McDERMOTT: Oh, yes.

7 COMMISSIONER JACZKO: So, by the end of '09 -- we won't
8 see some offices are way over and other offices are down?

9 MR. McDERMOTT: We'll look pretty good at the beginning of
10 '09. We're on a very good curve right now. Twenty full-time people
11 ,permanents started last Monday -- or Tuesday actually. We got a slug of
12 summer hires coming in, but we're in that period now where the agency on
13 board scoots up because the NSPDPs are entering on duty, but this wasn't
14 just NSPDPs.

15 This was mid-career people -- here we come. Like I say, we're going
16 to be -- I hope we don't have too many dislocations where maybe it wasn't
17 quite a good match, but I think by and large, I'm real comfortable with where
18 they're going to be in October of '09.

19 COMMISSIONER JACZKO: Thank you.

20 CHAIRMAN KLEIN: Commissioner Lyons?

21 COMMISSIONER LYONS: Jim, I had just a couple of

1 questions related to this chart that you provided, which as I understand it
2 displays the distribution in dollars for scholarships and fellowships and
3 development grants across the country.

4 Do you have any idea how that would translate into the number of
5 students impacted? For the scholarships, I would think it may be fairly
6 straight forward to ask that question. For the curriculum development
7 grants, it's probably far more challenging. Do we have any idea what sort
8 of numbers we're talking about?

9 MR. McDERMOTT: I'd be wild guessing right now.

10 COMMISSIONER LYONS: I think it would be an interesting
11 number to try to extract.

12 MR. McDERMOTT: We want to know that because we're
13 asking professors to send us their best and brightest. This particular
14 program -- this is for us. This is what we call the \$5 million program.

15 COMMISSIONER LYONS: That's going to be my second
16 question; the \$15 million program.

17 MR. McDERMOTT: This is strictly the five million. This is
18 where it went. The fellowships and scholarships are for us. They're going
19 to come to work for us. Some of them are working for us, as they should
20 during the summer between semesters and things like that.

21 Curriculum development that's a push that's going on in a number of

1 school areas. A lot of those -- we're interested in promoting that especially
2 in minority serving institutions. Ren is all over that, too.

3 COMMISSIONER LYONS: I think it would be interesting to
4 know how many students roughly we're touching with those types of
5 programs.

6 MR. McDERMOTT: I think we could frame that a little bit
7 anyway.

8 COMMISSIONER LYONS: My other question would be on
9 the second program, the 15 million. At least as far as I know, we're still in
10 the process of evaluating proposals. I don't think we've made grants yet.
11 I'm just curious if you can give us a few comments, the caliber of the grants
12 and the selection.

13 MR. McDERMOTT: We got a good response. We don't have
14 anywhere near enough money to address all of the proposals that we got.

15 COMMISSIONER LYONS: How much money could we have
16 used wisely?

17 MR. McDERMOTT: I think, John isn't here, but the number he
18 told me was the in the neighborhood of \$40 million.

19 COMMISSIONER LYONS: I think that's a number some of
20 our colleagues -- the members in Congress would be very interested in.

21 MR. McDERMOTT: You need to let me verify that, but I think

1 that's what he told me. We've got a lot of it -- we got more than 100
2 proposals in. A lot of them were for -- a lot of them are somewhat costly.
3 The faculty development grants are costly. They add up in a hurry.

4 We got some trade school proposals that we'll fund and they're in the
5 right places. They're down -- South Texas is doing a brilliant thing with a
6 place called Wharton Junior College. They got a warehouse in Bay City.
7 Half of it is for the South Texas Units 3 and 4 staff. The other half is for
8 students of Wharton Junior College.

9 COMMISSIONER LYONS: I visited that. I was extremely
10 impressed.

11 MR. McDERMOTT: I didn't know you'd been there. I couldn't
12 get over. I thought it was smart. We're eight days ahead of schedule on
13 the \$15 million awards, thank you very much, Ren, OGC and above all
14 ADM. They're cranking these things out. They made me sign 19 of them
15 yesterday and they're waiting for me to sign a few more.

16 So, I think we'll actually do our job as we did last year and award the
17 grants in a timely fashion so that the students and schools will know,
18 especially for the faculty development grants, that the grant is coming their
19 way.

20 COMMISSIONER LYONS: Are we within maybe a few weeks
21 of some summary descriptions of where funds are going?

1 MR. McDERMOTT: Yes. A few weeks is a good horizon. I
2 want to make sure they all got cleared through contracts and OGC and all
3 of that.

4 COMMISSIONER LYONS: Well, I know that the late arrival of
5 those funds, the late notice that we would even have a program was a
6 tremendous challenge for you and your folks. So, my compliments on
7 moving ahead expeditiously. I will be very interested to see the list in a few
8 weeks.

9 MR. McDERMOTT: Miriam will appreciate the fact that it's
10 aliens that saved us. We had a couple of excellent people that we drew to
11 the agency to work on this and they performed fabulously.

12 COMMISSIONER LYONS: I think you could say that all of us
13 on this side of the table are aliens. We have some allegiance with them.
14 Thank you.

15 CHAIRMAN KLEIN: Commissioner Svinicki?

16 COMMISSIONER SVINICKI: I will be interested in learning
17 about those selections as well. Jim, I want to make one point. Faculty
18 development may be costly, but one could also argue though with this
19 unexpected infusion of Congressional appropriated funds that would be an
20 opportunity for the agency at least to consider proposals that in the past we
21 might not have had the resources to fund and it may be something that is

1 uniquely appropriate for NRC as a regulator to be funding versus other
2 areas that would be an expansion of what we've done in the past. I just
3 want to make that. I don't think you meant that in a negative sense.

4 MR. McDERMOTT: Its our seed corn, the faculty
5 development. Without the faculty, we won't get the graduates. It's as
6 simple as that.

7 COMMISSIONER SVINICKI: My only other follow-up is
8 actually a follow up from a comment that I believe Commissioner Jaczko
9 made in the infrastructure meeting to you. I'm just unclear on what was the
10 action that will be taken as a result. It was on the topic of exit interviews.

11 I think the Commissioner had asked you about retirees. I think the
12 answer was that that is not really a focus of the exit interviews that we
13 conduct and that more data was being gathered on folks who transfer or
14 something like that.

15 At the time, I wasn't recognized to second what Commissioner
16 Jaczko had said, but I agree wholeheartedly that I think that retirees,
17 particularly people with long service with the agency would have really
18 valuable perspectives on our continuous improvement process here.

19 And I think that they would also from what I've observed likely to be
20 very motivated to share and to have the agency benefit on an ongoing basis
21 from their long service here.

1 MR. McDERMOTT: They have shared that. It was a senior
2 moment that caused me not to -- I could have told you much more, but you
3 all understand. We do have better data and we do talk to the retirees.

4 Now, my next target is the people who have been here and eligible
5 for retirement for more than four years. I want to talk to them. I say, why
6 are you still here? Please stay and tell us what we should be doing.

7 COMMISSIONER SVINICKI: I hope you won't ask that in just
8 that way?

9 MR. McDERMOTT: I hear it all the time.

10 COMMISSIONER SVINICKI: Thank you.

11 CHAIRMAN KLEIN: Thanks. Dale, would you like to make a
12 few brief comments?

13 MR. YIELDING: Chairman and Commissioners, my name is
14 Dale Yielding. I'm the President of our local chapter of the National
15 Treasury Employees Union and I always try to make a connection to my
16 statements to the subject of the meeting EEO, but that doesn't seem like I
17 have to do that because there was only one bullet that was EEO on the
18 agenda.

19 It seems like this meeting has progressed into staffing and making
20 this a better workplace, which I applaud. We used to be able to walk in the
21 door and get handout packages similar to what the Commissioners had.

1 When you talk about these charts and full-color things we seemed like a
2 loss in the audience. Maybe on the web site or something if we could -- I'm
3 not sure if the three-ring binders are really that thick; your briefing package.

4 CHAIRMAN KLEIN: Yes, they are. And sometimes thicker.

5 MR. YIELDING: A little bit about the history of EEO. Always
6 a six month meeting, twice a year. It used to have statements by each of
7 the EEO committee chairpersons. They used to be lined up in the chairs
8 there. Now, I guess that happens once a year rather than twice a year.

9 Way back, dating even further each one use to get to read a
10 statement. So, you heard from each of the chairs of each of the six or
11 seven protective class EEO committees. Now, it's down to a joint statement
12 and it's only read by one person. So, it seems like the progression for
13 these meetings are getting less and less voice from the actual EEO chairs.

14 I'm not sure -- the EEO chairs didn't put me up to that statement by
15 any means, but I just wanted to make that observation to see if that's what
16 the intent was.

17 A little current events statement here. I'll just read it from my network
18 announcement that hopefully will be going out today. I'll just read the first
19 paragraph. "Supreme Court reinforces Federal sector age discrimination
20 remedies. The Supreme Court yesterday issued a decision strongly
21 reaffirming that the Age Discrimination and Employment Act, ADEA,

1 prohibits retaliation against a Federal employee who complains of age
2 discrimination and grants Federal employees the same protection from
3 retaliation that the private sector employees enjoy."

4 I won't go into history on that, but case law shows that age
5 discrimination in the private sector is not exactly the same as age
6 discrimination in the Federal sector. There's some similarities and this was
7 the case that proves that you can't retaliate against a person that's claiming
8 age discrimination; a major Supreme Court decision yesterday.

9 Surprised yesterday that there were no questions on drug testing. I
10 think at the infrastructure meeting the questions were asked whether or
11 not HR or anybody is seeing any concerns on that?

12 Here in the union office, I don't have people lining up at the door, but
13 I'm sure the Commission is aware that no one is going to voice concern
14 against drug testing because they'd be viewed as a drug user. No one
15 wants to be viewed as a drug abuser, but there a lot people that view the
16 drug testing as an infringement on their rights and their personal privacy
17 and I guess a sign of lack of trust of the agency that they would drug test
18 them and not believe that they would not do such an act.

19 The union's position, obviously, is against drug-testing. The National
20 Organization -- we represent 150,000 Federal employees over 30 different
21 agencies. We actually have a resolution that we affirm every two years at

1 our national convention that says we are against drug testing.

2 So, when the policy came to my desk to negotiate I called up my
3 attorneys and said, "All right. Give me some ammunition. What do I do?"
4 They said, "You can't do anything. It's at the agency's discretion." I said,
5 "Well, why do we have a resolution?" Well, the only way we can change it
6 is to go to Congress and change it. So, for all the employees out there I did
7 what I could.

8 I negotiated the policy, ensure fairness, ensure enough warning
9 ahead of time. Ensure the supervisor gave you the direction to take the
10 drug test, but the actual decision of whether or not to drug test is in the
11 hands of the Commission.

12 I issued an announcement six months ago when the note came
13 under my door that the agency was considering drug testing everyone. The
14 announcement said that the basis behind drug testing was the fact that
15 Health and Human Services looked at our drug testing program and said
16 everyone's got a security clearance.

17 If it's important enough to have a security clearance why aren't you
18 all drug tested? So, the staff and Commission responded to drug test
19 everyone.

20 I went back into the statute that gave birth to the agency and the
21 decision of whether or not we all have a security clearance is in the hands

1 of the Commission.

2 In fact, there is a statement in the Atomic Energy Act that says the
3 Commission will differentiate those employees who need security clearance
4 and those who don't. So, that still rides in the Commission hands on
5 whether or not everyone has to have a security clearance which then would
6 fall back on drug testing and the dollars associated with it.

7 You can imagine the number of dollars that are going to be spent on
8 drug testing in addition to the number of dollars that are going to be spent
9 on security clearances where there could be a savings. That's my
10 prepared.

11 Now, I'm just on notes from today's meeting. I was surprised at Jim's
12 comment that he's going to streamline the hiring of outside folks and just
13 require a resume. My first concern is I don't represent outside candidates;
14 the on-borders coming in. I only represent employees that are here.

15 I'm always looking for a fair shake for NRC employees to get
16 promotions when the selecting official has two certifications side-by-side:
17 the NRC employee's and the outside candidates. If there's anything that
18 makes it easier, better, faster or a better advantage for an outside
19 candidate to get a mid-career position which we're hiring into and puts NRC
20 employees at a disadvantage, I would like to bring that to your attention and
21 I'm going to be looking at it to make sure, I know it's not negotiable from the

1 outside aspect, but I want to make sure selecting officials do have a fair
2 shot looking at both certifications.

3 The sob story about new employee orientation. I get to spend a half
4 hour every other Monday with new employees talking about NTEU. I try to
5 cushion it and make it sound like this is a great place to work and if they got
6 questions, where my office is.

7 So, I don't think employees should feel that concerned that this is a
8 cold, hard agency. I reference stewards that they can come talk to, where
9 the union office is. I try to do my part to welcome new employees.

10 The NRO flexible work schedule. I have to give Larry Pittiglio the
11 Steward for the NRO partnership recognition here. He's been at the helm
12 of the NRO partnership for up to a year pushing for a flexible work
13 schedule.

14 I'm not going to speak for NRO management, but I'm fairly certain
15 throughout that whole process NRO management was buying let's do a
16 pilot to have a flexible work schedule. A flexible work schedule would do
17 some things such as reduce core hours, allow start time and finish time to
18 go maybe from 5:00 a.m. to 11:00 p.m., change the maximum number of
19 credit hours you could work, possibly adding Saturdays for the ability to
20 work credit hours.

21 So, all recognition should be given to the NRO partnership and we

1 just hope that the final stages of HR approval of that comes forward and
2 then it goes back to the NRO partnership to finalize.

3 Senior level service. There were some comments made about staff
4 choosing instead of the management course, the technical course and go
5 up above Grade 15 into the senior level service. What surprises me is
6 those people that choose the technical career rather than management are
7 classified as outside the bargaining unit.

8 The bargaining unit classification is based on whether or not you're
9 assigned duties in the field of labor relations and management and policy
10 making, which is exactly not what the person that wants to proceed into his
11 technical expertise.

12 So, you find senior managers take this high level Grade 16, 17 or 18
13 senior level person and make him a technical assistant right there by their
14 side and give him some policy assignments. I have people coming up.
15 Why did I lose my union membership ability just because I entered the
16 senior level service?

17 I said, "Well, because management dumped some duties associated
18 with policy in the field of labor relations and they scratch their head and they
19 go, "I don't do any of that." That's the way it's classified.

20 Miriam mentioned Work Life Committee and she mentioned that of
21 course that whatever they decided would have to come to the union for

1 negotiations. The best way to do that is invite the union to participate on
2 the committee and have the union be involved in pre-decisional actions
3 streamlines the negotiation process extremely.

4 I was on the Non-concurrence Committee for about six months.
5 When the committee came out zero negotiations because I was on the
6 committee and I agreed with the end product.

7 EEO backlog. Great that there's an EEO backlog. It would be
8 interesting to see whether it's 30, 60 or 90 days because the official data for
9 an EEO case is to have the commitment and the counseling investigation
10 part of the agency done in 90 days, but the employee has an option to have
11 it done in 30 days.

12 I sat next to an employee for their first EEO counselor visit and the
13 first thing the EEO counselor did at the end of the initial interview was,
14 "Could you sign this thing to allow me to extend the investigation period to
15 90 days", on the first day of the investigation. So, I think the agency should
16 try to achieve the EEO counseling stage in 30 days rather than the statutory
17 limit of 90.

18 360-degree appraisals. It was talked about in partnership years and
19 years ago. I'd be welcome to negotiate that, changes to the Collective
20 Bargaining Agreement Article 27, and have employees do 360 degree
21 appraisals. I don't think you'd get too much obstruction from us.

1 Management directive updating and changes. I know it's a big
2 process to get all of our backlog of management directives updated. I've
3 been on a crusade for years to say as we do policy change, the yellow
4 announcements, link it to the management directive. It's a patchwork quilt
5 right now.

6 If you gave somebody the assignment of update management
7 directive X, they would spend a week doing history on the 5, 10 or 15 years
8 of policy announcements that have already gone out to ensure that they
9 had grasped together in one spot all of the policy on that one management
10 directive.

11 I made recommendations years ago that when you issue a yellow
12 announcement that changes page 64 of a certain management directive,
13 take the yellow announcement, put it on the front of the management
14 directive on the web page to say page 64 has changed, so that when
15 someone goes to the web site on whatever subject -- the latest one was
16 complex passwords. We're changing your -- next week how you do your
17 password. You've got to have numbers and digits and special characters.

18 There is a management directive page already on complex
19 passwords, but we're changing it. But do you think the link was made? No,
20 they didn't make that link.

21 Grievance process. A couple items left here. You track EEO issues,

1 but if you really want to do a gauge on employee satisfaction you might look
2 at some portion of the employees concerns filing grievances. We only have
3 a couple dozen a year. I'm not saying the Commission should get down
4 and look at every grievance.

5 You might be interested in looking at the grievances in which the
6 union and the agency did not reach agreement. It escalated outside this
7 agency into more costly litigation, through arbitration or I recently filed an
8 unfair labor practice. I haven't filed one since eight years of being a
9 president dealing with -- I think the subject mentioned yesterday was time
10 and attendance. I think the Commission chuckled.

11 We have to fill out time and attendance on Thursdays and Fridays,
12 guessing what's going to happen the rest of that day. We even have one
13 situation where employees can't frequently go on the following Monday and
14 correct. So, that's the subject of litigation.

15 If the Commission wanted to take a look at what HR is doing or not
16 doing associated with nurturing the relationship with the Union, you can get
17 a measure of our disagreements by seeing what escalates outside this
18 agency into arbitration or going in front of the Federal Labor Relations
19 Authority.

20 Pay. I'm surprised to hear that HR and the Commission thinks that
21 they need legislative action to set pay. The Atomic Energy Act gave the

1 Commission the ability to set the pay structure at the NRC. The union,
2 about 15 years ago, made an attempt to negotiate pay. The agency said
3 non-negotiable.

4 We went to the Federal Labor Relations Authority 15 or 20 years ago
5 and the Federal Labor Relations Authority said pay was negotiable. We
6 didn't resolve that particular issue and that one case, but it got past the
7 negotiability aspect because the Commission has the ability to set pay. I
8 think you'll be finding when we finally sit down to the collective bargaining
9 table here in the next couple of months that the union will be wanting to talk
10 about some aspect of pay, not necessarily changing the GS structure,
11 maybe looking at special rates and our NSPDP fast advancement program,
12 enhancements to make the awards system maybe fairer. So, we'll be
13 looking at some aspects of that. I'd be interested in seeing why Jim is
14 proceeding in needing legislative action to get a higher pay structure. You
15 can just have a proclamation from the Commission.

16 And last but not least, I'm not going to differentiate the seven
17 protected EEO classes from age discrimination, but it seems like with this
18 retiring agency, the older work force that's always stated here at the NRC.
19 Jim was rather eloquent in his presentation this morning identifying how
20 we're an older agency and retiring, but you've got to be real careful that
21 statements made don't discriminate against the older NRC workers.

