

# **EMPLOYEE CONCERNS**

## **SPECIAL PROGRAM**

**VOLUME 7**  
**MANAGEMENT AND PERSONNEL CATEGORY**  
**SUMMARY AND CONCLUSIONS**

**TVA**  
**NUCLEAR POWER**



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CONCERNS  
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**CONCLUSIONS**

**EXECUTIVE SUMMARY**

This report is a collective assessment of the 2322 concerns in the Management and Personnel Category of the Employee Concerns Special Program. These concerns questioned the adequacy of management in the TVA nuclear program, particularly the management of personnel. None of the concerns in this category was evaluated as safety-related (matters directly covered by the nuclear licensing regulations). Over 40 percent of the program's employee concerns were assigned to this category.

The concerns were largely a collection of employee complaints and criticisms but few of them provided factual evidence to support the concerns. Nevertheless, the fact that these complaints were voiced was, at least, circumstantial evidence that employees were dissatisfied with TVA management actions during the period when the concerns appeared.

The concerns were grouped by subject matter into 21 subcategories. The subcategories were divided into 227 issues, which are collections of one or more concerns raising the same question. The 21 Management and Personnel subcategories fell into three groups. One group of five subcategories addressed work conditions for unionized employees. A second group of seven subcategories questioned the fairness of personnel policies. The third group of nine subcategories raised a variety of issues about management competence. The issues within each subcategory were evaluated by experienced TVA personnel supported by an outside personnel management consultant.

The evaluators based their findings and conclusions on investigations of TVA's policy interpretations, interviews with TVA staff, attitude surveys, reviews of pertinent literature, and discussions with counterpart organizations outside TVA operations. Thousands of documents were reviewed and hundreds of interviews were conducted to learn about problems associated with the concerns. Where problems were identified, the evaluators searched for root causes that might need corrective action by line management.

The results of the management and personnel evaluations do not constitute a total indictment of TVA's management practices or of the TVA managerial staff during the period when the concerns were prevalent. They do suggest that many managers were unaware of management policies and that many of the managerial staff members were inept in handling employee communications.

From an overall content assessment of the issues and the investigations, the Management and Personnel Category Evaluation Group has developed the following conclusions:

(1) Failure to Treat Employees as Individuals

During the time period involved, management within TVA's nuclear program failed to convince many of its employees that they were seen as, or valued as, individuals by the organization. This management indifference was an apparent source of discontent among employees.

(2) Favoritism in Promotion and Performance Awards

Some employees within TVA's nuclear program viewed promotions and awards or other forms of employee recognition as frequently the result of personal connections rather than as the result of individual performance. The evaluations found some support for these allegations with respect to the following practices:

Many craft union traditions created discontent among personnel because promotions, overtime, and job assignments were in some cases based on local union membership.

TVA managerial staff in some cases had not provided documentation that showed they were judging performance fairly, regardless of their intentions.

(3) Failure to Fulfill Managerial Responsibilities

Less than adequate management performance in some cases was a major contributor to many problems experienced by employees prior to 1986. Deficiencies in basic management skills were noted by employees and confirmed by the evaluations and included ineffective planning and coordination, failure to keep commitments to employees, improper completion of required documentation such as performance reviews, and failure to properly implement and enforce established policies or practices.

(4) Ineffective Communication by Managers

Some managers often failed to communicate their expectations, the reasons for their actions, or the decision of higher level managers. This communication breakdown frequently occurred between both management and employees and between line managers and their peers.

(5) Weak Management Evaluation and Development Program

Prior to 1986, TVA's nuclear program did not have a coherently structured management training program, nor did it successfully define standards of performance for either its managerial or non-management employees. Consequently, some line managers and employees alike did not know what constituted excellent or even satisfactory job performance. Little or no help was offered to improve on recognized job or managerial deficiencies.

The working environment created by the problems described above damaged not only individual motivation, but work group motivation and productivity as well. These managerial difficulties were influenced by a multitude of circumstances. However, there were at least four root causes for the nuclear program's management and personnel problems:

- (1) The lack of an integrated organizational structure within the nuclear program meant that no one was clearly in charge and few managers, particularly few middle and senior managers, could be held accountable for performance. This lack of central direction also resulted in a breakdown in internal communications that, in turn, sometimes led to work being performed at cross purposes.
- (2) The ambitious scope of TVA's nuclear program resulted in a work force expansion that outstripped TVA's supply of experienced managers. Those TVA managers with the necessary training and experience were spread too thinly to provide consistent, efficient overall leadership.
- (3) The shortage of qualified managers was not being corrected by either outside recruitment or internal training programs. The regulatory requirements demanded a special kind of attention that was not within the experience of many of the TVA managerial staff.
- (4) The undertrained, underexperienced, nuclear program managers did not recognize the need to discover the underlying causes of problems. This short-sighted approach to problem solving in many cases resulted in corrective actions directed at the treatment of symptoms rather than root causes.

The planned corrective actions within the Office of Nuclear Power are aimed at improving some of the basic management methods that would make employee attitude toward managers more trusting while enhancing managerial skills.

At the time this Employee Concerns Special Program was initiated, the TVA Board had already taken the first major corrective action by bringing in a senior manager to integrate the TVA nuclear program. Under his direction, the managerial staff was consolidated into a centralized organizational unit, each part with defined responsibilities that interrelated to each other, eliminating the conflicts in management authority that previously existed.

In recognition of the shortage of qualified managers to handle the complex nuclear plant construction and operational programs, a concerted effort was initiated and is still underway to recruit experienced and qualified managers by direct hiring or by short term contracts to establish the needed managerial competence.

Currently, a program is also underway to update procedures and policies and to educate the entire managerial organization about the purpose and implementation methods of these procedures and policies so that they will be administered effectively and on a uniform basis throughout all organizations.

A management training and development program is being implemented to help upgrade employee supervisory and management skills and to provide development opportunities for those employees in the Office of Nuclear Power who possess exceptional leadership qualities. While some training modules within this program are underway now, the entire program is scheduled to be in place and functioning by December 1988.

As a result of the collective assessment of the findings, root causes analysis and corrective actions undertaken both as a result of this Management and Personnel (M&P) Category evaluation and as described in the Corporate Nuclear Performance Plan, the M&P Category Evaluation Group concludes that the significant problems identified by issues in this category have been, or are being, adequately addressed.

**EMPLOYEE CONCERNS SPECIAL PROGRAMS  
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## **PREFACE**

This report is one of a series prepared under the Employee Concerns Special Program (ECSP) of the Tennessee Valley Authority (TVA). The ECSP and the organization which carried out the program, the Employee Concerns Task Group (ECTG), were established by TVA's Manager of Nuclear Power to evaluate and respond to those Office of Nuclear Power (ONP) employee concerns filed before February 1, 1986 that related to TVA's nuclear power program. Concerns filed after that date are handled by the ongoing ONP Employee Concerns Program (ECP).

The ECSP addressed more than 5,800 employee concerns. Each of the concerns was a formal, written description of a circumstance or circumstances that an employee cited as inappropriate, inefficient, unjust, or unsafe. The scope of the ECSP was to thoroughly evaluate all alleged problems (issues) presented in the concerns and to report the results of those evaluations in a form accessible to ONP employees, the Nuclear Regulatory Commission (NRC), and the general public.

This preface contains background information on how the ECSP was initiated, descriptions of the categories to which concerns were assigned for evaluation, profiles of the Senior Review Panel members who provided independent oversight of the program, and information on feedback of program results to employees.

### **A HISTORY OF THE EMPLOYEE CONCERNS SPECIAL PROGRAM**

In early 1985, a gap in communications between management and non-management employees at Watts Bar Nuclear Plant was recognized. After consultation with the NRC about this situation, the TVA Board of Directors directed that a far-reaching employee concerns program be implemented at Watts Bar. The Employee Concerns Special Program was established to thoroughly review employee concerns. To ensure that employees felt free to express their concerns without fear of retaliation, an independent contractor was selected to interview employees then assigned to Watts Bar.

Precautions were taken throughout the program to protect the identities of those who expressed concerns. The original records of the interviews remain in the custody of the interviewing contractor; the only other copies of these records are held by the NRC. Only the contractor and the NRC have had access to these files. The information provided to TVA was screened to maintain employee confidentiality.

Upon completion of the interview phase on February 1, 1986, 5,876 employees had been interviewed. Approximately one third of the employees (1,850) had expressed one or more concerns, resulting in approximately 5,000 individual employee concerns. Although TVA extended the program to employees at all Office of Nuclear Power sites through the use of mailers and a toll free telephone number, most of the concerns were from Watts Bar employees.

An Employee Concerns Task Group was established to carry out the program. The Task Group's concentration of qualified personnel and its comprehensive approach to problem resolution also made it the logical organization to resolve concerns and items gathered from several other sources. Therefore, the Task Group's responsibilities included the following:

- Concerns expressed during the contractor interviews.
- Concerns generated by earlier employee concern programs.
- Additional concerns identified from the interview files by the contractor and the NRC.
- Additional items identified by Task Group evaluators.
- Concerns received by the NRC before February 1, 1986, and referred to TVA.
- Concerns identified by TVA's former Nuclear Safety Review Staff.
- Open items identified from reviews of TVA incoming correspondence.

### **CATEGORIZATION OF CONCERNS**

The concerns were grouped into nine categories to provide for consistent evaluation of related concerns. This also aided in identifying and developing corrective actions that addressed identified deficiencies specifically and programmatically to prevent recurrence. The responsibility for each category was assigned to a designated Category Evaluation Group. This responsibility included identification of the issues raised by the concerns, thorough investigation, determination of generic applicability and root causes of deficiencies, evaluation of Corrective Action Plans (CAPs) developed by the line organizations, and preparation of the program reports. In addition, the line organizations evaluated identified deficiencies for potential reportability to the NRC under Title 10 to the Code of Federal Regulations, Parts 50.55(e), 50.72, 50.73 and 21.

The concerns were grouped into the following categories:

- **Construction** - Concerns about the adequacy of construction practices, the quality of as-constructed facilities (excluding welding and as-designed features), in-storage and installed maintenance prior to turnover to operations, measuring and test equipment and handling of equipment used during construction, and construction testing activities. TVA personnel evaluated the concerns in this category.

- **Engineering** - Concerns about the adequacy of the design process and the as-designed plant features. The design process consists of the technical and management processes that commence with the identification of design inputs and lead to and include the issuance of design output documents. These concerns were evaluated by Bechtel Western Power Corporation.
- **Operations** - Concerns about operational activities, including operator qualifications, maintenance or equipment needs, security, health physics, and ALARA (as low as reasonably achievable) implementation, and concerns about preoperational and surveillance testing. Personnel from TVA and from Impell Corporation performed the evaluations in this category.
- **Material Control** - Concerns about the adequacy of material, including its procurement, receipt, handling, storage, and installation, and the adequacy of procedures governing material control. TVA personnel evaluated the concerns in this category.
- **Welding** - Concerns about any aspect of welding, including welder or weld procedure qualification, weld inspection/nondestructive examination, heat treatment, weld quality, filler material quality, and weld documentation. The welding concerns were evaluated by personnel from TVA and the EG&G Idaho Corporation.
- **Intimidation, Harassment, Wrongdoing, or Misconduct** - Concerns about personnel conduct that interferes with the ability of employees to fulfill their assigned responsibilities, unauthorized actions taken against employees for fulfilling their assigned responsibilities, and illegal activities or violations of TVA policies and regulations. Concerns in this category were transmitted by the Task Group to the Office of the Inspector General for evaluation.
- **Management and Personnel** - Concerns about the adequacy of policies, management attitude and effectiveness, organization structures, personnel management, and personnel training and qualification, except training and qualification covered by the Quality Assurance/Quality Control Category. These concerns were evaluated by TVA personnel and contracted consultants.
- **Quality Assurance/Quality Control** - Concerns about the adequacy of Quality Assurance/Quality Control programs and procedures (e.g., auditing; document control; records; deficiency reporting and corrective action; and inspection, except nondestructive examination and welding inspection) and the training, qualification, and certification of Quality Assurance/Quality Control personnel. The concerns in this category were evaluated by Stone & Webster Engineering Corporation.

- **Industrial Safety** - Concerns about the working environment and controls which protect the health and safety of employees in the workplace (excluding health physics and ALARA). TVA personnel and the DuPont Company - Safety Management Services evaluated these concerns.

Concerns that affected more than one category were assigned to multiple categories. In such cases, each category evaluated the concern from its specific point of view.

Each Category Evaluation Group sorted its assigned concerns into subcategories, according to the subject matter of the concerns, then into elements. An element is a group of related concerns that raise the same or similar issues. An issue is an alleged problem cited or implied, as interpreted by an evaluator, in one or more concerns. Concerns were evaluated according to the issues they raised. A comprehensive explanation of the evaluation and reporting process is contained in the introduction section of each category report and in the program summary report.

## **PROGRAM OVERSIGHT**

The ECSP has been reviewed, audited, and inspected by the NRC, the TVA Office of the Inspector General, and the TVA Nuclear Quality Assurance Division. To provide additional independent and objective oversight, the TVA Manager of Nuclear Power established a Senior Review Panel of recognized experts within the nuclear power industry. Those selected had extensive backgrounds with experience in the design, construction, operation, quality assurance and safety evaluation of nuclear power plants.

The Senior Review Panel provided oversight to ensure that (1) the scope and depth of the evaluation effort was adequate, (2) the evaluation findings and conclusions were logically derived from the evidence, (3) the proposed CAPs adequately addressed identified deficiencies, and (4) the reports adequately described the evaluation effort, the evaluation findings and conclusions, and the measures taken to resolve the identified deficiencies.

### **Profiles of the Senior Review Panelists**

#### **Myer Bender**

Querytech Associates Inc., Knoxville, Tennessee. Consultant on engineering practices for nuclear and advanced technology programs. More than 40 years of experience with complex technological activities including the Manhattan Project, and advanced nuclear fuel processing and waste management installations. Former Director of Engineering at the Oak Ridge National Laboratory and, for ten years, a Member of the NRC Advisory Committee on Reactor Safeguards (Chairman in 1977). Known for his work in standards, quality assurance, and system failure assessment.

James M. Dunford

Former startup readiness consultant for Three Mile Island. Former manager in the Naval Reactor Program. Former Vice President for Naval Reactor Plant Construction for New York Shipbuilding Corporation. Former Professor of Mechanical Engineering at the University of Pennsylvania. Nearly 50 years of experience in engineering management, material procurement, quality control, radiological control, construction, and training related to nuclear facilities.

Richard E. Kosiba\*

Former Vice President for Quality and Technology, Babcock and Wilcox Company. Former manager in the Naval Reactor Program. Former Assistant Director (Plant Engineering) for the Atomic Energy Commission. Forty years of experience in the design, manufacturing, research and development, testing, operation, and maintenance of nuclear plants.

Joseph C. LaVallee, Jr.

Former Nuclear Project Manager for Sargent and Lundy. Twenty-five years experience in project management, licensing, construction, design, and operation of nuclear power facilities.

Daniel L. Garland\*

Former Manager, Nuclear Quality Assurance Program Office for Westinghouse Hanford Company. While at Westinghouse, assisted Department of Energy in developing Quality Assurance standards and programs. Thirty years of experience in the quality assurance of nuclear plants, including preparation of plans, procedures, and manuals; indoctrination and training of personnel; and participation in more than 400 quality assurance audits, frequently as audit team leader.

James R. McGuffey\* (Deceased)

Over 40 years experience in ASME Code fabrication work, specialty welding practices, materials technology, and quality assurance methodology. Former Director of Quality Assurance and Inspection for the Oak Ridge National Laboratory.

\*These members served on the panel for part of the duration of the program.

## QUESTIONS ABOUT CONCERNS

### How to Find a Concern

These category reports and their appendices are intended to inform the concerned individual as to how his or her concerns were addressed. These reports summarize the Employee Concerns Task Group's investigations, findings, and line management identified corrective actions. In most cases the concerned individual should be able to identify the resolution of the issue associated with his/her concern using the following steps:

1. Determine which category would contain the concern. A list of the categories begins on page ii of this preface.

2. Review the category report identified in step 1, above. In particular, review the "Category Assessment" and "Conclusions" sections and the appendix titled "Subcategory Report Overviews."

A process has been developed which will permit employees to obtain additional information concerning their specific concern. As has been the case throughout this program, this will be done in a manner that ensures the confidentiality of the individual. Details of this process will be made available coincident with the release of these category reports.

### What to Do If You Believe Your Concern Has Not Been Adequately Addressed

The Employee Concerns Task Group has made an intensive effort to thoroughly evaluate and report on all the issues raised by the concerns. In some cases, adequate information may not have been available to properly evaluate your concern or the concern may have been misinterpreted by the Task Group. Any employee who believes that his/her concern has not been adequately addressed by the ECSP is requested to bring this to TVA's attention by taking the question to the Employee Concerns Program site representative.

## 1.0 INTRODUCTION

This category report presents the results of the evaluations done by the Management and Personnel Category Evaluation Group. The Management and Personnel concerns accounted for 40 percent of all employee concerns within the scope of the Employee Concerns Task Group. As a whole, these concerns questioned the efficiency or the fairness of the management methods and personnel practices in TVA's nuclear program.

None of the management and personnel evaluations include discussion of nuclear-safety related matters because any technical aspects (including any potentially nuclear safety-related concerns) were assigned to the appropriate technical category. The technical component was evaluated and resolved in the technical category.

Since all Office of Nuclear Power sites followed the same general management and personnel guidelines, most of the concerns within this category report are considered to have generic implications at all TVA Office of Nuclear Power sites and locations. Although, a large majority of the concerns originated from and were evaluated specifically as they applied to the Watts Bar Nuclear Plant, the findings and corrective actions for generic issues were applied to all sites and locations as appropriate.

It is also important, for a proper understanding of the context of this report, that readers be aware of the basic nature of Employee Concerns Task Group evaluations. The findings and analyses presented in this and other Management and Personnel subcategory reports were based solely on evaluations of the issues raised by the employee concerns assigned to this category. The immediate purpose was to resolve the issues raised specifically by the concerns, but the broader purpose was to find the root causes and correct those that might lead to recurrence of any underlying problems uncovered during the evaluations.

To this end, major emphasis was placed on analysis of negative findings. The process was designed to be thorough by being cumulative, i.e., to detect and resolve not just a specific case but any cases similar to those already identified. Consequently, when an issue was substantiated, corrective action was taken not just on a case-by-case basis, but systematically, throughout the Office of Nuclear Power, where necessary.

The results of issue evaluations have been published in a series of 21 subcategory reports and this category report. A list of the 22 reports that comprise the total Management and Personnel Category report product is provided in Appendix A, Table of Reports.

## **1.1 Evaluator Qualifications**

All evaluations and subsequent analyses of findings in the Management and Personnel Category were performed by an evaluation group trained in the Employee Concerns Task Group evaluation techniques and knowledgeable in the areas they evaluated. The team was under the direction of a Management and Personnel Group Head. This group head is a senior TVA manager with 18 years of experience in nuclear power management.

The Management and Personnel Category Evaluation Group Head was assisted by a senior consultant with 39 years as a personnel relations specialist, the last 18 of those years as Manager-Nuclear Energy Relations Operations for the General Electric Company. The Management and Personnel Evaluation Group consisted of 19 TVA evaluators with the wide variety of backgrounds necessary to resolve a broad range of management and personnel issues. The group included personnel administrators, organizational planners, human resource specialists, specialists in material control and productivity, and labor relations specialists.

A brief profile of the education and experience of each group member is presented in Appendix B to this report.

## **1.2 Evaluation Process**

Two thousand three hundred twenty two (2,322) concerns were assigned to the Management and Personnel Category. Before any evaluations took place the concerns were divided into 21 subcategories, according to the subject matter of the concerns (e.g., Equal Employment Opportunity, Productivity, and Labor Relations).

### **1.2.1 Subcategory Evaluation Process**

The concerns in each subcategory were grouped into issues. An issue was a potential problem raised by one or more concerns. Management and Personnel evaluators with knowledge and/or experience relevant to a particular subcategory, but without previous personal involvement in the areas being evaluated were assigned to evaluate the issues in each of the 21 subcategories. They conducted their evaluations according to the Evaluation Plan for the Management and Personnel Group and evaluation plans prepared for each subcategory.

The first step in the evaluation process was to review the concern statements (K-forms) and to obtain additional information, when available, about the specific concerns. If concerns had been investigated individually by others before the Employee Concerns Special Program was established, those investigation reports were reviewed.

The next step was to research requirements and criteria against which an issue could be measured to determine whether or not it identified a problem requiring corrective action.

In the Management and Personnel Category, there are relatively few regulatory or legal requirements. However, judgement criteria can usually be found in TVA policies and procedures and in the negotiated agreements between TVA and labor unions. Where no regulatory, legal or internal standards were applicable, research was conducted to determine what accepted standards were in force at the time. This research included literature reviews, interviews with individuals in and out of TVA who had applicable experience, and visits to four other nuclear utilities in the southeastern United States.

After identifying the applicable requirements and criteria, evaluators accumulated the data necessary to judge whether the requirements or criteria had been met. For the category as a whole this involved reviewing thousands of documents and conducting hundreds of interviews with employees, union stewards, supervisors, managers and individuals with functional expertise. In addition, previous studies of morale and employee attitudes were reviewed including three reports on Watts Bar Nuclear Plant in the 1981-1983 period done by the McDonald Motivational Research Center, attitude surveys of lower-level management employees during the 1983-1985 period, and exit interview data.

The judgment as to whether the requirements or policies had been met was called a finding. Having established the findings for the subcategory, the evaluator assessed the collective significance of those findings: what were the importance and consequences of the findings in the subcategory? Then causes were determined for those problems requiring corrective action. Finally, the Task Group's assessment of those problems deserving corrective action was discussed with the responsible line managers who proposed corrective action plans which had to be reviewed and concurred with by the Senior Review Panel and the Task Group Manager.

### 1.2.2 Category Evaluation Process

This report consolidates the findings and collectively evaluates 21 management and personnel subcategory reports. The report reviews major findings, analyses of collective significance, cause determinations, and subcategory corrective actions for the 21 subcategories. The review searches for significant patterns that run across subcategories, patterns that may not have been apparent when the subcategories were examined

**individually. Additional corrective action, beyond that identified at the subcategory level, is developed and presented based on the collective review of the subcategory findings and their corrective actions. The extent to which identified weaknesses have been addressed by the Corporate Nuclear Performance Plan is also reviewed.**

## **2.0 SUBCATEGORY DESCRIPTIONS**

The individual employee concerns comprising this Management and Personnel Category were grouped into 21 subcategories based on common attributes. Within these subcategories, the employee concerns which raised the same potential problem were placed together as an issue. Table 1 lists the 21 subcategories and gives the number of employee concerns and issues in each. An issue-by-issue summary of the findings in each subcategory is presented in Appendix C.

The Management and Personnel issues were characterized by grouping the subcategories under three major headings:

- 1. Work Conditions for Unionized Employees**
- 2. Fairness of Personnel Policies**
- 3. Management Competence**

### **1. Work Conditions for Unionized Employees**

The issues raised in the five subcategories in this group deal with the negotiated agreements and work practices that affect TVA's represented employees. Typical issues are overtime distribution, the fairness of hiring, promotion and layoff policies, and the use of work rules for employee harassment.

#### **Subjourneyman (70100)**

The subjourneyman subcategory evaluated eight issues about the use of subjourneymen by the Division of Nuclear Construction at Watts Bar Nuclear Plant. Subjourneymen are intended to perform the unskilled or semi-skilled work within a craft so that journeymen are free to concentrate on performing their specialized skills.

#### **Work Rules (70200)**

The work rules subcategory evaluated 11 issues about the application or the content of the work rules used in Office of Nuclear Power organizations. Work rules, the guidelines which control the general daily activities of a work force, are intended to ensure fair, consistent, and efficient treatment of workers in a large work force functioning at several locations.

### **Work Schedules (70300)**

The work schedules subcategory evaluated eight issues on management decisions affecting the normal work schedules of employees.

### **Overtime (70400)**

The overtime subcategory evaluated 13 issues about management's application of overtime policies.

### **Labor Relations (71600)**

The labor relations subcategory evaluated eight issues involving favoritism, work jurisdiction, grievance procedure, fire watch training, concerns processing, signature authority of supervisors, and responsibility for scaffolds.

## **2. Fairness of Personnel Policies**

The seven subcategories in this group evaluated employee questions about the fairness of the content or interpretation of TVA policies that affect the rights, privileges, or performance recognition of all employees in TVA's nuclear program. The issues are summarized below.

### **Equal Employment Opportunity (70500)**

The Equal Employment Opportunity subcategory evaluated 16 issues that can be grouped under four topics: (1) pay and promotion, (2) accommodation of handicapped workers, (3) discrimination, and (4) the Equal Opportunity Complaint System.

### **Medical (71300)**

The medical subcategory evaluated 18 issues about the quality of TVA's medical program and about the administration of the Federal Employees' Compensations Act at Watts Bar Nuclear Plant.

### **Drugs (71400)**

The drugs subcategory evaluated three issues: the adequacy of the drug testing program at Watts Bar Nuclear Plant, the alleged abuse of the Employee Assistance Program (EAP), and the individual privacy considerations posed by random drug testing.

### **Employment (71800)**

The employment subcategory evaluated 21 issues that fall into the following job-connected processes: complaints about reductions-in-force or layoffs, suspensions or terminations, candidate selection, and vacancy announcements.

### **Pay (71900)**

The pay subcategory evaluated 10 issues forming four groups: (1) the Salary Policy Merit Pay Plan, (2) the comparability of TVA salaries, (3) the Management Schedule Pay Plan, and (4) pay and pay check distribution policies.

### **Personnel Records (72000)**

The personnel records subcategory evaluated eight issues on the alleged inaccuracy of personal history records (PHRs), the keeping of "secret records," and the misuse of, or lack of access to, workers' personnel records.

### **Veteran's Preference (72100)**

The veterans' preference subcategory evaluated five issues on perceived inadequacies in TVA's implementation of the preference due by law to veterans. It also evaluates six miscellaneous issues affecting veterans.

## **3. Management Competence**

The nine subcategories in this group address employee concerns in the areas of management technique, personnel qualifications, organization, and productivity as well as other miscellaneous management and personnel related topics.

### **Management Technique (70600)**

The management technique subcategory evaluated six issues on the methods and styles used by Office of Nuclear Power management to accomplish its aims during the timeframe of the concerns. The issues included contentions of authoritarianism, favoritism, and an inability to communicate effectively.

### **Organization (70700)**

The organization subcategory evaluated nine issues on organizational changes that have taken place in TVA's nuclear program over the last several years.

### **Morale (70800)**

The morale subcategory evaluated two issues that either expressed dissatisfaction with some part of the work environment or offered general statements about low morale.

### **Public Safety Service (70900)**

The Public Safety Service subcategory evaluated five issues about the administration, supervision, and operation of the Public Safety Service at Watts Bar Nuclear Plant.

### **Productivity (71000)**

The productivity subcategory evaluated 12 issues questioning the adequacy of the management and procedural controls that were intended to ensure productivity during the construction of Watts Bar Nuclear Plant.

### **Materials (71100)**

The materials subcategory evaluated six issues about waste materials, material availability, and materials procurement.

### **Miscellaneous (71200)**

The miscellaneous subcategory evaluated 35 issues. Thirty-four were single concern issues that could not be assigned to any other Management and Personnel subcategory. The remaining issue collected 14 concerns that provided insufficient detail to allow the evaluator to determine what was intended by the statement of concern.

### **Employee Programs (71500)**

The employee programs subcategory evaluated four issues raised about the initial stages of the current TVA employee concern effort.

**Personnel Qualifications (71700)**

The personnel qualifications subcategory evaluated 13 issues on whether Watts Bar Nuclear Plant personnel have met the established qualifications for the positions they hold or whether TVA training programs at Watts Bar Nuclear Plant are adequate.

**Table 1: Subcategory Concerns and Issues**

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<b>Subcategory</b>	<b>Concerns<sup>1</sup></b>	<b>Issues</b>
Subjourneymen (70100)	23	8
Work Rules (70200)	235	11
Work Schedules (70300)	19	8
Overtime (70400)	61	13
Equal Employment Opportunity (70500)	82	16
Management Technique (70600)	487	6
Organization (70700)	24	9
Morale (70800)	67	2
Public Safety Service (70900)	57	5
Productivity (71000)	216	12
Materials (71100)	70	6
Miscellaneous (71200)	48	35
Medical (71300)	57	18
Drugs (71400)	23	3
Employee Programs (71500)	169	4
Labor Relations (71600)	73	8
Personnel Qualifications (71700)	252	13
Employment (71800)	254	21
Pay (71900)	66	10
Personnel Records (72000)	22	8
Veteran's Preference (72100)	<u>44</u>	<u>11</u>
<b>TOTAL</b>	<b>2349<sup>1</sup></b>	<b>227</b>

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<sup>1</sup>These totals include 27 employee concerns which were shared between two or more subcategories.

### 3.0 CATEGORY ASSESSMENT

The matters about which TVA employees raised "concerns", that are covered in this report, were voiced during calendar years 1985 and 1986. The exact time period in which the concerns arose could have extended back several years prior to that time. In this report, the matters associated with personnel management practices and perceptions of TVA's management practices and principles are examined. At the time when the ECSP effort started (February 1986), the TVA Board had already established a new nuclear management approach under a new manager of the Office of Nuclear Power. Many of the matters of concern in this report were already being addressed.

#### 3.1 Findings

The findings in this report are not all directly associated with factually identifiable management malpractices. Some are derived from impressions resulting from interviews with individuals involved in the nuclear program in the period ending in January 1986, and some from examination of the manner in which TVA's management practices compare with those of other utility organizations functioning in a similar operating environment.

##### Failure to Treat Employees as Individuals

Some employees perceived that their views were not of interest to TVA management, even where they concerned work related problems. This may not have been a general case, but instances were found wherein employee suggestions and comments were given "lip service" without followup action. An employee attitude survey in September 1986 seemed to indicate that most employees had high regard for their immediate supervisors but did not see that the TVA management had a "caring" attitude towards its employees.

There was, thus, an impression that the TVA management did not consider their employees as individuals but rather as a massive work force to be utilized, as appropriate, to meet corporate objectives. In order to assure responsive interest by TVA employees in their assigned duties it is necessary to correct this "noncaring" management impression.

##### Favoritism in Promotion and Performance Awards

Many employees expressed the belief that promotions, favored job assignments, awards, or other forms of recognition, as well as layoffs, were not always administered on the basis of individual performance but influenced by favoritism described as "cliques" or "buddy systems."

The evaluations found some support for these allegations, particularly with respect to local craft practices and traditions which influenced the handling of craft overtime, job assignments, and the craft foreman selection process. The evaluations did not find favoritism to be a factor in TVA's administration of layoffs for any class of employee; layoffs were in conformance with established TVA and federal policies.

While the actual existence of favoritism was limited to the craft personnel working in the Division of Nuclear Construction, many concerned individuals had the perception that favoritism was functioning at all levels in the Office of Nuclear Power. An attitude survey conducted in September 1986 was also used as a basis for assessing the employee impressions of fairness in TVA's implementation of job performance recognition by promotions and merit pay awards. Like the ECSP evaluation results, there were no cited facts to show the practices of the period were unfair, except for the isolated occurrences noted previously, but from the attitude survey, it was evident that most employees believed otherwise. Fewer than one-fifth agreed with the statement that "Managers are selected based on their management skills and qualifications" or with the statement that "Promotions are based on competence and qualifications rather than the buddy system". By not always documenting the reasons for individual promotions, awards or other forms of recognition, management may have unintentionally encouraged the perception of favoritism.

#### Failure to Fulfill Managerial Responsibilities

Collectively, the evaluations indicated that some managers failed to do what they were expected to do as managers. Deficiencies included ineffective planning and coordination, failure to give feedback to employees about their performance, failure to keep commitments or to complete required documentation, and failure to properly implement policies and established practices.

Some employees saw inadequate management performance as a significant cause of many of the problems experienced by the employees and a result of some management personnel being unqualified for the positions they filled. While managers were found to fulfill the stated technical requirements for their positions, such as education and prior experience, some managers possessed limited supervisory skills which may have adversely impacted their performance and caused some employees to lose confidence in management.

The shortcomings that some employees perceived in TVA management appear to be the result of a "Do as I say and don't ask questions" management style and a defensive, "Keep a low profile and don't make waves," approach on the part of many nuclear program supervisors. In this kind of environment not only individual motivation, but also work group motivation and productivity can be expected to be low.

### Ineffective Communication by Managers

Linked to the matter of managerial competence, but so extensive as to deserve separate identification, was the inability or unwillingness of some managers to communicate with their subordinates, peers and superiors. Some managers were viewed as generally failing to communicate their expectations, the reasons for their actions, or the decisions of higher level managers. Many of the issues evaluated never would have surfaced as problems had managers properly responded to the many inquiries or concerns of employees or to put the objectives, goals and plans of the enterprise in perspective for employees.

### Weak Management Evaluation and Development Program

Prior to 1986, TVA's nuclear program did not have a coherently structured management training program; nor did it successfully define standards of performance for either its managerial or non-management employees. Consequently, line managers and employees alike frequently did not know what constituted excellent or even satisfactory job performance. Little or no help was offered to improve on recognized job or managerial deficiencies.

## **3.2 Root Causes**

There are at least four underlying causes for the TVA nuclear program's management and personnel relations problems prior to 1986. These causes are:

### **(1) Lack Of An Integrated Organization Structure**

Organizationally, TVA attempted to treat its nuclear program as an extension of the management culture and methodologies that produced its very successful fossil and hydro power programs. The hydro and fossil organizational structure encouraged the apparently successful autonomy of the design, construction, and operation functions. Unfortunately, such autonomy is not suited for nuclear plant construction where it almost inevitably leads to some work being done at cross purposes. Because of the safety demands, the complexity, and the enormous costs involved, a nuclear program needs an organizational structure that coordinates the activities of the functional organizations and that ensures that information affecting more than one function is shared with all affected functional organizations.

During the last several years, TVA's nuclear power program has undergone numerous major organizational changes. The two most recent changes have effectively consolidated TVA's nuclear construction, design, and operating functions under a Manager of Nuclear Power with authority

over all aspects of the nuclear program. Until then, responsibility and accountability for key functions was often debatable, and relevant information was not adequately shared across functional boundaries.

**(2) Ambitious Scope of TVA's Nuclear Program**

Paradoxically, many of the management problems in TVA's nuclear program stem from TVA's desire to serve the people of the Tennessee Valley. In the middle and late 1960's TVA, like most utilities at the time, projected a steep and steady increase in demand for electrical power. The TVA Board felt that an ambitious nuclear power construction program could meet this demand. Such a program would also continue TVA's traditional role as a leader in the utility industry.

As this massive construction program got under way, thousands of employees were hired and hundreds of managers were appointed. Total employment within TVA rose from 27,000 in 1975 to 53,000 in 1980. This is a doubling of the workforce within five years. Since almost all of this increase took place within the nuclear program, that program's work force underwent much more than a one hundred percent increase. Such an expanded work force outstripped TVA's supply of experienced nuclear managers.

**(3) Not Enough Qualified Nuclear Managers**

The design complexities; the need for high standards in quality, documentation, and tracking; the continually escalating regulatory requirements; and the need for an open, responsive interaction with the NRC, all demanded the steady attention and commitment of qualified nuclear managers. TVA did not have enough of these qualified managers--those individuals who, through prior experience in the nuclear industry, had developed that understanding of the need for, and a commitment to, the extra effort, attention to detail and discipline required to direct and support a successful nuclear program. There is little evidence during this period that TVA saw the need to actively recruit experienced nuclear managers. Nor did it see the need for a systematic training program tailored to developing, within the organization, the needed quantities of qualified managers.

**(4) Short-Sighted Management Environment**

The preceding three causes resulted in a management environment which consistently undervalued both the need to share information and the need to discover the underlying causes of problems. The sheer size of the program, the lack of sufficient numbers of qualified nuclear managers, and

an organizational structure that did not reflect a unity of purpose combined to create an undertrained, underexperienced, narrowly-focused, and schedule-driven management. Nuclear program managers were usually too busy trying to keep on schedule to take the time to share information with or listen to their employees. This managerial environment led some managers to discourage their subordinates at the working level from raising issues, even when worthy of attention, because they might interfere with schedules. They also sometimes discouraged employees from straying beyond their narrowly defined work scope even when drawing attention to problems that might later create difficulties. In such an environment there could be no expectation of performance recognition for conscientious attention to problem solving. Consequently, some problems were allowed to persist that might have been corrected if managers and their subordinates had been encouraged to take a more aggressive interest in finding and correcting the root cause of problems rather than treat symptoms that might have cleared up a detail but made recurrence likely.

## 4.0 CORRECTIVE ACTION

### 4.1 Subcategory Corrective Action

About one of five issues evaluated in the Management and Personnel Category required corrective action as determined by the ECTG. An almost equal number of issues constituted problems for which TVA had already initiated corrective action prior to the time the Employee Concerns Special Program evaluations were conducted. In total, about one-third of the 227 identified issues were found to require some type of corrective action. About two-thirds of the issues evaluated were found not to constitute a problem needing corrective action.

The following section sums up the major corrective actions under the three subcategory headings presented in the "Subcategory Descriptions" (Section 2):

1. Work Conditions for Unionized Employees
2. Fairness of Personnel Policies
3. Management Competence

#### Work Conditions for Unionized Employees

The five subcategories in this group contained 48 issues, 8 of which produced findings of a need for corrective action. The major problem areas and corrective actions are described as follows:

1. Irritation and confusion over work rule inconsistencies generated over 200 employee concerns. As a result of evaluating these concerns, work rules will be standardized: an Office of Nuclear Power-wide task group will review, and where necessary, clarify the full range of work rules now in effect.
2. Dissatisfaction about overtime generated approximately 60 employee concerns. Overuse and uneven use of overtime by the Division of Nuclear Construction projects will be addressed by the issuance of guidelines for the use of overtime that reflect the results of the recent TVA study of overtime's relationship to worker safety and productivity as well as schedule and cost.
3. Selections for construction foremen and for specialty jobs in the Division of Nuclear Construction workforce were found to be rife with favoritism. Henceforth, they will be reviewed by the General Construction Superintendent's Office to ensure that positions are offered on a fair and impartial basis, without regard to union local membership. This action is intended to counteract patterns of favoritism toward members of the local union with jurisdiction at the job site.

## Fairness of Personnel Policies

The six subcategories in this group evaluated 87 issues of which 17 required corrective action. The major problem areas and corrective actions are described as follows:

1. Many concerns challenged TVA's responsiveness to minorities, women, handicapped, or other disadvantaged employees. The Office of Nuclear Power has committed to a series of actions intended to strengthen its Affirmative Action Program Plan. These commitments include enhanced efforts to identify potential employees from underrepresented groups and increased efforts to recruit women and minorities for the trades and labor schedules. The new Affirmative Action Program Plan will reestablish the practice of assigning the responsibility and accountability to line managers for affirmative action goals.

Each manager's responsibility for meeting goals will be incorporated into his or her Management Appraisal System objectives. Performance will be monitored quarterly.

2. There appeared to be widespread employee perception that promotions and internal selection for vacancies are based on favoritism. A number of steps have been taken to counteract this perception: all Division of Nuclear Construction supervisors are now required to take a managerial skills course, titled Orientation to Nuclear Supervision (OTNS), which includes training on job selection and on selection documentation; selection and promotion of M-1 through M-7 management schedule positions is now reviewed by a corporate or division Management Review Board; all promotions to foreman or general foreman in the Division of Nuclear Construction are now reviewed by the General Construction Superintendent.
3. As a peripheral finding the evaluation in the area of favoritism in Salary Policy Merit Pay found that in 53 percent of all TVA Merit Awards there was a lack of documentation justifying the award decision. To counteract a perception of favoritism in Merit Pay Awards, the Nuclear Personnel Staff was preparing to conduct annual surveys of merit award documentation. However, because of continued employee frustrations with the merit pay plan, TVA and the Salary Policy Employee Panel reached an agreement on January 21, 1988 to replace the current merit pay plan with a satisfactory service within-grade progression plan for salary policy employees.

## Management Competence

The nine subcategories in the last group had 92 issues. Twenty identified problems requiring corrective action. Twenty-eight Corrective Action Tracking Documents (CATDs) were written. Because the problem of management competence is at the heart of the Management and Personnel Category evaluations, this summary of corrective action will deviate from the pattern established for the first two groups by also looking at major corrective actions taken before CATDs for this group were written.

The evaluations in this group revealed four sources of management competence problems in the TVA nuclear program. Those four were (1) an organizational structure that lacked clear lines of authority and purpose, (2) an insufficient supply of experienced nuclear managers, (3) an inadequate training program for managers, and (4) the inability of line management to listen or communicate effectively with employees. The most significant corrective action for these four problem areas was initiated prior to completion of the ECSP effort.

Corrective action for the first cause of problems identified in the management competence area began with a reorganization of the TVA nuclear program aimed at developing clear lines of authority and responsibility under a single Manager of Nuclear Power. To enhance the effectiveness of the reorganization and help restore credibility to TVA's nuclear program, an experienced individual with a nuclear background was brought in from outside TVA to assume the position of Manager of Nuclear Power in January, 1986. The Manager of Nuclear Power was given complete responsibility for all TVA nuclear activities with the authority to set program priorities and resolve controversies between functional organizations within the program.

To address the second cause of problems, the Manager of Nuclear Power instituted an intensive recruitment activity designed to bring a number of experienced managers to TVA from the nuclear power industry either as permanent TVA employees or as temporary loaned managers from other companies to bolster the reorganization and recovery effort.

The second, third, and fourth problem sources were all addressed by the Manager of Nuclear Power in March 1986 with the issuance of the Corporate Nuclear Performance Plan. The plan called for the creation of a management development program to supply the Office of Nuclear Power with an adequate complement of experienced managers capable of handling nuclear responsibilities. As part of this action a management training program has been initiated to enhance the skills of TVA's incumbent managers.

The Manager of Nuclear Power has also, during calendar years 1986 and 1987, taken steps to upgrade overall management competence by replacing and reassigning those incumbent managers who did not fit well with the planned organizational approach and to recruit others to fill vacant assignments on both a temporary basis (when permanent staff members could not be obtained) and a permanent basis where appropriate personnel were available.

As part of the development program a training effort is underway to improve employee/management communications. At all nuclear plant sites, managers and other supervisory staff members are being encouraged to build close on-the-job contact with their subordinates at two or more levels above and below their assigned positions. In the construction program a series of Employee Involvement Meetings have been implemented to encourage an active question and answer dialogue within the construction organization. These steps along with the anticipated results of this ECSP program should build a stronger and more effective communications link between TVA's management and its employees.

The Corporate Nuclear Performance Plan goals of building an effective management team and restoring employee trust are interconnected. The actions cited above demonstrate that a significant organized effort is being actively pursued by the Manager of Nuclear Power to improve both the perception and the reality of Office of Nuclear Power management competence.

It is the judgement of the Management and Personnel Category Group that the Corporate Nuclear Performance Plan does address all major unresolved issues raised by the employee concerns in this category. However, the corrective action announced in the Corporate Nuclear Performance Plan has not yet been fully implemented. The progress being made toward that end is the topic of the second half (Section 4.2) of this corrective action discussion.

#### **4.2 Category Corrective Action**

Four category level CATD's were initiated requesting that the nuclear management staff provide detail and status information regarding implementation of the Corporate Nuclear Performance Plan as it relates to the management and personnel issues.

Corrective Action Tracking Document 700-NPS-01 asked what progress has been made on the Corporate Nuclear Performance Plan's pledge to update the management system used by the Office of Nuclear Power. The status of implementation is as follows:

Responsibility for all of TVA's nuclear activities has been consolidated within a single organization. The top tier of the nuclear organization was restructured to provide effective centralized management of nuclear

activities. This structure was approved March 30, 1987. Primary responsibility for each functional area within the Office of Nuclear Power has been assigned to the appropriate director or staff manager, each with responsibility for discrete functional activities, such as engineering, licensing, quality assurance, and training. Each director or manager is accountable for the technical adequacy of all activities within the department's assigned areas, including support activities provided at TVA's nuclear plants. Position descriptions will be revised to reflect responsibilities and accountabilities of all positions within the new organization. The position descriptions will reflect the specific responsibilities of the individual.

The second action (CATD 700-NPS-02) asked for a status report on the management training and development program intended to "upgrade the competence of individual managers in the longer term." A management development training program is being implemented. The status of this program as of August 1987 is provided below.

1. A three-day course entitled Orientation to Nuclear Supervision, for all supervisors in the Office of Nuclear Power, addresses the role of the supervisor, performance requirements and expectations, the prevention of intimidation and harassment, and good management/supervisor practices. One thousand, three hundred fifty-seven individuals out of a target audience of 2,125 M-schedule employees have received this training.
2. A three-day course entitled Supervisory Development Course (SDC), required for all supervisors M-5 and below, introduces the skills needed to establish employee trust and confidence, to set goals, and to manage effectively. One thousand, two hundred ninety-three individuals out of a target audience of 2,134 have received this training, as of September 30, 1987.
3. An extended (three 2-day sessions) program entitled Managing for Excellence, for all M-6 through M-8 managers, addresses managing in cultural change, motivation, teamwork, planning and goal setting, and integration across organization lines.

All of the above programs include training in communication, i.e., effective listening and oral communication.

Other elements of the management development program are scheduled to be in place and functioning by December 1988. A management assessment and promotability program will identify, provide development opportunities, and eventually place into leadership roles those employees in the Office of Nuclear Power who possess managerial leadership qualities. The program will be an on-going effort supported by the following systems:

1. **Organization Analysis**--identification of current and future manpower needs by each Office of Nuclear Power organization, using an on-going systematic approach.
2. **Performance Identification**--assessment of emerging potential talent against current and future job demands, using criteria such as performance evaluations, psychological appraisals, and skills assessments.
3. **Individual Development Plans**--increases the capabilities of emerging potential candidates to perform in current and future positions by exposing them to a variety of training and development activities, i.e., job rotation, special assignment, university training or seminars. Accountability for meeting management development goals will be incorporated in each manager's annual review process.
4. **Succession Placement**--a systematic approach to making decisions concerning the placement of individuals in management positions now and in the future. This function will tie in closely with organization analysis, the current recruitment program which utilizes a staff of professional outside recruiters, and a system of performance identification which assesses emerging potential talent inside TVA.
5. **Top Performer Assistance Program (TAP)**--Individuals selected for development in this area are identified and assigned to assist key managers in the Office of Nuclear Power where they will be given special tasks and coached and trained by the manager to whom they are assigned. This program is active and undergoing modifications that will broaden it.

The third corrective action (CATD 700-NPS-03) asked for the status of the Office of Nuclear Power efforts to establish a monitoring system that periodically will seek out employee opinions about employee-management relations in order to establish trends over the longer term that might be used as one basis for judging management effectiveness in building employee respect for the TVA management approach.

The Office of Nuclear Power has established a formal Employee Concern Program (ECP) which receives, records, and trends information regarding employee-management relations. The Employee Concern Program uses the following methods to monitor employee opinion:

1. Exit interviews (over 7,000 exit interviews have occurred) seek out, record, and provide trending information on concerns of employees who are terminating their employment or transferring to a different TVA organization

or plant site. Results of these interviews are being used to plan and implement the programs that are improving the overall working environment in the Office of Nuclear Power.

2. An open file system has been established to show the status of issues that do not require a full scale (confidential) investigation. The open file system is a valid indicator of employee-management relations because it is created by employees who are willing to resolve issues in open discussion with their supervisors.
3. Since February, 1986, employee concerns have been collected, studied and categorized to provide guidance to TVA management about policy administration and effectiveness. One purpose for the categorization is to identify those concerns which raise issues that can only be resolved outside the Office of Nuclear Power (for example, merit pay, call-by-name, and Federal regulations covering veterans' rights.)

The fourth corrective action (CATD 700-NPS-04) is to make employees aware of corrective actions in place or in the formative stages that respond to these employee concerns. The ECSP commitment is to provide a set of reports documenting the program findings and TVA responses to show that all have been addressed. These will not be available until all of the resulting actions are established. During the interim, TVA/Office of Nuclear Power is providing periodic status updates through various meetings and publications.

## 5.0 CONCLUSION

The management difficulties evaluated in the Management and Personnel Category were not safety-related in the sense that they did not involve the protection of employees and the public against radiation hazards. Therefore, they were not directly responsible for TVA's decision to voluntarily shut down its operating plants in September 1985. In the technical category reports in this series, the reader will find thorough re-examinations of such hardware issues as the quality of welding, the ability of piping in containment buildings to withstand the degree of heat to which it will be subjected, and TVA's methods of accounting for the differences between how a plant was designed and how it was actually built.

Nevertheless, in the final analysis, technology, however good, does not ensure the safety of a nuclear plant. It is the people designing, constructing, and operating that technology, who must be relied upon and held accountable. To do their jobs correctly, they must not only be adequately trained and experienced, but also believe that they share in the responsibility for the public's safety. The number and quality of the concerns TVA workers shared with this Employee Concerns Special Program, not just those assigned to M&P, demonstrates that many TVA employees take that public trust seriously.

As people charged with a special trust, they have the right to be taken seriously. Whatever its intentions, the previous management team in TVA's nuclear program failed to convince its employees that they mattered to management.

Many signs indicate that the new management team is actively correcting the mistakes of its predecessors. Corrective action is being taken by Office of Nuclear Power line management for all of the problems identified by the issues in this Management and Personnel Category. The oversight of the Special Program by the Senior Review Panel, the TVA Inspector General, and the NRC will help assure employees that all of the issues will be thoroughly examined. The Corporate Nuclear Performance Plan has initiated programmatic action in three essential management and personnel areas: the restructuring of the Office of Nuclear Power, the implementation of a Management Training and Development Program, and the efforts to restore employee confidence by improving management's ability to listen to and inform its employees. This Corporate Nuclear Performance Plan has been reviewed and accepted by the NRC.

The Management and Personnel Category Report records an assessment of the findings, root cause analyses, and corrective actions in this category. The assessment found that extensive corrective action was taken by line management as a result of the problems identified in the subcategory evaluations. It also found that broader programmatic action was needed than was taken as a result of the subcategory evaluations. However, it is the judgment of the Management and Personnel Category Evaluation Group that the necessary programmatic corrective action has been committed to in the Corporate Nuclear Performance Plan and is being implemented.

**APPENDIX A**  
**MANAGEMENT AND PERSONNEL CATEGORY TABLE OF REPORTS**

Volume 7, Management and Personnel Category, contains 22 separate reports consisting of one category report and 21 subcategory reports. Each report in Volume 7 is listed below by title and part number corresponding to its Employee Concerns Special Program report number.

<b><u>PART</u></b>	<b><u>REPORT TYPE</u></b>	<b><u>TITLE</u></b>
70000	Category	Management and Personnel Category Report
70100	Subcategory	Subjourneymen
70200	Subcategory	Work Rules
70300	Subcategory	Work Schedules
70400	Subcategory	Overtime
70500	Subcategory	Equal Employment Opportunity
70600	Subcategory	Management Technique
70700	Subcategory	Organization
70800	Subcategory	Morale
70900	Subcategory	Public Safety Service
71000	Subcategory	Productivity
71100	Subcategory	Materials
71200	Subcategory	Miscellaneous
71300	Subcategory	Medical
71400	Subcategory	Drugs
71500	Subcategory	Employee Programs

<b><u>PART</u></b>	<b><u>REPORT TYPE</u></b>	<b><u>TITLE</u></b>
71600	Subcategory	Labor Relations
71700	Subcategory	Personnel Qualifications
71800	Subcategory	Employment
71900	Subcategory	Pay
72000	Subcategory	Personnel Records
72100	Subcategory	Veterans' Preference

## **APPENDIX B EVALUATOR PROFILES**

The following is a brief professional profile on the evaluators and other key personnel who assisted in the evaluation of the employee concerns within the Management and Personnel Category

<b>Mark B. Whitaker, Jr.</b>	<b>Category Group Head</b>	<b>B.S. in Electrical Engineering, the Citadel, Charleston, South Carolina, M.B.A., University of South Carolina, Columbia J.D., University of South Carolina, Columbia. Over 18 years of experience as a nuclear manager.</b>
<b>Frank G. Ensworth</b>	<b>Category Group Head, (Acting)/Evaluator</b>	<b>B.S. in Industrial Arts, State University, College at Oswego, New York. Has nine years of nuclear personnel and labor relations experience within TVA.</b>
<b>Britton W. Saterlee</b>	<b>Consultant</b>	<b>B.S. in Economics &amp; Finance, Bucknell University, Lewisburg, PA. Over 39 years experience as a relations professional with General Electric Company culminating in the appointment to the position of Manager - Nuclear Energy Relations Operation from 1967 thru 1985.</b>
<b>Donald L. Cook</b>	<b>Evaluator</b>	<b>Thirteen years experience in all phases of warehousing and material control as it applies to support, modifications, and operations of TVA's Fossil &amp; Nuclear Steam Generating Plants.</b>

<b>Patsy J. Evans</b>	<b>Evaluator</b>	<b>B.S. Business Administration University of Tennessee, Knoxville. PhD. Organizational and Industrial Psychology, University of Tennessee, Knoxville. Twelve years experience in Personnel Administration within TVA.</b>
<b>Joe K. Fox</b>	<b>Evaluator</b>	<b>B.S. Criminal Justice Administration. Six years experience in management planning, organization, analysis and productivity development. Six years Investigative experience with the City of Knoxville, TN., Police Department.</b>
<b>Philip D. Brackins</b>	<b>Evaluator</b>	<b>B.S. Industrial Technology, MBA. Economics and Finance, East Tennessee State University, Johnson City, TN. Nine years Financial &amp; Administrative Management Experience including 6 years with TVA.</b>
<b>Elizabeth A. Brown</b>	<b>Evaluator</b>	<b>B.A. Sociology, Boston University, 1971 J.D. Boston College 1976. Ten years with TVA including 7 years experience in organizational planning and policy development.</b>
<b>Larry L. Clements</b>	<b>Evaluator</b>	<b>B.S./M.S Industrial Education, University of Tennessee, Knoxville, TN. Eleven years Training and Personnel experience within TVA's nuclear power program.</b>
<b>Darrell L. Johnson</b>	<b>Evaluator</b>	<b>B.S. Business Administration University of Tennessee, Knoxville, TN. Seven years experience within TVA in the area of Labor Relations and Personnel Administrators</b>
<b>Betty Hall Krueger</b>	<b>Evaluator</b>	<b>B.S. Business Administration University of Tennessee. Fifteen years TVA experience in Employment Recruitment and Personnel Administration, Twenty-five years TVA service.</b>

<b>Brian K. Krumm</b>	<b>Evaluator</b>	<b>B.S. Business Administration, State University College at Oswego, NY., MPA, Syracuse University. Five years TVA experience in organizational productivity, planning, systems analysis, operations management.</b>
<b>John E. Long, Jr.</b>	<b>Evaluator</b>	<b>B.S. Business Administration, University of Tennessee, Knoxville, TN. MBA, Management - University of Tennessee, Knoxville. Nine years experience in Human Resource Management. Seven years experience within TVA.</b>
<b>Larry N. Long</b>	<b>Evaluator</b>	<b>B.A. Applied Psychology, M.A. Industrial/Organizational Psychology, University of Tennessee, Knoxville. Six years TVA experience in Organizational and Human Resource Development.</b>
<b>Larry Mays</b>	<b>Evaluator</b>	<b>B.S. in Education, Florence State University, Florence, Alabama. Nine years of TVA Nuclear Construction Management experience.</b>
<b>Gale R. Mauk</b>	<b>Evaluator</b>	<b>B.A. English Language/Literature, University of Tennessee, Chattanooga. Four years of technical report writing experience and seven years experience as an Equal Opportunity Compliance Officer within TVA.</b>
<b>Ramona A. Morris</b>	<b>Evaluator</b>	<b>B.S. Communications, University of Tennessee, Knoxville. Eight years TVA experience in Medical Services Administration.</b>
<b>L. Dean Peoples</b>	<b>Evaluator</b>	<b>B.S. in Industrial Technology, Tennessee Technological University, Cookeville, TN. Twelve years TVA Nuclear Construction management experience. Has served six years as Project Control Load Engineer and six years Nuclear Construction Trades &amp; Labor Craft planning &amp; scheduling.</b>

<b>Terry L. Robertson</b>	<b>Evaluator</b>	<b>B.S. English and Journalism. Eight years TVA Nuclear Construction experience, Office and Hanger Engineering. One year experience investigating and reporting employee concerns with QTC.</b>
<b>K. Jill Wallace</b>	<b>Evaluator</b>	<b>B.S. Business Administration, University of Tennessee, Chattanooga, TN. Seven years experience in Personnel Administration within TVA.</b>
<b>Billy Weeks</b>	<b>Evaluator</b>	<b>B.A. University of Alabama, Eleven years of Material Management and Warehousing Experience with TVA.</b>

## **APPENDIX C**

### **SUBCATEGORY REPORT OVERVIEWS**

This appendix contains an issue-by-issue summary of each of the 21 subcategories in the Management and Personnel Category. Each summary briefly reviews the issues addressed, the findings and conclusions reached, the problems identified, and the corrective actions planned or taken to resolve those problems.

	<b><u>Subcategory</u></b>	<b><u>Page</u></b>
70100	Subjourneymen	C- 2
70200	Work Rules	C- 5
70300	Work Schedules	C-10
70400	Overtime	C-12
70500	Equal Employment Opportunity	C-18
70600	Management Technique	C-25
70700	Organization	C-31
70800	Morale	C-34
70900	Public Safety Service	C-37
71000	Productivity	C-39
71100	Materials	C-44
71200	Miscellaneous	C-46
71300	Medical	C-47
71400	Drugs	C-52
71500	Employee Programs	C-54
71600	Labor Relations	C-57
71700	Personnel Qualifications	C-61

	<b><u>Subcategory</u></b>	<b><u>Page</u></b>
71800	Employment	C-65
71900	Pay	C-75
72000	Personnel Records	C-80
72100	Veterans' Preference	C-84

### **Subcategory 70100 - Subjourneymen**

This subcategory evaluated employee concerns about the use of subjourneymen by the Division of Nuclear Construction at Watts Bar Nuclear Plant. Subjourneymen were intended to perform the semi-skilled or unskilled work within a craft so that journeymen craftsmen were free to concentrate on performing their specialized skills.

The 23 concerns in this subcategory fell into two groups, each containing four issues. One group alleged the improper use of subjourneymen. The other group raised questions about the retention of subjourneymen during layoffs and reductions-in-force.

The evaluation looked at the historical development of the subjourneymen classification within the Division of Nuclear Construction. It closely examined the job assignments that subjourneymen had performed and compared those activities to the activities identified in the job classification agreement signed by TVA and the Tennessee Valley Trades and Labor Council in February of 1982. It also reviewed the reasons that led Nuclear Construction to discontinue the use of subjourneymen at Watts Bar.

One of the four issues about the use of subjourneymen contended that subjourneymen were a replacement for the discontinued craft apprenticeship programs (Issue 70104). This issue was not substantiated. The TVA-Tennessee Trades and Labor Council agreement for the subjourneymen used by the Division of Nuclear Construction specifically prohibits advancement to journeymen standing. The construction subjourneymen were intended as a permanent un-skilled workforce.

Three other issues were raised about the use made of subjourneymen:

- Subjourneymen did the work of journeymen. (Issue 70101)
- Supervisors allowed subjourneymen to do work out of their classification. (Issue 70102)
- Subjourneymen did not have the skills to adequately perform the work of journeymen. (Issue 70103)

These issues were all partially substantiated, but either did not require corrective action or identified problems for which corrective action had already been taken. By definition subjourneymen were not required to have the training or experience of journeymen. There were isolated cases of subjourneymen using power tools such as grinders and drills, but such practices were halted as soon as they were brought to management's attention. In one instance a subjourneyman had been assigned work (cable termination) beyond the scope of his classification. That work was reinspected and found to be acceptable. The isolated cases of tool use and misassignment were adequately covered by existing management practices.

There were four issues about the treatment of subjourneymen during reductions in the workforce:

- That it was unfair to lay off all subjourneymen. (Issue 70105)
- That union agreements required the use of subjourneymen. (Issue 70106)
- That it was wrong to lay off subjourneymen in order to retain journeymen. (Issue 70107)
- That journeymen were laid off while subjourneymen were retained. (Issue 70108)

These issues did not identify problems that required corrective action. The procedures for laying off subjourneymen were correctly followed. The union agreement establishing the subjourneyman classification did not require the use of subjourneymen but simply provided guidelines for their use (Issues 70105 and 70106).

Subjourneymen were, in fact, laid off while journeymen were retained. However, nothing in the union agreement said this could not be done (Issue 70107). These reductions were made to comply with manpower ceilings while at the same time ensuring that fully qualified craft workers were on hand to finish the remaining work. The evaluations found no evidence of improper actions. Journeymen were not laid off in order to retain subjourneymen (Issue 70108).

The restricted scope negotiated for Nuclear Construction subjourneymen made the classification unpopular both with supervisors and with craftworkers. Supervisors wanted a more flexible semi-skilled worker who could use power tools. Workers wanted at least some elements of an apprenticeship program that would give them the chance to progress to more skilled positions. Because the guidelines adopted for Nuclear Construction limited subjourneymen to performing only the unskilled work of the craft, neither craft managers nor labor representatives strongly supported the use of the classification.

There are currently no subjourneymen in the Division of Nuclear Construction workforce. Based upon the results of the evaluation for this subcategory, if the subjourneyman classification is to be used again by Nuclear Construction, TVA should negotiate guidelines for construction subjourneymen similar to those in effect for the subjourneymen who work in the operations and maintenance organizations. In those organizations, subjourneymen are allowed to use power tools and may do the semi-skilled as well the unskilled work of the craft.

#### **Subcategory 70200 - Work Rules**

Work rules are the guidelines which control the general daily activities of a work force. They are intended to ensure fair, consistent, and efficient treatment of workers in a large work force functioning at several locations.

In this subcategory 235 employee concerns raised 11 issues about the application or the content of work rules used in Office of Nuclear Power organizations. Eighty-two percent of the concerns originated with the Division of Nuclear Construction. The work rules used by the Division of Nuclear Construction are a formal set of published work guidelines. However, in the Work Rules Subcategory Report the term "work rules" includes not just Nuclear Construction's formal guidelines, but all the rules and regulations governing daily work activities of the various work forces within the Office of Nuclear Power.

Eight issues raised questions about consistency of work rule application. Two issues questioned what the rules themselves said. One issue was used to combine three concerns that, rather than raising questions, stated opinions.

The evaluation process began with a review of documents to establish the requirements and procedures that governed each work rule issue. Numerous interviews were then conducted with TVA managers at both the corporate headquarters and at Watts Bar Nuclear Plant. Interviews were also held with employees at Watts Bar and with executives at several other South Eastern utilities. The interviews were undertaken for two reasons: to verify that the document review had accurately identified the criteria governing work rules and to provide perspective on the situations described in the various issues.

During several direct observations at Watts Bar Nuclear Plant, management-employee work rule interaction was noted and employee opinion was solicited on how work rule application and content affected their work and their morale.

The following three issues concerning work rule application were not substantiated:

- That management condoned arbitrary work rule disciplinary actions. (Issue 70206)
- That work rules were changed to harass and terminate employees. (Issue 70207)
- That disciplinary action for work rule violations was too severe. (Issue 70208)

The perception about the arbitrariness of work rule discipline (Issue 70206) arose when employees saw disciplinary actions reversed by the appeal process. They believed the managers whose disciplinary actions were reversed on appeal should themselves have been disciplined for abuse of their authority. Any alleged incident of wrongdoing by a manager would have been reviewed on a case-by-case basis by higher management levels or by organizations outside the Office of Nuclear Power such as the Office of the Inspector General. However, the results of such reviews were not normally made available to employees. Moreover, some reversals came about not because managers were willfully arbitrary, but because they felt work rules gave them no leeway to consider mitigating circumstances. In fact, consideration of mitigating circumstances generally was allowed, but not all managers were aware of this.

No evidence was found that managers changed work rules to harass employees (Issue 70207). Indeed, as the arbitrary discipline issue revealed, many supervisors believed they had no freedom at all to interpret work rules.

Consistent evidence was found that management emphasis was placed on the appropriateness of the penalty when a manager enforced work rules. However, again, some managers felt consistent enforcement of the work rules left them little freedom to consider any extenuating circumstances. The severe discipline issue (Issue 70208) seemed to be aggravated by a misunderstanding over the role oral warnings played in the disciplinary process. Some employees felt the ungrievability of oral warnings (as defined by the union agreements) was unfair. However, management and labor representatives had agreed that only when the warning was issued in writing would it be grievable.

The following five application issues were partially or fully substantiated:

- That the Division of Nuclear Construction application of work rules differed from the work rule applications of other Office of Nuclear Power organizations. (Issue 70201)
- That craft workers were held more strictly to work rules than salaried employees. (Issue 70202)
- That work rules were enforced inconsistently between crafts, shifts, crews, and individuals. (Issue 70203)
- That excessive emphasis was placed on strict application of work rules. (Issue 70204)
- That the threat of arbitrary and inconsistent discipline for work rule violations adversely affected work efficiency, safety, quality, and morale. (Issue 70205)

The evaluation showed that the Division of Nuclear Construction used a formalized list of work rules and disciplinary actions. The operations organizations at Watts Bar used a Supervisory Handbook for Foremen which outlined but did not dictate discipline for violations. As a consequence, Nuclear Construction applied its work rules more strictly than did other Office of Nuclear Power organizations (Issue 70201).

The evidence also indicated that managers who were Salary Policy employees received less severe disciplinary action than craft workers for the same violations (Issue 70202). Additionally, during the period of these concerns there was emphasis placed on strict application of work rules (Issue 70204); more emphasis was put on work done wrong than on work done right. No significant program existed which was geared to recognizing good work performance of Trades and Labor employees in Nuclear Construction.