

## **POLICY ISSUE (Information)**

January 26, 2010

SECY-10-0009

FOR: The Commissioners

FROM: R. W. Borchardt  
Executive Director for Operations

SUBJECT: INTERNAL SAFETY CULTURE UPDATE

### PURPOSE:

This paper provides the outcome of a review of the Internal Safety Culture Task Force results (SECY-09-0068, "Report of the Task Force on Internal Safety Culture," dated April 27, 2009) in comparison with the Office of the Inspector General (OIG)'s 2009 Safety Culture and Climate Survey results. In addition, this paper: 1) describes staff's intention to conduct further analysis of the OIG survey data; 2) provides an update on the implementation of the original task force recommendations; and 3) explains plans for conducting a periodic, comprehensive review of the agency's Open Collaborative Working Environment (OCWE).

### SUMMARY:

The agency's Internal Safety Culture Task Force was in place from October 2008 through May 2009. The staff revisited the task force results by comparing them with the recently available results of the 2009 OIG survey. This review found that the OIG survey data generally support the task force results where applicable. Therefore, no modifications to the original task force recommendations are needed. However, because of its wider scope, the OIG survey identified a number of additional results and insights that the task force did not explore or identify. Accordingly, the staff intends to conduct further analysis to fully understand these issues and develop actions to facilitate continuous improvement in these areas.

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Staff has already begun implementing the task force recommendations; this paper describes both these activities and plans for ongoing implementation. In addition, this paper summarizes how offices responded when asked to consider the task force's internal and external benchmarking results for potential application to their organization. Finally, the paper describes plans to conduct a comprehensive assessment of the agency's OCWE within 1 year after each OIG survey.

### BACKGROUND:

The U.S. Nuclear Regulatory Commission (NRC) consistently seeks to improve its internal organizational effectiveness. In accordance with the direction provided by the Commission in staff requirements memorandum (SRM) M080317B, "Staff Requirements—Briefing on State of NRC Technical Programs," dated April 3, 2008, the staff formed the Internal Safety Culture Task Force in October 2008. This task force sought to identify: 1) ways to increase awareness of the agency's internal safety culture, 2) initiatives that could potentially improve it, and 3) best practices already in use across the agency.

The task force engaged in intensive data gathering activities from October 2008 through December 2008, using the following methods: 1) facilitated employee focus groups, 2) a Web page portal for anonymous employee input, 3) management interviews, 4) a public meeting, and 5) external and internal benchmarking. In early 2009, the task force aggregated and analyzed the data to formulate its recommendations. In April 2009, the Executive Director for Operations (EDO) approved these recommendations for implementation (SECY-09-0068). At the completion of task force activities, the staff briefed the Commission on May 27, 2009, on the task force's results and recommendations. In response, the Commission provided additional guidance to the staff in SRM M090527B, "Staff Requirements Memorandum—Briefing on Internal Safety Culture...", dated June 5, 2009. The Commission directed that while implementing the recommendations, staff should continue to look for ways to communicate expectations clearly, to reinforce across the agency the primary focus of protection of the public health and safety, and to appropriately balance the importance of quality and timeliness.

The task force activities were independent of the OIG's periodic Safety Culture and Climate Survey. The OIG surveys are another means for the agency to identify organizational improvements. The surveys are voluntary, make provisions for anonymity, and are offered to all NRC employees, supervisors, and managers. In addition, the survey allows the NRC to compare its results to other U.S. organizations that have completed similar surveys. OIG has conducted the survey approximately every 3–4 years since 1998, and the latest survey was conducted in May 2009. After each OIG survey, the agency has responded to the results with actions to maintain areas identified as strengths and to improve areas identified as challenges.

The Commission's April 2008 SRM had originally asked the task force to provide its report within 3 months of the next OIG survey, which the agency at that time anticipated would be completed by late 2008. However, in early 2009, the projected timeframe for conducting the OIG survey was moved to May 2009 and issuance of the final report to fall 2009. Therefore, in SRM-COMSECY-09-0001, "Internal Safety Culture Task Force Interface with Office of the Inspector General Safety Culture and Climate Survey," dated February 6, 2009, the Commission approved the staff's recommendation that the task force complete its activities, render its report as planned in April 2009, and subsequently review the task force report from the perspective of the OIG survey results when those became available. Based on insights derived from this review, the staff would, if appropriate, suggest any additional actions or

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modifications to the original recommendations. In addition, the staff would provide an update on the implementation of the task force recommendations. This paper provides the outcomes of this review and the update on the recommendations.

## DISCUSSION

### Review Results

Because of differences in the scope and methodology between the task force activities and the OIG survey, the staff could not make a direct one-to-one comparison of the results. Instead, the staff focused on general topics that both the task force and the OIG survey evaluated, where applicable. In general, the results from the OIG survey supported the results from the task force. However, due to its broader scope, the OIG survey results also identified a number of additional insights. Enclosure 1 contains detailed information on the review methodology and the results.

The following are high-level insights from the review:

1. Overall, the OIG survey had strong positive results in job satisfaction, which supports the task force's finding that staff have pride in their work and are proud of their personal accomplishments. In addition, the OIG survey also found strong positive results in the area of engagement, which supports the task force finding of employees feeling connected to and support for the mission.

2. Based on its review of the data collected, the task force had identified several high-level themes as areas where the agency should continue or further increase its focus. For each theme from the task force results, related questions or categories of questions from the OIG survey were analyzed.

- Theme 1: Lack of clarity and confusion about the concept of safety culture

Due to the limited amount of data, the OIG survey result in this area did not provide sufficient information to clearly support or not support the task force's overall theme. However, there were group differences from the OIG survey results that do support the task force finding that technical (versus nontechnical) staff and management in general had greater level of understanding of safety culture.

- Theme 2: Importance of communications, specifically in terms of feedback, expectations, and bases of decisions

Overall, the OIG survey results show improvements in this area but that there is need for continued focus. In general, these results support the task force insights in this area.

- Theme 3: Leaders modeling safety culture behaviors, as identified from the external benchmarking activities

Because this theme was based on external information and not internal data, there was no direct relation with the OIG survey. However, staff did review some survey questions in the area of management and leadership for general insights. Overall, the survey

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results contained fairly positive responses, showing improvements from the previous OIG survey results; however, staff did identify some areas warranting additional focus.

- Theme 4: Questions about the effectiveness of the agency's differing views processes and continued perceptions that engaging these processes may lead to some form of adverse consequences

These processes include the Open Door Policy, the Non-Concurrence Process, and the Differing Professional Opinions (DPO) Program, and there were a number of OIG survey questions in this area. Overall, the OIG results support the task force's results that there are continuing questions on effectiveness of the differing views processes (even though awareness has increased); continuing perception of potential negative consequences for engaging in these processes; and the need for providing improved communications on resolution of differing views.

- Theme 5: The challenge of communicating and demonstrating the appropriate focus in meeting the potentially conflicting goals of quality and production or timeliness

The OIG survey results related to this topic support the task force results and show the important need for continued focus on appropriately conveying and demonstrating this balance.

3. In addition to the themes described above, the task force identified two issues from the focus group results that the OIG survey results also support. The first issue is in knowledge management, where the survey results showed increased positive results from 2005, although there is still room for improvement. The second issue is the turnover rates of supervisors, which the task force identified as a concern. On the OIG survey, there was no improvement from the 2005 results on this topic, which is an interesting insight considering there were improvements in general on all the survey categories and on the majority of the questions.

4. Due to the broader scope of the OIG survey, there were a number of additional results and insights indicated in the survey results that the task force did not explore or identify based on its activities. These were related to the following issues:

- Employees being held to the same standards of ethical behavior
- Concerns about the future of the nuclear industry
- Having the computer systems support needed to carry out job functions
- Empowerment of staff
- Availability of classes and workload interfering with training
- Perceptions of effectiveness of various communication tools
- Multiple headquarters locations inhibiting communication
- General trends noted for specific groups

In summary, where there was comparable data, the OIG results generally supported the task force results. Therefore, no modifications to the original recommendations are needed. Because the OIG survey identified a number of additional trends and insights as discussed above, however, the staff intends to conduct additional analysis to fully understand this information. As the OIG survey contractor indicated in their presentation of the results, the high participation rate from the survey was driven in part by the staff's belief that the agency would fully consider their insights and feedback from the survey and take appropriate improvement efforts. Conducting additional analysis in order to gain full and clear understanding of the issues

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will directly guide the development of appropriate and effective actions for continuous improvement. Implementing such actions will demonstrate responsiveness to the staff, which could facilitate continued or even improved participation rates on future employee surveys and encourage further engagement on similar activities for providing employee views and feedback.

### Status of Recommendations

Activities to implement the original task force recommendations have been underway. The Office of Enforcement (OE) has taken the lead in this area and has been coordinating and communicating with other offices and staff as appropriate. Enclosure 2 describes the current status and upcoming plans for each recommendation.

As these activities are being implemented, the staff will review and consider relevant insights from the OIG survey results to inform its progress. In addition, there will be continued focus to appropriately communicate and coordinate with offices and staff across the agency, because there are many initiatives and activities planned or already underway which relate to the OIG survey results. Awareness and coordination of such activities are important to ensure efficiency and to avoid duplication of efforts. In addition, there will be strong focus on sharing information and best practices across offices. All agency staff and organizations contribute to its mission and effectiveness; therefore, active engagement and support from all offices is necessary to achieve continued improvements in this area.

### Benchmarking Review Results

As part of its data collection activities, the task force conducted external benchmarking (with other agencies and organizations) as well as internal benchmarking. By letter dated July 2, 2009 (Agencywide Documents Access and Management System (ADAMS) accession number ML091770022), as suggested by the task force, offices were requested to review the task force's internal and external benchmarking results for potential application to their organization. Enclosure 3 contains a summary of these results. In general, most offices reemphasized the best practices they currently engage in as originally reported to the task force, and some offices mentioned specific practices from other offices that they would be interested in applying. In addition, several offices indicated they would identify additional areas after reviewing the 2009 OIG survey results. The practices most consistently described by the offices in their responses were related to the areas of communications; demonstration of support from management; continuous learning environment; and identification, evaluation, and resolution of problems.

### Comprehensive OCWE Assessment

On April 30, 2009, the EDO approved combining the current assessment requirements for the DPO Program into one review and report for efficiency and effectiveness (ML090920526). These requirements, which are described in Management Directive 10.159, "NRC Differing Professional Opinions Program," are to perform annual in-depth reviews as well as periodic reviews of the DPO program. This approval eliminates the requirement to perform the annual review.

To implement this new review, the staff is planning an approach that combines the goals of the current annual DPO program review, review of the Non-Concurrence Process, and the periodic in-depth assessment and insights from the OIG survey, to provide a comprehensive assessment of the agency's OCWE. OCWE is an open collaborative working environment which (1) ensures individuals/groups can come together to solve problems, (2) values input and

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feedback that may differ from the prevailing view, (3) encompasses the entire staff, where administrative and corporate support personnel, as well members of the technical staff, work together, (4) encourages trust, respect, and open communications to foster and promote a positive work environment. A comprehensive assessment that goes beyond the DPO program will provide valuable insights on areas for focus and continuous improvement. Such an assessment will also support implementation of the task force recommendation to establish a dedicated position or group to lead and coordinate safety culture efforts and activities, which included discussion on conducting OCWE assessment activities.

This comprehensive OCWE assessment would be accomplished by establishing a multifaceted approach. Each assessment will utilize a combination of assessment activities and techniques as needed. The staff plans to conduct this assessment within 1 year after each OIG survey, which are conducted approximately every 3-4 years. This timeframe allows the staff to effectively utilize the OIG survey insights to inform the assessment and to identify trends or focus areas to further explore. Enclosure 4 provides more detailed information regarding this review.

### Senior Leadership Meeting

Safety Culture was also the focus of the NRC senior leadership meeting this past November. During the meeting the senior managers discussed the findings from the Inspector General (IG) Safety Culture and Climate Survey and the Internal Safety Culture Task Force efforts. Following the meeting, the Office of the Executive Director of Operations (OEDO) requested that each office and region develop action plans based on their own assessments, focusing on areas for improvement.

The senior managers agreed to adopt the theme of an Open, Collaborative Working Environment (OCWE) as an inclusive term to describe the model workplace for the NRC. Since the senior leadership meeting, OEDO has sent two written communications to NRC staff addressing OCWE. We believe that OCWE is consistent with NRC's established values, is inclusive of the entire staff, and correlates to the characteristics of a high performing organization.

### COMMITMENT:

1. Based on the additional insight identified in the OIG survey, the staff intends to: a) conduct additional analysis to fully understand issues which the task force did not identify or include in the scope of its activities, and b) develop appropriate actions to facilitate continuous improvements in these areas. The staff will also continue the implementation of the original set of task force recommendations. In conducting these activities, the staff will follow the guidance from SRM M090527B.
2. The staff will begin to conduct a comprehensive assessment of the agency's OCWE, as described in Enclosure 4, within 1 year after the OIG makes the final results from the next OIG Safety Culture and Climate Survey available.

### RESOURCE:

The FY 2010 enacted budget for OE includes 1 full-time equivalent (FTE) and \$500K for this effort. OE has requested 1 FTE and \$500K in the FY 2011 Performance Budget for this effort.

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COORDINATION:

The Office of the General Counsel has reviewed this package and has no legal objection. The Office of the Chief Financial Officer has reviewed this Commission paper for resource implications and has no objections.

***/RA Martin Virgilio for/***

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Executive Director  
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Enclosures:

1. Review of the Internal Safety Culture Task Force Results and Recommendations with the Office of the Inspector General (OIG) 2009 Safety Culture and Climate Survey Results
2. Status of Internal Safety Culture Task Force Recommendations
3. Summary of Benchmarking Review
4. Plan for New Open Collaborative Working Environment (OCWE) Assessment

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EDOWITS200900024 EDATS:SECY-2009-0056 WITS200500277  
**ADAMS Accession No. Package ML093340113**

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