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U.S. NUCLEAR REGULATORY COMMISSION

WORK ORDER 106
BRIEFING ON HUMAN CAPITAL AND EEO

APRIL 30, 2012

9:30 A.M.

TRANSCRIPT OF PROCEEDINGS

Public Meeting

Before the U.S. Nuclear Regulatory Commission:

Gregory B. Jaczko, Chairman

Kristine L. Svinicki, Commissioner

George Apostolakis, Commissioner

William D. Magwood, IV, Commissioner

William C. Ostendorff, Commissioner

APPEARANCES

Participants:

NRC Staff:

Bill Borchardt
Executive Director for Operations

Miriam Cohen
Director, Office of the Chief Human Capital Officer (OTICO)

Glenn Tracy
Deputy Director, Office of the Chief Human Capital Officer

Jody Hudson
Associate Director for Training, OTICO

Andrea Valentin
Associate Director for Operations and Policy, OTICO

Vonna Ordaz
Director, Office of Small Business and Civil Rights

1 PROCEEDINGS

2 CHAIRMAN JACZKO: Good morning everyone, we're here to have
3 our human capital meeting, and in the spirit of human capital I thought I'd take a
4 moment just to recognize one of our employees who's leaving us at the end of
5 this week, Marty Virgilio, he's not actually sitting at the table, but he is sitting just
6 over there behind Miriam, and I just want to take this opportunity, Marty, to thank
7 you on your career here at the agency. I think it's been over 30 years of service
8 to the NRC, and we're very thankful for all the things you've done, and it's a
9 varied career. I know when I first came, I was looking back to my first day here
10 at the NRC, and all these pictures of all the people came and shook my hand,
11 and there was a picture there of Marty, and looks about the same, and that was
12 over seven years ago, and at that time I think you were -- you were a DEDO
13 then, in one area. You've shown your versatility, your expertise, and lot of
14 different areas, and moved on to take over the reactor area, and lead the
15 Fukushima efforts, and I think it's been a tremendous career, and this -- those
16 are just some of the highlights, so just wanted to take a few minutes to thank you
17 or embarrass you, whichever it is, and for all your service, and we're very
18 thankful for the things you've done here at the agency.

19 [applause]

20 COMMISSIONER SVINICKI: Thank you, Mr. Chairman, I think that
21 Marty's been summoned to be in the room, he's not at the table, as you noted,
22 but he's here for the purpose of having to be recognized in this way, which if you
23 know Marty, and he's a quiet, easy-going guy. I'm sure that this makes him most
24 uncomfortable, and I'm sure he knew why he was also asked to come for the first
25 10 minutes of this meeting, but in addition to sharing the views that Chairman

1 Jaczko has mentioned, I just want to say that, you know, often at this point in
2 time, we would feel sad, but I know that for many of us sadness is competing
3 with jealousy over the wonderful how I plan to spend my summer vacation that
4 Marty has described to many of us, so he and his wife are going to have a
5 wonderful time, and so we're all very jealous of that, but it's richly, richly
6 deserved on your part, Marty, thank you for your many contributions.

7 COMMISSIONER APOSTOLAKIS: Yeah, I would like to also say
8 that I've always enjoyed our periodic meetings. Your advice and analysis of
9 issues was always sound, and excellent, and I will miss them, and I wish you
10 good luck in your retirement and your motorcycle, and whatever else you plan to
11 do.

12 [laughter]

13 COMMISSIONER MAGWOOD: Well, to add to what's already
14 been said, which is I think entirely accurate, let me add that I first heard of Marty
15 from outside the organization, I was the Department of Energy, and we've met on
16 a few occasions, and you know, NRC's actually kind of an opaque organization
17 to many people who don't interact with the regulator all the time, but Marty's one
18 of the people who did stand out, and we knew Marty was there, and had some
19 sense of what Marty was doing, but it wasn't until I got here I really appreciated
20 what Marty does, and it's very -- it's impossible to indicate in a few words, and
21 impossible to indicate on paper what contributions a person like Marty provides
22 for an organization like NRC.

23 Simply let it be said that he's been invaluable in ways that probably
24 will never be fully recorded in the public record, so the public should know that
25 your contributions have been unique, invaluable, and will be irreplaceable.

1 Nevertheless, we will replace you, but as life does go on, and I'm sure that the
2 time that you have spent here working with the agency will -- the energy will be
3 turned to even more interesting pursuits on two wheeled vehicles as you cruise
4 around the country, so congratulations on your retirement, Marty, thank you very
5 much.

6 COMMISSIONER OSTENDORFF: Marty, I'm just going to add to
7 my other colleagues' comments that this agency and our nuclear enterprise in
8 this country is far better off for your service, and we thank you.

9 CHAIRMAN JACZKO: Thank you. You're dismissed then, Marty, if
10 you --

11 [laughter]

12 MARTIN VIRGILIO: Thank you all very much.

13 CHAIRMAN JACZKO: Sure.

14 [applause]

15 Well, now back to the meeting. We are here today to -- for our
16 annual briefing from the Office of the Chief Human Capital officer, which is a new
17 name, and the Office of Small Business and Civil Rights. The NRC is a diverse,
18 talented, and well-trained workforce, and that is in no small part due to the hard
19 work of the staff of these two offices. Today we'll discuss the environment
20 currently facing NRC employees including the many changes over the past year,
21 as well as hear feedback provided by the staff.

22 We are all committed to continuous improvement at the agency to
23 ensure that the NRC continues to be both a great place to work, and a place that
24 does great work. With our training and development programs, our open
25 supportive working environment, and our work-life balance initiatives, I believe

1 the staff has done very good work in this area, and I'm looking forward to hearing
2 about our progress in these areas and a number of areas, including our progress
3 in recruiting, developing, and retaining a highly skilled and diverse workforce. So
4 I'd offer my colleagues any opening comments they'd like to make. Okay, we'll
5 begin, Bill, with you.

6 BILL BORCHARDT: Well, thank you chairman, if I could just
7 continue from the earlier comments, even though Marty's left the room, we have
8 a little celebration for him tomorrow afternoon, but I have a lot to be grateful for
9 from the service that Marty's provided to the NRC over the years, but on behalf of
10 the entire staff, he's been a formal and an informal mentor to many, many of the
11 people that work in this agency, today and over the years, and for that alone, I
12 think, we all owe him a great debt of gratitude, and he's been a strong supporter
13 of our mission for many years, so just like to thank him.

14 The last 12 months have been an incredibly busy and challenging
15 time period for the NRC and our staff. If it wasn't Fukushima and the natural
16 events that happened in the Midwest, and the earthquake in Virginia, and
17 hurricanes, and tornadoes, that would have been enough, but the NRC staff met
18 all of those challenges, and did not skip a beat in accomplishing our primary
19 safety mission for the safe operation of all licensed facilities in the United States.

20 We've had significant budget impacts over the last year, and that's
21 going to continue, and you're going to hear a little bit this morning about some of
22 the human capital adjustments that we've made, and we've attacked the issue
23 very seriously and promptly, I believe. And that's allowed us to actually begin
24 hiring again at a higher rate than we had before, so we're going to be focusing
25 our hiring on entry level hires, and also on the critical skill sets that we need to

1 accomplish the work that we have on an ongoing basis, and to address
2 Commissioner Apostolakis' task force report, and that identifies some skill sets
3 that we could certainly use the benefit of having some additional staff working on.

4 We're making adjustments to staffing plans in a gradual way, by
5 looking at what we want the vision of success to be for the staff, and the agency,
6 and to try to get the salaries and benefits under control in a way that is a
7 moderate approach but has a clear success target identified in the future, and
8 we're emphasizing today more than ever before the idea of interdependence,
9 that each of the offices needs to work together in support of our -- each other so
10 that we can accomplish the agency's mission.

11 One of the ways that that's manifesting itself in success for the
12 agency has to do with the area of small business and civil rights. Because we're
13 making many decisions on an agency-wide rather than an office or siloed
14 perspective now, I think we're going to continue to see successes such as we
15 were one of only two agencies that exceeded our small business goals over -- for
16 the most recent quarter. We were number one in the government in the small
17 and disadvantaged hub zone contracts, and we were second agency
18 government-wide in service disabled veteran owned companies. And we're --
19 been recognized for the sixth straight year as one of the top supporters of
20 historically black colleges and universities.

21 One final note, we're now in the midst of employee survey season.
22 I would just encourage the staff to take the time to thoughtfully fill out those
23 surveys because the ideas that are provided through that analysis help to make
24 the agency an ever better place to work. It's resulted in significant improvements
25 in the way we operate, and the way that we meet our employees' needs to

1 accomplish the mission. So with that I will turn the presentation over to Miriam.

2 MIRIAM COHEN: Thanks Bill. Good morning chairman,
3 Commissioners. We're going to talk a little bit about the environment externally
4 and then internally, and then our plans for the future. As many of you know, I've
5 seen across the table in this room, it's a challenging time to be a federal
6 employee. You could read any newspaper or blog, and one hand they're telling
7 you that there's too many career ladder promotions in the federal sector, and
8 then in the same article -- I mean the same newspaper a few pages down it'll say
9 well, how do you need to be happy in the work place. So we're constantly
10 juggling these external forces and trying to figure out how we can move forward,
11 and keep a happy and contented workforce amidst these challenging times.

12 Every day doesn't go by where we hear more about reigning in
13 federal spending. Just recently there was talk about further increasing employee
14 contributions to pensions. We still don't know if we're going to have a continued
15 pay freeze. All of these kind of environmental forces create confusion and
16 anxiety amongst our employees.

17 It would be remiss not to mention some of the activities at GSA
18 over the past couple weeks that we've heard about, and it's quite -- it's really a
19 shame that the efforts of a few people has caused such a stain and tarnish on
20 federal employees, and it's uncertain what this is going to result in, but we all
21 know that there could be changes on the horizon, and again, this adds to the
22 climate of confusion and concern amongst our employees.

23 So if we turn to the NRC environment, what are we doing here?
24 We're dealing with the similar challenges that is going on in other agencies. I
25 think one of the benefits that we have here in this agency is that we try to keep

1 focus on our mission, we're looking at our long-term objectives and our goals,
2 and we have an employee -- we have a cadre of employees that are very
3 focused on their mission, and they want to continue to do a good job.

4 As Bill alluded to, we're looking at our organizational structures,
5 and our staffing plans to ensure that they are balanced and aligned with the
6 agency's mission activities. Our employees in the Office of Human Capital,
7 which is going to be very hard remember all these times because we still think of
8 ourselves as HR, we are working proactively with our managers to ensure that
9 they have the skills and competencies that they need for their jobs as opposed to
10 the grades that they would like to have for those jobs. We assure you that any of
11 our efforts to look at these structures and positions will not do anything to
12 jeopardize the mission of the agency. We believe that we remain an employer of
13 choice for individuals seeking positions here, and I think that one of the main
14 reasons we do well is that we have employees here that have meaningful work,
15 they're engaged in their work, and they're very attracted to the mission here at
16 the agency.

17 As Bill alluded to earlier, we continue to make progress in salary
18 and benefits. In fact, we did quite well and by reigning in some of the hiring
19 earlier in the year, we're able to retarget our focus to entry level hiring, and there
20 will be concerted effort to get those entry-level hires in the door in concert with
21 the demographic changes in the workforce that we expect over the next few
22 years.

23 With respect to increasing efficiency and effectiveness, we continue
24 to look at our business operations we affectionately call here TABS, and we're
25 actually making solid progress in this area as well. It's important to note that the

1 support organizations were not created overnight, and it's going to take time to
2 refocus those organizations. The most important thing we have to think about
3 are the people impacted by any centralization that occurs. There's been
4 significant amount of thought and deliberation regarding the process by which we
5 expect to transition employees to their new organizations. While the work
6 remains -- while this remains a work in progress, we're moving forward. We
7 expect to work with our managers and employees and in concert with NTEU, and
8 hope to have formal presentations for NTEU in the late May timeframe.

9 As we look to the future, it's important that we plan ahead so that
10 we have a workforce to handle the new and challenging work that lies ahead.
11 Similar to other organizations, we're looking at the number of staff that are
12 eligible to retire, and we know that those numbers are increasing. By 2016,
13 approximately 30 percent of our engineering staff and 40 percent of our scientific
14 staff will be eligible to retire. To address this, we're looking at our long-term
15 staffing needs. We've actually asked offices for their 2016 staffing plans, and
16 we're currently in the process of evaluating them.

17 We're also looking very hard at the critical skills gaps that we may
18 have to ensure that we can close any of them, and at no point during the past
19 year and a half where we had some hiring controls in place did we ever not hire
20 for critical skills. We will always bring in the people that we need to perform the
21 critical skills in the agency. At the same time, as we expect that there will be
22 some demographic changes, we're also focusing on knowledge management to
23 ensure that we're capturing the knowledge of senior people leaving the
24 organization, and we want to pass it on to the next generation of regulators and
25 ensure that we have the people that we need to ensure success in the future,

1 and we've also enhanced our developmental programs so that we can enhance
2 succession planning in the agency. The most important thing I hope you take
3 away from my few minutes is that we've been proactive in addressing our human
4 capital challenges. We expect that the actions we take now will prevent the need
5 for any potential, more drastic measures in the future. I will turn it over to Glenn
6 Tracy, our Deputy Chief Human Capital Officer, to discuss feedback from our
7 staff.

8 GLENN TRACY: Thank you Miriam. Good morning Chairman,
9 Commissioners. Feedback from the staff comes in many forms. As Bill stated,
10 we're currently in the midst of our federal employee viewpoint survey, and the
11 NRC's safety culture and climate survey will be conducted later this year by the
12 Office of the Inspector General. These survey tools provide leadership with
13 valuable information regarding the staff's attitudes, it's satisfaction, and their
14 overall work experience here at the NRC. However, these are not the only
15 mechanisms that we use to gauge our employees satisfaction.

16 Our organizational development program conducts organizational
17 assessments that help us understand root cause issues, and also identify both
18 our strengths and our areas for improvement. We also solicit feedback from
19 other systematic processes in the agency, and by listening to our staff's concerns
20 through employee exit interviews, brown bag luncheons, as well as our routine
21 discussions with the union. All these tools guide us in our holistic approach to
22 strengthening the agency's culture, and our ultimate goal of protecting the public
23 health and safety in the environment. Next slide, please.

24 I want to briefly highlight some of the feedback that our staff has
25 given us, and we're receiving, and touch on four key themes. Although the

1 feedback has been generally positive, and NRC's legacy of our highly ranked
2 survey results is nationally recognized, there is room for improvement, and we
3 must maintain our focus on the horizon. I hope to provide both perspectives.

4 One of our top drivers for employee engagement is staff's
5 relationship to NRC's mission and its values. Feedback tells us that our staff is
6 highly dedicated and committed to the NRC's mission. They have a strong
7 sense of organizational pride, and they believe in our well-known set of values
8 that were never imposed upon us, but rather articulated as our most respected
9 and appreciated characteristics over decades over work. They are our identity.
10 However, some of the staff may have a sense of why change what's already
11 great, which can inhibit our organizational change efforts.

12 On a related note, our organizational culture remains strong. Staff
13 share a common sense of beliefs, and our values strongly support a collaborative
14 environment. We've worked hard to embrace all members of the staff, both from
15 the corporate side, and the technical side.

16 In our safety mission, in our basic environment of openness, is
17 trying to be expressed across all staff. However, our emphasis on collaboration
18 and consensus building, can in certain cases slow progress or lessen the clarity
19 of roles, ownership, and accountability. An appropriate balance for effective
20 decision-making is our goal, and in keeping with our values.

21 Leadership has a direct impact on staff engagement. Our staff tells
22 us that our cadre of leaders is competent and well -informed. We've continued to
23 receive top marks from OPM's key indices. However, leaders still struggle to
24 provide honest and direct feedback to the staff and our employees, and our
25 rotating leaders can create a sense of churn, which can lead to both instability

1 and insecurity.

2 Overall, in a time of turbulence, our staff remains highly resilient.

3 They continue to be mission focused, and embrace our organizational values.

4 There are no better examples than the staff's performance in response to

5 Fukushima, or the independence that the staff has displayed in tackling our

6 salaries and benefits challenges. Our staff feels that our human capital

7 strategies create a sense of opportunity, especially in the area of rotations,

8 training, and developmental activities.

9 There is, however, concern about the loss of institutional

10 knowledge, as well as a sense that high degree of organizational change creates

11 anxiety. You'll be hearing more detail about our improvement efforts, and our

12 means of addressing change appropriately from both Jody and Andrea. As one

13 of my esteemed human capital colleagues stated at a recent meeting, even the

14 nicest roads have a few potholes to mend. Now I'd like to turn the floor over to

15 Jody, our Chief Learning Officer.

16 JODY HUDSON: Thank you, Glen. Good morning Chairman,

17 Commissioners. Glen started out talking about change, addressing change, and

18 the way that we address change inside NRC and a primary mechanism by which

19 we do that is through our organizational development program, and in case you

20 aren't familiar with organizational development, the work we do follows under

21 four very, very broad buckets, and those buckets include building in many

22 relationships between organizations and individuals, includes leadership team

23 performance, includes organization wide system change efforts, and also

24 includes individual leadership performance coaching. So, those are the four

25 broad categories.

1 In each of those four broad categories we've seen a significant
2 increase over the last several years. Our baseline in those four bucket areas are
3 about seven of those kinds of engagements a year. In 2011, we had a bump up
4 of 130 percent. So far in 2012, we have another bump up, and we stand
5 currently at around 170 percent above that baseline of seven.

6 Now, there's a couple reasons why we're seeing that significant
7 uptick. One is we're marketing the services more. As people become more
8 aware of the services, we get more requests for those services. Another reason
9 why we're seeing an uptick in those areas is because of these increased
10 tensions in the operating environment. Budgets that are growing, issues related
11 to TABS, a lot of changes going in the broader operating environment that has
12 increased tensions and anxieties among the workforce, and we see that in terms
13 of the increased number of organizational development engagements, and also
14 in some other human capital areas.

15 Now, with regard to the use of our Sentiva [spelled phonetically]
16 contract, that's the organizational contract that which we provide organization
17 services here inside NRC. We use them to do these various engagements that I
18 mentioned before, the 130 percent uptick from last year and 70 percent so far
19 this year. We have the consultant do a wide variety of assessments inside the
20 organization. We also have them do some other things, not necessarily specific
21 organizational engagements, but broader organizational issues. As an example,
22 with the 2011 federal employee viewpoint survey, we did something that we had
23 not done before. As opposed to interpreting the results internal to the agency,
24 we used the, an objective third party outside organization to do the analysis,
25 providing a different view of the data for us, and they conducted the assessment

1 at two different levels. One was an organizational wide level, where they
2 produced a report on organizational wide issues that they think lend themselves
3 to solutions, enterprise wide solutions.

4 They also conducted organization specific reports, up reports for
5 each office, reports for each one of the regions that identify areas that they would
6 suggest organizations take a look at to see how they can improve the
7 organizations, and the way that we have used that information on the
8 organizational wide report, we had them identify what they saw as being the top
9 five issues across the agency, because we wanted to provide focus on a few of
10 the areas and not necessarily tackle everything at once, we took the results to
11 the agency culture advisory group to make sure that we have agency wide look
12 at these results, and through a multi-voting process, identify two of those areas
13 that we're going to focus on for this year in terms of action planning.

14 Those two areas that we decided to focus on were improve the
15 performance management process, in particular, dealing with issues around
16 performance, and then also, promoting, encouraging, recognizing innovation in
17 the workplace, and because we like to leverage, the way that we've decided to
18 tackle these particular issues is through the leadership potential program. We
19 have a cadre of some very high powered, high potential individuals, and we
20 assign these tasks to teams as action learning team projects and those teams
21 are in process as we speak, in developing a range of recommendations, and they
22 will be reporting out their results in the late summer, early fall timeframe. So,
23 that's one way that we're auditioning some of these agency wide issues that
24 were identified.

25 We also have done something this year that we had not done

1 before, and I mention the significant uptick in the number of engagements that
2 we have through the organizational development services. What we did is pull
3 the various organizational consultants together to sit around a table and identify
4 what of those common issues that they're seeing across the enterprise. There
5 were approximately 19 different engagements across NRC and various offices,
6 regions, 16 different organizational consultants, skilled consultants that go into
7 the organization and do their work around these engagements, and each one of
8 those have gleaned insights into issues around the organization and issues that
9 can cause conflict, that if we can glean that information, maybe we can do
10 something about it.

11 So we sat them around the table and asked them, "What are you
12 seeing in common?" The 16 different consultants, 19 different engagements,
13 what are you seeing in common? And we did identify a number of things. Glen
14 mentioned some of those. On the bright side, they noticed a very strong, almost
15 a visceral reaction to our mission, and to our culture, and to our values. They
16 identified that our senior leadership here at NRC is very, very high caliber and
17 very sophisticated group of senior leaders inside the NRC, but they also found
18 some things that we think we can focus on to improve the organization, and
19 given that these sorts of issues are root cause, we can potentially prevent future
20 conflict and be proactive in addressing these areas.

21 And some of the areas that they identified were around role
22 confusion. They identified issues around a lot of our supervisors, leaders, as well
23 as staff, they find it very difficult to have direct conversations, particularly around
24 dealing with very difficult kinds of issues. So, those are a couple of the issues
25 that we think we can do something about, and we're continuing to analyze that

1 data.

2 Now, let me tell you what we're doing with that information, and we
3 are doing a couple of different things. With regard to the enterprise look at the
4 various engagements that we have across the enterprise, we identified that a lot
5 of these areas relate to not having the total skill set that an individual needs,
6 particularly around direct conversations. So, what we did was identify three
7 broad topical areas that in combination would help build skill sets to deal with a
8 number of these issues. One is in the area of emotional intelligence. Another
9 was in the area of crucial difficult conversations, and another area was civility in
10 the workplace.

11 Around each of those three topical areas, we have three different
12 layers that we are using to approach these, starting off with an executive
13 leadership seminar on each one of these topics. We held the one on emotional
14 intelligence a couple of weeks ago. It was very well attended. We'll have the
15 next two executive leadership seminars on the topic of crucial, difficult
16 conversations, and then later, on the civility in the workplace, that will occur later
17 in the summer.

18 The next layer in terms of engagement is to have instructor led
19 training around each of these skill areas, and we'll hold similar different offerings
20 here in the headquarters as well as in the regions. The third layer is those who
21 prefer to self-study, we'll bundle some self learning tools and push them out to
22 the workforce for them to be able to use to do self-study, using such things as
23 video, online training courses, books, that sort of thing. So in combination,
24 there's this whole area where we're marketing as interpersonal effectiveness and
25 I'm convinced that through those three focus areas that I discussed, that we'll be

1 able to make some significant improvement in this area. Members of the
2 workforce will be able to have these more direct, frank, open conversations
3 around difficult issues.

4 The other two areas that I mentioned, that we are doing something
5 about is in the area of performance management, again, an LPP team is working
6 on that in the area of creativity and innovation. We have an LPP team that is
7 also focusing on the topic of creativity and innovation, and we look forward to the
8 results and efforts of those teams, and will be conducting a presentation of the
9 results in the auditorium, and that will be open to all supervisors. That concludes
10 my presentation and I now turn it over to Andrea.

11 ANDREA VALENTIN: Thank you Jody, and good morning
12 Chairman and Commissioners. In order to continue being one of the best places
13 to work in the federal government, continuous improvement and proactive
14 assessment of both our external and internal environment is really critical to
15 maintaining a healthy organization. So, I want to highlight some of the efforts
16 that OTICO -- that's our new acronym. OTICO has worked collaboratively with
17 the offices to implement. I'll provide some more detail on some of the items that
18 both Bill and Miriam introduced. During the first two quarters of fiscal year 2012,
19 OTICO, in coordination with the human capital council effectively guided the
20 implementation of specific hiring controls in order to assess the agency's
21 projected shortfall in salary and benefits, and as Miriam mentioned, the result of
22 this disciplined approach is that entry level hiring is being reinitiated for engineers
23 and scientists, for the remainder of FY 12. As we continue to focus on targeted,
24 critical skills. This is a success story in a relatively short period of time.

25 In addition, our recruitment efforts maintain a focus on veterans and

1 individuals with disabilities. To date, the agency has hired 12 veterans out of 28
2 new hires, and two individuals are disabled veterans. So, with 43 percent
3 veteran hires and 7 percent disabled veterans, we're currently exceeding the
4 annual goals set by OPM for hiring veterans, and more have accepted offers,
5 and will be coming onboard in the near future. We expressed this to OPM when
6 they came in approximately two weeks ago, and they were very pleased with our
7 efforts. In fact, they said, "What are we doing here?" So, that's positive feedback
8 from OPM.

9 In order to ensure growth of our current veterans that are onboard,
10 we have a veterans employment coordinator and one of the things that he does,
11 among the many responsibilities that he has, is to encourage veterans to use our
12 career counseling, and really, this is open to all employees, but he focuses on
13 veterans to make sure that they know, and they can have five one hour sessions
14 that really focus on strategies, and it's confidential, and it really tailors what kind
15 of career activities they have, and in addition, the veterans employment
16 coordinator really does help with the recruitment efforts. So, he has a dual role.

17 The career counseling also is something that goes hand in hand
18 with our training for the professional development center and training at the
19 technical training center. So, all three activities are something that are -- that's
20 really focused to offer veterans to utilize. There are currently 840 veterans
21 onboard and approximately 143 disabled veterans that are permanently onboard.
22 We also recently brought a veteran on rotation to help enhance our internet sites
23 for the veteran's initiative that is government wide.

24 In collaboration with SBCR, we completed and submitted requested
25 information on the NRC's diversity and inclusion efforts, and this was in response

1 to a presidential executive order. There are other reports that fed into this
2 response, but the bottom line is that because we've always been a leader in
3 diversity and inclusion efforts, we really were able to show how we are meeting
4 the activities and didn't have to do a lot of work that other agencies have done to
5 submit and answer the data call. Vonna Ordaz and I will be co-chairing a
6 diversity and inclusion counsel, and really, the purpose is to kind of implement
7 the plan and to give some more direction in a highly visible leadership presence
8 for the plan.

9 Now, we mentioned a few times the development of the 2016
10 staffing plans, and that's another NRC wide effort that addresses the agency
11 salary and benefits, and position management challenges. These staffing plans
12 will be an effective tool for offices to use for the next several years, to balance
13 grade structure, manage positions, and to achieve salary and benefits targets.
14 The plan focuses on projected mission related work within a likely decreasing or
15 zero growth budget environment.

16 OTICO is in the process of reviewing the plans, with an emphasis
17 on critical positions and for future staffing plans based on a number of factors,
18 potential retirements, grade structure balance, and span of control for
19 supervisors. In addition, OTICO has a contractor performing a wider scope
20 review based on some benchmarking in organizational structure and best
21 practices of other agencies, and we will be partnering with the offices to
22 implement agreed upon changes as we move into future years.

23 With regard to communications, the hiring guide that was issued
24 and recently revised gave offices a framework to discuss and tailor their future
25 recruitment plans, which is an ongoing activity. The collaboration among the

1 human capital council was really instrumental in finalizing these draft plans and in
2 achieving a broad consensus on agency wide solutions for many other conflict
3 issues.

4 Another major, very positive aspect of our continuous improvement
5 effort is the very close coordination and collaboration between the Chief Financial
6 Officer's office and our office. We jointly provided supplemental tools and
7 guiding principles to assist agencies with the 2016 staffing plans and
8 development. In addition, OTICO provided our office specific planning
9 assumptions to serve as a sample for other offices, and in particular, smaller
10 offices to then develop their own plans. And in the future, we plan to coordinate
11 to visit regions, so that OCFO and OTICO can have information exchanges with
12 the Division of Resource management staff and the Deputy Regional and
13 Regional Administrators.

14 And with regard to TABS, transitions, as Mary mentioned, and
15 implementation of changes will take time to settle and equilibrate. There'll be
16 some course corrections along the way as we pilot some activities and figure out
17 how to best streamline business processes, but in the interim, in order to satisfy
18 the need to continuously communicate, OTICO participated in extensive TABS
19 communications efforts, including, but not limited to briefing Office Directors and
20 Regional Administrators, PMDA directors, NTEU, all office and corporate support
21 staff, the small office staff groups, and we also have a number of brown bag
22 seminars with employees.

23 In coordination with OEDO, OTICO developed an initial task
24 communication plan which has frequently asked questions, and is posted on the
25 TABS share point site, and as Mary mentioned, we are moving forward with

1 plans to transition employees in order to streamline business processes, and we
2 will be working closely with the union to implement any final changes.

3 There have been several initiatives since last year that will help
4 enhance human capital management. One notable example is the human capital
5 dashboard, and a dashboard is a web based online tool that allows offices to
6 track and manage human capital data in one central location, and one very
7 notable aspect, important aspect is it really promotes shared accountability,
8 because any office can see any other office's data. Workforce data at the
9 agency and office level includes onboard staff, age distribution, pay level, agency
10 hiring and attrition goals, amongst other various human capital aspects.

11 In addition, the dashboard includes data such as FTE projection
12 and number of non-supervisory 15s, which was previously tracked on the office
13 operating plans, but it doesn't need to be anymore because it in this visual and
14 web based tool.

15 We also added new data such as supervisory ratios, retirement
16 eligibility, veterans onboard, and salaries and benefits. Another new tool that
17 assisted the offices in preparation of the 2016 staffing plan was developed by
18 OCFO. They created a salary calculator which was very easy to use, in the form
19 of an Excel spreadsheet and shared in the early version with our office for review
20 and comment, and this tool was instrumental in helping offices to quickly see the
21 effective changes in position management and payroll, and FTE ranks, and as
22 mentioned in the context of organizational readiness, workforce restructuring is a
23 continuous effort, and OTICO will work collaboratively with the offices to refine
24 models and projections as we move into future years, and now, I would like to
25 turn it over to Vonna, to talk about equal employment opportunity.

1 VONNA ORDAZ: Good morning Chairman and Commissioners.
2 Thank you for the opportunity to provide a brief status update on the EEO and
3 the diversity program. In the civil rights program, complaints have increased in a
4 linear fashion from 2009 to present. We expect to surpass last year's statistics
5 by the end of 2012. Currently, we have about 34 complaints in '12. This equates
6 to less than 1 percent of the NRC staff that have filed an EEO complaint. The
7 federal government averages just over 1 percent, so our complaint activity is
8 relatively low compared to the rest of the federal agencies. There have been no
9 findings of discrimination since 2004, and the civil rights staff has worked
10 efficiently to ensure there's no backlog on EEO cases. Recognize though that
11 the number of contacts or inquiries have increased.

12 The most frequent basis for complaints are reprisal, age, and race
13 discrimination. The most frequent issues are performance appraisals, non-sexual
14 harassment, non-selection, and assignment of duties. We offer alternate dispute
15 resolution known as ADR to 100 percent of our complainants, and NRC's ADR
16 participation rate has been over 50 percent. We have been successful in settling
17 many cases using ADR.

18 Since 2009, requests for mediation have doubled and requests for
19 EEOC hearings have tripled. We have worked collaboratively with complainants
20 and agency managers to address issues and settle cases in the best interests of
21 all parties, before a final agency decision is made or hearing is requested.
22 Proactive measures have been in place to date, to address the increase in
23 complaint activity, such as we've had the no-fear act training, where the agency
24 had a 99 percent completion rate. We've offered lunch and learn sessions,
25 training for supervisors and managers, we've also modified SBCR's website. It

1 should be posted soon, from OIS.

2 We have revised informational materials to ensure staff is aware of
3 their rights. The Chairman also issued a yellow announcement to support ADR,
4 and we're partnering with agency offices such as OTICO and OGC, to ensure
5 efficient processing of complaints and identify trends across our areas. We're
6 also partnering with federal agencies to review trends and best practices.

7 For the comprehensive diversity management plan, the overall
8 vision of the CDMP is for NRC to be an agency where all employees are valued
9 and have an equal chance to succeed, thereby increasing organizational
10 capacity to achieve the agency's mission through a highly qualified, diverse,
11 dedicated, and effective workforce.

12 A CDMP action plan report is submitted quarterly by each office,
13 and it details the actions and the measureable results obtained by each office.
14 SBCR staff evaluates the results to understand the changes in the percentage of
15 women and minorities in three key areas. One is the theatre groups, which is
16 GG-13 to 15; one is leadership positions, and also the leadership position is with
17 non-supervisory 15s at the office level.

18 However, the true performance measures how the agency changes
19 as a whole. We expect both positive and negative changes among offices, but
20 the desired outcome is for positive increases to occur in all three categories as
21 an agency. The first quarter data reveals that the agency did increase slightly in
22 all three measured areas. Additionally, our agency is nearly 2 percent smaller
23 than in 2010, and our percentages of women and minorities have remained
24 steady during the resource decline. This indicates our staff reductions agency-
25 wide have been fairly even across all demographic categories.

1 For partnerships in progress, there have been some great agency
2 outcomes have resulted from partnerships and interdependent relationships
3 between NRC offices. First, in collaboration with HR, OTICO, I can't get used to
4 that, and SBCR, we developed a diversity inclusion strategic plan. This is per an
5 executive order that came out last year. This is by leveraging existing agency
6 programs, including our comprehensive diversity management plan, the disabled
7 vet's affirmative action plan, and the Federal Equal Opportunity Recruitment
8 Program. We stand out across the federal government because of the great
9 relationship between OTICO and SBCR, with support from all of the offices and
10 regions.

11 NRC, another example, NRC has been recognized, as Bill
12 mentioned, for the fifth consecutive year as top supporter for historically black
13 colleges and universities. The partnerships across the NRC have created a
14 great return on investments. For example, Fort Valley State University is
15 delivering the nation's only cooperative development energy program. University
16 champions, which include NRC staff, are generating minority serving institution
17 interests in NRC careers, and are promoting programs and funding opportunities.
18 NRC offices are beginning to include MSI research to carry out mission critical
19 activities. For example, the Office of Research is outreaching to MSIs with
20 capabilities in the area of risk assessment and large scale simulation and
21 modeling, to support Jackson State University. These efforts strengthen
22 academic excellence and contribute to the nation's efforts to produce a diverse,
23 skilled, science, technology, engineering, and math, known as STEM, work force.

24 A third success, an agency success, as Bill mentioned, was the
25 recent recognition as being one of actually three agencies that have achieved

1 and exceeded all five small business goals in the second quarter. Do thank the
2 progress of the strategic source group that -- the great collaboration that the
3 Office of Administration and SBCR, and the tremendous support from the office's
4 regions, and also OGC in the small business area. Positive interdependent
5 relationships between offices and programs have made these successes
6 possible, and we will continue to progress as we move forward together. Thank
7 you.

8 BILL BORCHARDT: The staff is complete. Thank you.

9 CHAIRMAN JACZKO: Well, thank you for that very thorough
10 presentation. We'll start with Commissioner Magwood.

11 COMMISSIONER MAGWOOD: Thank you, and good morning to
12 all of you. Appreciate your presentations and we also appreciate the work that
13 you have all been contributing to over the last year, during, as Bill indicated, a
14 very complex and interesting year, with a lot of strain and stress on the staff, but
15 it, as you've all indicated, the staff seems to be doing quite well.

16 I did find the results of the organizational development contractor
17 survey to be interesting from a couple of perspectives. One perspective was that
18 I found that it actually reflected some of the notions that I've developed over the
19 last couple of years. So, it's nice to get that reinforcement, and on a positive
20 side, one of the things that I often observe to people who ask me about NRC, is
21 the effort that the agency puts into development of staff through training
22 rotations, and that sort of thing, and I think it's really far beyond what most
23 agencies do. So, it's something to be congratulated.

24 But it was interesting how some of the things that are often seen as
25 positive, such as rotations in particular and the teamwork mentality also has a

1 negative side, as I think that you pointed out. The contractor, for example, on the
2 teamwork side said, "The emphasis on collaboration, a consensus building can
3 slow forward movement and lead to the lack of role clarity, and then there was a
4 similar observation about rotations. So, rotation is obviously a good thing, but
5 also lead to, I think the verb was churn and instability.

6 Let me start with Bill, maybe, and others can chime in. How do you
7 look at -- how do you balance these things, because some of this is cultural?
8 This is something that's developed in the agency for quite a long time, and
9 obviously it's got a good and bad, but what was your impression when you saw
10 that and how do you attack that?

11 BILL BORCHARDT: Well, I think balance is the key word.
12 Everyone, I believe, agrees with the principles of rotation, staff development, and
13 given opportunities to individuals, and that's a very important thing. We can't go
14 so crazy though that it interferes with accomplishing the mission. I mean I look at
15 it -- I mean it's a simple analogy, but if you have a headache and the doctor tells
16 you to take some aspirin, you don't take the whole bottle, right? You take some.
17 So, these programs are the same kind of thing. You want to keep developing
18 people, have these programs and these opportunities, but keep it at a moderate
19 way that has some balance, but, and that's about all you can do is just constantly
20 monitor.

21 The idea with churn, the alternative would be to lock people in
22 positions, but then I think that creates too many down sides from my perspective.
23 It creates more of a siloed mentality between offices and we really want to
24 emphasize the intra-dependence across the agency, and the best way to do that
25 is to realize that you might not be in that same job you're in now six months from

1 now, and look at things from an agency perspective.

2 COMMISSIONER MAGWOOD: So, do you see it as systemically
3 the broken eggs and making the omelet, as opposed to it's not a real negative
4 outcome?

5 BILL BORCHARDT: Yes. I mean you're right that they're double
6 edged swords, and so, you need to be mindful, but I, at least in my mind, I'm not
7 contemplating abandoning any of those positives.

8 COMMISSIONER MAGWOOD: All right. Anybody else have any
9 perspective on that? Great. One thing I think, Vonna, in your presentation you
10 mentioned that in the -- is the staff was indicating areas of angst evaluations,
11 performance evaluations, as it pops up, I think it was 22 percent of the
12 complaints came from performance evaluations, and that's another antidotal item
13 that has popped up in conversation I've had with people, and I wonder if you
14 could explore that a bit, as you think about maybe, Miriam, you as well could talk
15 about this, because there does seem to be a perception that there is some --
16 there's still a lot of subjectivity in the performance evaluation process, and what
17 people bring to the evaluation process. You know, I've heard things like that
18 there's a perception that there's the others chips and hoops that people have to
19 go through for their career before they get to certain levels, and that sort of thing,
20 and that brings the subjectivity to the evaluations that -- I'm sure you've heard all
21 of this. I'm just curious. How do you react to that and what do you think we can
22 do to improve in that area?

23 VONNA ORDAZ: I would offer that continuous education on the
24 process is helpful, because as we change first line supervisors periodically, and
25 as people grow and get promoted into new positions, it's good to have a

1 continuous education in that area. I believe that the complaint activity we've
2 seen in that area has varied, but in many cases with many hundreds of first line
3 supervisors in the agency for everybody to be exactly thinking the same in terms
4 of how they rate may not be possible. However, we want to make sure that the
5 process is fair and equitable to all. We also have -- there is a subgroup under
6 the human capital council that is also looking at the performance appraisal
7 process in light of the results that came through on the survey. So, more to
8 come on that.

9 MIRIAM COHEN: Commissioner this is not a new issue for anyone
10 who's lived in the federal sector for a while. OPM and some other agencies are
11 piloting a new performance appraisal system in concert with the various unions,
12 that would enhance the frequency of communication with employees, more like
13 quarterly reviews, not very onerous paperwork involved, but the idea is to
14 enhance communication to increase the frequency of communication. I think a
15 lot of the themes that you raised that have been consistent in some of the
16 employee viewpoint results indicate that we don't do a good enough job
17 communicating. People don't understand what it takes to get an outstanding,
18 where we have a difficult time having -- providing negative feedback. So, these
19 are all growth areas, areas of continuous improvement. I think if you look at the
20 employee viewpoint survey data, we do well compared to some of our other
21 organizational counterparts, but yet, it's still an area where we all need to do
22 better, and it's trending in a way that we really need to take a closer look at that.
23 So, I think if we enhance the communication, enhance the training of our
24 employees and our supervisors, it's going to take us a step in the right direction,
25 but it's certainly not an area where we can feel proud that we've achieved the

1 ultimate success.

2 COMMISSIONER MAGWOOD: Bill, do you have any thought
3 about this, because there's also a supervisory aspect to this. I mean as
4 performance evaluations are completed, I mean what kind of review do you think
5 is necessary to get some kind of commonality on how these things are
6 approached, I mean from your perspective?

7 BILL BORCHARDT: Well, you know, part of the senior
8 management role is to provide oversight within each of the organizational units,
9 and then another way I think of creating a more standardized approach across
10 the agency is through the activities, like Jody was talking about, at least training
11 development programs to make sure that across the agency we all have the
12 same common objective, we know the tools. We know the proper practices.

13 And then, the other thing that is a benefit, I think of the 2016
14 staffing plan that we're focusing on is the position descriptions need to accurately
15 reflect the work that's being accomplished today. I don't think we're unique, but
16 some position descriptions got old. The roles actually changed within the offices,
17 but the description didn't get updated along the way. So, as we work towards
18 this 2016 re-baselining of staff and plan, and the positions. I think that will also
19 help have a discussion about job expectations and performance levels.

20 COMMISSIONER MAGWOOD: Thank you. One last thing and I
21 think Vonna mentioned the good work that her staff is doing with the MSI
22 program, and I know that the OTICO -- is that it -- OTICO? Make sure that
23 doesn't say something bad in another language please. I see some of the staff
24 that do the university grants program. I've always been interested and I was
25 happy to hear that research is involved in some of the activities, but that always

1 seemed to be an area to me that where you weren't entirely exploiting. There's a
2 lot of good work that happens at these universities. We support these students.
3 We support professors, but have we really put an effort together to try to make
4 sure that research and NRR, and others who have technical interest, and maybe,
5 you know, interest in some of these students that graduate. Have we really
6 begun to knit that together to make sure that we're exploiting those resources
7 internally?

8 VONNA ORDAZ: And I would offer that it's a work in process. I
9 think as I am in a learning curve in this position and coming up to speed on all
10 the great work that happens in the MSI program area. I learn something new
11 every day in that area, and quite honestly, internally, we're looking at ways we
12 can even communicate further, outside of the office, and with the other offices, to
13 be able to bring a lot of that information forward, and to also reach out further
14 externally with our counterparts, and to be able to allow them to understand what
15 our -- what we have available and do a sufficient match there.

16 And I think the chairman just signed another paper on Friday, on
17 the MSI report, and there's a lot of great successes in there, but we really want to
18 be able to broadcast with our counterparts internally within the agency, and also
19 externally, and communicate more. Thank you.

20 COMMISSIONER MAGWOOD: Great. Thank you.

21 CHAIRMAN JACZKO: Commissioner Ostendorff.

22 COMMISSIONER OSTENDORFF: Thank you, Mr. Chairman. I
23 want to thank you all for your presentations. I've got a mixture of comments and
24 questions, so I'm going to probably make some comments equally with throwing
25 out some questions to you.

1 But the first comment is I want to applaud all of you in your
2 leadership roles, for taking a proactive approach. This agency has had a very
3 strong reputation in the federal government for a number of years. Some people
4 I that situation could sort of rest in their laurels and not really be looking at how to
5 get even better, and that's not the sense I had from any of you, and I think you all
6 are to be commended for not resting your laurels, not being complacent about
7 the agency's rankings, and yet, continuing to see how can we do better. So,
8 that's across the board to you and your respective teams, as a compliment.

9 I'm going to start out maybe with the Chief Human Capital Officer,
10 with a question, and I share Commissioner Magwood's comments on the
11 acronym piece. So, I'll call you Chief Human Capital Officer. Miriam, you had
12 kind of laid out the landscape for where things are with respect to pay and
13 benefits, and hiring opportunities, and decreased promotional opportunities. I'm
14 assuming that some of the promotional piece, as far as the documenting
15 opportunities is due to the change, the agency leveling off from a very rapid
16 growth period of '05 to '09, and things kind of tapered off. Is that the fair
17 assumption as a contributing factor to that change in promotion opportunity?

18 MIRIAM COHEN: I would say it was more a factor of looking at our
19 salary and benefits, and where we were headed in that direction, and, but it's fair
20 to say that during the period of rapid growth, there was less oversight, perhaps,
21 of the number of non-supervisory 15s that were put forth by the agency and
22 approved by HR at the time, and so, I think what we've seen is a need to really
23 rebalance the organization. As some of the things that Andrea alluded to, we've
24 had some people, some organizations come in and do best practices, and again,
25 we're not looking to curtail opportunities for people, but we have a number of

1 branches just for illustration purposes, where there might be eight or 10 people in
2 the branch, and half of them are non-supervisory 15s. that's just not a very good
3 model, and we don't believe in all cases that there's that much of non-
4 supervisory 15 work, and there might have been at one time, but we really need
5 to look at the evolving work and what the mission of the agency requires in terms
6 of having the skill sets to get that work done, and so we see over time a
7 rebalancing to more realistic grades.

8 COMMISSIONER OSTENDORFF: Okay. That's helpful. You
9 mentioned, you or Bill mentioned the 30 percent of the scientific workforce -- or
10 40 percent scientific and 30 percent engineering eligible to retire. How do you
11 feel about -- what's your confidence level in your ability to predict actual
12 retirements, as opposed to who's eligible to retire, which is pretty straightforward
13 to predict?

14 MIRIAM COHEN: Well, I could harken back to my predecessor,
15 Jim McDermott, who had a very unscientific methodology, which was I think your
16 years of service plus your age, if it was greater than 92, you would be most likely
17 to depart. I don't know if I want to continue that, but we do see here that people
18 do stay beyond their retirement eligibility day. I think that the new factors we
19 have to be aware of is continued lack of pay raises, continued depression of
20 awards, stock act, just people might have some newer opportunities. One thing
21 we haven't seen is we haven't seen a large departure of significant number of
22 employees to industry. We had thought at one point we would see that. The
23 question really is, is over time is that going to sustain itself. So, I think what we
24 need to do is really ensure that we're proactive in monitoring attrition, not just
25 globally, but by the demographic area, so that we can ensure that we have a

1 good replacement program to address the people who depart.

2 COMMISSIONER OSTENDORFF: Okay. I'll respond or react to
3 your comment there on the industry piece. One of the things I know you all do
4 this, but I think it's important. I'll just say it, just to reemphasize a point that I
5 think you have already discussed internally is when we're talking to our
6 employees about opportunities and where salaries are, and so forth, I think it's
7 vital that you talk also about in comparative to where things are in the private
8 sector. I know that we all -- everybody around this table does the following; we
9 coach and mentor people looking for work. You know, I can tell you just last
10 year, I have still continued to help some of these people, but eight people I've
11 worked with over the last twelve months, four of them who lost their jobs or were
12 otherwise unemployed, and these are not people who lost their federal jobs.
13 These people that all lost jobs in the private sector and so that dynamic out there
14 on the outside of federal government is very difficult in many cases, and I think
15 it's important for us to keep that in the back of our minds as leaders as to how to
16 maybe put some things in perspective.

17 Everybody has their own anecdotal stories, but there are a lot of
18 challenges out there, and so I'm not surprised at all that people have now left
19 NRC to go to industry, because industry is not hiring in most cases. That's not a
20 blanket statement, but I'd say that I think it's important for us to keep in mind
21 where things are elsewhere. The grass is not always greener if people -- based
22 on their own anecdotal, well soon that it may be.

23 Andrea, I appreciate your updating us on where you are with the
24 hiring of veterans and disabled veterans. I commend that effort. I've talked to
25 you all about that before and I have a very strong personal connection with this,

1 and I just want to thank all of you and your team. I'll just note for the broader
2 audience that the veterans hiring piece is very, very difficult. Personalizing, my
3 son looked for eight months. He has a college education, significant combat
4 leadership. He has combat disabilities. It took him eight months to find a job.
5 He starts that job tomorrow. He started looking Labor Day last year. And so I
6 just will tell you again, one story, but one I'm personally engaged with, that
7 dynamic out there for our veterans is still very, very challenging. So, thank you
8 for what you're doing in that area.

9 Jody, I wanted to comment briefly on a couple of things you brought
10 up, and I really appreciate the leadership you all are taking to address the difficult
11 conversations. I know in my military experience, we were taught early, in an
12 instant LTJG level, how to tell a, you know, a subordinate sailor they're not doing
13 a good job, or they're doing a good job, and to provide effective counseling for
14 those that aren't doing well, but that did not -- it was not something that comes
15 natural to people and I have benefitted from other people coaching and
16 mentoring me as to how to do that, you know, 30 something years ago, and so I
17 do think you can talk about these issues and I think this is an area where we can
18 improve based on the seminars you are leading. So, I think that's just a great
19 step. It's not something that comes naturally to most people. I know my wife is a
20 school teacher in Fairfax County and that is an area that is a challenge in the
21 school system, for how does one evaluate teachers and staff, and it's not rocket
22 science, but it does involve having some difficult chats. So, I want to commend
23 you all for what you're doing to try to confront and address a challenging area for
24 the agency. I'm finished, thank you.

25 CHAIRMAN JACZKO: Commissioner Svinicki.

1 COMMISSIONER SVINICKI: I also want to join my colleagues in
2 thanking each of you for your presentations, and I'll also align myself with
3 Commissioner Ostendorff's remarks about the proactive posture that you are
4 taking, your organizations, your teams, and consequently the agency as a whole,
5 and that we're looking over the horizon to the fact that it may stay challenging
6 times for some years to come, and I think we're trying to position ourselves well.
7 So, I credit all of you and your organizations with that.

8 You've covered a lot of the questions and things that I had in your
9 presentations, also in response to my colleagues' questions. So I think I have
10 just a couple of comments, and then I think one question that was not covered.
11 First of all, Andrea, I want to say that I've heard very positive feedback on the
12 dashboard, so I appreciate your mentioning that, and I know that the Commission
13 is part of this meeting. We're not seeing any of the screen shots and things, but
14 they were in some of the background materials, and so you talked about how
15 helpful that is and I've heard the same things. So, I just, I wanted to compliment
16 you and your organization on that, and all of those who worked to develop and
17 put that together, and those who are making use of it, because it is an
18 improvement tool. So, I think it's very important.

19 Vonna, you had talked about -- I was going to ask a little bit about
20 use of alternate dispute resolution, but you covered that pretty thoroughly in your
21 remarks. The one thing that I think I've asked about in meetings past or years
22 past, you did talk about civil right complaint status, but one thing I know also, not
23 your predecessor, Ren Kelley had talked about it occasionally, was timeliness
24 metrics and how long are, you know, complaints and things in the system before
25 they're addressed and they are dispositioned in some manner. What is your

1 sense -- I know you're, as you said, still learning something new every day, but
2 I'm sure that that's an area you were briefed on very early after coming to SBCR.
3 What would you say today kind of about that area? Is it where you want it to be
4 in terms of timeliness or can we do better? If you could just give me a snapshot
5 on that.

6 VONNA ORDAZ: Absolutely, and we submit an annual report that
7 went out not too long ago from the agency, that talks about that as well, and we
8 are essentially on time, generally on time I would offer. I believe there's one
9 exception for this past year and the civil rights staff works very diligently to help
10 ensure that all timeliness metrics are met to the best of our abilities, but there's
11 also, you know, continuous monitoring that occurs, and a lot of effort that goes
12 into help ensure that we are meeting metrics.

13 COMMISSIONER SVINICKI: Okay, I appreciate that, and that's
14 really why I inquire, is I know that they are working a very hard and sometimes,
15 you know, if we were developing a backlog or had a timeliness issue there, we
16 would need to look at resourcing in that area, because I know those people make
17 tremendous efforts in that area, and I think we want to keep, as you're saying,
18 this all on track record that we have there. So, thank you very much for that.
19 Thank you Mr. Chairman.

20 VONNA ORDAZ: Thank you.

21 CHAIRMAN JACZKO: Commissioner Apostolakis.

22 COMMISSIONER APOSTOLAKIS: Thank you, Mr. Chairman. You
23 mentioned the words "core disciplines" and over the years I know that there have
24 been debates as to what are the core disciplines, especially for an agency that is
25 supportive in its work by national laboratories and private companies. So, do we

1 know what the core disciplines are when we hire people? I mean do we have --
2 yes, sir.

3 GLENN TRACY: Well, we routinely request from the offices their
4 specific critical skill needs, the core disciplines. In fact, Andrea just this morning
5 reconfirmed with Dave's team, the Fukushima team, to ensure that forward
6 looking, those insights and those skills are on our lists. It's the typical --ologists
7 from seismology to various scientists, and obviously in the areas of risks, and
8 those experts that were listed, and those are the ones that we routinely focus on
9 when decisions are requested from offices in terms of utilizing the resources
10 we've had over the last year. Do we really know for sure it's based upon, I think,
11 the policies, the resources, the budgeting, and all of the process in terms of the
12 challenges ahead of us five years and 10 years, to know what skills we should be
13 bringing in or which ones we should be contracting toward.

14 COMMISSIONER APOSTOLAKIS: So basically what you're saying
15 is we're relying on the offices to tell us what their needs are?

16 GLENN TRACY: I would say, Sir, not only the offices and sites, but
17 our own global perspective, perhaps senior leadership and awareness of what's
18 going on, you know, outside of the NRC, but also, obviously focused on what our
19 priorities are for the next decade.

20 BILL BORCHARDT: And Commissioner, obviously with the very
21 strong input from the incoming work, because the NRC, I think, may be unique
22 compared to some other government agencies in that we find it imperative that
23 we maintain and have in-house the technical skills and capabilities to do all the
24 work that we need to make regulatory decision on, making on. We may utilize
25 contractors and national laboratories to supplement the level of work, the amount

1 of work that we can do, but we do not turn over the regulatory decision making or
2 the understanding of the technical issues to anyone outside of the NRC staff.

3 COMMISSIONER APOSTOLAKIS: I think that's a good point, very
4 good point. Okay, I think it was Glenn who mentioned that our staff is focused on
5 safety and so on, but sometimes that creates impediments to change. I think, I
6 don't know if you put it that way, but that's what you meant, and at the same time
7 people are talking about continuous improvement, which would seem to
8 contradict that, and I've noticed the last year or so that wherever I went to, and I
9 went to offices in the four regions to talk about this new work that we were doing.
10 Invariably, I would get the question, before I even described what we were trying
11 to do, what's broken. What are you trying to fix? That, I think that shows a
12 certain attitude that maybe we're too happy with the way we are doing business
13 and unless something is broken, you shouldn't try to do anything else. And then
14 at the same time, we're proud that we have continuous improvements.

15 So that perplexes me a little bit and maybe you can explain to me
16 why that is so. Why do people jump immediately -- what's broken; why are you
17 here to change things?

18 BILL BORCHARDT: I'll give you my personal perspective. I think
19 there's two answers. One is, by human nature people are reluctant to change.
20 And when you have those kinds of presentations, you can see change coming
21 down the road.

22 I think the other one is just an open communication issue. If you
23 understand what the problem statement is, you can more thoughtfully contribute
24 to what the solution might be. And I think a lot of times we challenge each other
25 about what is it we're trying to accomplish by heading off on this task?

1 So I would at least offer the potential that some of the people
2 asking you that question is just trying to have a better understanding about
3 what's your vision of success for this? Why did you start on this activity? So that
4 they can have that as a background toward being able to provide, perhaps, some
5 contribution to the solution.

6 COMMISSIONER APOSTOLAKIS: So it's --

7 BILL BORCHARDT: I was being much more optimistic than maybe
8 you were.

9 [laughter]

10 COMMISSIONER APOSTOLAKIS: So it's not really a lead-around
11 question, what is really broken? I mean, it's just: Tell us where you're coming
12 from. Why are you trying to do this?

13 BILL BORCHARDT: I think that's part of it, yeah

14 COMMISSIONER APOSTOLAKIS: Well, that's good. A good
15 point. Good point. Over here, yes.

16 ANDREA VALENTIN: And I would just add one of the biggest and
17 most obvious examples that we're dealing with now is TABS. And over the last
18 year -- there may have not been as much understanding a couple years ago as
19 to why we were doing it, but we've seen a marked improvement in collaboration
20 and people moving forward and really proactively trying to make sure that TABS
21 gets implemented. So that's one of the better examples. And a lot of questions
22 but we're moving forward and everyone's working collaboratively to move
23 forward.

24 COMMISSIONER APOSTOLAKIS: Is six sigma work part of
25 TABS?

1 ANDREA VALENTIN: There are a lot of potential --

2 COMMISSIONER APOSTOLAKIS: Okay, you don't have to
3 answer.

4 [laughter]

5 Mr. Chairman.

6 [laughter]

7 CHAIRMAN JACZKO: I wanted to touch on a couple things. One
8 of the overarching elements I think of success that we have is employee
9 engagement. And in some way -- I think, Miriam, that's a term that you use, and
10 Bill, that you use. It's a way to talk about ultimately what makes the workforce
11 successful.

12 And so maybe, Jody, you can talk -- Jody or anyone, actually, who
13 could comment on what you think are the major drivers in employee engagement
14 and how we're doing and where are the areas where we can make some
15 improvements if we need to or enhance some already-strong elements.

16 JODY HUDSON: It's a good question. There are four or five
17 primary drivers that we focused on. And if you look at any of the literature
18 around employee engagement, these are the drivers and they're fairly consistent
19 across private sector/public sector. One of the top ones is relationship of
20 employee with their supervisor. So we spend a lot of time on supervisory
21 development.

22 Another primary driver is in the area of staff perception of our
23 leadership. Again, we score very high in that area as well. Another is employee
24 learning and development -- the opportunity to grow and continue the
25 development. That's another driver. A fourth one is employee skill and job

1 match. And here at NRC -- and I hearken back to my days at two other federal
2 agencies, and NRC does a lot more rotations and allows people to try on
3 different jobs, and they -- they're able to get a broader range of experience and
4 go where their interest directs them to go, and which you higher degree of match
5 between the employee's interest and skills and the job. And ultimately, people
6 will perform better.

7 So those are four of the primary drivers. A fifth one would be
8 connection to the mission and the values. And that is also a very strong one
9 here at NRC.

10 CHAIRMAN JACZKO: It seems that one of the -- as you
11 mentioned, the development opportunities and employee development is a big
12 one and it seems like I heard from the briefing quite a bit of focus on that area,
13 but it also seems like it's going to be the one that has the most challenge right
14 now because promotional opportunities may not be there as much. And that
15 clearly is an opportunity for development.

16 So are there ways specifically you think that we can address that
17 particular element, through training or other aspects?

18 JODY HUDSON: Yeah, and a couple of things are being done
19 across the NRC in that regard. One is through an effort led by admin and their
20 strategic sourcing. They're going to enterprise-level contracts. We're able to
21 leverage our purchasing power to be able to offer and secure training at a lower
22 cost, so we can do more training and net overall less cost.

23 Another thing that we're doing is continuing investments in online
24 learning. And online learning so far this year is at an all-time high. Eighty-six
25 percent of our total training is being done online now.

1 So, actually, I don't see a significant decrease in training
2 opportunities. What there might be a decrease in is some of the higher dollar-
3 value kinds of training, like going to Harvard or going to the 30-day SEI
4 leadership experience -- some of those. But there's still ample opportunity for
5 employees to develop, just at less overall cost than we've done in the past.

6 CHAIRMAN JACZKO: I think it's certainly a sign of change when
7 we can talk about online training in a positive way and not have the concerns
8 about, I-Learn express, so I hope that's an underlying sign of tremendous
9 progress, and I appreciate your work in that area.

10 I want to second Commissioner Ostendorff's comments about
11 veterans' hiring. I remember the first -- I think the first meeting that was held at
12 the veterans' council I was able to attend and I walked into it with a tremendous
13 amount of pride because we're the NRC and we do a lot of things very, very well
14 and we have a lot of naval -- former naval personnel at the agency. So I just
15 assumed going into that that we would be above average when it came to efforts
16 in the veterans' area -- in veterans' hiring. And it turned out we were average.
17 Nothing bad or anything like that, but the numbers were typical of a lot of other
18 federal agencies.

19 So I appreciate the work that you have done in this area and the
20 focus you had on it to make strides and to put us up in the -- more in the higher
21 end of things where we like to be. So I think it's really a good sign of the effort
22 that you've made and the importance of that issue.

23 Vonna, I had a couple of questions for you. One of the -- you
24 touched on a little bit the increase that we're seeing in some of the complaint
25 activity. And I think in the material that you provided, that you touched on some

1 of the most frequent basis being a reprisal, age, and race and the -- or, the basis
2 for the complaints, and the issues being evaluations, harassment and non-
3 selections.

4 As you interact with some of your colleagues from the federal
5 family, do you see us as an outlier compared to other agencies in this regard or
6 are we somewhat consistent with where those are?

7 VONNA ORDAZ: Very consistent with the rest of the federal
8 government and the basis and the issues that are raised. It's very consistent.

9 CHAIRMAN JACZKO: Thanks. The last question -- and this is
10 maybe just looking more broadly -- you've had a little bit of runtime in the position
11 now, so maybe you come to it with a little bit of -- a fresh set of eyes, and, again,
12 as you're looking around and interacting with others in the federal family, how do
13 you see our EEO program comparing to where other federal agencies are, and
14 what changes, if any, would you think we'd want to take from that?

15 VONNA ORDAZ: Great, thank you. I've had the opportunity to
16 have about a monthly meeting with the EEOC council counterparts. And these
17 counterparts represent the EEO directors and diversity managers across the
18 federal agencies. And it's very interesting. We've had a -- a lot of folks came up
19 to me, asking, you know, what do we do? What do we do here? We've got a lot
20 of accolades in this agency -- in HR area and the EEO area. And a lot of
21 positive, positive feedback. And this program here at the NRC is -- and I attribute
22 it to all of this -- these accomplishments to the folks in the office and all the folks
23 that support it in the agency, but we tend to stand out from what I could tell in the
24 past few months here amongst the rest of the federal government. And it's really
25 held up as a model EEO program and diversity program as well.

1 CHAIRMAN JACZKO: Well, that's great to hear and hopefully you
2 don't give away too many of the secrets.

3 VONNA ORDAZ: I do want to add, though, that many folks have
4 come up to me and say, it really starts with a commitment from the leadership at
5 the top. And through the great dialogue that Ren has had with all of these
6 counterparts in the past, she has really informed them, as I do as well, that there
7 is a strong commitment at the Commission in the senior management level in all
8 of these areas. And you wouldn't -- this might be hard to believe but in other
9 agencies that's not a given. So we are very fortunate here to have the support
10 from the Commission. Thank you.

11 CHAIRMAN JACZKO: Well great, well, I appreciate that and of
12 course we and the Commission are very privileged to have this fine work that all
13 of you do to work on these issues and make sure that they get implemented and
14 they're implemented successfully. So, we appreciate everything that you do as
15 well.

16 At this time we would normally turn the meeting to -- oh I'm sorry --
17 Commissioner Ostendorff.

18 COMMISSIONER OSTENDORFF: Can I have a minute -- there's
19 one thing on my list I didn't check off I just wanted to mention. But it ties into a
20 comment that I think several of you all mentioned. Bill, you talked about
21 interdependence and Jody talked about rotational assignments. Commissioner
22 Magwood raised that as well.

23 And I'll just tell you from my experience in other agencies that is a
24 real strength NRC has, these rotational assignments, and I would hate to see us
25 not continue that. I think that there are huge intangibles -- as far as you

1 mentioned, the professional growth opportunity for the individual. But it also
2 really serves to break down stovepipes and barriers and enhance
3 communications across Office Director lines.

4 And I was talking to somebody at a social event just yesterday
5 afternoon who works in another agency. I won't name what agency that was.
6 But they were commenting on their interface with NRC that they believe that's a
7 real strength we have that their agency does not.

8 And compared to my experience at Department of Defense and
9 Department of Energy I would echo that comment, that I think the rotational
10 assignments are making this agency a better agency. Thank you.

11 CHAIRMAN JACZKO: Any other comments? Well, again, at this
12 time we would hear from Dale Yeilding with NT but I've been told he has no
13 comments so we'll at this point -- again, I just -- wrap up the meeting and just say
14 that we are essentially our employees. I mean, that's who we are. When you
15 look at the budget every year, we have a couple hundred million dollars in
16 contracting or -- a little bit more than a couple; four or -- about \$400 million,
17 whatever the number is in contracting. But the bulk of our funds go to our
18 employees. And so our success depends crucially on their success. And that
19 involves all the work that you do.

20 And I appreciate all your efforts to continue to ensure that we have
21 an engaged and a high-performing workforce. And it's ultimately vital for what
22 we do for our mission for the American people. So I think this meeting was a
23 good opportunity for all of you to highlight all your successes and some areas
24 where we can do better. And I think that's always good. So, I appreciate all of
25 your efforts and, with that, we'll come to adjournment. Thank you.

1

[Whereupon, the proceedings were concluded]