

REBUTTAL TESTIMONY OF X. DANIEL KAFCAS

Q.1 Please state your name.

A.1 X. Daniel Kafcas.

Q.2 By whom are you employed?

A.2 United Airlines, as its Manager of Training and Development.

Q.3 What is your business address?

A.3 United Airlines, EXOTD, P. O. Box 66100, Chicago, Illinois. Our zip code is 60666.

Q.4 How long have you been employed as Manager of Training and Development for United Airlines?

A.4 Since December, 1979.

Q.5. As Manager of Training and Development for United Airlines, please describe the size, structure and responsibilities of the Training and Development Department.

A.5 First of all, I'm responsible for the performance of five managers and sixty-five training professionals. We are responsible for training all of United's employees with the exception of pilots, flight attendants, mechanics and ramp personnel. For the groups over which we do not have direct training responsibility, we train the managers who manage them and the trainers who train them.

I believe we're responsible for training about 32,000 employees. The seventy people who work for me are organized into five functional areas--Management Development and Education, Sales Development, Marketing and Automation, Information Management Systems, and Field Instruction. Our job is to make sure the company's employees possess the knowledge, skills and attitudes required to be able to achieve the Company's goals and objectives. To do this, we work to shape the specific job skills of people doing a job and to develop the people themselves. The latter is particularly true of supervisors, managers, officers of the company, trainers and our sales representatives.

Our department also provides program and training direction to an additional field network of about 300 instructors. Some of our programs are conducted centrally at corporate headquarters, but many are developed by us and implemented through this network of instructors. Our department is not only responsible for training, but we are also responsible for analyzing performance problems that often turn out not to be related to training problems. In cases of this nature, we use a systems approach to improve performance that's far more comprehensive than just training.

- Q.6 Other than in your position as Manager of Training and Development with United, have you had any other professional experience or education in the fields of industrial management or training?

A.6 Yes, I have. To simplify my answer, let me break it down into work experience inside United, work experience outside United, and then what my education, or I should say, life learning, looks like.

Experience at United

My work experience at United includes nine years as a Line Supervisor, five years as a Line Training Instructor, six years as a Senior Training Specialist, and one year as Manager of Human Resources for United's Computer Division.

The seven years I spent as a Senior Training Specialist and as Manager of Human Resources were fairly intense in the area of performance problem solving, both at the work unit level, division level and systems level. While my job title was that of Training Specialist, my actual work included that of an internal consultant who would be asked to work with various work units, analyzing problems in terms of underlying causes versus symptoms, and then developing and implementing programs and strategies designed to solve the problems.

In the role of internal consultant, I facilitated the implementation of goal setting and monitoring programs. I also functioned as a third party in the resolution of a number of inter and intra group conflicts; implemented numerous team building programs; and helped organizations clarify roles and

responsibilities to improve performance. In addition, I conducted a series of training programs on topics which included consulting, counseling, problem solving, management and communication skills, conflict management, instructor training, and organizational change.

Experience Outside United

In 1978, I collaborated with Dr. Michael Feldman of Elmhurst College, in the development of a Train-the-Trainer Workshop. The workshop is three days long. We conduct it for universities and companies, such as General Dynamics and Burroughs. We've conducted over 125 such workshops since 1978 at over 30 universities and companies. The workshop teaches a systems approach to performance problem solving and training techniques and is both for people who manage or supervise training and for trainers.

In addition, I've also worked as an outside consultant to several businesses. I want to stress that it is in this capacity, as an outside consultant, that I am participating as a witness in this case.

My work as an outside consultant has included strategic planning and action taking workshops, performance problem analysis, goal setting, the development of performance evaluation systems and general management development programs.

Companies I have consulted with include Engineering, Inc., a Virginia-based high tech company that has done substantial work with NASA, and Champion Business Forms, a Chicago-based printing company which had been experiencing serious quality problems. I have also lectured on management of planned change, motivational theories, and human creativity for various companies and organizations, including Highland Park Hospital, Rosenbluth Travel, the Southeastern Council of University Administrative Deans and the American Society for Training and Development.

Educational Background

I'm a high school graduate. I hold no degree from a university. Nonetheless, I think you can see from my work experience, I've been a life-long learner. I've taken numerous business and management courses from New York University, The New School for Social Research, City College of New York, University of Colorado and the University of Rochester. I've also attended numerous professional workshops at National Training Laboratories, Practical Management Associates, Organizational Renewal and others. Some of the workshops that come to mind are Leadership Training, Managing Planned Change, Conflict Management, Management by Objectives, Value Systems Analysis, Practical Management, Strategic Management, Democratic

Leadership, Situation Management, Group Dynamics, Organizational Development, Needs Analysis and Program Design and Adult Learning Theories.

Q.7 Please describe the assignment that you have been given in connection with this litigation.

A.7 I was asked to review the testimony of professors McKirnan and Arvey and, in light of that testimony to do the following:

- 1) to assess whether or not the alleged harassment at Comstock affected in an adverse way the quality of the work being performed by the QC inspectors, and
- 2) to assess whether Comstock set production standards which interfered with or compromised the quality of inspections.

Q.8 Have you previously conducted the type of analysis required to address the issue of whether alleged harassment and intimidation affected quality of work?

A.8 Yes. A very substantial part of my work at United has been involved with doing what is termed a "Needs Analysis." The purpose of a needs analysis is to determine what is causing a performance problem so an effective plan can be put in place to solve it. It is the systematic collection and analysis of data to identify real or actual performance levels, measured or assessed against performance standards and expectations and the identification of factors contributing to those performance levels.

For example, let's say we receive a complaint that the quality or quantity of the work is declining in a department. The symptoms that tell you this is happening may be customer or user complaints, rising costs, frequent breakdowns or high cost repairs. Our job is to find out what is causing the problem, develop a program to solve the problem and implement that program.

Q.9 How does this relate to the analysis required of you in this case?

A.9 What we do in conducting a typical Needs Analysis is to look at an area of known performance problems, study what factors have created the situation, and develop programs to solve the performance problems. Factors we typically look at are:

- The nature of the job mission
- What performance goals and standards exist and the quality of those goals and standards. Are they measurable, clear, attainable, fair?
- Management communication practices.
- What job expectations were established during training.
- What strategies management uses to obtain the desired performance.
- Group versus individual goals
- the quality of management reinforcement techniques (rewards, punishment, consistency, fairness)

- the techniques management uses to confront performance issues
- supervisory/management styles
- performance action plans
- The nature and quality of the training
- Actual employee practices
- Actual employee performance
- Employee belief and value systems
- Employee performance capabilities versus actual job requirements
- The nature of job conflict (if it exists), lack of role clarity, conflict over goals, methods and values
- And, actual performance outcomes.

Once we've collected and analyzed data relating to all these questions, we then focus our attention on the identification of performance issues and remedial action steps designed to achieve the desired changes. Thus, much of my work in this area focuses on what factors influence employee performance.

In my present assignment, I am similarly required to look at various factors alleged to have been present in the workplace at Braidwood and assess what, if any, impact those factors had on the performance of the QC inspectors. The factors with the

potential to impact or shape the actual performance of the QC inspectors are the same as those evaluated in the needs analysis work I normally do.

The only differences between my present assignment and my normal needs analysis work are the time focus and the data base. Rather than search for "What is happening now and why," the focus is on "What happened" or "What was happening and why." The difference in data base are minor, for example much of the information in this study is from deposition as opposed to interviews.

In my present assignment, my research has focused on the quality of the influences which management directed to the inspectors, the potential for successfully influencing the inspectors (given what we know about conflict and employee behavior in the workplace), the actual employee practices that occurred, the performance outcomes that were evidenced, and the implications of all this on the performance of the QC inspectors' core job mission, (i.e., the reason for his or her existence on the job site - to conduct thorough inspections and to report deviations from plans, specifications and other requirements).

Q.10 Has any of your previous needs analysis work focused on the question of productivity versus quality?

A.10 Yes. It is probably fair to say that most, if not all, of the needs analysis work I have done must confront the issue of how to achieve acceptable levels of productivity without sacrificing quality. However, two examples in particular come to mind where this conflict was prominent.

In 1976, when I was a Training Specialist, I received an assignment to help our maintenance operations center solve some performance problems that related to levels of productivity. Productivity problems in an aviation maintenance center, of course, must be addressed carefully because quality of performance cannot be sacrificed. As part of this work, I studied the factors in the workplace that might be lowering production levels, assessed what changes could be made and proposed changes which were implemented to increase productivity without sacrificing quality.

One interesting aspect of this study was that we discovered that a large number of employees in that job were of a generation and culture that placed a high premium on achieving and maintaining the highest possible quality in everything they produced. This meant that they were fairly rigid in resisting

any suggestion that they speed up; so rigid, in fact, that they conveyed a sense of being insulted when foremen attempted to counsel them. As perfectionists, they were reluctant to let go of the job.

Increasing the productivity of these employees, who had a system of beliefs that held that increases in productivity equated with a sacrifice in quality, proved to be one of the most difficult issues confronted. Before these employees would increase productivity, they had to be convinced that this could be accomplished without a sacrifice of quality.

A second example of a needs analysis I conducted which confronted questions of productivity versus quality involved the most extensive needs analysis I have undertaken. This was in 1983, I believe it was April. That's when the airlines reduced all of their fares to \$99. The airlines were overwhelmed with huge crowds, long lines and so on. It was the worst performance month in our company's and the whole industry's history.

The senior officers of the company asked me to head up a task force to determine what had happened, to identify current performance problems, to identify underlying causes and to make recommendations. Our goal was to increase productivity and preserve quality. We were specifically directed that we could

not simply throw additional money and manpower at the problem to make it go away.

This time the needs analysis involved customer and ramp services as well as maintenance. I directed the activity of some 30 professionals; we visited 30 airports, conducted close to 500 interviews, over 100 observations, studied all kinds of performance data, including our safety performance reports, and made sweeping recommendations, all of which have since been implemented.

Q.11 Let's turn to the second issue you have been asked to look at in this case, Comstock's production standards. Do you have any experience or expertise in establishing production goals on jobs where quality is a crucial factor?

A.11 Yes, I have considerable experience in goal setting, both within the company and in the external consulting I have done. I have helped organizations establish goals and objectives, starting at the top of the organization and working down each level of the hierarchy to the level of the individual worker. I've also taught countless workshops on how to establish goals and objectives and on how to develop standards of performance. I've facilitated the shaping of goals and objectives for Champion Business Forms and Engineering, Inc., companies for whom quality of work is critical. I've also facilitated the shaping of goals

and objectives for our computer division and many work groups for whom quality was a crucial concern within our company.

In a number of other situations, where safety and quality is a factor, I've functioned as a resource in the shaping of goals in areas such as the safe operation of equipment balanced by the requirement to meet certain production goals. In the training sessions I've conducted, the tension between quality and quantity is usually the hardest for people to resolve in an interdependent way.

Q.12 Based on your expertise working in the airline industry and others, is it appropriate to have production goals where quality of performance is critical?

A.12 I know of no instance in my experience, or in my general research where a company involved in production developed quality goals, either in a formal way or in an implied, informal way, where the need to have production benchmarks was not also an important aspect of managing the organization or job. To not focus on production aspects of work is to run the risk of seriously losing control. So whether it's high technology, or a safety driven enterprise, parallel goals which drive quality and quantity are required for successful management of work. The challenge is to make sure they are properly balanced and interdependent.

Q.13 Can you tell me how, if at all, a procedure for setting production standards differs in circumstances where quality is a crucial factor?

A.13 If quality is not a factor, you would do an analysis that would assess how long it takes to do a task. You would validate your findings by expanding the number of observations, then compile your data and develop production goals to meet your business requirements.

When quality is a factor, additional flexibility needs to be built into the time standard to account for variables and for the desired proficiency level to assure that the desired quality level is achieved.

Q.14 Please tell us what you have done to prepare for your testimony in this case.

A.14 Initially, I read a number of documents to get a feel for the nature of the issues in controversy. These materials included:

- The Harassment Contention.
- Two March 29, 1985 NRC memoranda.
- The April 5, 1985 NRC memorandum.
- 10 C.F.R. Part 50, Appendix B.
- Depositions and deposition abstracts of a number of QC inspectors
- Testimony of Drs. Ilgen Arvey and McKirnan
- Selected published articles of Drs. Ilgen and Arvey.

Based on my initial observations, I developed a model for field research at Braidwood. Using the model, I interviewed various Comstock management personnel at Braidwood who had been present during the period covered by the allegations, persons in charge of the Comstock training program and a former Level II inspector who is now with Comstock management.

In trying to determine the quality of instructions provided to trainees, or the quality of Mr. DeWald's communication, I asked Comstock personnel to actually assume I was a trainee, an inspector, or Mr. Saklak, and to teach me, to talk to me about my productivity, or to counsel me. This technique is called "behavior incident interviewing." Through such simulations, you can gain pretty accurate insights into the quality, the effectiveness and style of communication. I also reviewed materials describing Comstock's training program. Finally, I studied the QC inspector tasks by accompanying a Level II inspector and a trainee on an inspection.

In addition to the field research, I developed a list of topics relevant to my analysis and requested that the Licensee or its counsel search all QC inspector depositions for testimony dealing with these topics. I have reviewed the relevant portions of those transcripts. I have also reviewed testimony Messrs.

Giesecker and Dewald and reviewed the NRC Inspection report 85-21, 85-23. I have invested over 100 hours in research on this matter.

Q.15 Describe the model you have used to analyze the issue of whether the quality of the QC Inspectors' work was effected by the alleged harassment and intimidation.

A.15 First, let me create, if I can, a context or a rationale for the model I used.

For purposes of this analysis, I assumed the truth of the allegations of harassment and intimidation found in the NRC memos, the QC Inspector Harassment Contention and the shop talk and rumors that surfaces in the depositions. Yet, I found there was no data whatsoever to support the belief that quality and safety were, in fact, compromised. There was only the inference that, given the alleged conditions, quality may have been compromised. My goal, then, was to assess what actually happened--what were the actual behaviors of the inspectors in the face of alleged undue management pressure for increased production and Mr. Saklac's actions. Did the QC inspectors relent and compromise the quality of their inspections?

To collect data for analysis, I used the techniques applied in my needs analysis work. That is, I reviewed available documentary information, conducted interviews and observed the employees' performance.

The model I chose for analysis of this data was one widely used by management consultants to analyze problems and develop plans for change. The model is called Force Field Analysis and is based on the tested assumption that when a direct force is applied to change behavior, application of that force also produces an opposing restraining force. Driving force strategies usually fail to produce change, particularly when used alone, because they only succeed in producing resistance. Change occurs only when some of the restraining or blocking forces are also removed.

Put simply, when there is conflict, when there are competing goals and values, the more we try to change the behavior of someone who is in disagreement with us, using pressure and force, the more resistance we often encounter. The more we think we are accomplishing change, the more things stay the same.

Applying the Force Field Analysis, the goal of my investigation was to identify the forces at work on the Comstock QC inspectors at Braidwood, to evaluate the relative strengths of competing forces and to then determine whether the forces present resulted in the QC inspectors sacrificing quality.

Q.16 Do you have an opinion as to whether the alleged harassment and intimidation affected the quality of the work of the QC Inspectors?

A.16 Yes, I do. I'm convinced that despite the alleged harassment and intimidation, the quality of the work of the QC Inspectors did not suffer.

Q.17 What is the basis for your opinion?

A.17 First, I looked at the "driving forces" applied to the QC inspectors. In other words, the forces arguably pushing the inspectors to compromise quality. As previously mentioned, I assumed, for purposes of this analysis, the truth of the allegations of harassment and intimidation and the truth of the rumors and shop-talk testified to by the inspectors. Specifically, I investigated how management communicated its production goals, how management emphasized or enforced the goals, what happened when Saklak harassed or attempted to intimidate QC inspectors and how the QC inspectors behaved in response to the claimed harassment and intimidation.

Second, I identified the restraining forces, those things that would cause the QC inspectors to resist intimidation or harassment. More specifically, I looked at the quality of the orientation and training the QC inspectors received; the work ethic that was shaped; the inspectors' own characterization of their actual behavior in the face of harassment, intimidation,

and pressure; the system of beliefs the inspectors developed and maintained about their power relative to the power of management; the level of security they felt as evidenced by what action they took, the way their work was accomplished, the physical location of their tasks and its proximity to supervision; the context of the work they were assigned to do and its implications; the consequences of betraying their goals and values; the consequences of compromising the quality of their work; what they believed about the power of Saklak as evidenced by their behavior; and the quality of available safeguards.

Based on my analysis of these forces, I am firmly convinced that the driving forces did not have sufficient power and effectiveness to overwhelm the QC inspectors' resistance and resolve to adhere to procedures and to do quality inspections. In fact, because the driving forces were so weak, it is my conclusion that the claimed harassment and intimidation may have actually resulted in a hardening of the QC inspectors' resolve to do the job right.

Q.18 What leads you to the conclusion that the driving forces were weak?

A.18 There are really two claimed driving forces present in this case. The first is the general claim that Comstock management

pressured QC inspectors to increase productivity at the expense of quality. The second driving force was the claimed harrassment and intimidation by Saklak. Let me discuss separately my findings and conclusions concerning each driving force.

General Management Pressure to Increase Productivity

My overall conclusion concerning management pressure to increase production is that it existed, but that these efforts were ineffective at increasing production and lacked sufficient force to impact the quality of the work. My findings and analysis underlying this conclusion follow.

Finding Number 1.

No one was fired or disciplined specifically for low production. If they were fired or disciplined it was for clear failure to meet performance expectations such as absenteeism, sleeping on the job, not knowing how to do the job, falsification of documents, and so on. Here are examples:

Mr. Puckett was hired as a Level III Welding Inspector. Included in his job mission were the requirements that he become certified for Level III inspection work, that he complete the

required reading, that he identify additional problems, if any existed, in the Comstock Welding Program, that he develop solutions for known and for newly-discovered problems, and that he take corrective action to insure that Comstock's welding procedures were in compliance with the contract specifications and applicable codes. Another role he was to play involved the resolution of difficult inspection interpretations as found by Level II inspectors. (DeWald Contention 2.C. Testimony, page 42). This was obviously an important position.

Mr. Puckett, like all newly-hired inspectors of Comstock, had to demonstrate his capacity to meet these expectations within a ninety day probationary period. During the 90 day period, Mr. Puckett failed to demonstrate the required knowledge and skill levels on the required practical exams. On July 5, 1984, he failed a practical exam which was graded by Level II QC Inspector Nemeth. On August 22, 1984, he again failed a practical exam. (DeWald Contention 2.C. Testimony, pages 43 and 44).

It is my belief that Comstock management had sufficient reason to take employment action on the basis of Mr. Puckett's test performance, alone, since one of the performance expectations or requirements was that he demonstrate the

knowledge/skill base needed of a Level III Inspector. But, Mr. Puckett also failed to meet expectations which were at the heart of his job mission -- not only to identify but also to resolve problems or inconsistencies associated with Comstock's Welding Program. Based on my knowledge of why he was hired, this was a crucial job that was put in place to insure the resolution of welding problems which had surfaced in the spring of 1984. Mr. Puckett failed to demonstrate to Comstock management the capacity to function effectively as the welding problem solver, a crucial aspect of his job mission.

More specifically, Mr. Puckett was successful in the identification of problems but not in solving them. (Giesecker, Contention 2.C., Testimony pp. 22-24). Assuming that he was unequivocally right in issuing stop work orders, and there is some apparent disagreement on this issue (Giesecker, Contention 2.C. Testimony, p. 22), the thrust of his job mission was to also demonstrate initiative, knowledge and skill in developing resolution strategies. This he clearly failed to do. (DeWald Contention 2.C. Testimony pp. 45-51).

What gives credibility to Comstock's decision to terminate Mr. Puckett within the ninety day probationary period was the requirement Comstock faced to resolve problems and move the QC

program forward. If an employee charged with that responsibility could only identify issues, concerns and problems, without demonstrating a parallel ability and inclination to work out and implement resolution type strategies, then a very real possibility existed that the whole program could flounder on "analysis-paralysis."

Finally, I believe that Mr. Puckett was terminated not because he identified problems or concerns, but because he could not move beyond identification to develop alternatives and resolutions. Indeed, Mr. DeWald did stop work on August 15 so that "specific resolutions could be developed." (DeWald Contention 2.C., p. 46). In a problem-solving meeting held on August 22, Mr. Puckett appeared to agree to a resolution of the problem generated by Mr. Geiseker (Contention 2.C., p. 22), only to raise the same problem the next day. This obviously caused serious credibility problems for Mr. Puckett. Insofar as work was stopped by Mr. DeWald on August 15, the issue to me was not one of Comstock's willingness to accept the solution of "stopping work." Rather, the issue on Mr. Puckett's performance and the decision Comstock had to make as the probationary period approached its end related to whether or not Mr. Puckett had

demonstrated the conceptual skill and practical judgment to go beyond "stop work" orders to develop reasonable solutions to the problems identified. Clearly, he had failed to do so.

In other actions taken by Comstock management to resolve performance problems, termination was used for causes not related to low productivity. For example:

K. Williams -- sleeping on the job.

B. Robbins -- absenteeism.

T. Steward -- absenteeism.

O. Ward - not showing up for work.

(DeWald Contention 2.C., Prefiled testimony - Attachment 2.C. DeWald - 7).

In one instance, an employee, Mr. Seeders, was transferred to a different job because of his inability to complete assigned tasks and his mishandling of calibration issues. He was not terminated outright. He was given a choice of a transfer at no loss of pay or termination. He chose the transfer. One can ask whether a transfer to different duties is punishment. Nonetheless, I believe management has a right and a responsibility to transfer employees as a strategy to address performance problems, to achieve a better job-person fit, to assure employees are placed in jobs where they can succeed and make their best contribution. No matter what or how employees may rationalize the transfer, this is still a management call. The important behavior to analyze here

is - Management transferred the employee. They could have used termination, but didn't. And management's motive and action here was to fix a quality problem with calibrations of equipment, not to increase productivity.

Mr. Stout was not terminated, despite excessive absenteeism and tardiness and low productivity with 1.5 inspections a day for an average. At one point he received a reprimand for both his excessive absenteeism and his low productivity. (Stout Deposition Pages 23 and 24.) When DeWald talked to him about improving his productivity and his work attendance, DeWald did not establish a minimum number of inspections a day. (Stout Deposition P. 94) The only harassment, intimidation, or pressure Mr. Stout felt was that one reprimand. (Stout Deposition P. 103) Stout confirms that he was not forced to or was not asked to compromise quality (Stout Deposition P. 103).

Mr. Peterson was threatened with loss of overtime if he didn't produce more. While he was threatened with this, he did not actually lose overtime. (Peterson Deposition P. 53) This is an example of management trying to use overtime as bait to increase the production of one of the lower producers among the inspectors, yet not following through.

One inspector, Dan Marschner, was used as an example "to show what low was." (Stewart Deposition - Page 191). But Mr. Stewart testifies on the same page that Mr. Marschner is still employed in the same job as of early 1986. ."

Another inspector, Mr. Bowman, was threatened with loss of overtime when he focused on "non-Comstock" problems which later turned out to be valid. The lead inspector making this threat was Dyrll Landers. This threat, while angering Inspector Bowman, was effectively muted by Mr. Worthington, who approached him right after lunch. Mr. Bowman testified, "Mr. Worthington approached me with the information that Mr. Landers had given him and he told me to write a non-conformance or do anything else I thought appropriate, and he also stated at the time if I see any other deficiencies or defects of that nature, do not hesitate to report them to him." (D.P.32)

In reading the extracts of depositions of Bossong, Bowman, Coss, Gorman, Holley, Hunter, Klachko, Martin, Mustered, Perryman, Peterson, Phillips, Puckett, Rolan, Sproull, Stewart and Wicks, I found no testimony of any inspector being punished for low productivity, despite repeated questioning on this point.

For management to have been effective in influencing the inspectors' behavior, management would have had to fire someone

for low productivity, punish them with actual loss of overtime, or take some form of obvious disciplinary action in a consistent fashion. Failure to do so in my judgment, would tend to support the conviction that low productivity, while not favored and actually frowned upon, was not a punishable offense.

In Puckett's case, there was the belief expressed by some inspectors that he was terminated for making waves.

I believe this perception as a force in sending a strong threatening signal to inspectors was effectively offset by the understanding inspectors had that Puckett challenged the action, using the protection afforded whistle blowers, and received a substantial settlement. This understanding would tend to reinforce the inspectors' conviction that they were, indeed, protected and that if management acted in an unfair way, management would be punished, that it would cost management money.

Finding Number 2. The practices management used to try to increase production were ineffective and became more a source of aggravation than real, meaningful pressure on the inspectors.

Management established group accountability rather than individual inspector accountability for the achievement of more inspections to clean up the backlog. (Bossong D. P117, Bowman D. P.15, P.18, P.187, Gormon D. P.28, P.34, Hunter D. P.128,

Mustered, D. P.50, Phillips, D. P.14, Puckett D. P.141 & P.142, Wicks D. P.85) Group accountability is far less effective in generating changes in performance than is individual accountability.

Management did not communicate with consistency or clarity on goal expectations or production backlogs. What management did do was to post total numbers of inspections completed on the bulletin board, but always without reference to individual names. Bulletin boards also displayed the locations of the NRC to facilitate the process of addressing unsatisfied quality concerns. Next to the bulletin boards was also a framed copy of the 10 C.F.R. Part 50 Appendix B, the 18 point criteria. (Holley D. P.112, Gorman D. P.39, DeWald and Seese interviews).

Management also spoke to inspectors in general terms during group inspector meetings. Mr. Hunter on P.118 of his deposition saw these meetings as, "...a pep rally, let's get this done, let's get that done, you know, let's catch up with this area and then we can get some time off." Other inspectors who corroborated only generalized pressure, are - Perryman - D. P.64, Peterson D. P.18-21, Phillips - D. P.15 and 33, Puckett D. P.140 and 142.

Even Mr. Saklak is not accused of setting a minimum number of inspections which were to be performed by inspectors. (Phillips D. P.14). Phillips testifies that specific names were never used by Mr. Saklak in his briefings of QC Inspectors. Areas were focused on in general terms as being up or down. According to Mr. Holley in his deposition (P.74), Mr. Saklak discussed the back log in group meetings and set a date by which they needed to catch up. He then broke the total number down to a daily figure of inspections needed to catch up. But again no inspector was given a specific number of inspections which had to be completed, daily or weekly. There was a rule of thumb that it was reasonable to perform a certain number of inspections per day, but it was understood that individual inspectors would vary from that number depending on the nature of those inspections. (Klachko D.P. 13).

Finding Number 3. Management did nothing to reward high production which would have communicated a signal that management valued production over quality. While there were concerns and rumors about favoritism in how overtime was dispensed, there is no evidence in all my research that an inspector received more overtime than others because he or she was a high producer. Nor is there any evidence in all my research that an individual

inspector was singled out in private or in a group and praised for being a high producer. Nor was there any evidence that an inspector received higher hourly rate of pay based on productivity.

Finding Number 4. Management did focus from time to time on a QC inspector who consistently completed a low number of inspections to determine what was holding that inspector's productivity down. This was, indeed, individualized pressure.

Mr. DeWald talked to Mr. Holley on two different occasions. (Holley D. P.113) Mr. Holley testified "Mr. DeWald had called me into his office and just, you know, in a very gentlemanly-like manner" "You know I agreed with him, I'm slow like. I could probably do more than what I'm doing." Again on P.114, Holley stated that "well I tried to explain to him that I try to be thorough. And he took that as a good reason."

Mr. DeWald also discussed low production with Mr. Stout (Stout D. P.94). Again he did not set minimum expectations.

Significantly, in both cases, Mr. DeWald did not establish minimum goals, nor did he put in place a personal action plan to improve productivity. Without such teeth in the counseling effort to improve production, the best that can be said is that it was a weak attempt by management to generate improvement in production.

Finding Number 5. There is no evidence that QC inspectors took seriously management's concern for production. To the contrary, there is evidence that QC inspectors resisted, if not actually challenged, management's pressure in group inspector meetings. For example:

- Bowman, D. P. 42 ... "We looked at each other and said: Mr. DeWald, that may be the way you want it, but we are going to continue doing it the way we think best."

- Hunter, D. PP. 76 & 77 ... "and we said, 'wait a minute, what about that, Irv? You have to tell the next guy what you actually looked at.' Well, we went around and around about that, and we finally got that straightened out. So, Form 19s still has a Remarks section."

Finding Number 6. The absence of an overall management plan to increase production indicates that the quality of management pressure was totally reactive. It was based on pleading and cajoling inspectors as a group, and in providing periodic status reports. With the absence of specific consequences, or a specific concrete action plan, these entreaties appeared to have been ineffective.

Finding Number 7. Management used status reports to identify low producers, to ask leads to assess what was going on

and to determine why individual inspector numbers were low. They also used them to plan manpower requirements, to measure progress on backlogged work, and to keep Edison aware of how they were doing.

When used to identify low producers, the status reports played a diagnostic role, rather than to effectively compel increased production. No concrete action was ever taken to discipline an inspector, to specify minimum daily or weekly goals, or to develop an action plan with an inspector that would shape commitment. There were isolated incidents of warnings being given to low producers, but no other individual consequences flowed from these status reports. As to the individual inspectors, the only negative consequences of statusing was that it created suspicion that the reports were being used for some ulterior motive. (See Klachko, D. P.30, 52, p.193) (Mustered - P.50).

ANALYSIS

For management to have successfully increased productivity, its general requests for increased productivity would have to have been accompanied by:

- Consistent management action to punish low producers.
- Rewards that would clearly demonstrate how management valued production.

- Specific individual, inspector goals to shape inspector behavior.
- Individual action plans to improve the performance of low producers.
- Individual pressure versus group pressure.
- Consistent management follow through on threats.
- An overall management action plan that was specific and known to inspectors to increase production.

Those accompanying factors were not present to support management's requests for increased productivity at Braidwood. This is not to say that if one or more of these factors had been present that any resulting increase in productivity would have negatively impacted quality, or that an increase in productivity was necessarily a bad outcome. What I do conclude, however, is that absent a driving force sufficient to increase productivity, the general requests for increased productivity certainly could not have impacted quality.

INTIMIDATION AND HARRASSMENT BY SAKLAK

The second driving force was the claimed harassment and intimidation by Saklak. My purpose here was to find the outcome of that claimed intimidation and harassment. Was it sufficient and powerful enough to get results?

My findings, based on what Saklak did, or his patterns of behavior lead me to conclude that there was not sufficient power here to cause the inspectors to comply, conform or submit to his threats. There is evidence that the role he played was to annoy, frustrate and anger some of the QC inspectors. Inspectors usually dealt with his threats and intimidation by going to DeWald. DeWald would then talk to Saklak about changing his style or approach. Although DeWald's efforts may have been ineffective in altering Saklak's behavior, DeWald's actions did reveal Saklak's lack of power.

In my interviews with Mr. DeWald and Mr. Seese, I learned that some QC inspectors actually taunted Saklac. Inspector Coss (D. P-45) testifies that he called Mr. Saklak "turkey" to his face. When he sometimes approached inspectors and asked what they were doing, why they were standing around, some QC inspectors would reply that they were doing nothing, which tended to infuriate him. (This according to DeWald). The Findings and analyses which lead me to this conclusion are as follows:

Finding Number 1. Mr. Saklak's style of using threats to motivate employees caused deep anger and resentment among the inspector group, but was not effective in causing inspectors to comply--to compromise quality or safety. A key principle in

obtaining and using power is that you must use it and use it successfully. Failure to follow through on your threats compromises your power. People come to see you as a nuisance, as someone to be avoided, but as lacking the real power to hurt you.

For instance, Mr. Saklak never actually used his so-called "Pearl Harbor file."

Mr. Saklak threatened to fire Holley several times. (Holley D. P. 84 & 85). But he never carried through. Martin testifies that he argued with Mr. Saklak about his tape measure. He told Saklak, "You're not going to talk to me this way." Mr. Saklak threatened to fire him, but Mr. Martin continued to work (Martin D. p. 22.) Myra Sproull indicated that she had no problem with Mr. Saklak. Nor did she know of anyone who had been fired or disciplined by Mr. Saklak because of safety or quality concerns (Sproull D. PP. 44, 50 & 51). Nor did she know of any instance when he had used his Pearl Harbor file (P. 66 & 67). Mr. Phillips testified that Mr. Saklak never succeeded in getting rid of anyone. (Phillips D. P. 70.) Nor could I find, in reviewing the depositions of Bossong, Bowman, Coss, Gorman, Holley, Hunter, Klachko, Martin, Mustered, Perryman, Puckett, Rolan, Sproull, Stewart and Wicks, any evidence that he had ever used his Pearl Harbor file.

The depositions are sprinkled with instances where inspectors actually defied him. This defiance is strong evidence that he had failed to establish himself as a credible force to be feared. See Table I.

Among the inspectors who complained to the NRC, statements generally portrayed Mr. Saklak as being incompetent. They were angry and tired of his management style, but they did not portray him as powerful or effective. The constant threats, with no real consequences, taught the inspectors that Mr. Saklak was to be avoided, but not feared. The Snyder incident is perhaps the clearest example of Saklak's lack of power. When Inspector Snyder refused to violate procedures and was threatened by Mr. Saklak, the QC inspectors were not intimidated. They went to the NRC.

Finding Number 2. Management did nothing to empower him and in subtle ways actually undermined his influence. Mr. Saklak had no authority to hire or fire. This authority resided in Mr. DeWald, whose authority to hire and fire was made clear in the QC inspectors' quality orientation. Further, it was Mr. DeWald who counseled employees with low productivity. And when Mr. Saklak engaged in a power struggle with a QC inspector over a safety issue, the QC inspector often won. This was a strong signal to

TABLE I

EXAMPLES OF DEFIANCE OF SAKLAK

<u>INSPECTOR</u>	<u>REFERENCE</u>	<u>STATEMENT</u>
Peterson	(D. P.15)	Mr. Saklak tried to force him to sign off on an ICR. Mr. Peterson refused and walked out.
Seeders	(D. P.164)	Refused to do what he believed may have been falsification of the documents.
Stewart	(D. P.75)	Believes he is in Mr. Saklak's Pearl Harbor file because of his stubbornness, because of refusing to do it Saklak's way.
Mustered	(D. PP.33-35)	Saklak orders a change to an ICR and wants Mustered to sign off on it. Mustered refuses. Doesn't feel threatened when Saklak becomes abusive.
Bowman	(D. P.71)	..."And I explained to Mr. Saklak that I thought he had a very poor attitude towards inspectors in general. I told him: 'I'll do my work, and if you have any problems with the work I do, you can transfer me out or, you know, anything you want to do. But this is how I do work. And your attitude won't change that.'"
Coss	(D. P.45)	Calling Saklak a "turkey" to his face.
Martin	(D. P.22)	Telling Saklak "you're not going to talk to me this way."
Perryman	(D. P.95)	On seeing Saklak abusing Joe Hii, "I told him if he pointed his finger like that at me, I'd tear it off and make him eat it."

the inspector group of Mr. Saklak's relative power and effectiveness. Here are some examples:

- Martin (D. P. 44) - Mr. Saklak tells Mr. Seese that Martin is a problem and must go. Martin overhears Seese tell Saklak that he (Saklak) is the problem.

- Peterson (D. P. 15) - refuses to sign off an ICR. Peterson is supported by management.

- Mr. Seltman supported Mr. Snyder on closing out an ICR. (Sproul D.P. 39)

One peculiar management tactic was to sometime "write up" both Saklak and the inspector if there was a conflict that was surfaced to Mr. DeWald. (NRC memorandum re March 29 meeting.) This was peculiar, because it failed to resolve the underlying conflict but clearly undermined the supervisor's credibility.

ANALYSIS

These findings--that Mr. Saklak never followed through on his threats, thus undermining his power and effectiveness, that management didn't support him in the confrontations he had to win to retain his influence and credibility, and that inspectors were unafraid, that they were willing to openly confront him, that they could refuse to comply without fear of consequences--all indicate to me in a conclusive way that Mr. Saklak as a driving

force lacked sufficient power to cause the inspectors to comply, to conform or submit to his threats.

Was his abusive style punishment? Yes, but not in an organizational sense. His style was punishment in the way all of us are punished when we are forced to experience someone's anger, abuse and intolerance. The bottom line here is that people learn through experience and observation. And what they learned was that Mr Saklak was "full of sound and fury", but that this sound and fury "signified nothing." He could not fire or discipline. He never made his threats good. And in key issues management didn't support him.

Q.19 Let's move on to the restraining forces, those forces tending to prevent the QC inspectors from sacrificing the quality of their work. What did you find with respect to the restraining forces and their impact on the QC inspectors' behavior?

A.19 Let me take these one at a time, discussing my findings with respect to each, and the impact of each of the inspectors:

1. Orientation and Training Program

Comstock's training program for QC inspectors begins with a Quality Assurance Lecture. It's length is 1-1/2 to 3 hours, depending on the questions, and concludes with a pass/fail test. The course content includes a review of

- 1) 10 C.F.R. Part 50, Appendix B (the 18-point criteria),
- 2) the Energy Reorganization Act § 210 which offers protection to whistle blowers, and
- 3) a review of the organizational chart showing the chain of command, reporting relationships, and the separation between quality assurance and production.

The training lecture stressed the duties and rights of inspectors and outlined their job mission as a commitment to quality, to absolutely meet safety standards and specifications, and to report safety concerns. A commitment to quality was stressed as a high priority for the company.

Trainees were told what to do if they had a concern. They were told they could go to the NRC or as of early 1985, to Commonwealth Edison's "Quality First" program. They were told that they were assured protection under the Energy Reorganization Act § 210. Trainees were also shown NRC office locations (including the one on site) and given an NRC phone number to call if they had a quality concern.

The Quality Assurance Test questions on the test given at the end of the initial training program addressed the issue of quality vs. production. The questions given have included the following:

- "Influence by production pressure shall never affect the quality of work performed or time required by an inspector to effectively complete an inspection."

(Answer: True)

- "If you review a concern with the NRC, you may request that your name be kept confidential."

(Answer: True)

- "You are protected from discrimination by which of the following: The NRC, Department of Labor, higher Comstock Management, CECO Quality First Program."

(Answer: All)

- "If a test violation of the NRC has occurred, you should immediately report it to your supervisor. If you feel adequate corrective action is not taken, you are free to go to the NRC, provided you have written approval by the QA Managers."

(Answer: False)

Additional training included (1) reading of the QA/QC manuals, (2) a one-hour lecture to familiarize the inspector with his certification area, (3) an eight hour lecture and a field demonstration in the certification area, (4) forty hours of on-the-job training with a Level II inspector using a

"tell-show-do--and review" training methodology, and (5) a two-hour evaluation from the Level II inspector on the trainee's performance.

The training was concluded with a performance test called the "Practical Test", which tested the inspector's ability to find/check both an item which is acceptable and an item which requires rejection.

A summary of my findings on training are that:

- Very clear expectations were established concerning the QC inspectors' duties and his or her job mission. The clear emphasis was that the QC inspectors were to assure the quality of the work and to report safety concerns.
- Considerable effort was expended to build the belief that the QC inspector had a duty to report concerns and not to compromise quality no matter what.
- Considerable investment of time was made to train the inspector in what to do if his or her concerns were not addressed by Comstock.
- Understanding of these expectations were tested in a pass/fail test. This provides further reinforcement.
- Throughout the training, including that provided by the Level II inspectors during the 40 hours of OJT, the

perception was reinforced that the first-line inspection authority on quality and safety issues is the inspector himself or herself.

- All of these combined to develop a value system that placed quality and safety above all else and a system of beliefs that the inspectors had ample channels to raise concerns and gain protection, such that to compromise quality would be to compromise their values and belief systems. Indeed, the orientation and training dealt with issues of what could happen in the way of pressure and intimidation and what to do about it.
- I believe this orientation and training shaped a value system and a belief in the QC inspector's independence and power that was in itself powerful enough to withstand management pressures, intimidation and harassment.
- I believe part of the inspectors' frustration with management, which eventually hardened into a standoff on production, was in part a function of the fact that there was never any mention of production standards in the orientation and training. When management subsequently began focusing on the backlogs and on productivity, the inspectors resisted because they saw this as an intrusion

on their core job mission. Their value system had already been shaped around quality and safety.

These findings are reinforced by the theory of expectancy which holds that when clear expectations are established, people are made to feel empowered to achieve those expectations, and are given clear safeguards, there is a strong likelihood that they will meet those expectations. These findings are also reinforced by motivational theory which holds that people act on their security needs, as well as their self-actualization and status needs. To submit to pressure and harassment would compromise their status needs as being independent and empowered to act freely to achieve their job mission. To compromise quality would be to conflict with their self-actualization needs based on the criticality of their work and the importance of their job. To compromise quality would be to run the very serious risk of job loss since such an action would be in strong conflict with their core job mission.

2. Work Ethic

My content analysis of the answers given by QC inspectors during their deposition indicates a very strong ethic built upon a commitment to safety and quality. More particularly, I was interested in what the QC inspectors felt about safety and

quality ... and how they viewed Comstock management's efforts to increase the number of inspections. I specifically ignored Inspector assertions that they had never compromised quality, focusing on content in their statements that spoke to how they viewed their responsibilities.

My analysis of the content of what inspectors said about how they viewed their job indicates a strong commitment to quality as the key reason for their job; to doing the inspector's job in a thorough way; to a feeling of independence from management pressure; to a willingness to stand up to management when they believed they were being pressured; to a concern about the integrity of the plant; to a very strong concern that when they signed their name to a checklist that the quality of their work would stand up against a reinspection and the test of time; to a keen appreciation that their work was crucial to public safety. (See Table II).

Further, all one has to do is to visit the Braidwood site to gain an appreciation of the enormous power of the plant and its implications for life and death. The whole setting is one that can't help but build a strong ethic that says there is much more at stake here than your job. To deny that this does not

TABLE II

EXAMPLES OF INSPECTOR STATEMENTS ON
SAFETY AND QUALITY

<u>INSPECTOR</u>	<u>REFERENCE</u>	<u>STATEMENT</u>
BOSSONG	(D. P.135)	... "I'm more quality minded than most. I want it built safely. I work and live in this area. If I had a quality concern, I'd have addressed it."
	(D. P.188)	... "He [Bowman] is a pretty thorough inspector and I think he felt justified in what he was doing, and that's the bottom line."
BOWMAN	(D. P.21&22)	... Quoting Mr. Peterson, "He said I guess I will do exactly what I have to do to get my inspections done correctly and I don't care what the guy says."
	(D. P.42)	... "We look at each other and said: Mr. DeWald, that may be the way you want it, but we're going to continue doing it the way we think best."
	(D. P.33)	... "And to imply, even in a joking manner, a quota system that I disagree with entirely and then to use a threat as losing your overtime to back up this quota system."
	(D. P.33)	"anything that affects the integrity of the plant is my concern."
	(D. P.40)	... "if I see something doubtful, or I'm not sure of a particular detail or a method to be used, or a technique to be used, I will investigate it to the fullest."
GORMAN	(D. P.59)	... "we've all discussed about quality versus quantity, and my feelings were that I could care less about how many items they wanted inspected in a day. I was going to make sure it was. It was my signature that was going on the checklist, saying that the item was unacceptable. ... if they wanted to write me up, or whatever, for turning in <u>X</u> amount of items, I would not address that issue. I felt that my first concern was quality."
	(D. P.62)	... "I'm saying that there was a lot of us who felt that way, that quality was more important than quantity."
	(D. P.99)	... "Oh yes, I thought it was very significant, the importance of quality. You're talking about something that basically is nuclear power, you don't know what the affects are going to be, if you have problems with it. We all know about Russia and their problems. It's an uncontrolled item. You don't really know what can happen. It's never happened before and nobody knows how to really control the situation. And you want safety built into it as best you can. "... (P.100) A lot of people live in that specific area and they feel responsible. If you can take pride in your work, you want to be concerned with our work."
	(D. P.62)	... "I'm sure that there was a lot of us who felt that way, that quality was more important than quantity. Again, our name went on the checklist. The other individuals didn't. We were the ones that were certified in that specific area and we are taking responsibility for it and my own opinion was that I wouldn't sign it unless I felt it was acceptable."
HOLLEY	(D. P.127)	... "Comstock has a great bunch of inspectors who take pride in their work."
KLACHKO	(D. P.71)	... "They (inspectors) wanted to do a good job, regardless of how much time it took to do the inspection. Because once you put your name on that paper, that's yours." ... "So their attitude was that we're not overly concerned about how much time it takes; we're more concerned that once I put my name on that paper I can stand behind what I've said I'd done."
	(D. P.137)	... "People get upset when you talk about their quality; they get upset. Everything affects the inspector, labor, time, cash, everything affects inspection. That doesn't mean it affects the quality of what he does, especially when you sign that paper and it is going on record for 25 to 40 years in that plant, and everytime somebody looks at it, they see that you signed off, your name is on it. You're putting yourself in the line everytime you sign a document off."

TABLE II (Cont'd)

<u>INSPECTOR</u>	<u>REFERENCE</u>	<u>STATEMENT</u>
PETERSON	(D. PP.18-21)	... "or statements made to hurry up and get this done and get that done, myself, and I believe the others wouldn't allow that to actually affect their work.
ROLAN	(D. P.111)	... "because nobody would pay attention to it anyway, and usually they tried to impose it (more production), but it didn't work."
SPROUL	(D. P.48)	... "Any inspector I worked with over there would never have done it (compromised quality) anyway. They would go by procedure. Regardless of anything. ... Right. They could make life miserable, but I know those inspectors over there would never have violated things."
WICKS	(D. P.21)	... "Basically I think they were pushing everybody, but I did what I thought I should do to give them a good day's work, and that's basically it."

On the visit of QC Inspectors to the NRC on March 29, time and time again the belief was expressed that all Comstock cares about were numbers, but there was also expressed the strong conviction that no one was about to give in.

exist and that it is an intangible but important factor is to deny that environment has an impact on human behavior.

Here, again, I am convinced that this environment and work ethic were a powerful forces in assisting the QC inspectors to resist compromises of quality in their work. Finally, one reason I'm confident about my conclusion here is the experience I've personally had in helping management resolve conflict and generate change in employee behavior. When the conflict is over values and goals, this is the most stubborn of all conflicts to resolve. Compromising the quality of work, falsifying inspection reports as seen by the QC inspectors, was an emotional value issue for them. I've seen management try to lessen employee commitment to quality in non-safety areas without success, despite years of trying and trying. When you add safety as a factor, and a system that protects the employee, then I believe you have a work ethic at work that is going to be fairly rigid to change.

3. The Way Work is Accomplished

Inspections are done in the field. Once the inspector leaves the office, he or she is alone. The nature of the work is that the inspector must find the welds or other items to be inspected. This may sound easy, but in fact can be very

difficult. It may take the inspector considerable time and effort to position himself or herself to accomplish the inspection. There is no supervision, no Mr. Saklak looking over the shoulder. One can have a hot interaction back in the office with a Mr. Saklak, but the passage of time, the physical distance and the fact that the inspector works alone lessens the intensity of that interaction.

The use of checklists is also a factor that makes fudging or falsification of these checklists very difficult. The procedures are definitive and specific as the inspector checks the work; the question comes down to yes or no--does the work meet specifications? This kind of checklist doesn't lend itself to fudging. It's too objective.

Once the inspector returns to the office, to compromise quality under pressure would be to deliberately violate the system of beliefs and the values he or she has shaped, to knowingly and deliberately falsify the report. That sort of process and circumstance doesn't lend itself easily to compromise, to deliberate falsification of reports.

4. Consequences of Compromising Quality in Inspection Reports

The consequences for compromising the accuracy of inspection reports could range from decertification to removal

from the job. This was communicated in the orientation and training and again when one QC inspector was caught with pre-signed inspection reports in his pocket. Despite beliefs that developed about why people were removed, no one was removed for low production. It's my belief that eventually the real story of why someone is terminated or removed gets around enough, so that most inspectors know what the real issue was. There is no evidence of anyone being terminated for low production.

If you compromised quality and were caught, through an over-inspection program or some other means, you had no NRC to support you. Thus, the consequences for compromising quality exceeded the consequences of not maintaining adherence production schedules. It was, therefore, in the self-interest of the QC inspectors not to compromise quality.

One additional factor, if through a PTL inspection it was found that an inspector missed an item, that fact became known to Comstock management and other QC Inspectors. The consequence was a loss of self esteem and esteem among your peers. (Klachks D. p. 104-05.)

5. Safeguards

When I refer to safeguards, I am talking about the right to raise concerns to the NRC and the protection afforded the QC

inspectors under Energy Reorganization Act § 210. What I found with respect to the safeguards is that they worked. The fact that the system of safeguards worked, affirms the independence and autonomy felt by the inspectors. The NRC acted, safeguards were maintained, but most significantly, QC inspectors believed in those safeguards during the time of the claimed harassment and intimidation. Otherwise they would never have gone to the NRC in the first place. They would have been unwilling to test the process, the safeguards, if they didn't believe in them.

6. The Inspectors' System of Beliefs.

In every organization or work group, a system of beliefs develops that becomes an entrenched culture. This culture reflects what people in that organization think and feel and shapes what they do. Belief systems underly and permeate how work is accomplished, what people value and therefore strive to achieve, how decisions are made, how conflict is resolved, how resistance to change is managed or not managed, what people do to achieve recognition, what strategies or tactics they use to avoid punishment, the power and freedom they feel to act independently, the fear they feel in not conforming, and what and how information is shared. Belief systems are therefore pivotal in generating and resolving conflict, as well as in facilitating or

causing resistance to change. Belief systems are shaped by current and past experiences, observation, what others in the organization think and feel, and generally, by what people have learned in a variety of ways throughout their lives.

There is no question but that the belief system of the inspector group at Comstock is central to the question of what inspectors may or may not have done in response to alleged management's tactics in seeking to increase production or in the perceived threat of Saklak's supervisory style.

Nearly all of the findings reviewed in previous sections of my testimony contribute in one way or another to my ultimate conclusion concerning the inspectors' belief systems.

Specifically:

- What was the nature and quality of management's efforts to increase production? What signals did those efforts send to inspectors? What did inspectors actually say and do? (See Driving Forces, Management's efforts to increase production. Findings 1 through 7, pp. 28 through 31).
- What was the nature and quality of Saklak's style of supervision, what did management do to support Saklak? What signals did those practices send to inspectors. What did inspectors actually say and do? (See Driving Forces,

the Claimed Harassment and Intimidation of Saklak, Finding 1 and 2, pp. 33 through 36.

- What performance expectations did management establish in their orientation and training program? What signals did those expectations send to inspectors? Given what we know about the Theory of Expectations as a psychological principle in employee training and performance, what belief system was shaped by the nature and quality of the employee orientation and training among the inspector groups? (See Restraining Forces 1, Orientation and Training, pp. 37 through 41).
- What did inspectors feel and think about their job mission and what work ethic did the inspectors demonstrate? (See Restraining Force 2, Work Ethic, pp. 42 and 43).
- What role did the way work was accomplished play in shaping the inspectors' System of Beliefs? (See Restraining Force 3, The Way Work is Accomplished, pp. 43 and 44).
- What were the consequences of compromising quality and what role did those consequences play in shaping the inspectors' System of Beliefs? (See Restraining Force 4, Consequences of Compromising Quality in Inspection Reports, pp. 44 and 45).

- What were the nature of the safeguards and protection afforded the inspectors? What role did they play in shaping the inspectors' System of Beliefs? What did inspectors actually do to demonstrate their beliefs? (See Restraining Force 5, Safeguards, p. 45).

Based on my findings in each of the areas, I believe that the inspectors' belief system was such that it was successful in resisting management pressure. I believe this is so because of what happened and didn't happen with respect to management pressure, how the issue of goals was handled, Saklak's inability to make his threats stick, the work ethic of the inspectors, the way work at Braidwood is accomplished, the safety the inspectors felt, the strong peer pressure not to compromise, and the consequences for compromising quality. I believe all of these beliefs came together to form a job culture that resisted pressure to change, that saw every attempt, legitimate or illegitimate, to increase production, as a threat to their job mission.

Q.20 Picking up on your discussion of the inspectors' system of beliefs, there was apparently a belief by inspectors (which is expressed in the NRC memos of the March 29 meetings) that Comstock management was emphasizing quantity over quality. Doesn't this apparently widespread belief that management was emphasizing quantity or quality indicate that there was strong pressure being applied by management to accomplish this goal?

A.20 Yes, it is evident to me from reading the depositions that such a belief did, indeed, exist among inspectors. But in looking for objective data to support this belief, I could not find any conclusive evidence to support it. It is my conclusion that this belief needs to be seen within the context of the conflict that was occurring between management and the inspectors around the issue of unionization and the perceived inequity in pay. No matter what management did, no matter how they tried, management was always seen as caring only about production. This became a strong rallying point for the inspectors. Yet, when pressed on this in their depositions, inspectors could not point to specific incidents where management pressed employees to sacrifice quality.

Q.21 With your findings as to the forces acting upon the QC inspectors at Braidwood as a basis for analysis, would you explain what can be concluded from application of the Force Field Analysis model.

A.21 Yes. Even assuming undue management pressure for production and acts of harassment and intimidation, there was stronger, more compelling pressure on the QC inspectors to resist this pressure, harassment and intimidation to compromise quality. The more management tried to increase production, the harder the resolve of the QC inspectors grew to resist. For

every action in such a conflict situation, there is an opposite reaction. There is no doubt in my mind the QC inspectors as a group were committed not to compromise.

Here are some examples:

- * Bowman (D.P. 26) - testifies he was not pressured to compromise quality, despite long hours and the size of the workload.
- * Bowman (D.P. 110) - "But I can't say that the other individuals working under him, Mr. Worthington and Mr. Landers, I can't say that they were putting pressure for production giving precedent over quality."... (P.111) "In all honesty I have to say no to that." (On supervision at Comstock pressing for quantity over quality).
- * Mustered (D.P. 50) - on Production quotas ... "Never heard of any."
- * Perryman (D.P. 86) on pressure to sacrifice quality?... "No"

In reading the extracts from the depositions of Inspectors Bossong, Bowman, Coss, Gorman, Holley, Hunter, Klachko, Martin, Mustered, Perryman, Peterson, Phillips, Rolan, Seeders, Sproull, Snyder, Stewart, Stout and Wicks, I could find no instances where

an inspector was told to reduce or lower quality so as to accomplish more inspections.

Mr. Saklak did attempt to shortcut procedures by trying to persuade inspectors to sign off on inspections that he thought were okay but that inspectors felt were not procedurally correct. The inspectors refused. I did not take Mr. Saklak's behavior as representing the implementation of production standards that would invariably compromise quality. I saw his behavior as one of trying to catch up on the backlog by trying to finesse correct procedures.

It is this experience in my research that leads me to conclude that no matter what or how management sought to address the backlogs, management was invariably perceived as caring only for production. This is very common in conflict situations between groups.

I believe that inspectors need this belief to maintain their unity around the issue of quality and as to a tool in their organizational efforts. As such, I believe that this perception rather than causing the inspectors to compromise quality, actually strengthened their resolve to resist.

Q.22 In comments by QC inspectors to the NRC, as well as in testimony in this proceeding, comments have been made that suggested discontent at Comstock which may be attributable to disputes over salary, overtime, unionization, or other factors. Does this indication of discontent cause you to change your opinion as to whether there were quality problems resulting from alleged harassment?

A.22 I would categorize these as job dissatisfiers or job hygiene problems, real problems that would cause employees to be unhappy with job conditions in a generalized way. I weighed these factors into my judgment. Two things caused me to reject it as causing quality to be compromised.

First, in my experience I have seen quality and overall job performance maintained during times of conflict between workers and management. I am thinking here of the quality of work maintained before and after labor disputes involving pilots and mechanics, on the one hand, and airlines on the other. Indeed, I have seen instances where employees achieved their best performance during these times. I have made a point to talk to employees in an attempt to discover why this phenomenon occurs, I have learned that:

- 1) People feel innate guilt because they are attacking the company that pays and nurtures them, and so they compensate by making their work above question.
- 2) Where safety is a factor, people believe it unthinkable to compromise that safety because of their feelings.

3) People want their work to be above question because they often feel themselves vulnerable in conflict situations. They do not want to give anyone an excuse to take action against them.

Also, it is my conviction that the QC inspectors' system of beliefs and their ethos toward their work, was so strong that the hygienic factors might impact their production levels, but certainly not the quality of their work, which was the core definition of their job.

Q.23 Does this conclude your testimony?

A.23 Yes.

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NUCLEAR REGULATORY COMMISSION

'86 OCT -2 A11:35

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

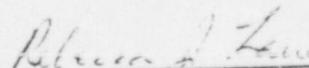
OFFICE OF SECURITY
DOCKETING & SERVICE
BRANCH

In the Matter Of:)
)
COMMONWEALTH EDISON COMPANY)
)
(Braidwood Station, Units 1)
and 2))

Docket Nos. 50-456
50-457

CERTIFICATE OF SERVICE

I, Rebecca J. Lauer, one of the attorneys for Commonwealth Edison Company, certify that copies of the attached REBUTTAL TESTIMONY OF X. DANIEL KAFKAS (ON ROREM Q.A. SUBCONTENTION 2) (HARASSMENT AND INTIMIDATION) have been served in the above-captioned matter on those persons listed in the attached Service List by United States mail, postage prepaid, this 29th day of September, 1986.



Rebecca J. Lauer

ISHAM, LINCOLN & BEALE
Three First National Plaza
Suite 5200
Chicago, Illinois 60602
(312) 558-7500

DATED: September 29, 1986

SERVICE LIST

Herbert Grossman, Esq.
Chairman
Administrative Law Judge
Atomic Safety and Licensing
Board
United States Nuclear Regulatory
Commission
Washington, DC 20555

Dr. Richard F. Cole
Administrative Law Judge
Atomic Safety and Licensing
Board
United States Nuclear Regulatory
Commission
Washington, DC 20555

Dr. A. Dixon Callihan
Administrative Law Judge
102 Oak Lane
Oak Ridge, TN 37830

Stuart Treby, Esq.
Elaine I. Chan, Esq.
Office of the Executive Legal
Director
United States Nuclear Regulatory
Commission
Washington, DC 20555

Atomic Safety and Licensing
Board Panel
United States Nuclear Regulatory
Commission
Washington, DC 20555

Atomic Safety and Licensing
Appeal Board Panel
United States Nuclear Regulatory
Commission
Washington, DC 20555

Mr. William L. Clements
Chief, Docketing and Services
United States Nuclear Regulatory
Commission
Office of the Secretary
Washington, DC 20555

Ms. Bridget Little Rorem
117 North Linden Street
P.O. Box 208
Essex, IL 60935

Robert Guild
Douglass W. Cassel, Jr.
Timothy W. Wright, III
BPI
109 North Dearborn Street
Suite 1300
Chicago, IL 60602

Charles Jones, Director
Illinois Emergency Services
and Disaster Agency
110 East Adams
Springfield, IL 62705

William Little, Director
Braidwood Project
Region III
United States Nuclear Regulatory
Commission
799 Roosevelt Road
Glen Ellyn, IL 60137

Janice A. Stevens
(For Addressee Only)
United States Nuclear Regulatory
Commission
7920 Norfolk Avenue
Phillips Building
Bethesda, MD 20014

George L. Edgar, Esq.
Thomas A. Schmutz, Esq.
Newman & Holtzinger, P.C.
1615 "L" Street, N.W.
Suite 1000
Washington, DC 20036