



# **POLICY ISSUE**

## **(Information)**

April 1, 2022

SECY-22-0027

FOR: The Commissioners

FROM: Daniel H. Dorman  
Executive Director for Operations

SUBJECT: UPDATE ON AGENCYWIDE TRANSFORMATION  
PERFORMANCE MEASURES

### PURPOSE:

The purpose of this paper is to summarize for the Commission the results of the implementation of the objectives and key results (OKRs) in 2021 and to identify the new agency-level OKRs for 2022. This paper is forwarded in accordance with the agency transformation performance measurement methodology set forth in SECY-20-0049, "Agencywide Transformation Performance Measures," dated May 29, 2020. This paper does not address any new commitments or resource implications.

### BACKGROUND:

The U.S. Nuclear Regulatory Commission (NRC) staff selected the OKR methodology to assess and evaluate the progress of the agency's transformation.<sup>1</sup> The OKRs, as implemented by the NRC, correlate to annual goals and identify measures of success, by key result (KR), in a given year. In 2020, one agency-level objective was selected with three corresponding KRs, which laid the foundation for the transformation journey by identifying the broad goals associated with fundamental concepts. Thereafter, each annual iteration of agency-level OKRs was designed to successively build upon the prior year's transformational successes. The OKR methodology has allowed for a focused and coordinated agencywide approach to achieving the NRC's vision of becoming a more modern, risk-informed regulator.

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<sup>1</sup> SECY-20-0049 (Agencywide Documents Access and Management System Accession No. ML20149K586)

This paper summarizes the agency's progress as measured by the 2021 OKRs. Enclosure 1 of this paper includes the detailed results. Additionally, this paper introduces the 2022 agency-level OKRs, which have been identified by the Executive Director for Operations (EDO) and communicated with the agency's leadership and staff. Enclosure 2 of this paper is a comprehensive list of the 2022 agency-level OKRs.

The agency's transformation is based on a thoughtfully planned, phased approach designed to achieve the vision of becoming a more modern, risk-informed regulator. During the past 2 years, the agency developed and implemented a number of tools and resources that helped provide the necessary infrastructure to support the agency's transformation. This has been a time of significant change marked by notable achievements that have enhanced the way the agency carries out its important safety and security mission. As a continuous learning organization, the agency will continue to leverage these tools and resources to maximize the investment and benefits dedicated to the agency's transformation journey. Additionally, as a modern, risk-informed regulator, the agency will continue to achieve mission excellence in a diverse, inclusive, and innovative environment with a highly skilled, adaptable, and engaged workforce. Several notable achievements have been made to date, which has brought the agency closer to fully attaining its transformation vision. Yet, these achievements underscore the need for the agency to continually evolve to stay relevant and on pace with the advancing environment in which it operates. This means being committed to pursuing innovation and adopting modern technologies and methodologies to accomplish the agency's regulatory responsibilities in a more effective and efficient manner. As a result, by continuing to evolve, through incremental changes, the agency will be best positioned to proactively address future operational challenges.

The OKRs have played a central role in the agency's multiyear transformation journey since being identified as the methodology by which progress would be tracked and measured. As described in SECY-20-0049, an objective is a statement of what the organization wants to achieve. Objectives are intentionally aspirational and by their nature go beyond what is routine for the organization. Therefore, achieving complete success of these objectives is not ensured. Key results are the criteria against which progress in attaining the objective is measured. Since implementing the OKR methodology, the agency adopted an annual cycle for OKR development and assessment. Specifically, the EDO, with input from the Transformation Steering Committee, establishes agency-level OKRs at the beginning of the calendar year, evaluates the progress at the end of the year, and then reformulates the OKRs for the following year based on new goals and priorities. All EDO-level offices are required to participate by developing their own office-level OKRs, which correspond to the agency-level OKRs.<sup>2</sup>

The agency-level OKRs are intended to be successive and progressive. In other words, agency-level OKRs are intentionally designed to build off prior years' OKR achievements while also spurring additional transformational progress by setting new, more ambitious goals. This approach has allowed the agency to strategically drive agencywide alignment and engagement while identifying targeted progress areas within the four transformation focus areas (Be riskSMART, Innovation, Focus on Our People, and Use Technology). It has also allowed the agency to maximize the potential benefit of the resources and tools it has developed to support

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<sup>2</sup> The staff also encouraged offices reporting to the Chairman and the Commission to submit OKRs.

transformation efforts. For example, the 2020 OKRs were intentionally broad and intended to help employees understand what the transformation vision of becoming a more modern, risk-informed regulator meant in practice. This first iteration of OKRs enabled the agency to develop the roadmap by identifying and implementing the tools and resources necessary for the transformation journey. The OKRs also encouraged offices to develop their own transformation plans that would support the agency's vision. This important foundational work served as the springboard for the 2021 OKRs, which were designed to foster more widespread adoption and application of the tools and resources developed in 2020. Additionally, the 2021 OKRs were crafted, in part, to collect data on the staff's use of transformation tools and resources as well as external stakeholder perceptions of the agency's efforts. These were the next strategic steps in helping transformation take root throughout the agency by empowering the staff at all levels and across all organizational sectors, while gathering insights into how transformation has improved the efficacy and efficiency of agency operations.

The EDO has recently finalized the 2022 OKRs, which are intended to sustain transformational progress in the long term. These OKRs were developed with input from the Transformation Steering Committee and OKR Community of Practice<sup>3</sup> and distributed to the staff on January 5, 2022. The EDO offices and regions were tasked with developing and submitting their own corresponding OKRs by February 18, 2022. Additionally, Commission offices were encouraged to also develop and submit OKRs by this date. The Office of the Executive Director for Operations is currently reviewing the OKRs submitted by each office and region and will post them to the 2022 OKR Dashboard for tracking, quarterly reporting, and reviewing purposes.

## DISCUSSION:

### 2021 Agency-Level Objectives and Key Results

Overall, the 2021 agency-level OKRs were successful insofar as they produced the intended effect of encouraging greater familiarity with, and application of, existing transformation tools and resources across the agency. As a result, the agency experienced the following notable successes:

- increased application of the Be riskSMART framework to support key decision-making processes in the technical and corporate areas;
- used innovation to identify and implement several process improvements;
- continued implementation of agencywide and office-level agency culture improvement activities that resulted in increased positive results across agency surveys; and
- successful development and application of data analytics to inform decision-making.

An organization that does not meet its OKRs should not be misconstrued as failing or lacking sufficient progress. As is typical for such an initiative, the NRC did not meet some of the aspirational metrics associated with the 2021 agency-level OKRs. However, the 2022 OKRs

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<sup>3</sup> The OKR Community of Practice meets periodically to share best practices and insights associated with the development, implementation, and tracking of annual OKR-related activities. Membership includes the staff from some Commission offices and all EDO offices and regions.

provide additional opportunities to achieve further progress in the 2021 challenge areas. Lastly, all 2021 survey-related KRs will be extended into 2022 to gather additional data to assess the progress and perception of the agency's transformational efforts more accurately. Enclosure 1 of this document includes the results by individual KRs.

### 2022 Agencywide Objectives and Key Results

The 2022 agency-level OKRs are intended to institutionalize and increase behaviors that will help sustain transformation efforts. They are designed to provide structured opportunities, across all four transformation areas, for employees to engage in activities designed to reinforce these behaviors:

- taking meaningful steps to build a diverse, inclusive, highly skilled, adaptable, and engaged workforce;
- using data and risk insights to support and communicate NRC decision-making;
- thinking creatively and being open to new and different ideas;
- maximizing the benefits and use of information technology resources;
- prioritizing knowledge management activities; and
- creating a culture that supports an innovative and engaging work environment.

With routine practice, these transformative behaviors will become habitual, thereby enabling the agency and its workforce to remain adaptable, agile, and able to meet future operational challenges. As such, the agency will be able to keep pace with the continuously evolving external environment and be best positioned for long-term organizational success.

Enclosure 2 lists the 2022 agency-level OKRs.



Signed by Dorman, Dan  
on 04/01/22

Daniel H. Dorman  
Executive Director  
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#### Enclosures:

1. End-of-Year Results for the 2021 OKRs
2. 2022 Agency-Level OKRs

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