

POLICY ISSUE NOTATION VOTE

April 28, 2004

SECY-04-0073

FOR: The Commissioners

FROM: William D. Travers
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SUBJECT: SURVEY TO MEASURE OPENNESS

PURPOSE:

This paper discusses the need to measure the effectiveness of NRC's proposed strategic goal of enhancing openness in our regulatory process, provides the Commission with a survey method that staff believes would assess our effectiveness in this area, and seeks to obtain approval on the conduct of such a survey.

BACKGROUND:

Based on stakeholder comments associated with the development of the FY 2000-2005 Strategic Plan, the staff recommended the use of a survey instrument to baseline public confidence and document the public's specific concerns. At that time, "enhancing public confidence" was a goal delineated in the agency's Strategic Plan. The staff proposed conducting a public confidence survey in a staff paper to the Commission (SECY-00-0035, dated February 11, 2000). The Commission disapproved the staff's recommendation (SRM dated March 27, 2000) and instead approved an augmented outreach program to include enhancing the process of obtaining feedback from attendees at public meetings. However, the Commission noted in the SRM that "The staff should not interpret the Commission's disapproval [of Option 2] as indicating that a public confidence survey may not be appropriate in the future."

To comply with the SRM, the staff developed a feedback form which has been distributed at all our public meetings. We have been analyzing the responses to the forms and providing that information to the staff. A database is being developed to more accurately and efficiently track the responses to these forms. The most recent information entered into the database indicated that 90% of respondents felt NRC's public meetings achieved their stated purpose, and 95% of respondents felt they were given a sufficient opportunity to ask questions or express their views at such meetings. However, while public meeting feedback forms have been valuable in terms of gauging satisfaction with our public meetings, they are by no means a comprehensive indicator of the quality of "openness" in the NRC.

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While public confidence is still an important theme underlying our regulatory activities, the proposed FY 2004-2009 Strategic Plan revised this goal to reflect our desire to “ensure openness in our regulatory process.” However, discrete measures that would assess the public’s perception of our effectiveness in attaining this goal have not yet been established. The proposed Strategic Plan states that we will “Identify areas that require improved messages and more public engagement and dialogue. This may be achieved with independent surveys or other measurement instruments.” In addition, the Merrifield Task Force Report issued on July 18, 2003, suggested that the Commission “measure the extent to which the public views the agency as an independent, competent and a credible regulator; the extent to which the public understands the NRC mission; and the extent to which the public has opportunities to express its views effectively.” The Task Force suggested a baseline survey of targeted stakeholders to assess the effectiveness of our communication efforts.

Efforts by the staff to improve openness have been ongoing for several years. They include public meetings with stakeholders utilizing an enhanced public participation policy, workshops and local meetings with members of the public and/or licensees, increased use of focus groups, annual two-day media workshops, development of plain language brochures on a variety of topics, continued publication of press releases and an extensively revised external web page. We also conduct outreach or coordination meetings to inform stakeholders of various activities and to better understand their general interests and concerns. These actions are related to regulatory initiatives such as the early site permit reviews, siting of materials facilities and the proposed HLW repository, and many other areas. While these activities have provided opportunities for improved communication with external stakeholders, the staff has neither attempted to formally measure the effect of these interactions, nor their impact on our openness goal.

Public confidence and openness measures have also been addressed in stakeholders’ comments on the draft Strategic Plan. Comments included questioning reasons for the change from public confidence to openness, and suggesting the agency publicize actions that resulted from public comments, so the public can easily see that their suggestions are worthwhile and considered in the agency’s decisions.

To measure the extent to which NRC has achieved its goal of ensuring openness, the staff recommends that the Commission approve the utilization of a survey instrument. This paper provides the staff’s assessment and recommendations related to conducting surveys to measure openness in NRC’s regulatory activities.

DISCUSSION

The proposed FY 2004-2009 Strategic Plan includes a goal and strategic outcomes related to enhancing openness. These strategic outcomes state that we will provide accurate and timely information to the public about the uses of and risks associated with radioactive materials, enhance the awareness of our role, provide information about the performance of our licensees, and obtain early public involvement in issues likely to generate substantial interest.

In order to measure the achievement of these goals, we must first define a baseline measure of openness. The results of these measures would be used to assess the effectiveness of staff activities in this area. The process of measuring openness can be complicated by how we

define the term “public” in context of the NRC’s regulatory activities. The term “public” is defined in the proposed strategic plan as “the community at large.” “Stakeholders” are defined as “a subsection of the general public that comprises a targeted population that has a specific interest in a given topic.” For instance, residents living near nuclear facilities (including power reactors or fuel facilities), members of Congress, licensees, and non-governmental organizations would be considered groups of stakeholders. The definition is central to the development and implementation of measurement tools to ensure that the proper populations and issues are included, and to set expectations for the survey as well as uses for its results.

In general, certain stakeholders have a better understanding of who we are and what we do, as opposed to the general public who may have little or no knowledge of the NRC. This distinction is important when considering the types of activities which could be implemented by the staff to increase and subsequently measure the effectiveness of their communications. For example, if our efforts were intended to address the general public, the activities would be more general, such as outreach efforts to inform this group of NRC’s mission, responsibilities and activities. The external NRC Web site is an example of an outreach effort to the general public. Different types of efforts would be considered to address the concerns of specific stakeholders.

To obtain feedback on openness, survey questions should be designed to focus on the amount or type of information stakeholders receive, including the clarity, timeliness and quality of such information. In addition, the survey should inquire about the accessibility and scope of the information we provide. To go even further, the survey could be designed to explore how stakeholders view “open” avenues for participation in the decision making process.

Identifying the types of survey questions and participants from the general public that would provide meaningful data can be challenging. If the segment to be measured does not understand the mission of the NRC, the information is more likely to reflect this lack of information or understanding. Therefore, for the purposes of an initial survey, the staff recommends targeting one or more specific stakeholder groups. It is more likely that measurement of a targeted stakeholder group will yield more meaningful information about specific NRC activities. For this reason, the staff will need the support of a contractor that has in-depth experience in developing appropriate measurement techniques.

For example, a survey could include members of the public living in the emergency planning zone of one or more commercial power reactors, or opinion leaders living near those facilities who may be more knowledgeable about our activities. This survey could provide information and insights that would describe this group’s understanding of NRC and its regulatory programs. The results would be useful to determine the awareness of ongoing NRC activities and assess the methods currently used to communicate with the group and determine what changes could be made.

Based upon the experience and knowledge gained by conducting this initial survey, the staff will evaluate the usefulness of the information and make a recommendation to the Commission regarding follow-up actions, depending on the survey results. Actions could include increasing or improving our communication with the targeted groups using a variety of vehicles. Subsequent surveys may need to be performed with commercial contractors to better target improvement areas. The Commission would be consulted before subsequent surveys are initiated.

The staff will continue to distribute and evaluate public meeting feedback forms to assess the effectiveness of our public meetings.

Measurement Techniques

A primary need for any given technique is to determine which external stakeholder perceptions or views should be measured, and the willingness of the participants to take part in the measurement activity. After determining the population and issues of interest, the next decision is to choose a measurement technique or method. Surveys and interviews offer the advantages of direct measurement. An initial survey could be conducted which would define or create an initial baseline measure. Follow up surveys could be conducted to determine if perceptions of openness were changed as a result of staff activities. The questions would be tailored to provide insight into how well we meet our openness goal.

The staff evaluated two options for measuring openness -- to develop and conduct a survey with support provided by a commercial contractor, or to participate in the American Customer Satisfaction Index (ACSI). In considering these alternatives, the staff discussed experiences with several other federal agencies, contacted a sample of commercial contractors that were on GSA's Federal Supply Schedule, and met with a representative of the American Customer Service Index.

Commercial Contractor

In considering the use of a survey performed by a commercial contractor, there are advantages and disadvantages. The advantage would be that NRC would have more flexibility in designing the questions and in obtaining more detailed information from the responses, perhaps even verbatim. However, the cost is more uncertain. One large contractor, The Gallup Organization, offered two options and a recommendation. If NRC contracted for four facilities at once, the cost would be \$30,000 per facility and would target 300 households or residents per facility. They also recommended surveying opinion leaders in communities near regulated facilities. They believe opinion leaders are more likely to be knowledgeable about our mission and more likely to have had an opportunity to interact with NRC. These individuals could include mayors or city managers, city council members, energy editors of newspapers or other media, Chamber of Commerce leaders, civic or business leaders or state energy or environmental officials. Interviews of 25 opinion leaders at each of eight different facilities would cost approximately \$60,000. Another smaller contractor offered to interview local residents living near a facility for less than the ACSI quoted cost of \$35K. Completion of the survey and analysis of the data at commercial firms would take approximately four to five months.

American Customer Satisfaction Index

Another option is to use the American Customer Satisfaction Index (ACSI). Established in 1994, the ACSI is produced through a partnership of the University of Michigan Business School, the American Society for Quality, and the international consulting firm, CFI Group. The Treasury Department currently oversees the contract that allows ACSI to measure customer satisfaction for certain agencies. The index currently measures satisfaction and the drivers and outcomes of satisfaction, for more than 200 private sector companies and federal or local government

agencies. Among the agencies surveyed in the past are those with regulatory functions such as FAA, DOT, FEMA, OSHA, IRS, and FDA.

An ACSI survey would have a standard sample size of 250 individuals per facility. Agencies work with ACSI to identify the stakeholder segment to be surveyed, develop a list of possible participants in the segment, and tailor the questions about agency activities. Data are usually obtained from telephone interviews with customers. The index provides a database of questions that can be tailored to customer satisfaction activities of concern to the agency. The index includes questions which solicit information on activities such as processes (for obtaining services), accessibility of information, and customer service from agency personnel. However, questions can also be customized to target specific agency concerns.

As discussed in the ACSI's December 2003 report to the General Services Administration, ACSI uses a model that ties customers' evaluations of quality to satisfaction, and then explains the effects of satisfaction on customer complaints and on an objective of importance to a company or government agency. "For most government agencies the objective is some form of customer/user trust, typically measured in terms of confidence in the agency, and either future reliance on agency services or future compliance with agency regulations." This report also discussed the difference in survey results between regulatory agencies and agencies that provide direct benefits to members of the public. The report stated that "Not unexpectedly... satisfaction is highest among customers that receive a direct benefit from an agency and lowest for customers subject to regulation by agencies such as the Federal Aviation Administration and the Occupational Safety and Health Administration." Overall, citizen satisfaction with government service delivery grew between 2002 and 2003. The aggregate federal government ACSI score rose by 1%, from 70.2 to 70.9. This score reflects citizen satisfaction with 64 federal government agency users, including 35 federal government web sites.

The cost is similar to a commercial contract, approximately \$35K per survey. There would be some time and effort saved in developing the survey questions. The ACSI would be an interagency agreement, not a commercial contract.

The staff contacted several other federal agencies - FAA, IRS and FDA - who use ACSI and other types of surveys to gauge customer and stakeholder satisfaction. Their general assessment is that the ACSI survey is valuable for high level "trending" of stakeholder satisfaction. It also provides a comparison to other federal and private industries that may have similar goals and provides a long-term "track record" they found helpful. Some of the agencies found it beneficial to use private contractors in addition to ACSI so they could design specific questions and better target their improvements. Although none of the agencies reported applying any sweeping changes as a result, they used both types of surveys to improve incrementally in a variety of areas.

The visibility of the results would be another aspect of the ACSI that would differ somewhat from conventional surveys. For the agencies that participate in the ACSI surveys, agencies are expected to list the results and follow up actions on an agency-sponsored web page. The NRC would likewise be expected to publish the results of the survey on our web site and develop and implement an action plan to respond to deficiencies in customer service noted in the index results.

The primary advantages of participating in this index are 1) the ACSI survey is an established and accepted measurement tool, 2) the survey can be conducted for specific segments in a timely manner (approximately 4 to 6 months) at reasonable cost, 3) it allows the identification of specific actions in response to stakeholder concerns and comments, 4) we may contract through an interagency agreement, requiring less resources than a commercial contract, and 5) OMB has issued Paperwork Reduction Act clearances for ACSI surveys conducted for Federal agencies.

Following Commission approval, the staff would work with ACSI to identify the group of stakeholders to be included in the survey and prepare the questions. The results of this approach could be used to determine what changes to consider related to interactions with and information provided to those stakeholder groups. The survey would not include NRC licensees, industry representatives or individuals associated with the nuclear industry because there are numerous methods already in place for these groups to communicate with the NRC.

RECOMMENDATION

In order to provide a baseline measure of openness, the staff recommends that a survey be conducted. Additionally, based upon the experience other agencies have had with the ACSI, and the relatively low cost of this survey, the staff recommends that the ACSI technique be used to establish that measure. In coordinating this paper with other offices, it should be noted that OPA prefers the commercial contractor option because they believe it gives the agency better control over the questions and results.

RESOURCES:

If the Commission adopts the staff recommendation of using the ACSI technique, costs would be directly proportional to the number of segments surveyed. We anticipate no more than two segments in one fiscal year. The resources required to conduct each segment are approximately \$35K for a total of \$70K. These resources have not been budgeted for and will be requested as part of the upcoming FY 2006 Planning, Budgeting and Performance Management process.

COORDINATION:

This plan has been coordinated with the Office of Public Affairs (OPA). The Office of the Chief Information Officer (OCIO) has no objections and the Office of the General Counsel (OGC) has no legal objection to this paper. The Office of the Chief Financial Officer (OCFO) has reviewed this paper for resource implications and notes the potential for unbudgeted requirements. Offices will consider unbudgeted resources through the PBPM process.

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