UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

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BRIEFING ON EEO PROGRAM

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ROCKVILLE, MARYLAND

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TUESDAY, JUNE 28, 2005

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The Commission met in open session at 9:30 a.m., at the Nuclear Regulatory Commission, One White Flint North, Rockville, Maryland, the Honorable Nils Diaz, Chairman, presiding.

COMMISSIONERS PRESENT:

NILS J. DIAZ Chairman of the Commission

EDWARD MCGAFFIGAN Member of the Commission

JEFFREY S. MERRIFIELD Member of the Commission

GREGORY B. JACZKO Member of the Commission

PETER B. LYONS Member of the Commission

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STAFF AND PRESENTERS:

Secretary

General Counsel

CORENTHIS KELLEY, SBCR

JAMES MC DERMOTT, HR

LUIS REYES, EDO

1	PROCEEDINGS
2	CHAIRMAN DIAZ: Good morning.
3	We are meeting this morning like we do twice a year
4	religiously because this is an important issue to discuss the Equal
5	Employment Opportunity Program. We are looking forward for a good
6	briefing.
7	We know this is the smaller of the two briefings, but it still
8	is important because it lets us take the pulse of the activities of both the
9	small business and equal opportunity program.
LO	We have been changing these meetings just to try to
L1	make them more effective. I hope this meeting proves to be that, a
L2	good solid smaller meeting but still the information is there. We will
L3	have then the larger meeting in, I think it is in November, which is
L4	around the corner, by the way. So I hope you are ready.
L5	As always, our goal in this, especially in our meetings is to
L6	ensure that we have effective programs in place to achieve and
L7	maintain the work place that fosters equal employment opportunities for
L8	all NRC employees.
L9	My Commissioners and I look forward to hearing the
20	briefing from the staff and presentations and interactions that we will
21	have this morning.

1	If there is any additional comments from my fellow
2	Commissioners.
3	COMMISSIONER MERRIFIELD: Mr. Chairman, I would
4	make one comment. Just to note and recognize across the table from
5	me is Jim McDermott, our new head of Human Resources, who is an
6	old familiar face to us, not old familiar face but a warm familiar face.
7	And away, I wanted to talk this public opportunity to
8	congratulate him on his ascension to his new job. We will miss his old
9	boss, Paul Burr, but we know that Jim will do just as a good a job and
10	we have a lot of continuity in that regards.
11	I do want to make that note publicly, Mr. Chairman.
12	CHAIRMAN DIAZ: All right. Thank you so very much
13	COMMISSIONER MC GAFFIGAN: Mr. Chairman, I would
14	only note that in response to listening to Commissioner Merrifield, Mr.
15	McDermott noticed I pulled out my latest issue of Federal Times and he
16	pulled out his latest issue of Federal Times.
17	CHAIRMAN DIAZ: We have got you covered, sir.
18	COMMISSIONER MC GAFFIGAN: This is nonverbal
19	communication which goes on around here.
20	CHAIRMAN DIAZ: Well, we do appreciate your service
21	with the Commission for many years. And now we look forward to

1	going and doing some extra work.
2	With that.
3	MR. REYES: Good morning, Chairman, Commissioners.
4	Today the staff will be briefing the Commission on the NRC's EEO and
5	diversity management programs. The presentation today is a mid-year
6	abbreviated version compared to the end of the year version where we
7	provide a full set of detailed information in the form of a Commission
8	paper.
9	For this meeting, we have invited those individuals
10	promoted to SLS and to or within SES, and Leadership Development
11	Program graduates placed in supervisory positions since the December
12	2004 EEO Commission briefing.
13	At the last Commission EEO brief, the Commission was
14	interested in the diversity of our SES core, specifically, the
15	representation of females which was highlighted in the GAO Report.
16	Also, the Commission was interested in the representation of Hispanics
17	in the SES.
18	Although not all individuals promoted could attend today,
19	I'm going to ask those individuals that were promoted to SLS, SES or
20	within the SES rank to stand up.
21	The promotions to SES since the December Commission

Τ	briefing includes nine females, including one individual who is hispanic.
2	Of the nine, seven were promoted into the SES from our candidate
3	development program.
4	In addition, the promotions to supervisory positions are
5	very diverse. I'm going to ask those individuals who were promoted to
6	supervisory positions to stand up.
7	This group is composed of 28 percent females which
8	provides for a continuing diversity feeder group to the SES.
9	COMMISSIONER MERRIFIELD: You can sit down.
10	MR. REYES: Although all individuals in this group of
11	promotions deserve to be recognized, time limitations prevent me from
12	acknowledging each one of them. The 50 individuals promoted to SLS,
13	SES, and supervisory positions just represent the increasing
14	opportunities for promotions we have observed since the last EEO
15	Commission meeting.
16	To properly plan for the increased number of opportunities
17	predicted in the near future, we have provided in the budget for fiscal
18	year '06 and fiscal year '07 funds to accelerate the Leadership Potential
19	Program and the SES Candidate Development Program.
20	The combination of increased attrition due to retirement
21	and the increased number of positions driven by an increasing workload

1	will continue to provide a continuing increase in opportunities for all
2	employees.
3	I would like the turn over the presentation now to Ren
4	Kelley, who is going to do the core of the presentation.
5	MS. KELLEY: Thank you very much, Luis.
6	Let's start with Slide three, if we can get the slide on the
7	board.
8	As Luis noted, my presentation will include highlights of
9	SBCR's changing role and the proactive role, progress made in
10	implementing the CDMP and accomplishing the agency's small
11	business goals.
12	Overall success in EEO and diversity management
13	depends largely on the support of proactive leadership. So again, I
14	want to thank the Commission, the EDO and senior management for
15	their continued commitment to these programs.
16	Slide four, please.
17	We want to take this opportunity to address the changing
18	role of the Office of Small Business and Civil Rights and other civil
19	rights offices across the federal government which is being brought
20	about by our own internal proactive actions through the comprehensive
21	diversity management plan, but in addition to that, through external

1	forces such as EEOC's Management Directive 715, the No FEAR Act,
2	measures taken by the Office of Personnel Management in conducting
3	OPM surveys. And all of these things are contributing to a changing
4	role for the Office of Small Business and Civil Rights
5	The EEOC and SBCR's roles are changing dramatically.
6	EEOC has significantly enhanced its review in evaluation of EEO
7	programs.
8	For the first time, EEOC has established specific criteria
9	for a model program and requires agency compliance with this model.
10	This model facilitates a proactive approach to integrate
11	EEO and diversity management into the agency's day-to-day
12	operations and creates a more proactive role for the Office of Small
13	Business and Civil Rights, and as I mentioned, other similar offices
14	across the Federal government.
15	Recognizing such increased demands, EEOC requires
16	agencies to carefully assess whether they have sufficient staffing and
17	other resources to create and maintain an effective EEO and diversity
18	program.
19	While these new requirements provide government-wide
20	focus and direction to shape Federal EEO and diversity programs, NRC
21	independently developed its comprehensive diversity management plan

1	as a tool to improve this agency's EEO and diversity performance.
2	Overall, areas of new compliance include: a model
3	program, EEO employee and management training, employee
4	notification of findings of discrimination, annual surveys and
5	implementation of the CDMP.
6	Slides five and six note the six essential elements of this
7	model EEO and diversity program as described in Management
8	Directive 715. And those elements include: demonstrated leadership
9	commitment, integration into strategic mission, management
10	accountability and I will continue with slide six, which also mentions
11	prevention of discrimination, efficiency and responsiveness and legal
12	compliance.
13	In October 2003, EEOC issued policy guidance in the
14	form of the management directive to federal agencies to establish and
15	maintain effective affirmative programs of equal employment
16	opportunity.
17	The objective of this management directive is to ensure
18	that all employees and applicants enjoy equality of opportunity
19	regardless of race, sex, national origin, color, religion, disability or other
20	things that may tend to be a basis for discrimination.
21	This guidance also enumerated six essential elements as

1	I mentioned.
2	I'm happy to report that NRC has made progress in each
3	of these areas. And I would like to just mention a few of the things that
4	we have done in each of these categories.
5	Demonstrated leadership commitment. As required by
6	the EEOC directive, Chairman Diaz issued the EEO and diversity
7	management policy. This is now an annual requirement that was
8	brought about by MD 715. And that policy statement has been issued
9	by the Chairman.
10	The Commission led the agency's effort in issuing its own
11	comprehensive diversity management plan which certainly is a direct
12	relationship to the core of what MD 715 is all about.
13	My office now reports directly to the Executive Director for
14	Operations. This realignment enhances access and reporting to the
15	EDO on progress, effectiveness, efficiency and legal compliance.
16	In terms of integration into strategic mission, the CDMP
17	language is included in key planning systems: the Strategic Plan, the
18	Performance Plan, the SES Performance Management System, the
19	Affirmative Employment Plan, which will eventually go away, will be
20	included in future versions of the CDMP, and the Strategic Human

Capital Plan. All of these various planning systems are aligned.

1	EEO and diversity management for training, for managers
2	and staff is required and has been accomplished. The management
3	portion has been accomplished. We are presently working on providing
4	a training tool for all employees beginning in FY 05.
5	With regard to management accountability, EEO and
6	diversity management language is included in SES performance plans.
7	The MD 715 self assessment, the agency completed. And I will
8	highlight some of the outcomes of that self-assessment a little bit later
9	in this presentation.
10	Prevention of discrimination. As a part of the agency's
11	self-assessment in connection with MD 715, we identified two barriers.
12	One, limited diversity in management and supervisory positions, which
13	is one of the goals contained in the CDMP and limited diversity in
14	applicant pools for experienced applicants.
15	Current strategies for success: The use of managers on
16	recruitment teams, targeted recruitment for entry and experienced
17	applicants, mentoring as another way to enhance career and rotations.
18	With the category concerning efficiency, we have
19	continued to use the alternative dispute resolution process in
20	connection with resolving conflicts in the work place. We posted
21	information on our complaints activity on the web, monitored timeliness

1	of processing complaints, tracked applicant and recruitment data.
2	With regard to responsiveness to legal compliance, we
3	submitted MD 715 report to EEOC. We submitted the 462 report to
4	EEOC. And we are establishing a program to ensure nondiscrimination
5	in federally-assisted programs.
6	Slide 7.
7	The MD 715 report was submitted to EEOC was provided
8	to the Commission under separate cover on June 14th of this year.
9	This management directive provides guidance to agencies for
10	establishing effective EEO and diversity management programs.
11	The guidance included a self-assessment tool for
12	agencies to assess their overall programs effectiveness. There were
13	96 questions in this assessment. And the result of the assessment
14	identified that we could improve in 13 of those 96 categories, which
15	indicates that we were doing well in the overwhelming majority of these
16	categories.
17	The areas for improvement were related to procedural
18	changes, sufficient resources for program implementation, employee
19	training, data collection systems, and timeliness of complaint
20	processing.
21	Slide 8:

1	The No FEAR Act was issued in 2002, and I won't spend
2	a lot of time on this, but basically, here again, this act was intended to
3	bring about increased accountability on the part of Federal agencies in
4	this area.
5	It requires agencies to post information on their web
6	regarding findings of discrimination, to conduct employee training and
7	to report on the status of complaint activity.
8	The Act also increases the impact on agency
9	appropriations has an impact on agency appropriations where
10	discrimination is found or where there are settlements that amount to
11	large dollars.
12	Slide nine.
13	The OPM survey of 2004 required Federal agencies to
14	conduct annual surveys to obtain employee information related to
15	leadership quality, performance culture and talent capacity.
16	OPM conducted the Federal government-wide survey to
17	gauge the perception of Federal employees' views on leadership
18	quality, performance culture and talent capacity. And 54% of Federal
19	employees responded and 63% of NRC staff responded to that survey
20	The Government-wide results indicate that employees
21	are satisfied with benefits and the organizations and less satisfied with

1	top leadership, rewards and the treatment of poor performers. OPM is
2	required to conduct this survey every other year.
3	Regarding NRC results, overall, NRC results were
4	somewhat more positive in a number of categories than the
5	government-wide results, in such categories as leadership,
6	performance culture, talent and co-worker cooperation, quality of work
7	groups, work/family life balance, and some other categories. But
8	overall, NRC's results were somewhat more positive.
9	Slide 10.
10	With regard to the Comprehensive Diversity Management
11	Plan, we issued communication plan in December of 2004. That plan
12	provides guidance to offices regarding their implementation of the
13	CDMP.
14	It also provides information regarding key messages,
15	communication tools, and listed the three goals of the CDMP which are:
16	recruiting diverse employees at all levels, developing and retaining
17	diverse employees and increasing diversity in managerial and
18	supervisory positions
19	The CDMP was issued and the video of that particular
20	document is available on NRC's web site through SBCR's site or under
21	NRC documents.

1	All offices and regions have held meetings with
2	employees to discuss the goals and objectives of the CDMP. And
3	either Barbara Williams of my staff or I have participated in these
4	meetings. And the video featuring the Chairman and the EDO was
5	viewed as a part of these meetings. And there was a real healthy
6	dialogue during these sessions.
7	Additionally, office roll-outs of the CDMP will be featured
8	in an article in next month's NR&C.
9	My office continues to offer contract support to assist
10	offices in identifying their current initiatives that support diversity
11	management and new initiatives that may be needed to achieve desired
12	outcomes related to diversity management.
13	Slide 11.
14	Here again it is worth noting that the Comprehensive
15	Diversity Management Plan is linked to, and through principles of
16	diversity management, are embedded in each of these planning
17	systems that you see mentioned. This shows an integration of diversity
18	management into the core of the agency's day-to-day operations and
19	planning processes.
20	Slide 13.
21	For FY 2005, the CDMP operating plan guidance

1	memorandum was issued on May 20th, 2005. As discussed during the
2	May 20, 2005 senior management meeting, NRC will collect and
3	analyze existing office initiatives from such tools as surveys, focus
4	groups, assessments and anything else that kind of tells us where an
5	organization is to compile a comprehensive list of strategies being used
6	and to identify areas of best practices. And to share this information
7	across the organization.

Reports from offices are due to SBCR by October 31 of 2005, and we will brief the Commission at the next EEO briefing on the agency's progress based on information and insights obtained from the office efforts and from their outcomes.

Slide 14.

The organizational assessments that I mentioned that we are collecting right now from offices will help to inform the selection of specific performance measures and strategies for inclusion in 2006 office operating plans. Again, contracts support is available to offices should they need or desire that assistance.

And SBCR will monitor progress at the agency and office level as necessary to provide feedback to support continued use of existing strategies or to recommend redirection of efforts to achieve the agency's CDMP goals.

I'm talking about various things that the Comprehensive
Diversity Management Plan is bringing about for the agency. And this
was certainly an internal proactive effort that aligns very well with where
the EEOC is saying that the agencies should go in terms of their EEO
and diversity efforts.

And through this tool, we can see that it will increase a positive work environment, build inclusiveness, enable managers to integrate diversity management into their daily operations and certainly, serve to advance the agency, build organizational capacity. And we see very good things coming out of this. And this is the beginning of that major effort.

Slide 15.

The agency met four of the six goals in its small business procurement program. It was the hub zone and service disabled veteran owned business goals that we did not meet. And these two goals are very much a challenge for all agencies and there were -- to our knowledge, there has not been a Federal agency that has met the second one that I mentioned, the disabled veterans service -- the disabled veteran service disabled business goal.

And as a result of that, the White House issued an initiative or a requirement for all agencies to issue a strategy to say how

1	will we improve our progress in this area. And NRC, of course,
2	developed and issued a strategy as a result of that requirement.
3	And one of the things that that strategy included was a
4	procurement fair which was held in May, and that was very successful.
5	We have some possible instances of possible contracts that are being
6	discussed with the offices. It was an opportunity for the offices to meet
7	businesses that are capable of doing work that fit this category for NRC
8	In terms of the technical areas, this area offers a little bit
9	of a challenge to us in terms of identifying firms that are small
10	businesses to meet the agency's technical requirements. We have had
11	some successes in this area. But we have to work a lot harder to
12	identify those. But we have had some successes and we continue to
13	work toward identifying strong capable small businesses that can do
14	work for the agency and meet the program needs.
15	Slide 16.
16	The Leadership Potential Program and the SES
17	Candidate Development Program continue to enhance the diversity
18	potential in supervisory and management positions.
19	Progress will be enhanced as highly qualified graduates of
20	these programs are placed or selected for supervisory and managerial

assignment.

1	This group of emerging leaders along with existing
2	supervisory and managerial staff will be held accountable for integrating
3	EEO and diversity management principles into the core of NRC's
4	business.
5	Progress continues with highly qualified mid-level hires.
6	As of March 31, 60% or 74 of all hires were at the GG-13 through SES
7	and SLS levels. Of the 74, 15 were minorities, 12 were white women,
8	and 47 were white men.
9	Additionally, we continue to make progress with entry
10	level hires, including hires of the nuclear safety professional
11	development program. This group of diverse employees will over time
12	increase diversity in GG-13 through 15 pipeline.
13	More work needs to be done and we believe we have the
14	right mix of tools and planning systems in place to achieve our desired
15	goals.
16	The CDMP, Human Capital Plan, Performance
17	Management Plan, and other agency planning systems will help to
18	ensure that we work together to achieve our desired outcomes.
19	Employees and managers must manage diversity and be
20	committed to fully engage to its principals. We are an agency that
21	values a diverse, highly qualified, high performing work force and that

1	gives its employees an equal chance to succeed, thereby increasing
2	organizational capacity to achieve the agency's mission.
3	Thank you. This concludes my presentation, and I will
4	turn the briefing to Luis.
5	MR. REYES: Chairman, Commissioners, that concludes
6	the staff presentation. Now we are open for questions.
7	CHAIRMAN DIAZ: Thank you, Luis and Ren. I
8	appreciate it.
9	I think it is Commissioner Lyon's turn to begin today.
10	COMMISSIONER LYONS: Thank you, Mr. Chairman
11	And Ren, thank you very much for that excellent briefing.
12	I'm really pleased to learn that as an agency we are making substantial
13	progress in these areas. I'm glad that the CDMP as you have
14	described it is continuing to move in the directions outlined by the
15	Commission, and I certainly support those directions.
16	Also, I appreciated your comments on the OPM survey. I
17	guess I would note that while it's certainly positive that NRC, in general,
18	outperformed the government-wide rankings, there certainly is evidence
19	of significant areas where we need to improve. And perhaps I would be
20	more comfortable just looking at our own numbers as opposed to the
21	rest of government.

1	So there are certainly bright spots in there, but there are
2	plenty of areas where I hope our management team looks for continued
3	areas to improve.
4	A comment and a question. And it may go as much to
5	Jim as to you.
6	You spoke to the importance of diversity in the pipeline
7	from which NRC is recruiting its new staff and its future leaders.
8	In general, I have had many opportunities to try to work
9	both in my previous jobs and some here in trying to help increase the
10	diversity of that pipeline, interactions with students on university visits
11	and things like that.
12	I'm just curious if either of you see additional tools that the
13	NRC should be using to try to increase the diversity in that pipeline?
14	I'm thinking particularly of tools that would reach further down into a
15	student's development, perhaps to the high school level, and are we
16	exploring programs that lead in that direction?
17	MS. KELLEY: I would say I'll start and I'm sure Jim will
18	have additional words to say. But we are looking at broadening the
19	tools that are used in terms of targeted recruitment.
20	One of the things that is an area that may be ripe for
21	additional progress is taking full advantage of the recruitment trips that

1	we make to conferences and universities. At those recruitment trips
2	sometimes we have opportunities. Those opportunities are short-lived.
3	And we go out, we send a team of very capable people to interview the
4	potential applicants and sometimes those opportunities slip away
5	because of the process.
6	And maybe one of the things that we could do is take a
7	look at that and see how we might shorten that process to take greater
8	advantage of those recruiting trips that we make across the country.
9	That is certainly one area.
10	COMMISSIONER LYON: Jim, did you want to add to
11	that?
12	MR. MC DERMOTT: I would add a couple of things to
13	that.
14	First of all, we are not doing that much at the high school
15	level and I think there are some things we can do. The various groups
16	that are pushing this, I was downtown at the Federal Hispanic Senior
17	Executors meeting, they talked about that. And at that meeting, they
18	said let's not even talk about Hispanic recruitment. Let's talk about
19	diversity recruitment. But they mentioned the value of serendipitously
20	hitting a school here, hitting a school there.

I think we need something more systematic. I'm on to

something I have not even talked to Luis about yet. But I know that one avenue to tap, especially minority groups, is to leverage things that are going on such as the Bill Gates scholarships. They are very influential.

What they do is they target promising high school students who are in disadvantaged circumstances. The ones I'm more familiar with right now are the work being done by the American Indian Graduate Center out in Albuquerque. And they are leveraging these Gates' scholarships to get kids the resources they need to go on to college in science and engineering or whatever.

I think we need to develop more contacts with these people. And we usually do it through the schools. Find out who at a good feeder school is the person interacting in this group and get after them to get in the game. If we can get them we can pick up where Bill Gates leaves off.

He has a little more money than we do in our budget. But it would be a question of hooking those students in as cooperative education students. We've got something in front of Senator Voinovich to say, will you let me pay a housing allowance to these people.

Another 400 bucks a month would make all the difference if we are trying to have them come to work in a regional office, coming to work here.

1	I'm thinking a lot about the regional offices. I think there is
2	more we can do there.
3	Long-winded answer but that's what our thinking is.
4	COMMISSIONER LYONS: Perhaps following up on that.
5	Are we authorized to use programs that allow staff to spend a few
6	hours a week helping in a regional school, in a local school? Is that
7	something I just don't know if that allowed within our personnel
8	practice?
9	MR. MC DERMOTT: It is allowed. And the Office for
10	Public Affairs has for years I'm looking around here I don't know
11	where they are sponsored let's go tutor in the school thing.
12	Now, we are not that wholeheartedly generous about it,
13	because you want to go do that, you take annual leave to go do that.
14	When I was in the Navy Department we went on government time. I
15	used to go over to Roosevelt in the District and tutor kids in English.
16	And we were able to do that at that point in time, a couple of hours a
17	week on the clock.
18	So, I don't know. I have not looked into this.
19	COMMISSIONER LYONS: Perhaps that can be explored
20	further. Just in general anything that we could be doing to increase the
21	interest of students early in that pipeline I think is positive.

1	MR. MC DERMOTT: Everybody is talking about that.
2	One of my staff was down at the NEI's staffing workshop last week.
3	And NEI has been talking for a long time about we have to get to the
4	middle school kids, get them so that they take on science and get good
5	at algebra, and then build and build and build right through the
6	COMMISSIONER LYONS: Well, I don't pretend that the
7	NRC alone is going to solve this issue. But I hope we will do our part.
8	MR. MC DERMOTT: We will be players.
9	COMMISSIONER LYONS: And Ren, you mentioned one
10	of the programs that I have been particularly interested in, the recruiting
11	on campuses and I have certainly volunteered to participate wherever I
12	can be useful on some of the campuses with which I have been
13	involved.
14	But are you finding good interest from the staff and from
15	managers in participating on those recruiting teams?
16	MS. KELLEY: I would say that we do. From the
17	standpoint we can point to a number of instances where we had some
18	very good success at the entry level in going to universities across the
19	nation, and particularly, I believe one of the trips or two trips to Puerto
20	Rico, where we went to college campuses. And those were very
21	beneficial in terms of identifying and bringing on a diverse group of

NRC employees.

In terms of making sure that we have in that population of schools that we go to, that we have a good working relationship with them before we come and before we come on those trips and do, so that we are a known commodity and the interest is already there and we have maybe executives that work with the universities to engender that kind of interest and share with the students what the agency does and what the career opportunities are.

I believe that would probably enhance the awareness and maybe even the results of those recruitment opportunities.

MR. REYES: Commissioner, let me just add and give you some numbers. We have been very successful this fiscal year in recruitment. Our projection is that we are going to be 50 FTE over our limit in terms of the fee base.

We have qualified candidates out there that want to come to work for us. We cannot hire them because our salaries and benefits is such a high percentage of the budget that we can't go too much over our FTE allocation. We have to be cautious with that.

But I just want to make the point, we been very successful in recruitment. We have people who want to come and work for us.

And hopefully, the FY 06 budget will give us some breathing room so

1	we can get more people on board.
2	COMMISSIONER LYONS: Do you want me to stop, Mr.
3	Chairman? Can I go with one more?
4	CHAIRMAN DIAZ: No, we can wait until the second
5	round
6	COMMISSIONER LYONS: Okay. Fine.
7	COMMISSIONER DIAZ: We appreciate the briefing. I
8	keep looking at your slides and hearing the fact that you are changing
9	and becoming more proactive.
10	Is that something that the No FEAR Act and the new
11	EEOC requirements actually require, or are we doing that on our own?
12	MS. KELLEY: You won't find those exact words in either
13	of those. But I think as a result of implementing those two documents
14	and our own Comprehensive Diversity Management Plan, it's brought
15	about a shift for this office and our interactions with the agency. And I
16	believe that's been a positive thing in terms of not that we are focusing
17	less on our requirements to process complaints, but what it does is it
18	enables us to get ahead of conflicts and issues, communication boggles
19	in the work place that puts the agency in a better position to resolve
20	those matters before they get out of hand.
21	CHAIRMAN DIAZ: So that's what you mean by being

1	proactive rather than just being active?
2	MS. KELLEY: Yes.
3	CHAIRMAN DIAZ: Trying to get ahead of the curve
4	MS. KELLEY: Absolutely.
5	CHAIRMAN DIAZ: Either predict, estimate or find what
6	issues are and start to put solutions on the line?
7	MS. KELLEY: Yes. And putting in place systems that
8	address and linking embedding those principles in key systems.
9	I would put that in a proactive inter-connectivity and
10	integration category as well.
11	CHAIRMAN DIAZ: We have received no guidance yet on
12	the implementation on the No FEAR Act but I'm sure you are keeping
13	abreast of it.
14	Do you think that that guidance is going to change the
15	way we do things in any way?
16	MS. KELLEY: No. What it is, is that OPM will be issuing
17	implementing guidance that will state specifically how we will report the
18	results of our activity that's addressed in that Act to Congress and other
19	organizations that will need to get that information.
20	I don't expect it to change the way we do business in
21	terms of just the report itself. The Act is already there. And the impact

1	of the Act we are already seeing in terms of information being put in the
2	public domain, EEOC is putting information out on the web that they
3	didn't used to do. We have to put information out on the web. We are
4	already posting that information.
5	There is just a greater sense of accountability, whereas at
6	one time, information or performance of Federal agencies was
7	something that that agency and probably EEOC knew. And now, more
8	information will have to be issued to various congressional committees
9	and OPM will be providing the implementing guidance.
10	CHAIRMAN DIAZ: The guidance will mostly affect the
11	way we report things, not the way we do things?
12	MS. KELLEY: Absolutely.
13	CHAIRMAN DIAZ: On the CDMP, I'm sure you are
14	tracking it and probably this fall you will have an assessment of how the
15	agency is responding to it and the effectiveness of it. I do expect that
16	that will be a very significant assessment that we will take very
17	seriously.
18	I have one recommendation. If you could get that
19	assessment to us at least a couple of weeks before the meeting, so we
20	can sink our teeth into it and be able to ask the right questions, it would

be quite appropriate.

1	Going to issue of contracts. Where do you think our
2	contracts do more in the small business activity? In what area are we
3	finding the majority of the contracts for personnel business? Is it very
4	small? Is it very large? Is it a significant part of our contracting, a small
5	part? I really don't have a good idea of that.
6	Do you have any information on how we are doing?
7	MS. KELLEY: To make sure I understand, you are asking
8	where are we successful in finding
9	CHAIRMAN DIAZ: Are we issuing many contracts in the
10	\$100,000 range, half million dollar range and how many of those do we
11	have?
12	Does that mean a small type of activities? Are we then
13	focusing in on the right areas for small business?
14	MS. KELLEY: I would say that there is a good mix in
15	terms of the range. We have a lot of the contracts are on the small
16	end. But we do have some that go into the millions of dollars for
17	multiple years.
18	Those tend to be more of the either IT, we have had some
19	IT contracts that hit that. We have also had some in the technical area
20	that are into the multiple millions of dollars over multiple years.
21	We have had greater success in identifying small

1	businesses for IT type work and for admin type work. We have had
2	good success in those areas. And as I mentioned, we have had some
3	success with technical work as well.
4	But that does pose a little bit more of a challenge for us.
5	But we are responding to that challenge.
6	CHAIRMAN DIAZ: Is that an area where we really want
7	to do more in the technical area for small businesses?
8	MS. KELLEY: I would say that it is because at one time,
9	the technical offices, if I may just say this, that there probably was a
10	mind set that small businesses could not do that type of program work
11	in the technical areas. They were viewed as kind of mom and pop
12	operations that pull people off the street in order to respond to a
13	contract.
14	But that has certainly changed. The small businesses
15	that we have done business with in the technical area have done a very
16	good job of demonstrating and discussing and providing information on
17	their technical capabilities and the program offices have not rolled over.
18	They have been very intense in terms of their probing and making sure
19	that these companies can perform.
20	And so that has been the real test in terms of the program
21	offices being impressed and willing to invest that particular effort with

1	small business.
2	CHAIRMAN DIAZ: Commissioner Merrifield.
3	COMMISSIONER MERRIFIELD: Mr. Chairman, I
4	appreciate the sentiment of your comments. As I was reviewing these
5	materials, I had some questions about what we do with small business
6	as well, not to increase the Ren's reporting requirements, which are
7	already, I can tell, quite extraordinary, even the presentation.
8	I think it will be useful, given the oversight we have been
9	doing on budgetary matters, to get a little more detail regarding the type
10	of contracts that we let in the small business area.
11	I would also say in alignment with that, Slide 15 talked
12	about the fact we have achieved four of the six goals for small business
13	activity. I would actually like to know that the rest of the goals are,
14	because I don't really know. I don't think, I may be wrong, I don't think
15	they were attached to the briefing.
16	I think that would be some information that would be
17	useful for us to educate ourselves.
18	CHAIRMAN DIAZ: Okay. Commissioner McGaffigan?
19	COMMISSIONER MC GAFFIGAN: Thank you, Mr.
20	Chairman. I will stay on the contract thing just for a second.
21	The issue of what is a small business contract. if I have a

1	small business and I do what you have suggested the staff may believe
2	gets done, I contract with Science Tech, SAIC or Booze Allen or
3	something for basically all the work. Is that counted? Does to entire
4	contract count as a small business contract? Or does the G&A
5	overhead that is extracted by the small business in order to bang shot
6	to the big business, is it only the little part that counts as a small
7	business contract?
8	MS. KELLEY: If it is a subcontract, then it would be
9	subcontracting but it does not count, unfortunately. SBA does not
10	COMMISSIONER MC GAFFIGAN: But if it is to a small
11	business, basically mom and pop shop is the word you used, and they
12	in turn contract with the big business to provide the work, does that I
13	mean, I saw a contract recently \$1.4 million and for 6,000 hours of work
14	which makes these people very expensive, over \$500 an hour.
15	That counts as a small business?
16	MS. KELLEY: Yes.
17	COMMISSIONER MC GAFFIGAN: That's something for
18	Congress to address. I think this whole area is too much of that stuff
19	that goes on. And it does not change anything. It just changes
20	provides additional inefficiencies in the process.
21	I may sound like somebody the other comment I will

1	make before I ask a question is the proliferation of plans that have to be
2	aligned and RBs, review boards that have to do all this stuff.
3	Somehow, Franklin Roosevelt, Dwight Eisenhower, and whatever
4	managed the government without all these plans. And I think they
5	created whole layer of bureaucracy and I personally don't see lots of
6	it. I believe they oftentimes have laudable goals. But what I care most
7	about is safety and security.
8	And I care about having a diverse work force. But I don't
9	think I need a plan for everything that everybody has ever thought up
10	on Capitol Hill, and then review boards to match. I may be getting old
11	and crotchety or whatever.
12	But 30 years of federal service, I don't think management
13	has improved in the Federal service in the 30 years that I been in
14	government as a result of all these planning efforts and review boards
15	to manage the plans and integration efforts to integrate the plans and
16	integration efforts to integrate the integration of the plans. It is not my
17	cup of tea. I don't spend a lot of the time on it.
18	Hiring. You pulled out your copy. I pulled out my copy of
19	the latest Federal Times. Tell me about this issue of category rating?
20	Are we going there, or are we one of the

MR. MC DERMOTT: No. We went there in 1956.

1	MR. REYES: We invented it.
2	CHAIRMAN DIAZ: We were not born at the time.
3	(Laughter.)
4	MR. MC DERMOTT: No. I was in a meeting where Ron
5	Sanders announced he had invited category rating at the IRS just a
6	couple of years ago.
7	NRC adopted from AEC category ranking. We have
8	never done it any other way.
9	COMMISSIONER MC GAFFIGAN: Okay. Well,
LO	congratulations. It's rule of three we don't use.
L1	MR. MC DERMOTT: No. No.
L2	COMMISSIONER MC GAFFIGAN: That gets one thing
L3	out of the way.
L4	Hiring. Ren mentioned that opportunities are often
L5	short-lived, which I think is a very politically correct way to put the
L6	inefficiencies in our hiring process.
L7	As we look ahead the next couple of year, we are going to
L8	hire probably 300 people a year, possibly more. But, 7% retirement
L9	rate, we are expecting something like that, which means you are in the
20	200, 210 just to replace staff. And then if we have Yucca Mountain, we
21	have the nuclear renaissance and advance reactors. There's lots of

1	other people that are going to be hired in addition to replacements.
2	That means say, we are at 3,400, 3,600 people, that
3	means that a quarter of our staff in 3 years for sure is here at the
4	agency less than 3 years. And perhaps a third of our staff, depends on
5	what Congress does, in term of giving us budgetary resources to deal
6	with these things.
7	How are you going to hire 300 to 400 people a year with
8	the current system?
9	MR. MC DERMOTT: We are not going to do it
10	successfully with the current system and procedures we have. We
11	recognize that.
12	The program managers recognize that. They have posed
13	that question themselves. And I think Ren alluded to it.
14	If there is one thing that needs fixing more than anything
15	else in our system it is the gap between a hot prospect and the offer
16	letter.
17	COMMISSIONER MC GAFFIGAN: I agree. That isn't
18	just for entry. That's for career as well.
19	MR. MC DERMOTT: Any place, all across the board.
20	That's what we have to fix.
21	We have to stay out of veterans preference jail, which

1	means we have to do a lot of up front work all the time when we do this.
2	But we are talking to the offices.
3	For example, I have got pretty good consensus that for
4	entry level hires, we are going to centralize that at the office level.
5	There will be a team of people at the top of NRR that will review
6	entry-level candidates and say, we want this one, this one, this one, this
7	one. We are not going to farm them out. That's what takes time,
8	cycling these things through various parts of the organization. And the
9	offices and the regions will do that.
10	When you are hiring experienced people, you can't be so
11	cavalier about the fit. You want to make sure you have a good fit. We
12	are going to try to centralized that about at the division level.
13	One of these seances I was at downtown, there was
14	universal agreement, gone is the day when you let the immediate
15	supervisor name his or her poison, no matter what and take their time
16	about doing it. It can't be done. Different agendas are at work. You
17	will never get there if you do it that way.
18	You have got to listen to your immediate supervisors but
19	you pick people much more rapidly.
20	COMMISSIONER MC GAFFIGAN: One of the points I

would make, since this is an EEO briefing and then I will return for the

1	second round of it, the opportunity to have a quarter to a third of your
2	work force that's 3 to 4 years here is a tremendous burden. But it
3	also many of the briefings that I was at when I first got here, we were
4	talking about flat budgets, declining budgets and how do you change
5	anything.
6	Well, you have an opportunity the next several years, if
7	there is an nuclear renaissance and if we can get a Yucca Mountain
8	application, to have a very significant change in the composition of our
9	work force.
10	They are going to have to mentor them and train them.
11	They have to accept the productivity declines that will come with having
12	less experienced people replacing our folks that who have stuck with
13	us, amazingly in many cases, for well into their retirement opportunities
14	But this place really should have changed in terms of
15	diversity if the feeder groups are there by three or four years from now.
16	CHAIRMAN DIAZ: Thank you.
17	Commissioner Merrifield?
18	COMMISSIONER MERRIFIELD: Thank you, Mr.
19	Chairman.
20	Let's start off with a few comments. The first one to the
21	EDO. I think the change that we made to have you provide direct

1	oversight to SBCR is a positive one. I think it is having good results.
2	I want to associate myself with some of the other
3	comments made about yield. If we are going to be sending people out
4	into the field to conduct recruitment, we ought to make sure that we get
5	the resumes back, we get them into the system, we get folks hired.
б	I have had too many people come up to me with members
7	of our staff expressing frustration. We had great candidates, we
8	interviewed them and I don't know what happened to them. That is
9	really got to get fixed.
10	I guess the first issue I want to go to is relative to the No
11	FEAR Act. At the end of the day, I think what this is intended to do is to
12	ensure that we have a work place environment in which individuals can
13	come here, lead productive lives for themselves and for the agency
14	without the fear of discrimination. And that's something that I think all of
15	us have a responsibility and an impact on making that happen.
16	The way that the No FEAR Act is written also engenders
17	some penalties for the agency. Agencies that lose or settle
18	discrimination in whistle-blower cases must pay judgments out of their
19	individual budgets. That is a meaningful issue.
20	Now, we are fortunate. We don't have a lot of that here at

the agency. But were we to, that is a tool that would affect all of us,

Т	because it means that lewer resources available to do the health and
2	safety mission that we do.
3	And so I think not only do we all have a role in the quality
4	of the work place, but there is a financial trigger there as well I think we
5	need to be mindful of.
6	I had an opportunity to look it was not in the briefing
7	book and I would suggest next year, perhaps, it should be. I actually
8	pulled off the discrimination activity that we report on in the No FEAR
9	Act. It thought it was noteworthy.
10	One of the issues I think got my attention the most was
11	the issue of timely EEO counsel. In the report for our EEO program
12	status report, we noted that that was an area where we had an issue.
13	That was our part H.8 report.
14	In looking back at some of the statistics. For complaints
15	in the investigative state, and we have three of those right now. The
16	average number of days on those is 369.
17	Looking back and, of course, this is two years ago, and
18	I think that predates you, Ren, but we had four complaints. The
19	average days pending prior dismissal was 995. And I'm not certain
20	whether that's an anomaly or not, but 995 days pending prior to

dismissal.

1	Can you talk a little bit about these statistics and what we
2	are doing to improve?
3	MS. KELLEY: Timeliness in complaints processing is an
4	issue. And the statistics have direct bearing to not having really the
5	sufficient staff to meet the standard in terms of the timeliness of
6	complaints processing.
7	There are a number of things that impact that. And I
8	would say the primary one is, as I just mentioned, however, the
9	complexity of a case, whether there were multiple amendments to a
10	complaint, whether there were attempts to resolve the issues through
11	ADR and maybe you had negotiations underway. There are a number
12	of things that would contribute to the time line. But that is one of the
13	things that we are looking at and that we are trying to improve on in
14	terms of the timeliness of complaints processing.
15	I believe you mentioned the informal process and the
16	formal process. We have a focus on both of those. And that was one
17	of they were certainly issues that surfaced as a result of that
18	self-assessment.
19	But basically right now we have two people devoted to
20	that effort. And we have a very hefty contacts process that those never
21	come into the formal or informal complaint processing.

1	We handle probably 150 of those on the average in a
2	year's time. Time devoted to those efforts that really keep complaints
3	from coming into the process, takes time away from those that are in
4	the process, but it is certainly very necessary, because if someone
5	walks through the door and they need time and attention right then and
6	there, we give it to them.
7	And usually, there's a series of meetings that would take
8	place after that initial session. But basically, it is an area of focus for us
9	right now and staff would be the most key part in terms of turning those
10	statistics around.
11	MR. REYES: Let me add to that. We included in the
12	fiscal year '07 budget that you have in front of you resources to solve
13	this problem. So we need your support in the budget to solve the
14	problem.
15	COMMISSIONER MERRIFIELD: Every time I meet with
16	him lately, it like Luis Message No. 2, please support us in the '07
17	budget. I appreciate it.
18	MR. REYES: But it is a workload issue and I think if we
19	can add to that, the more you do pro-actively, the more resources you
20	spend and you can track it as a formal complaint.
21	So, we have an inversely proportional metric, the better

Т	you do with preventing issues, because you dear with them at a low
2	level and you get the people together in an informal manner, the more
3	resources you spend, the less formal cases you have, you are better
4	off, but the metric we have right now will tell you the opposite.
5	We have talked about how to do some metrics to show all
6	the contacts that they get just to show we have more contacts and they
7	don't transfer to formal complaints, to try to show both metrics, because
8	I could not show you all the efforts we are doing with just the formal
9	cases. It would not support the request I'm asking for you on the
10	budget. It just couldn't.
11	COMMISSIONER MERRIFIELD: I have more, but I will
12	save those for the second round.
13	CHAIRMAN DIAZ: Commissioner Jaczko?
14	COMMISSIONER JACZKO: I want to follow-up on a
15	couple of questions that have been asked but just a few more issues
16	with those.
17	The first one, Jim, I think you mentioned this one or
18	maybe, Ren, you did about the gap between when we find a good
19	person and when the letter goes out.
20	What kind of gap are we taking about?
21	MR. MC DERMOTT: It can be six, eight weeks or more,

1	where people are diddling with the selection. And sometimes the
2	resource issue, if I hire this one, I can't hire that one.
3	You have got to not do that.
4	The other extreme, the gap between the interview and the
5	decision and the letters which is approximately 60 seconds, because
6	we had the letters ready and this was down in
7	MR. REYES: I was there, so we fixed it right on the spot.
8	(Laughter.)
9	MR. MC DERMOTT: I was the typist.
10	COMMISSIONER MC GAFFIGAN: Are you going to
11	become our chief recruiter?
12	MR. MC DERMOTT: Yes. Absolutely. And I am the
13	typist. He would nod, I finish the letter, in their hands, and they said
14	yes. They came and they stayed.
15	MR. REYES: Just to give you a personal example.
16	My daughter got a job offer a year before graduation.
17	They went to the college, they interviewed her at the college like
18	Thursday or Friday. The following week she had an interview in the
19	company. And right there, he said we will call you tomorrow with a
20	answer, she stopped interviewing. They didn't want to see anybody
21	else.

1	So if you talking about the top, the cream of the crop of
2	the class, if you don't act right away, they are going to be taken.
3	COMMISSIONER JACZKO: Is this a problem with
4	mid-career hires as well? Is there a similar issue or is that not as much
5	as a factor?
6	MR. REYES: I don't think it is as severe. But there are
7	always delays. So the more you can tell the person that's looking for a
8	job obviously, they contacted you or you contacted them. The more
9	information you can give them and the quicker you make your decision,
10	if they are that good, they are getting offers from other places. So it is
11	matter hitting it first.
12	COMMISSIONER JACZKO: One other question on this.
13	How much does security reviews and clearances factor into that? Is
14	that an issue at all?
15	MR. MC DERMOTT: You know, we have always said that
16	is the deal breaker. But it's not.
17	MR. REYES: After the fact.
18	MR. MC DERMOTT: Once we have set the hook, the
19	security, it takes two weeks, takes four weeks, we don't care. They are
20	come to work for us. We have got them. So I don't worry about that.
21	MR. REYES: I would support that. The real issue to me

1	is up front. Once an individual has our clear intention through a letter
2	that says we intend to give you a job offer, right away that makes a big
3	difference.
4	If you don't have that in hand, you entertain other offers.
5	And if you get attractive offers, you move on. You can't wait forever.
6	COMMISSIONER JACZKO: The other question I want to
7	follow up a little bit more on is something Commissioner Lyons raised
8	with the issue of and Ren, you mentioned this, that there is a limited
9	diversity in the applicant pool. It's almost a similar question to what I
10	asked here.
11	Does that exist at both the mid-career hires as well as
11 12	Does that exist at both the mid-career hires as well as entry-level hires? It seems like we have a lot of programs in place or
12	entry-level hires? It seems like we have a lot of programs in place or
12 13	entry-level hires? It seems like we have a lot of programs in place or think of ideas in place on how to address this with the new hires. But if
12 13 14	entry-level hires? It seems like we have a lot of programs in place or think of ideas in place on how to address this with the new hires. But if it is a problem with kind of the mid-career people, how do we address it
12 13 14 15	entry-level hires? It seems like we have a lot of programs in place or think of ideas in place on how to address this with the new hires. But if it is a problem with kind of the mid-career people, how do we address it at that level, if at all?
12 13 14 15 16	entry-level hires? It seems like we have a lot of programs in place or think of ideas in place on how to address this with the new hires. But if it is a problem with kind of the mid-career people, how do we address it at that level, if at all? MS. KELLEY: It is more of a problem at the mid-level
12 13 14 15 16 17	entry-level hires? It seems like we have a lot of programs in place or think of ideas in place on how to address this with the new hires. But if it is a problem with kind of the mid-career people, how do we address it at that level, if at all? MS. KELLEY: It is more of a problem at the mid-level than it is at the entry level. We do a lot better when you go to the

21

At the mid-level -- and I will go back to something that we

1	have talked about earlier and that is when we go out on the recruiting
2	trips and I have gone on one. And at that particular recruiting trip,
3	there were people at the mid-level of all groups. It was the National
4	Association of Black Engineers, but there were, all groups were
5	represented at that particular conference.
6	And there were individuals who stopped by our table who
7	were who had worked a couple I can remember had worked many
8	years at a nuclear power plant, one in particular, 13 years of
9	experience. So that was a mid-level individual that was quite
10	impressive and was very interested in coming to work for NRC.
11	There were those numbered more than just in the single
12	digits. There were, probably, a hundred or so of those individuals that
13	fit that category.
14	So that is one way to capture those individuals because
15	they are not at your universities, and working I mean, they are at
16	other job sites, you might you say. But that is one way that we could
17	increase the applicant pool through outreach at that same recruiting trip
18	that we have talked about before because they do attend those
19	universities if they are job seeking I mean, those the types of
20	conferences and job fairs or what have you.

I would say that we don't want to ignore the staff already

1	on board and making sure that they are fully developed, that they are
2	given opportunities, that they are their careers are enhanced through
3	training, rotational assignments, or whatever is needed; high visibility,
4	opportunities before key managers in order so that they can move up
5	through the ranks and be those mid-level and senior-level employees to
6	increase the diversity of that pool.
7	COMMISSIONER JACZKO: Can I do one more? Oh, we
8	do a second round.
9	CHAIRMAN DIAZ: We are going to do a second round.
10	Commissioner Lyons.
11	COMMISSIONER LYONS: One question, to some extent
12	following up on what Commissioner Jaczko was just asking.
13	But there have been several references to the importance
14	of entry-level hiring and the expanded diversity of the pool that's
15	available at the entry level. There were some numbers that I saw just
16	recently that I wanted to at least bring up and ask you if we're seeing a
17	bit of a concern here. This was the entry-level hire ratio for the agency
18	as a whole.
19	In 2002, 41% of the 184 that we hired were entry level.
20	So 41 percent struck me as a really impressive number. But in 2003,
21	that number was 27%. In 2004, the number was 22%. And in 2005 as

Τ	iar as we are into the year, it was 10%.
2	So, just based on this limited information, while well,
3	actually the number of hires has gone up each year, the percentage of
4	entry-level hires has been dropping and actually dropping fairly
5	precipitously.
6	MR. REYES: Let me talk about goals. That year that we
7	had a very high number, we realized that we overdid what we wanted to
8	do because you want to keep them. And so we found that our training
9	system was overloaded, the supervisors were overloaded and could not
10	give them the amount of time for coaching and mentoring.
11	So we settled on a 25% goal average over three years.
12	And that's what we have been shooting for. That on a rolling,
13	three-year average about 25% of our work force should be entry level.
14	That seems to fit well with our training workload, the supervisory
15	face-to-face time, coaching, mentoring, et cetera, et cetera.
16	This year, we basically had to stop recruiting because of
17	this budget issues that I talked to you about. When that caught us in
18	the middle of the year, some offices had hired entry levels first, so they
19	couldn't hire experienced people. Some people can hire experienced
20	people and not hire the entry level
21	So this year is an anomaly in terms of the situation we

1	found ourselves in with the budget. But our goal should be 25% on a
2	three-year average.
3	That's what we are shooting for, Commissioner.
4	We think we can make it and we think that is a good
5	manageable, because we want 80 percent of those that we bring in to
6	stay with us past the three years. That is the other metric.
7	COMMISSIONER LYONS: Oh, certainly. They need to
8	be retained.
9	MR. REYES: Retained. So all the studies that you are
10	looking at say that retention is really effective by how that person is
11	treated by the first supervisor, first-line supervisor. And we were having
12	problems that year we brought a lot of people on.
13	COMMISSIONER LYONS: So is there hope that as this
14	year progresses, we will see that 10% number back up?
15	MR. REYES: We are not hiring anybody else. We are
16	broke.
17	COMMISSIONER LYONS: So that's true for this whole
18	year?
19	MR. REYES: What we are going to do is, this Thursday,
20	June 30th, is the third quarter of the fiscal year. We are going to
21	balance the checking account, find out how much money we have, and

1	we are going to come to the Commission, if there is additional funds, to
2	request to let us recruit more people. But right know, we are on hold.
3	And I can go into a long explanation how we got here
4	CHAIRMAN DIAZ: No, no, don't do that.
5	(Laughter)
6	MR. REYES: I have a periodic with you this afternoon I
7	will tell you the story.
8	CHAIRMAN DIAZ: All right. On the issue of what I called
9	the basis of the EEO, we really want to have everybody in the NRC
10	being close to be on the same page. And in a number of years past,
11	we were looking at how many people have actually gone to the EEO
12	training. And this year, I think we are at the non-SES category. That's
13	where we have to do a little better.
14	Could you just mention what are we doing to make sure
15	that non-SES actually do have the right EEO training? Is that a
16	problem? Why is that a problem? What is happening?
17	MS. KELLEY: Well, we have a training requirement to
18	train all employees in their rights and responsibilities and to
19	discrimination laws as required by the No FEAR Act. And we are
20	identifying a tool to make that happen.
21	OPM has come out with a requirement for that to happen

by September 30th. And so that will be training that we hope to put on
 desk tops, computer-based training that all employees will be required
 to take.

We will continue to have our focus on supervisory and manager training in that area because that's a different kind of training that they need to have. It gives them increased sensitivity for their unique role. And it is not just their own rights and responsibilities, even though they get that as well.

So we are continuing to provide the supervisory manager training, for new supervisors that is a two-day course, and also, the refresher training as we need to.

CHAIRMAN DIAZ: Okay. Commissioner McGaffigan?

COMMISSIONER MC GAFFIGAN: We are obviously in a competition for people, for licensee folks, who we would like to come work for us in mid-career. Are they fully aware of Federal health benefits, life insurance benefits, and some of the things they can take with them? Because obviously, there is fair number of people who thought, in the airline industry, for example, or other industries, that they are going to have health benefits. And they are rapidly discovering that they are not.

Are we so bold as to tell somebody who is perhaps in their

1	40's and maybe who has affordable pension from his system and is
2	worried about health benefits that this is a good thing for you to do?
3	MR. MC DERMOTT: There is probably nothing that we
4	won't stoop to.
5	(Laughter)
6	COMMISSIONER MC GAFFIGAN: I don't think that is
7	stooping. The industry, I don't think, is going to play fair in stealing our
8	people. I haven't noticed it.
9	MR. MC DERMOTT: In the middle of our paper, it talks
10	about here is how you sell, and they talk about those things, the
11	benefits and all those things that we sell.
12	In fact, we have a new tool. If you spent all your time in
13	private sector but you have been working as an engineer or something,
14	we can set you leave accrual on the basis of that time worked. So if
15	you have put in 20 years, you come in, we say no problem, we will give
16	you 26 days of leave plus ten federal holidays.
17	COMMISSIONER MC GAFFIGAN: Now you have got the
18	Chairman worried.
19	(Laughter)
20	COMMISSIONER MC GAFFIGAN: You use every tool in
21	the tool box?

1	MR. MC DERMOTT: Yes, we do. We really do.
2	MR. REYES: Legal and illegal.
3	COMMISSIONER MC GAFFIGAN: I hope they are all
4	legal. Let the record be set.
5	I saw something in "Inside NRC" about Mr. Borchardt
6	mentioning that we have a legacy project, essentially, the senior
7	employees about to retire get like the 17 out of our 22 structural
8	engineers who are over 55 get asked a bunch of questions about why
9	they did something the way they did so that we can pass it on.
10	Is that really alive? I never seen it in budget space. Is
11	that something we do occasionally?
12	MR. MC DERMOTT: It's in an incubator in the nursery
13	more than anything else. These are our first steps at getting robust
14	knowledge management, knowledge transfer things really up and
15	running. And we have only done a few where we do some interviews,
16	we try and first of all, we have to figure out the right questions.
17	The answer is it's begun. It still needs a lot of work.
18	MR. REYES: But we have things like lectures that those
19	individuals have prepared and we have videotaped them. And now we
20	have them archived.
21	But where we are is we are doing it in batches and it is not

Т	integrated through the agency and that's where we are heading. We
2	are trying to make it formalized so it's not Bill Borchardt taking the
3	initiative with a group of individuals and another office is doing we are
4	trying to elevate it.
5	But you have to walk before you run. So we can't let them
6	walk out the door. So while people
7	COMMISSIONER MC GAFFIGAN: That's really a
8	bite-sized question. The time you mentioned, Luis, the time for
9	mentoring and training folks is burdensome with the younger folks. I
10	don't think it is any less burdensome with the mid-career folks, to be
11	honest with you.
12	They may have a little bit more engineering knowledge,
13	but they have to figure out what NRC does. And it takes a while.
14	Somebody who came here mid-career, it took a while to become
15	effective.
16	I do think as a Commissioner but I think that has to be
17	the case whether you are 40 or 25.
18	MR. REYES: But let me give you an example. We hire
19	somebody who has an engineering degree, an SRO license, who has
20	been a shift manager at a utility.

21

We bring them in to be an examiner, operator examiner.

1	With a little bit of training on NUREG 1120, they can give exams before
2	too long, with some coaching and mentoring. If you bring in entry level,
3	you could not do that.
4	So there some difference. I agree with you that
5	COMMISSIONER MC GAFFIGAN: Structural engineers
6	you bring in to handle the nuclear renaissance to replace the 17 people
7	who are 55 and older out of our 22. They are not going to be as
8	effective as the structural engineers we have today for some period of
9	time, whatever age they are.
10	MR. REYES: I really do believe if they come from
11	industry and they are the ones that wrote the submittals to us, it is a
12	much easier, because, now, they are asking the questions, better
13	questions to ask.
14	CHAIRMAN DIAZ: Intentions of raiding the industry in
15	here.
16	COMMISSIONER MC GAFFIGAN: Well, I think we are
17	going to. A body of people who are trained to do NRC work is a fixed
18	body.
19	CHAIRMAN DIAZ: Thank you, Commissioner
20	McGaffigan.
21	Commissioner Merrifield.

1	COMMISSIONER MERRIFIELD: Speaking of raiding, we
2	have folks who leave the agency for a variety of reasons, many of them
3	through retirement. Others having other opportunities in their careers.
4	Rarely, there is some in that group who perhaps
5	sometimes we would like to see them go. But the vast majority of them
6	are people who we are sorry to see leave.
7	What do we do, if anything, about tapping into our alumni
8	network and enticing them to come back to work for us if we think they
9	are good people?
10	MR. MC DERMOTT: We send them on their way with
11	hope that they will stay in touch. We were talking about
12	MR. REYES: We have an example. And individual has
13	some personal reasons why he is leaving. He was told by his
14	supervisors and the senior managers of the organization to say we
15	understand your personal situation but remember, if the situation
16	changes, we would like to have you back. We think very highly of you.
17	And it is about the best you can do when it is for personal
18	reason, kind of family situation. We try to keep in touch with them.
19	There are other individuals that we call them back after
20	some time and say, are you still happy? You want to come back?
21	Informal things like that, we do.

1	COMMISSIONER MERRIFIELD: It makes me wonder. I
2	don't know how big a set of folks this might be, but if we did some data
3	mining of our own personnel records, there may be in a bit more of a
4	formalistic sort of way, there may be some utility in trying to see if we
5	can entice some of those folks back.
6	MR. REYES: We will give you some numbers on our
7	attrition.
8	MR. MC DERMOTT: Oh, I know the numbers off the top
9	of my head on attrition.
10	MR. REYES: It is mostly retirements. We have very few
11	in the other category.
12	But I think you're right, we should continue to contact
13	them and see if they are willing to
14	MR. MC DERMOTT: You were talking earlier about
15	mid-level hiring. The most effective outreach for our mid-left hires is
16	word of mouth from somebody we have already hired.
17	Once you get the first link of the chain in here, they bring
18	in associates or at least they contact associates. They deliver the
19	message about, hey, life is good at the NRC. And that is very, very
20	helpful.
21	It is the second most prolific source of applications. The

1	first one is the web. But second to that, word of mouth from current
2	employees.
3	COMMISSIONER MERRIFIELD: Second and last
4	question is looking through the statistics on the No FEAR Act. And
5	overall, I think along the lines of what you mentioned earlier, Ren I
6	mean, I think statistically, these look pretty good on paper in terms of
7	the numbers we have and where people are coming from.
8	There is one that sort of popped out at me in 2004 that
9	seemed a bit of an anomaly in terms of an uptake. And that was the
10	issue of promotion, non-selection where we went from having none of
11	those in 2003 to 11 of those in 2004.
12	Now, recognizing those are probably still in the mix and
13	whatnot, is there anything generally you can comment about in that
14	particular one as to why they were heading in that uptake?
15	MS. KELLEY: It went from
16	COMMISSIONER MERRIFIELD: It went from zero in
17	2003 to 11 in 2004. Recognizing in previous years, it had been in the
18	six or seven range.
19	MS. KELLEY: Well, that category is one that surfaces
20	after almost every rating period. Or promotion, non-selection is what
21	you said?

1	COMMISSIONER MERRIFIELD: Promotion, non-
2	selection. Yes.
3	MS. KELLEY: That is a pretty common category. And
4	zero in 2003 is a little bit interesting but I assume that the statistic is
5	correct.
6	I don't really know the reason or what would have
7	contributed to that. Whether the agency didn't have as many I guess
8	we did make promotions in 2003 as we did in 2004.
9	Why that would have surged like that. That is a common
10	category.
11	COMMISSIONER MERRIFIELD: I guess it sort of raises
12	the question, we do provide this information and I do have a much
13	greater sensitivity given this briefing with the materials you gave us
14	about how much you and your staff have to do in terms of reporting.
15	You know, there are a lot of reporting you have to do statistically on
16	these issues.
17	But I think it is worthy of perhaps going ahead and taking
18	a look at some of this data and saying is there anything we can take
19	from it? Are there any anomalies, anything we need to be concerned
20	about? That one certainly caught my attention.
21	CHAIRMAN DIAZ: Thank you.

1	Commissioner Jaczko?
2	COMMISSIONER JACZKO: A little bit on some of the
3	surveys.
4	One question, you mentioned on the OPM human capital
5	survey that our response rate was about 63%, which I think is probably
6	good. But how do we get that number higher? It would be nice to see
7	80%.
8	Does it take too long to complete the survey? Do you
9	have information on why people don't respond to these surveys?
10	MR. REYES: No. But I think the only way to do it is to try
11	to remind the staff. They get a lot of surveys from a lot of sources. And
12	they are real busy people working sometimes after hours to get projects
13	done, et cetera, et cetera.
14	And I can tell you because I get a lot of surveys. Today I
15	had to do certain things so I put it on hold and I forget. So we just need
16	to remind them, the more they participate, the more insights we get and
17	the more management can take action to resolve any concerns that are
18	there.
19	We have done that in preparation for the IG survey, trying
20	to get as much intelligence as we can. If you participate, we will hear
21	your voice kind of message

COMMISSIONER JACZKO: If I could just ask one more question on this issue with the human capital survey, one of the areas that gets to the broader category of diversity.

One of the areas where the NRC response was what I thought not terribly positive was the issue of creativity and innovation are rewarded, the answer to that question. Forty-five percent responded positively. It was a little bit better, I think, on the -- there was a question, encourage to come up with new and better ways of doing things. We had a little bit better, about 65% response.

Part of what I think is important for diversity is making sure that we have diversity of ideas as well as diversity of backgrounds and experiences. What kind of -- do you work on things like that as part of your work? Is that part of the Comprehensive Diversity Management Plan to encourage those kinds of diversity issues as well?

MS. KELLEY: Yes. Absolutely. It is a very core part of the Comprehensive Diversity Management Plan. That is one of the messages that we have carried in the meetings that we have had with the offices, that to the extent that the agency has a diverse group of employees looking at an issue, trying to solve a problem, you are more likely to have a successful decision or outcome if you have got a diverse group looking at it. And therefore, the diversity of views is

1	important.
2	And we have pointed to the examples of NASA and the
3	information that they have been so eager to share with other
4	organizations in terms of their own problems and issues with groups,
5	pitfalls and with not hearing the lone voice around issues.
6	And that's important, particularly for safety an agency of
7	an organization with the safety mission, because you can have one
8	person with the right answer but that may not be the prevailing view.
9	And so, the diversity of viewpoints that comes about or
10	your chances are greater of increasing diverse views or ideas and
11	backgrounds if you have a diverse group of people looking at an issue.
12	Thank you. But, yes, it is.
13	MR. REYES: We have monetary awards for suggestions
14	that got implemented.
15	I just think that we need to encourage management
16	needs to encourage people to keep bringing more suggestions on how
17	to do things differently.
18	COMMISSIONER MC GAFFIGAN: Mr. Chairman, the
19	NASA example that Ren just mentioned, I think it is very instructive that
20	Mr. Griffin, who is the new NASA administrator, is desperately trying to
21	increase his core staff because he and becoming much less

1	dependent than NASA has historically been on contractors.
2	I think we are too dependent on contractors, to be honest
3	with you. But I'm glad to see NASA moving in the direction of having
4	fewer contractors and more core staff. We would be better off if we
5	could move that way too.
6	CHAIRMAN DIAZ: Thank you is so very much.
7	I believe at this time, Dale Yeilding from NTU has some
8	comments.
9	MR. YEILDING: Thank you very much, Chairman and
10	Commission for an opportunity to make a statement. I will make sure I
11	keep my comments down to ten minutes, as the collective bargaining
12	agreement permits.
13	I would like to talk about three topics, two of which have
14	been discussed here and one new one.
15	First is the Comprehensive Diversity Management Plan.
16	looked through this in quite detailed with my trusty yellow highlighter
17	trying to look at it in the aspect of the employee.
18	Of course, you know, the union represents the bargaining
19	unit employees. And I was looking through it with the aspect of what
20	can the employee do and what can the union do to promote diversity?
21	And I looked at I'm going to summarize very briefly. A

very large plan. And we looked at aspects of the plan to promote hiring 1 2 and promotion without discrimination, to fairly assign work to ensure the 3 more visible projects get assigned to all employees in a fair aspect, 4 because those are the projects that beef up a resume and permit an 5 employee more opportunity for promotion. And we look at the diversity 6 where managers should listen to all people in making their decisions. 7 So all of these aspects are management decisions. And I 8 was looking through the plan trying to figure out where is the employee 9 role. 10 There is a small section in here that says the employee's role is to respect others. So if there is anything that can be done to 11 12 more actively identify where the employee can promote diversity, I will 13 be the first to step up and lead the employee charge on that aspect. 14 But the point I guess I want to make here is the diversity 15 management plan rests mainly on the shoulders of 12% of the 16 managers here at NRC. And I support the media blitz to make sure all

The second topic deals with this mid-level hiring we have been talking about here. Of course, the union represents existing employees here. We don't represent the new hires being hired from

other 88% of employees are aware of what's going on here at the

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agency.

outside. So the aspect of promoting from within is what the union advocates.

When the merit selection process goes through and an outside employee gets picked over an existing employee, the first thing all existing employees do is scratch their head and say, why, with all the internal experience.

So in the agency's attempt to speed up the process, Mr. McDermott said he wants to stay out of the veteran preference jail, and I hope he also stays out of grievance jail, because we don't want to speed up the process such that we inhibit or steam roll over existing employees' right to compete for all mid-level jobs, because we do have entry-level employees that are competing for the mid-level jobs. And I want to make sure the Commission and the agency keep that in mind for fairness in the merit selection process.

The last topic I would like to talk about is dealing with the reduction of Grade 14 and 15 positions in the goal to reduce the salary and benefit portions of our budget.

Let me just start off with one of the questions that was at the Commission morning, all employee white tent meeting. The participants said: Mr. Chairman, is there any truth to the rumor that the agency intends to downgrade GG-15 technical positions as incumbents

Τ	leave the agency and fill these positions at lower grade?
2	The EDO just some excerpts. It was a long response,
3	but the EDO said 25% of our employees are at the GG-15 level. There
4	is so much money expended on salaries and benefits that there is not
5	too much money left. In fact, our budget is 60% salaries and benefits. I
6	will add that for 2007. And I will add another note that our salaries and
7	budget benefits was 50 percent way back eight years ago in 1995.
8	The EDO went on further to say retirements are occurring
9	and those are opportunities for to us reflect on whether the positions
10	that are available through that process really deserve for us to pay
11	those salaries.
12	This is a significant problem when you have more than
13	60% of the budget just for salaries and benefits.
14	And then, the agency went on to brief the union at the
15	OMPC meeting with some more statistics and their initiative. And to
16	summarize, the initiative is in a three to five-year strategy to reduce the
17	number of GG-14 and 15 positions by 3%.
18	It is not too well publicized but it is publicized now and I
19	am going to probably issue some network announcements, and I will
20	just make the following short statement in conclusion here: NTU feels
21	that the agency should by careful about arbitrarily lowering grades for

1	our employees. Decisions should by based on careful evaluation of the
2	circumstances.
3	Our agency is highly specialized. There is a very good
4	reason our staff is high graded and that they have high degrees and
5	high technical knowledge. Even at Grade 15, much of our staff is paid
6	much less than their counterparts in the private sector.
7	We have staff who are recognized experts in their field.
8	Surely, they are not over graded and overpaid.
9	Studies acknowledge that the pay gap is not closed
10	between the private sector and the government pay as documented by
11	the Federal Employee Pay Comparability Act that Congress has had in
12	effect for ten years.
13	As for getting the same skills and knowledge at different
14	cost, the fact is that they are more expensive elsewhere. Our
15	experience with contracting for services is that they are more expensive
16	and create large overhead expenses for overseeing the contracts.
17	It is difficult to maintain control over costs once the
18	contract has been awarded and to ensure that the quality is maintained.
19	The greatest asset of this agency is our staff.
20	Stating that we are not worthy of our pay is degrading and
21	unfair. It is interesting this initiative is has only directed to employees at

Т	Grade 14 and above when a large percentage of our agency is at the
2	SES level. This differential treatment sends a very negative message
3	to new employees who see more limited opportunities and to our
4	dedicated staff of long-term employees who see the value to the
5	agency diminished and disregarded at the highest level of
6	management.
7	The union has a great deal of experience in dealing with
8	these types of issues and ideas on how to accomplish our goals without
9	unfairly targeting one group of employees.
10	Further, all offices are unique and may be able to craft
11	solutions to the overall issue that suit their particular circumstances.
12	This is a type of issue uniquely suited to partnership,
13	allowing employees to participate in the decisions that will impact their
14	future and the overall functioning of our staff.
15	I personally look forward to partnership discussions on
16	any and all management proposals to reduce the number of Grade 14s
17	and 15s.
18	Thank you very much.
19	CHAIRMAN DIAZ: Thank you, Mr. Yeilding. I think that I
20	totally agree with you that our staff is our greatest asset.
21	I can assure you that from my viewpoint, the viewpoint of

1	the Commission, and I'm sure from the management of the agency
2	from the EDO down, that we will carefully consider every one of the
3	challenges and opportunities that are here and will be here in the next
4	few years and will take those actions that are fair and equitable and that
5	in many way, preserve our best assets.
6	COMMISSIONER MC GAFFIGAN: Mr. Chairman, could I
7	just add one thing.
8	I think, to defend Mr. Reyes, who is quite capable of
9	defending himself, there is no individual employee who is going to see
10	their grade decreased.
11	We talked earlier about a third of the agency three years
12	from now, certainly a quarter, being new to the agency within the
13	three-year window.
14	The 17 of our 22 structural engineers that are over 55
15	today, I hope they are all with us still. I think those people do absolutely
16	wonderful work. It is unrealistic for me to plan for them to be there. I
17	suspect a fair number are fairly senior. And if they are replaced by
18	somebody in their 20's, 30's or 40's, it isn't clear to me you can't bring
19	them in, as the EDO proposes, at a lower grade level given more
20	promotional opportunities.

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I started in government at the equivalent of a GS-7, FS-7.

1	It was with two master's degrees. But that is the way the Foreign
2	Service worked. And I got promoted rapidly. And so I had an SES
3	salary within five years of being in government.
4	But I don't find as I said at the all-hands meeting, I don't
5	find what Mr. Reyes is trying to do here at all irrational. We probably
6	can get some of the employees we want. And you have opportunities
7	for improvement.
8	At the moment, we are an outlier in government I believe
9	in terms of grade structure and that probably is not sustainable forever.
10	We have to justify it now.
11	CHAIRMAN DIAZ: I believe we will do the right thing.
12	Mr. Merrifield, you had a comment?
13	COMMISSIONER MERRIFIELD: Mr. Chairman, I just
14	wanted to make a note.
15	There was an e-mail that came in, cc'ed to the EDO from
16	Bobby Abu-Eid making some comments regarding progress we have
17	made in the area of EEOC. And I would like to have those included in
18	the record of the meeting today.
19	CHAIRMAN DIAZ: Any other comments?
20	If not, I want to thank the staff for briefing the
21	Commission. This is always an important meeting.

1	Whether we do it in compact form or in a very thorough
2	form, it's signifies the importance that the agency puts into the area of
3	equal opportunity and diversity. And these two issues, by the way, are
4	not divided. Many times, they are integrated issues, because we do
5	value our employees and we do value diversity. And I'm sure we will
6	continue to progress in those areas.
7	We look forward to a very good meeting in the fall and
8	some early data that the Commission can chew on before we get in
9	here. And I'm sure we will have a very good meeting at the time.
10	With that, we are adjourned.
11	(Whereupon, the hearing was adjourned.)
12	

From:

Boby Abu-Eid

To: Date: Janet Lepre 6/21/05 6:01PM

Subject:

Unavailable to Attend the June 28, 2005 EEO Commission Briefing

Janet,

I would like to thank Mr. Reyes for his invitation to attend the June 28, 2005, Commission Briefing on the progress of the agency's EEO and diversity programs.

Unfortunately, <u>I will be **unable** to attend</u> this important briefing due to an official travel, attending and presenting an invited paper at the "EPRI International LLW Conference" which will be held in FL on June 28 - July 1, 2005. Nevertheless, as an Ex-Chairman of the JLMEEOC, I would like to make the following remarks:

"For the past few years, the NRC has made significant progress in the area of EEO under the leadership of Chairman Diaz and EDO leaders, Luis Reyes, Marty Virgilio, and Bill Kane. I would like to thank the agency for giving me the opportunity to serve at the SLS level. I have recently observed numerous NRC employees of different cultural background have been given the opportunity to serve at the SES, SLS, and supervisory positions. The difficult EEO issue which has been facing the agency (e.g., diversity in supervisory and management positions) for sometime is being resolved under the current EDO leadership. I believe, certain EEO committees are not needed any more to monitor or advice the agency on EEO issues because the current Commission and the current EDO leaders truly believe in EEO and actually implementing it."

Thanks once again!

Boby

CC:

Luis Reyes