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U.S. NUCLEAR REGULATORY COMMISSION

BRIEFING ON HUMAN CAPITAL AND EEO

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TRANSCRIPT OF PROCEEDINGS

Public Meeting

Before the U.S. Nuclear Regulatory Commission:

Allison M. Macfarlane, Chairman

Kristine L. Svinicki, Commissioner

George Apostolakis, Commissioner

William D. Magwood, IV, Commissioner

William C. Ostendorff, Commissioner

APPEARANCES

NRC Staff:

Bill Borchardt
Executive Director for Operations

Miriam Cohen
Chief Human Capital Officer

Jody Hudson
Deputy Chief Human Capital Officer

Ben Ficks
Associate Director, Human Resources Training and Development

Susan Salter
Chief Outreach and Recruitment Branch

Vonna Ordaz
Director, Office of Small Business and Civil Right

Sheryl Burrows
National Treasury Employees Union

PROCEEDINGS

2 CHAIRMAN MACFARLANE: Okay. I think we're all ready. Good
3 morning.

4 AUDIENCE: Good morning.

5 CHAIRMAN MACFARLANE: Nice to see a full house this morning.
6 Welcome. So today the Commission is going to get a briefing on the agency's
7 human capital activities and an update on our Equal Employment Opportunity
8 and Diversity Management Program. These programs, as you all know, that's
9 probably why you're here, they're very important to the agency. And as we all
10 know, the people of the NRC, the staff are our most important assets, and in
11 helping us achieve our mission and primary objectives.

12 So we look forward to hearing from you guys this morning on the
13 strategies for success and on our agency culture and our efforts to promote
14 equal employment at the agency. But first, let me see if any of my fellow
15 Commissioners would like to make any opening remarks. No? Okay. Then I
16 turn it over to the EDO, William Borchardt to proceed.

17 BILL BORCHARDT: Thank you, Chairman. Good morning. As
18 you mentioned, today's focus is going to be on human capital. Also we'll have a
19 quick update on the EEO. In the fall the roles are reversed; we focus on EEO in
20 the fall meeting, and with an update on human capital.

21 We certainly face a challenging environment today. Every time you
22 turn around it seems like we have more bad news, but I'd really like to just take a

1 moment to commend the staff of this agency for maintaining such a positive
2 attitude, staying focused on the very important mission that we have. We value
3 the staff's input in the era -- or in the idea of having a continuously improving
4 organization. And I'd just like to take this opportunity to encourage staff to fill out
5 surveys that are now before them. We take the results and the input we get from
6 those surveys very seriously, and they have been the source of many
7 improvements over the years, having to do with flexplace and a lot of the
8 workplace environment issues, training issues that we've been able to address.
9 So I encourage them to fill out those surveys.

10 Despite the difficult environment, I firmly believe that this agency
11 remains the agency of great opportunities, both for the organization, as far our
12 mission goes, we have many challenges before us; but also for personal
13 objectives and personal development. You're going to hear today some of the
14 innovative training initiatives that are being developed. We're not slowing down
15 on training; we're getting more efficient, we're getting more effective. We're
16 taking advantage of new IT tools to accomplish that training. And in fact, I think
17 really training will improve because it's far more integrated today than it has been
18 in the past, and it'll be more integrated tomorrow.

19 The developmental assignments that we have used for many years
20 at the NRC, making liberal use of rotational assignments, is just one of a number
21 of different tools that we can use to help continue the individual development of
22 staff members so that they're prepared for the challenges moving into the future.
23 The budget has presented us with numerous and significant challenges
24 throughout the agency. And we've had to make some difficult choices as we
25 have moved forward. But I'm very happy that the way we were able to transition

1 and account for the sequestration and the current budget levels, that we have not
2 had to implement any furloughs or any actions that affect individual employees.
3 In fact, we expect to have a fairly high hiring rate this year; somewhere
4 approaching 200 people. We did that because we saw the budget environment
5 developing a while ago, and took the actions that we needed to to make sure that
6 we hired the critical skills, that we hired to a staffing plan that we've developed
7 that looks out years into the future. So I think we're in very good shape as far as
8 that's concerned.

9 Finally, I'd like to thank the leadership that's at this table, and the
10 leadership that exists throughout the agency, for all of the work that they do to
11 support each other, support the mission. There's a number of diversity
12 committees that you've heard about in previous Commission meetings that do
13 some really impressive work to help develop and provide opportunities to
14 individual staff members. There's volunteers throughout the organization,
15 whether they serve as EEO counselors or university champions, that really do
16 this on their own initiative. They take the extra step and put in the individual
17 effort to make a difference. And they really do that. And finally, just recognize
18 that we just created a Diversity Management Inclusion Council, which is a cross
19 section of the entire agency to further the emphasis and to help us be
20 coordinated in those types of activities as we move forward. So, thank you, and
21 I'll turn to Miriam.

22 MIRIAM COHEN: Thanks, Bill. Good morning, Chairman,
23 Commissioners. It's a pleasure to be here today.

24 As Bill echoed earlier in his presentation, it's a difficult time for
25 federal employees. I think we've been saying that for a couple of years now. But

1 one of the things we're going to stress to you today is that despite the difficult
2 times externally, the NRC's still a great place to work. We have people that are
3 challenged and motivated by the mission. We have people that like coming to
4 work. We continue to offer good work/life benefits -- you'll hear more about that
5 later. And as Bill echoed, we continued to put a premium on employee staff
6 growth and development. That remains unchanged.

7 But we have our own unique challenges that are posed by
8 sequestration and other budget realities. But what we're doing is we're looking at
9 how we can do that effectively and efficiently. And we all know about the TABS
10 Initiative that has been taking place for the past couple of years. Within our
11 office, we've centralized a large number of human capital functions back in
12 January. And we brought seven or eight people from the program offices into our
13 staff. And by all accounts, they're welcome to our office. They're -- I think --
14 enjoying themselves. Many of them are here today. And they took this
15 challenge on in a very positive attitude and are contributing significantly to the
16 work of our office and to the agency. So, I welcome them to our office and
17 appreciate all of the good work that they've done.

18 We certainly hope that the lessons learned from centralizing the
19 human capital functions will prove beneficial for the rest of the agency as those
20 other centralization efforts are underway. As Bill alluded to, we continue to put a
21 premium on employee development and training. And this is despite some
22 budget reductions that we're going to see in Fiscal Year '14. So, we have to be
23 smart and appropriate with the kind of training that we give to our people. This is
24 not training reductions in the area of qualifications training. This is the external
25 training budget that has been cut as a result of other priority programs in the

1 organization over the past few years. We'll talk a little bit about what we're doing
2 to provide training -- prioritization, methodology -- to the offices so that we can be
3 smart and efficient in how we conduct our training programs.

4 Next slide, please. I'm going to talk a little bit about the staff on
5 board. This has been in your presentations for a couple of years now. Just -- it's
6 more for illustrative purposes, just so you see that we know that we had a period
7 of great growth around 2009, 2010. And that we've been in much more in a
8 stable work environment. As you know, we've asked the offices to review their
9 organizational structures and staffing plans to ensure that they're balanced and
10 aligned with the work activities in their units. And we continue to work with
11 managers to ensure that they have the skills and competencies that they have in
12 their organizations to get the job done.

13 Next slide. This may -- this slide may be familiar for those of you
14 who have been here for a number of years. Back in the day, this was coined the
15 retirement tsunami chart. And what it does it just -- it's a nice depiction of the age
16 distribution of permanent employees. And it's interesting because it shows how,
17 from 2003 to 2008, we changed our staff demographics to account for a greater
18 number of entry-level hires during a period when the agency was staffing up. So,
19 if you look at the average age in 2003, it was around 48.15. Then it decreased to
20 46.68. And then it's starting to ramp up again now in 2013. In your background
21 information -- you'll see there's some slides that show that about 34 percent of
22 our employees are ages 50 to 59 and above. And then 17 percent are over 60.
23 This presents opportunities and it also presents challenges.

24 The other thing you will note is historically, our attrition rate has
25 been below the government average. Last year, it was around 6 percent. And

1 consistent with prior years, two-thirds of people that leave are leaving for
2 retirement. And we have a smaller number that leave for other agencies or
3 people that just resign. For Fiscal Year '13, we project our attrition rate to be
4 around 5.5%. Right now, we don't have any indication that anything will change
5 along this line. Again, we're in another year of no pay raises, freezes on
6 bonuses. So, we're not really sure how that's going to impact people, if they
7 were going to decide to leave the federal government or not.

8 But the important thing that we have to do is that we have to make
9 sure we have strategies in place to replace the critical skills in the agency. We're
10 looking at possible attrition in the context of these critical skill needs. And clearly,
11 they're looking at positions in the agency where we have a large number of
12 employees, such as health physicists, reactor engineers, inspectors, material
13 engineers, et cetera. We don't believe that we're going to have any problems
14 replacing people based on past experience and what we see currently. We, at
15 one point, had thought that there would be a mass exodus of employees leaving
16 for industry when there was supposedly the nuclear renaissance. That actually
17 hasn't materialized. And we've also had a number of people that have come to
18 the agency in mid-career from industry for quality of life changes. And those
19 people are still here. We have not seen people that have come here at mid-
20 career leave for any reason.

21 We are going to hear in the presentation this morning from Susan
22 Salter, who's going to talk to you about external strategies we're using to hire
23 necessary staff. Ben Ficks is going to talk to you about our internal strategies
24 that we use to retain and develop staff. And finally, Jody Hudson is going to talk
25 about agency culture and what we've been doing in light of the past surveys in

1 recent years, to look at agency and organizational culture. And then Vonna will
2 wrap it up with discussion on some EEO activities. Susan.

3 SUSAN SALTER: Thank you, Miriam. Good morning, Chairman
4 and Commissioners.

5 I'm going to -- as Miriam said -- talk to you a little bit today about the
6 external human capital strategies we have in place to respond to the agency's
7 changing workforce needs. We believe we have a very proactive strategy in
8 place to make sure we have the skills and the talent onboard to achieve the
9 agency mission.

10 Next slide, please. So, as you can see from this slide, hiring began
11 to decrease in 2009, after -- basically as a result of our staffing levels stabilizing
12 after a period of pretty rapid growth. Over the last two years, in coordination with
13 the Human Capital Council, OCHCO guided the implementation of hiring controls
14 to address the agency's projected shortfall in salaries and benefits. We also
15 implemented a very disciplined approach to short-term and long-term staffing to
16 address some position management challenges that arose during our period of
17 rapid growth. The staffing plans are effective tools to help guide the offices over
18 the next several years as we work to achieve salary and benefit targets. The
19 plans focus on mission-related work -- within a likely decreasing or zero growth
20 budget. And of course, they will evolve and be refined as needed, as we move
21 into future years, to make sure that we have the right talent on board.

22 As a result of these activities, the agency has made significant
23 progress towards decreasing our salary and benefit costs. And as a result, in
24 2013, our hiring trend is upward. We expect by the end of '13 to hire about 2,000
25 -- 200 people. And what this does is it basically replaces the people we expect to

1 lose through attrition. So, we have kind of a zero-sum gain, which means that in
2 '14, we'll be below our budgeted staffing levels. So, we will continue this upward
3 hiring trend in 2014.

4 Next side, please. So, we believe that we're well positioned to
5 meet these increased hiring goals, particularly because the agency, during its
6 period of decreased hiring, did not completely suspend recruitment and outreach
7 activities. We continued to have a presence on campus and with professionals
8 to promote a very strong agency brand. We are a great place to work. And we
9 just let folks know that we may not have an opportunity right now, but we did
10 expect hiring to pick up. And we hope that they would check back with us over
11 the coming years.

12 So, that's put us in a good position as we come into '13 and
13 certainly as we go in '14. The staffing plans I mentioned are also helping us to
14 better target our outreach and recruitment efforts. We have a very
15 comprehensive recruitment event scheduled this year that covers both campus-
16 based activities as well as activities for professional -- experience professionals.
17 Important aspect of our recruitment activity is, of course, to increase diversity in
18 the candidate pool. And as such, over 50 percent of the events on our schedule
19 do focus on minorities, women, veterans, and individuals with disabilities.

20 Entry-level hiring is an important component to addressing our
21 salary and benefit and position management challenges. And right now, we
22 expect to hire about 25 new NSPDP by the end of '13. And we also have 50
23 students who are across the agency this summer, participating in our student
24 internship program. And both of these numbers are about double what we had
25 last year. We continue to use the CO-OP program to develop students to fill

1 future positions on the staffing plans.

2 And we have a number of special programs -- of course, our
3 veterans employment initiative is going very well. We were fortunate to have two
4 NRC veterans do rotations in OCHCO to help get that program started, which
5 was very successful. In fact, we were one of only four agencies last year that
6 met our OPM-established hiring goals for veterans. And I'm happy to report that
7 this year we're on track to meet those goals again in '13.

8 In addition to disabled veterans, we also work to identify
9 opportunities for individuals with disabilities who are not veterans. We work with
10 a number of federal programs, including the Workforce Recruitment Program for
11 college students with disabilities and OPM's Shared List of People with
12 Disabilities. So, through these programs, we're able to collect resumes as well
13 as when we're out at career fairs, and these individuals are eligible for non-
14 competitive appointments. So, we developed a SharePoint tool to house these
15 resumes. And HR specialists are now able to look at the staffing plans, look at
16 the resumes, and try to make some matches and potentially fill positions before
17 even posting a vacancy. So, it improves diversity. It also expedites the hiring
18 process. And it is less work for the HR specialists.

19 We talked a little bit about diversity in our recruitment plan. But
20 also, as the EDO mentioned, we did recently stand up a Diversity Management
21 and Inclusion Council. And -- known as the DMIC -- which is a sub-committee of
22 the Human Capital Council, but membership also includes representatives from
23 all of the seven EEO advisory committees. It's co-chaired by SBCR and
24 OCHCO. And it provides visible leadership for this diversity and inclusion,
25 monitors implementation and progress toward the agency's comprehensive

1 diversity management plan, and will make recommendations for adjustments to
2 the CDMP as necessary.

3 Finally, work-life, benefits, and incentives. We're very fortunate that
4 the agency has a very good work-life program. We also have a number of
5 recruitment, retention, and relocation incentives that help us to remain
6 competitive in the market. Our work-life programs are very well known. Rarely
7 do I go out somewhere and someone doesn't say to me, "Wow, the NRC. I
8 heard that's a really great place to work." We have excellent flexible schedules,
9 telework opportunities, the fact that we have the fitness center -- either on-site --
10 or opportunities for folks to be members of fitness centers, the health unit, the
11 daycare center. We have a lot of things that make it easy for people to balance
12 their work and personal lives.

13 So, with that, I'm going to turn it over to Ben Ficks, who's going to
14 talk a little bit about the internal strategies.

15 BEN FICKS: Thank you, Susan. Good morning, Chairman and
16 Commissioners. I'll discuss some of the internal strategies that we use to
17 develop NRC staff and to close any skill gaps.

18 Employee development is a key driver for employment -- employee
19 engagement. And we're committed to maximizing opportunities for staff
20 professional development. The 70-20-10 rule says that employee development
21 happens in three ways. Seventy percent is on-the-job experience. Twenty
22 percent is through relationships, coaching, mentoring, feedback. Ten percent
23 comes from formal training opportunities. And this concept is particularly
24 important to keep in mind in light of the tight budget environment in which we're
25 operating and the rest of the federal government's operating.

1 So really the key foundational piece is individual development
2 plans. And IDPs are really the foundational pieces for staff to develop their
3 career, plan their career. And it's really a result of the strong partnership
4 between staff and their supervisor. The assessment begins with, where are you,
5 where you want to be, and how you're going to get there. So, OCHCO has been
6 re-emphasizing the benefits of IDPs for all NRC staff and has reminded staff of
7 the IDP guide that was issued back in 2008 to assist all staff and supervisors.
8 And we've been sponsoring training for offices that are interested, as requested.

9 To further support on the job development, OCHCO encourages
10 the use of rotations and details as Bill Borchardt mentioned earlier. Rotations,
11 really, we see as a win-win for offices with needs. And they give staff a chance
12 to take on new stretch assignments. To support feedback, OCHCO has
13 coaching training for supervisors and also interpersonal effectiveness training for
14 all employees in the areas of crucial conversations, emotional intelligence, and
15 civility. And we also run a mentoring program. Participation in the mentoring
16 program is voluntary, but it provides an opportunity for employees to discuss their
17 career goals and aspirations with experienced NRC employees. You may have
18 seen that we had a very successful flash mentoring even last year. And we plan
19 to do more of those in the near future. We also offer a variety of formal
20 development programs, including the SES Candidate Development Program,
21 Leadership Potential Program, Supervisory Development Program, Nuclear
22 Safety Professional Development Program, and the Graduate Fellowship
23 Program. The next SES Candid Development Program is scheduled to begin
24 September 2013. And this year, the selection process includes an OPM
25 assessment center, which is a standardized assessment process in which

1 candidates participate in a variety of exercises or simulations. And these
2 exercises are designed to resemble real-world situations and include multiple
3 exercises and evaluation against several skill dimensions and competencies.
4 And they're scored by trained observers of actual behaviors.

5 Back in October 2012, we held the completion ceremony for the
6 LPP class. And there were 25 graduates. And that was 100 percent. And these
7 participants organized in five different groups and completed projects and -- with
8 the support of an SES mentor -- in five different areas, including agility and
9 resilience, performance management, interdependence, bullying, harassment
10 discrimination, creativity and innovation. And findings from each of the projects
11 were presented to SES managers and are being used by business line lead
12 managers.

13 In addition, in December, we had 49 graduates of the Nuclear
14 Safety Professional Development Program. And participants worked within
15 major training and development tracks, such as inspector certification,
16 international programs, research, security. And they went through experiences
17 and on-the-job training, formal classroom training, rotational work assignments.
18 And as Miriam mentioned, we centralized the program management for this area
19 in 2013. And it's going very well. For instance, we have 72 rotational
20 assignments to the current 22 participants. And we're very excited about that.

21 We also use the Graduate Fellowship Program as one method of
22 closing critical high-priority skill gaps. We currently support eight participants in
23 that area. And we also developed programs to address emergent priority needs,
24 such as the grow-your-own PRA analysts. And we ensure that the courses are
25 available for the 10 or so that are participating in that program at the TTC or the

1 PDC.

2 OCHCO does offer approximately 300 instructor-led courses at the
3 TTC in Chattanooga and at the Professional Development Center at
4 Headquarters and over 1,000 courses in iLearn. And in light of the external
5 training budgets, as Miriam mentioned, we continue to work to improve our
6 marketing understanding of those in-house opportunities to maximize employee
7 development. For example, we have quarterly executive leadership seminars
8 that are usually available to just the SES. But we've opened it up to all
9 supervisors to maximize the value to the agency. And our next one is scheduled
10 in June and it's on employee development, which is a topic area of interest based
11 on FEVS feedback.

12 What's exciting is there's a book within the 24 by 7 library that all
13 employees can access. I actually pulled it off and looked at it through my iPad.
14 So, it's mobile-friendly.

15 Next slide. OCHCO has made revitalization of the agency
16 Knowledge Management Program a priority. This addresses what Miriam
17 discussed in the tsunami slide. And basically, the plan involves reintroducing the
18 Knowledge Management concept to supervisors, managers, and employees by
19 ensuring that we have active office KM champions and staff leads that are
20 working to capture high-value, high-risk knowledge for the agency. It also -- in
21 OCHCO, we try to provide innovative support structures to capture high-value,
22 high-risk information. Some recent accomplishments include an agency-wide
23 November campaign which was designed to raise visibility and awareness of the
24 importance of knowledge management. Also, the Office of Research has
25 published the first KM NUREG on Three Mile Island and plans other publications.

1 Also, the New Reactor Office has sponsored a panel on 50 years of New Reactor
2 Licensing. And also, the Diversity Advisory Committee on Ageism as part of
3 Older American Month and a few weeks ago sponsored a very popular panel on
4 KM and plans to do another one next November. That concludes my portion of
5 the presentation. I turn it over to Jody Hudson.

6 JODY HUDSON: Good morning Chairman and Commissioners, it
7 a pleasure to talk with you this morning about the agency culture. We continue
8 to maintain a very strong focus on the agency's culture for a number of reasons,
9 not the least of which is there's a very strong correlation between organization
10 performance and the organizational culture, and particularly, with regard to
11 employee engagement. And highly engaged employees are on average, 60
12 percent more productive and six times less likely to leave. There's a very, very
13 strong business case for maintaining a strong culture and strong employee
14 engagement. And by almost every measure we are succeeding with regard to
15 maintaining an effective culture here at NRC.

16 Next slide, please. How do we monitor the culture, there's several
17 mechanisms. We rely very heavily on the annual OPM Federal Employee
18 Viewpoint Survey which is currently open for the 2013 year. We also rely very
19 heavily on the Safety Culture and Climate Survey that the IG conducts every
20 three years. And then there's also a variety of mechanisms through our internal
21 programs where we keep more of a constant, real time pulse check on the
22 culture. This includes through our employee and labor relations channel, also
23 through working, coordinating with SBCR on EEO so we stay abreast of the
24 broad issues that are coming in through that channel. Also maintaining contact
25 with OE with regard to safety culture to see what is coming in that channel. And

1 then also through our organizational development function that we have. And
2 last year we had 35 different organizational development engagements across
3 the entire agency, regions, headquarters' offices, different offices across
4 headquarters. And we digested information at the end of the year, and stilled it
5 down to what are the commonalties between the different functions that give us
6 some idea about where we might want to focus to continue improving the culture.

7 And so almost every measure that we have here, again, we have a
8 very successful, very strong culture here. And the next slide indicates just how
9 well we're doing. This particular slide shows multiyear trend from the Federal
10 Employee Viewpoint Survey data as it's presented by the Partnership for Public
11 Service and their Best Places to Work rankings. And you can see our -- the NRC
12 line is the top line. And from 2005 onward, we continue to have an upward trend
13 well above the government-wide average, which is the gold line, until about 2010,
14 and then a slight decline. And one thing that we are somewhat concerned about
15 is our decline is a little more steep than the government-wide average, but we
16 still tend to be performing very, very well. We are rated the number three top
17 agency among medium-sized agencies last year. Medium-size agencies was a
18 new category. We are still rated higher, though, or our score is higher than the
19 top ranked large agency which is NASA. But we are monitoring our downward
20 trend, identifying what is it in the environment that we can continue to focus on to
21 continue to maintain a strong culture here. And again, this slide shows that we
22 are very, very successful. The OPM FEVS also reports the data in a variety of
23 other ways. For example, they have a couple of key metrics, one is overall
24 global satisfaction. And the overall global satisfaction score for NRC, we are the
25 top ranked in terms of global employee satisfaction.

1 Another key measure that OPM assesses is employee
2 engagement, we are tied for number one with NASA on employee engagement.
3 So again, by just about every measure we are doing quite well with regard to
4 maintaining a strong culture here at NRC.

5 Next slide, please. We did have a unique opportunity this last year
6 in that the Safety Culture Climate Survey and the Federal Employee Viewpoint
7 Survey, the data became available in the same timeframe in the fall. This
8 allowed for an integrated analysis between the two data sets. In the past we
9 analyzed each data set unilaterally, and it made it somewhat cumbersome with
10 regard to action planning and deciding where to focus on. This year, a unique
11 opportunity, and we capitalized on it.

12 We analyzed the data, combining the two data sets, identifying
13 what are the two data sets telling us with regard to where we should improve,
14 where we're strong, where we -- where are the challenges, where are the
15 opportunities. And this slide shows the major areas that we decided to focus on
16 over the -- this year and coming years. Some of these areas will take more than
17 one year to effectively address.

18 But the four areas that we are focused on is performance
19 management, this is one of our top areas for making improvements; employee
20 development -- and not to be confused with training and development. You may
21 recall from the OIG briefing on the Safety Culture Climate Survey data, that with
22 regard to training, people need to do their jobs we are very, very strong. We are
23 higher than the benchmarks. On the other hand, when it comes to continuing
24 development, career development, which is a little different category than training
25 people need to do their jobs, that's an area that we can improve upon. And so

1 that's an area you heard Ben talk about, some of the opportunities that we are
2 marketing for employee development, more rotational assignments, the
3 experiential learning, stretch assignments, those sorts of things are areas that we
4 are going to continue to focus on to continue to give people the opportunity to
5 continue to grow and develop throughout their careers.

6 The other area that we're focusing on -- appreciating the value of
7 human differences. This was an area that came up in the Safety Culture and
8 Climate Survey data, not so much in the Federal Employee Viewpoint Survey
9 data. In fact, in the Federal Employee Viewpoint Survey data, in digesting the
10 demographics as they are reported by the Partnership for Public Service, again,
11 using the FEVS data, we are number one in the views of women. We are
12 number one in the views of veterans. We are number one in the views of people
13 under 40. We are number one in the views of a number of different
14 demographics. There are areas that we can do better in. So this area though is
15 -- the fact that it came up in the Safety Culture Climate Survey data does concern
16 us, so we are analyzing what is it that we can do though ensure that all people
17 feel appreciated here, regardless of the differences they have between them.

18 And then lastly, the major focus area is the environment for raising
19 concerns. This is an area that really touches on the area of safety culture. We
20 want people to feel that they can bring issues to the table and that they're heard,
21 that they're listened to. And this also encompasses taking a look at the
22 nonconcurrence process and DPO process in ensuring that those processes are
23 working effectively, that employees know that they're available to them, and that
24 there is no reluctance to use those particular mechanisms if people to want use
25 those.

1 So just in summary, we continue to have a very strong culture here
2 at NRC. By every measure, we are doing quite well. We have a slight downward
3 trend compared to the rest of the federal government, which has caused some
4 concern, but we're doing everything we can to continue to monitor and analyze
5 where it is that we can make a difference so that we continue to be the best
6 place to work here at NRC. With that I'm going to turn over to Vonna.

7 VONNA ORDAZ: Thank you, Jody. Good morning, Chairman and
8 Commissioners. I'll briefly provide you with NRC workforce demographic trends,
9 diversity comparison of NRC with other federal agencies, and mention a few
10 workplace inclusion opportunities. Details are provided in the background book
11 for this area.

12 Over the past several years, the NRC has made many strides in
13 recruiting, hiring, and promoting women, minorities, persons with disabilities, and
14 veterans, to ensure a diverse and inclusive workforce. Although the agency's
15 overall workforce has decreased, the overall percentage of minorities in the work
16 force as modestly increased since 2008. This includes representation of
17 minorities in the mid-level feeder group, supervisor and manager positions, and
18 SES positions. The representation of women at the NRC since 2008 has
19 increased in the mid-level, GG13 to 15 feeder group, and slightly increased in the
20 supervisor, manager, and SES positions. The representation of persons with
21 disabilities continues to remain relatively stable at almost 1 percent of our total
22 workforce and is equal to the government-wide average.

23 The Commission asked the staff to review how NRC compares with
24 other federal agencies in the representation of women, minorities, and persons
25 with disabilities in leadership and feeder positions. The NRC's mission focused

1 on regulating the nation's use of nuclear materials, and protecting public health
2 and safety is very different from other federal agencies. However, some other
3 agencies do have a STEM-based mission. As such, we compared NRC with
4 those agencies using the most recent data from the EEO Commission. We are
5 pleased to report that the NRC is higher than the government-wide percentage in
6 most comparable STEM-based agencies in the following areas: targeted
7 disabilities in SES and feeder positions, and total minorities in feeder positions.

8 We're relatively consistent with the government-wide and
9 comparable STEM-related agencies in the following areas: total minority
10 population in SES and senior-level managers/supervisors, also targeted disability
11 population. We are slightly lower than the government-wide percentage in
12 comparable STEM-related agencies for women in SES and feeder positions.

13 While NRC continues to be a leader in employing an inclusive
14 workforce, according to OPM, as recent as last week, we acknowledge that
15 specific areas for improvement remain, and we continue to identify and remove
16 any barriers that may exist in an effort to promote diversity and inclusion at the
17 NRC.

18 Some examples were mentioned earlier with regards to our efforts
19 underway with the Diversity and Inclusion Council, we're very excited about the
20 work before us in those areas with three main goals of promoting workplace
21 inclusion, workforce diversity, and sustainability. We're also working with OPM's
22 Diversity Inclusion Office to understand some new information we received just
23 last week on an inclusion IQ which measures employee perception and how it
24 impacts our culture and environment.

25 There's also other opportunities such as the SESCOP and

1 Leadership Potential Program that are other opportunities to help look at
2 inclusion in the NRC. And we're pleased to see we have some new and
3 refresher EEO and diversity training in place, and we're benchmarking with other
4 agencies, such as the Veterans Affairs, NASA, and others. Our continuous
5 outreach agency-wide with a variety of lunch and learn sessions on EEO,
6 diversity, awareness, and change management have been underway as well,
7 thanks to the support of OCHCO, the SBCR staff, and our EEO advisory
8 committees and counselors. Thank you.

9 BILL BORCHARDT: Well, thank you. I'd like to thank all of the
10 presenters for describing just some of the few highlights of the many activities
11 that are ongoing within the staff, and to acknowledge that it's the efforts of many,
12 many more people throughout the organization that help make the NRC what it is
13 today. I have a very firm belief that every one of the almost 4,000 people in the
14 NRC have a strong commitment and belief in the NRC mission, the principles of
15 good regulations, the NRC values. But under the current environment, this is no
16 time to relax that commitment. And as part of that effort, we have initiated a
17 small workshop training program called "Behavior Matters," which is an
18 opportunity for the staff to meet over in our new training facility, in the new
19 building, to discuss some of the issues that they see that are supportive of the
20 NRC organizational values, and then those behaviors that aren't, so that we can
21 focus on continuously improving and keeping a spotlight on those kinds of
22 behaviors that we want to see modeled.

23 Regardless of what the external environment is, whatever the
24 reaction needs to be from the political environment downtown, it's really how we
25 treat each other that impacts what our day-to-day life is like, and how productive

1 and valued we feel. And so we're putting an accelerator on our emphasis on
2 those types of activities moving forward so we can stay to be the kind of
3 workplace that we want to be. That completes our presentation. Thank you.

4 CHAIRMAN MACFARLANE: Thank you guys very much, and that
5 was very interesting, and we'll turn to questions now. And Commissioner
6 Magwood is first.

7 COMMISSIONER MAGWOOD: Of course it's Monday morning, so
8 why shouldn't I go first, right?

9 [laughter]

10 Well, first, let me thank all of you for your presentations this
11 morning. It's always good to hear the activities that are going on to continue to
12 maintain the strong staff that we have. You know, when we -- Commissioners go
13 overseas, we -- it's very easy for us to discuss the quality of the NRC staff as our
14 greatest asset, and as I think about events, certainly over the last couple of
15 years, I think that the quality of the staff has asserted itself quite nicely, and I
16 think that as we've gone through adversity, and as we continue to go through
17 adversity, the fact that we have such a strong, dedicated staff, and I agree with
18 Bill's comment that people that work here do have that commitment; I think it's
19 been very important.

20 Obviously, there are challenges, and you've talked about some of
21 these challenges. And, to some degree, I think that these challenges are all
22 things that are difficult sometimes to get a firm grasp on because they aren't --
23 you know, they're not engineering problems. You know, and one of the things
24 that I appreciate about having Vonna in her current position is that she brings an
25 engineer's perspective to some of these amorphous subjects such as, you know,

1 improving diversity and things like that, where perhaps you can measure the
2 outcome, but how you get there is less clear. You know, the process of
3 achieving these goals is -- you know, takes a lot of work over a long period of
4 time. It's kind of like a hockey game, right, I mean, where you have to go shift
5 after difficult shift, and if you can do everything right, you know, in the last 30
6 seconds, for example, things can go wrong, and you might find yourself on the
7 other side of the win/loss column. Some people know what I'm talking about.

8 [laughter]

9 You know, and I look at -- and I think, Vonna, you mentioned very
10 briefly this -- from the last Commission briefing there was a – from the SRM staff
11 providing some information about how we compare to other agencies. And I
12 think your comment was that we're slightly under in the case of women in these
13 feeder positions. I guess when I saw it, I think, "Well, slightly under," I think we
14 came out 27.65 percent versus 35.85 percent in comparable-sized agencies. So
15 although I do recognize that there's significant differences in the types of
16 agencies, and we don't compare well to a lot of these other agencies, but I
17 noticed, for example, NASA, which is also highly technical, was about the same,
18 so that helps. But, you know, I still think that that's an area where I think we
19 could be a little disappointed we don't have a stronger representation in the
20 feeder groups. You know, as I think I said during the last Commission briefing,
21 you know, worry less about where we are today because where we are today is a
22 result of decisions made, you know, years in the past. I worry more about where
23 we are positioning ourselves for the future.

24 So let me just sort of ask the three who are in the middle here, what
25 do you -- what was your reaction when you see that? Do you think that there's a

1 need to do something else, and to enhance that feeder group? Is there
2 something we're not doing today that we should consider doing tomorrow?

3 BILL BORCHARDT: Yeah, clearly, we want this to remain a focal
4 point. You know, we can target recruitment; I think we're trying to do a little bit
5 better job in targeting specific universities and educational institutions to be able
6 to go to target-rich environments. We ought to continue that, but I don't think
7 that's unique to the question about women. It has to do with all of the various
8 groups that we're interested in increasing diversity.

9 You know, a -- not to just try to focus on excuses, but the feeder
10 pool coming out of the university is not robust in this area. If you go to the
11 nuclear power plants, you don't see a great deal of diversity in those
12 organizations as well. So I don't -- if anything, I think we're actually probably
13 doing better than the industry as a whole, but, you know, I think we just keep
14 pushing and focusing; that's about all I can really envision us doing.

15 COMMISSIONER MAGWOOD: Miriam or Vonna, any comment?

16 VONNA ORDAZ: Thank you. I think the efforts we have underway
17 with the Diversity Inclusion Council, we had a great kickoff last week, and we
18 heard some of the strategies that VA has as well in part of our efforts to
19 benchmark with other agencies, and we have some concentrated groups that are
20 breaking out to look at different barriers that exist for all groups, including
21 women, minorities, individuals with disabilities, and veterans, and look to have
22 more focused discussions on those areas, and see what we can do to improve.
23 But there's a lot of good opportunity -- I was real pleased to see at the recent
24 Human Capital Council meeting, the recruitment list, as Susan mentioned earlier,
25 is very diverse in looking further at, you know, IHEs, the institutes for higher

1 education, as well as the MSI, so it was very encouraging to see that so we can
2 look broader across all of the disciplines.

3 MIRIAM COHEN: I would agree with Vonna and Bill, I think the
4 other thing we have to really think about is -- and again, not -- since your
5 question was focused on women, I'll address part of that, and that is, when you
6 look at the feeder groups, I think we're doing a better job than we have in years
7 past. I do think, you know, it really starts at the very initial entry into the agency,
8 where hiring managers really have to be comfortable hiring someone that, you
9 know, maybe doesn't look like them. I don't know how to say that any other way.
10 And really challenge that conventional thinking all the way up the chain. And
11 then when you get to the 13 to 15 range, and then potentially for the SES, I
12 mean, we do know, to some degree, that women are self-selecting out. I don't
13 have statistical data, but there could be some women, high-performing branch
14 chiefs that could be working mothers, and maybe don't think that they can do the
15 rotations or do what's required because there is kind of this, like, feeling, "Wow,
16 am I going to be able to work as an SES if I have responsibilities, you know, as a
17 working mother?" Again, there could be other groups that have similar
18 challenges, but your question was directed about women. But we do know that
19 there is some self-selection out. Again, I don't have exactly what the data looks
20 like, but it's anecdotal from hallway chatter.

21 COMMISSIONER MAGWOOD: We appreciate that. Let me ask a
22 follow-up question based on something you said, Miriam, that how you counsel
23 the hiring managers, and this sort of broadens out to the entire, you know,
24 women, diverse populations, disabled, whatever. What do we actually tell the
25 managers to do when they're interviewing candidates? If -- what's -- what

1 instruction do we give them when it comes to this subject?

2 MIRIAM COHEN: Susan, why don't you take that since you deal
3 with a lot of the new applicants coming in, and various flexibilities we have for
4 managers there.

5 SUSAN SALTER: I think, you know, we work with the managers to
6 make sure that -- try to uncover any hidden bias or subconscious bias that they
7 may have, so particularly with women and with minorities. So are you asking
8 questions, or what are you thinking about when you're looking at candidates?
9 Are you thinking about a young woman who may have children? Is that
10 influencing your decision in some way? And making sure that they are aware of
11 that and they are not including that in their thought process when they are
12 interviewing.

13 I think the other thing that we try to do is get them to think broader,
14 discipline-wise. So do you have to have a nuclear engineer? Do you have to
15 have a mechanical engineer? Obviously, less women -- more women are going
16 into chemical engineering. So is that an option for you? You may find that there
17 are more women in other disciplines than in a discipline like mechanical
18 engineering. So try to look more broad at what it is that you are hiring for and is
19 there a major or discipline that might provide more women candidates.

20 COMMISSIONER MAGWOOD: Well, I -- let me sort of ask Bill to
21 react to this because it seems to me you can have, you know, a branch chief who
22 is doing an interview and he has one -- he or she has one candidate, let's say
23 Ohio State University nuclear engineer, 3.5 GPA. Another candidate, let's say,
24 Bowie State, 3.8 GPA, engineering science, very smart kid. You look at these
25 two. He's going to choose the Ohio State guy if he has more times than not. Is

1 there a problem with that? Is that okay? But doesn't that also get you in a
2 situation where you are selecting people who look more like you, as opposed to
3 someone who has a different background? What do we say to the managers in
4 those situations?

5 BILL BORCHARDT: Well, we approach this from an agency-wide
6 basis, so we have certainly -- certain objectives to improve our diversity within
7 the overall office or within the overall agency. We don't provide quotas to the
8 selecting official. We do, through the work of the Diversity Management and
9 Inclusion Council now, but also through our other programs, place an emphasis
10 that all supervisors are aware of, and they know that we are trying to become
11 more diverse, so they factor that in. We don't give them a specific instruction, but
12 it's part of the calculus that they make in trying to pick who will benefit the agency
13 the most in the long term. It's not always the person who is immediately ready to
14 perform at 100 percent. Sometimes, it's worth an investment to help improve the
15 diversity and the overall planning for the organization.

16 VONNA ORDAZ: I would just mention, too, just recently in the past
17 week there was an all supervisors meeting. We had an opportunity to share the
18 notion of the diversity inclusion executive order that came out and it's a capital D,
19 not a small D. it's not just what we look like and what our gender is but, you
20 know, the importance of the diversity of background to bring into the
21 organization, and that was a meeting with all supervisors in the agency. And
22 also, in our EEO and diversity training, this -- it's ramped up a new -- to share
23 those types of messages as well and to help extend that knowledge to the
24 selecting officials which are your first-line supervisors, to helping increase the
25 qualified pool of applicants. The final decision is clearly up to the supervisor.

1 COMMISSIONER MAGWOOD: Okay, thank you. My time is
2 basically up, but just a comment and then a quick question, perhaps. The -- one
3 of the things I think that I didn't hear at the table much today was, you know, we
4 do have, you know, the University Grants Program which is run out of OCHCO
5 and we have the MSI program that's run out of SBCR, and I don't really -- I never
6 really get the sense that we leverage those programs from a human capital
7 standpoint as much as we could. You know, those programs give us great entry
8 into university community. They have – they are providing funds to students that
9 are taking coursework that could benefit us, and I don't get the impression that
10 we look at that as a strong pool. Miriam's going to respond, but before Miriam
11 jumps into the response, let me -- all right, let me go -- go ahead, Miriam.

12 MIRIAM COHEN: No, I think we were prepared for that and I
13 wanted Susan to give you a little background on how we do try to leverage that.

14 SUSAN SALTER: Thank you. Well, of course, when we are on
15 campus, we reach out before we go to campus to the students that got
16 fellowships or scholarships from us, letting them know we are going to be there,
17 encouraging them to stop by the booth. We also do that with the number of
18 student organizations; the National Society of Black Engineers, Hispanic
19 engineers. So we do try to do a lot of outreach before we even get on campus.
20 In addition, we'll meet a lot of times with the PI for the grants, the person at the
21 school that's running the grant, and they will oftentimes arrange meet and greets
22 for us with -- just with the grant students, so we are able to meet with them and
23 talk to them about opportunities that we have and we do hire a couple every
24 year, depending on, you know, how many NSPDP we are hiring. So we have
25 been successful in recruiting. The numbers aren't huge as far as how many but

1 the quality is very high. So there is a lot of competition for these students. They
2 are very high quality. But we are successful in getting them to both apply and in
3 hiring some of them. So that's a little bit about what we're doing with our
4 program.

5 COMMISSIONER MAGWOOD: That's helpful. And do we do
6 something similar with the MSI program?

7 VONNA ORDAZ: In terms of hiring the ones that -- we're trying to
8 follow more closely institutions that we provided the grants to to see if they
9 ultimately end up here at the NRC. We've had some success. Of course, the
10 purpose of those grants is to -- grants are to help the betterment of the entire
11 nuclear program in the country, not just to bring it back to the NRC, but they
12 could go on and work into the industry in other areas, but we have had some
13 successes and we are continuing to monitor those.

14 COMMISSIONER MAGWOOD: Okay. Well, I'm way over time, so
15 thank you, Chairman.

16 CHAIRMAN MACFARLANE: Thank you. Commissioner
17 Ostendorff.

18 COMMISSIONER OSTENDORFF: Thank you, Chairman. Thank
19 you all for your presentations this morning; very informative. I also wanted to
20 comment, and I want to applaud Bill and Miriam and Jim Dyer and other
21 members of your teams for how you've managed the human capital piece of the
22 budget sequestration. That's been done in a very thoughtful manner. Very few
23 agencies are in a position in FY13 to be doing any new hiring and the fact that
24 we are, as an agency, I think is really important, but it also reflects your
25 thoughtful strategic thinking in this area, so well done.

1 Susan, I'm going to start out with you. I wanted to ask a question.
2 Just, can you give me a ballpark feel when you -- I think you indicated about 200
3 hires you expect in FY13. It was something along those lines. About how many
4 job applications does NRC receive for every single opening we have? Is there
5 any aggregate average number we have? But I think it's a lot, but I don't know --

6 SUSAN SALTER: Yeah, you know, it really depends. So for
7 NSPDP, for example, we receive probably about 1400 applications, and like I
8 said, you know, we expire to hire about 25. We recently had an administrative
9 assistant position. I believe we got 900 applications for that. But when you are
10 looking at a grade 14, you know, nuclear engineer or reactor engineer, those
11 numbers are not going to be anywhere near that. You probably are talking 10 to
12 15 if you are -- you know, if you are lucky. So it really depends on the occupation
13 listing.

14 COMMISSIONER OSTENDORFF: How about for the entry-level
15 technical positions?

16 SUSAN SALTER: For the NSPDP, that's what I said. We had
17 about 1400 applications for, you know, the positions. Now, I'm -- I don't know off
18 the top of my head how many of those would be what we consider best qualified,
19 which looks at a combination of things; grade point average, relevant work
20 experience, honors and awards. So we do have a way to kind of pare those
21 down. It automatically rates and ranks them based on those three areas, so it
22 does help us just manage the large number of applications that we get.

23 COMMISSIONER OSTENDORFF: I think those numbers are
24 helpful especially when we try just to provide a big picture perspective as to how
25 things are in the private sector for hiring and provide some comparison between

1 the federal positions and technical positions, let's say, for private engineering
2 firms, I think, so I appreciate those numbers.

3 Susan, I'm going to stay with you for a minute. I want to, again,
4 congratulate you and your team for your work on hiring the employees with
5 disabilities, whether they be veterans or not. And Vonna and Jerome and Laurie
6 and I had a chance to have this discussion a couple weeks ago, and then last
7 week, the ACED noontime session down here in the foyer, I had a chance to talk
8 to Laurie from AECD and then, the next day with King. I think King is in the back
9 there. And I just wanted to put a pitch in for one consideration, and Vonna's
10 already heard this so, you know, right down the road here 10 minutes from us,
11 we have the Walter Reed Medical Center, and that's the amputee center for the
12 entire U.S. military, and I spent a lot of time down at the hospital this year, and
13 there's a lot of people there that perhaps are not looking for full-time employment
14 that are 100 percent disabled and to the extent that if we, as an agency, could
15 provide a friendly environment to introduce some of these young men and
16 women to, you know, a few hours a week, here's your re-introduction to the
17 workplace, recognizing that these folks are not going to go back on active duty,
18 whether it be in an internal position or part-time position, I just bring that to your
19 attention because I think we are probably the closest agency in a position to do
20 that. NIH is across the street, but we're also right -- very close by, and so I think
21 there's a potential opportunity, I think, in this area, especially with disabled
22 veterans. We measure success one person at a time. And if there's one or two
23 opportunities to do that, I would encourage you to pursue those. But, again, well
24 done for your outstanding success in this area.

25 There's a question for -- switch gears to Miriam and Bill. Are we

1 having any difficulties filling our residence inspector positions in the rural areas of
2 this country?

3 BILL BORCHARDT: We'll you're going to get the -- I think actually
4 you have the paper from the agency action review meeting -- the annual
5 assessment. You see that the longevity and position of the resident inspectors is
6 pretty stable. And I think it's still a highly attractive job. There are some financial
7 issues having to do with relocating these days with the real estate market and all.
8 But we have some tools that we're able to use to offset those for the most part.

9 So I think my answer to you is that it's not an extreme problem.
10 Something we want to make sure we send the very best out there. It's a very
11 important position. It's isolated, you know, just one or two residents. But I think
12 we're having high-quality staff that are taking those positions.

13 COMMISSIONER OSTENDORFF: Do we have any or many
14 positions for which we're relying upon regions or headquarters to provide 90-day
15 rotational assignments in order to be a gap filler in the absence of a permanent
16 solution?

17 BILL BORCHARDT: I -- yeah, I can't speak to any particular cases.
18 It wouldn't be unusual to send someone out on a rotational basis during an
19 interim; you know, if the resident inspector left, that we would have one or two
20 rotational assignees until we can work out the logistics of the move. But I don't
21 think if there are anything beyond one or two cases where that would be because
22 of difficulty finding someone for the position.

23 COMMISSIONER OSTENDORFF: Okay. But, I'm asking a
24 question. It seemed like over the last year, my visits to nuclear power plants --
25 other Commissioners may have different opinions, but seems to me like this is an

1 area where in some cases we are relying upon a -- you know the numbers better
2 than I do. It seems like we have more temporary, rather than permanent,
3 residents in some locations out in the more rural areas. So I may not have the
4 correct perspective on that.

5 BILL BORCHARDT: Well, we'll check on that. I think the paper
6 that we recently sent up for the annual assessment is the best source of
7 information. I'll have to look at it.

8 COMMISSIONER OSTENDORFF: Okay. Thank you.

9 Ben, I want to ask you a question. You referred to the individual
10 development plans. Are those required?

11 BEN FICKS: IDPs are not required, but they're very strongly
12 encouraged.

13 COMMISSIONER OSTENDORFF: Do you have any sense as to
14 how widely they're used across the agency?

15 BEN FICKS: I do not have a strong sense of that, but we're trying
16 to market it, so I can continue to monitor that and let you know.

17 COMMISSIONER OSTENDORFF: Is there any correlation or
18 nexus between the IDP and the performance evaluation system?

19 BEN FICKS: In general, people are encouraged in the
20 organizational effectiveness element to really build the organization's
21 effectiveness. So there could be a correlation through that.

22 COMMISSIONER OSTENDORFF: Okay. Reason I ask is, I know
23 -- and I need to probably look more at the IDP piece, but my experience in the
24 military and also Department of Energy was if you had a formal training goals or
25 personal development program, that was not necessarily optional, and I'm not

1 saying it should be mandatory, but I was just asking because I didn't know. But
2 there's also a very strong nexus between people having these goals and
3 objectives are going to achieve, and that'd be a metric for assessing their
4 performance during the annual performance cycle. So I was just trying to pull
5 that string. So it sounds like -- is this a relatively new tool that's been introduced
6 to the agency?

7 BILL BORCHARDT: No, we've had it for quite a while. It's not
8 mandatory. It's encouraged from our perspective because it gives a vehicle for
9 the supervisor and the employee to gain a common understanding of how that
10 individual can be best prepared for the -- for hopefully a long career at the NRC.
11 And it would also, I think, be a good way of identifying training under the
12 agreement that this training is appropriate for this individual. Given the resource
13 constraints, we might have to use some innovation to find a way to accomplish
14 that training, but that's what Miriam and her team are positioned to help do. So
15 it's more of a personal development tool, and that's why I think, we've left it as
16 optional.

17 COMMISSIONER OSTENDORFF: Okay. Thank you. I want to
18 quickly ask one question, kind of to leverage off Commissioner Magwood's
19 comments and questions on the gender, promotion potential, and I know a lot of
20 discussion about cohorts and what feeder groups that you had 10 or 20 years
21 ago that now lead up to SES competition and -- I guess just on the gender piece,
22 because I think that's probably the -- one of the things that Commissioner
23 Magwood was probing. As far as those groups that are up for a promotion cycle,
24 do we have any evidence of there being gender discrimination here at the NRC?

25 MIRIAM COHEN: When you say --

1 COMMISSIONER OSTENDORFF: I'm defining this as, you know,
2 based on percent select opportunity or percent promotion opportunity amongst
3 the group that is, you know, applying for a higher position or a higher pay grid.

4 MIRIAM COHEN: I mean, we don't have -- I mean, we could
5 certainly look at, you know, EEO complaints and historical, you know, numbers in
6 that area, but I have not heard anecdotally about, you know, numbers that would
7 suggest that there are problems in that area. I mean, I think we have to look at
8 historical trends and cases and whatnot. But when you -- there's people that
9 come into the government, like an NSPDP that have a career. They have
10 promotion potential. They come in at a 9. They go to 11 and 12 to 13. And then
11 there's competitive vacancies that are posted at the 14 and 15 level that are open
12 to all. You know, and we'd have to pull some data to see, you know, what the
13 EEO trends have been in that area. But I haven't seen anything to that effect.

14 The other interesting piece right now, last week we actually got a --
15 the Obama administration has put out a call to look at the gender pay gap issues.
16 I mean, this has been fairly prominent, too, so we'll be looking into that. I don't
17 believe we have a problem in that area at all.

18 COMMISSIONER OSTENDORFF: So, again, so it's a very mature
19 system -- military promotion system -- Enlisted Advancement Office of Promotion
20 with very strong data sets on cohort groups. And I know Tony's got a lot of
21 experience back there, looking at him back in the third row. But looking at this
22 group that entered the agency in 1993 -- 20 years ago. And as that cohort group
23 progresses and is applying -- and this gets it into a little bit of your self-select
24 comment that you mentioned here, with Commissioner Magwood, I think it'd be
25 helpful to know, do we have evidence of there being an imbalance in promotion

1 opportunity from these cohorts, whether it be on a race, ethnicity, or gender
2 basis, because that's where, I think -- it's difficult to compare ourselves to another
3 agency in the aggregate total numbers. But what is the percentage opportunity
4 promotion -- for promotion amongst these different groups? That's data that's
5 probably -- that can be exacted from some type of --

6 MIRIAM COHEN: Right. And our vacancies are merit-based, so
7 we're certainly going to look at all the -- the rating official has to look at the best
8 qualified and make a selection amongst the best qualified. I know we certainly
9 don't have data. It would be exhausting to have to look at every vacancy over
10 the past 10 years and pull the demographic data to see what the pool was or who
11 ultimately was selected. I mean, the reality is is that 60 percent of the workforce
12 is male. I mean, so, you inherently are going to have a pool that's going to be
13 male-dominated. I don't know what -- at every single position, you know, what
14 the numbers would be. But I think it would be a humongous effort to have to go
15 back to look at that. Again, I don't -- I'd have to look at maybe EEO trends and
16 activity in Vonna's space to see if there's been any findings of discrimination,
17 which I don't believe we have in the agency.

18 COMMISSIONER OSTENDORFF: That's fair.

19 VONNA ORDAZ: No. We have not had any findings of
20 discrimination in the agency. There was one in 2004, but since then, there had
21 been no findings. Gender is something that is identified as a basis, and as one
22 of the common bases that we do have in complaints, but no discrimination
23 findings.

24 COMMISSIONER OSTENDORFF: Thank you. Thank you,
25 Chairman.

1 CHAIRMAN MACFARLANE: Thank you. Let me start where you
2 left off. First with some kudos to Miriam and Vonna because I understand the
3 White House's Office of Personnel Management has singled out the NRC as
4 being exemplary in terms of its efforts in supporting diversity and inclusion in the
5 workplace. And they're using us as a model, I understand, so, congratulations.

6 But let me, you know, jump on this discussion that Commissioner
7 Ostendorff and then Commissioner Magwood were having with you. And just a
8 couple notes -- nothing really to respond to. But just a reminder, as George and I
9 know from the MIT experience, sometimes discrimination doesn't only show up in
10 pay gaps or something like that. In MIT's case it was lab space size. And that
11 had to be measured physically. And sometimes you can't tell from the pool of
12 applicants because the pool might have been preselected. And I think we may
13 have had some experiences at this agency, at least in the last year in that
14 direction already.

15 So I think that's something to keep in mind. And I think it would be
16 helpful to have statistics to start with, and I would encourage you all if -- you
17 maybe have already done this, but to be aware of the National Science
18 Foundation's -- just looked it up -- the Women, Minorities, and Persons with
19 Disabilities in Science and Engineering. So we know what we're starting with.
20 You know, they track numbers of bachelor's degrees in various science fields
21 and percentages over time -- Bachelor's degrees, graduate degrees, associate's
22 degrees -- everything. They've got all those data. So we can then say, you
23 know, "Do we really compare to the -- what -- the pool of potential applicants or
24 not. So, I will note that in earth sciences -- in 2010, the undergraduate degrees --
25 20 percent of the -- sorry -- 39 percent of the folks who received undergraduate

1 degrees were women. So, for example -- so, just FYI.

2 So let me turn to some questions. And this one is for Susan or
3 Miriam. You know, my experience as a professor over the past, I don't know, six,
4 seven years, is that I have seen a trend in students, sort of downward. They
5 seem to be losing the ability to learn to write properly -- that kind of trend. So I'm
6 wondering how we are assessing our -- the quality of the applicants we have for
7 our jobs, and whether you see any trends in the quality of the applicants for the
8 jobs -- the positions at NRC.

9 SUSAN SALTER: I don't think so. I think that, you know, the
10 quality of our applicants in general is very high, but of our student applicants as
11 well. And I think a lot of that does go to the interview process, the way that we're
12 selecting students. And, I mean if you look, a large percentage are nuclear
13 engineers. So, you know, they have a pretty rigorous curriculum to start with.
14 But I don't -- I am not seeing that.

15 CHAIRMAN MACFARLANE: Writing is usually not part of that
16 curriculum.

17 SUSAN SALTER: Yeah, that it true.

18 [laughter]

19 That is true. I have to say, I do not -- I have not heard -- in fact, I
20 have heard the opposite, that, you know, the students that we bring in are very
21 good.

22 CHAIRMAN MACFARLANE: Do we have any formal way of
23 assessing the quality?

24 SUSAN SALTER: It would be through their performance appraisals
25 process, I would believe. And I am not aware --

1 MIRIAM COHEN: And clearly retention. I mean, usually the first
2 year on the job, you're going to be able to see if people can perform and that they
3 -- we have some fairly rigorous standards that we hold here. So if people aren't
4 cutting it, I don't think they'll be successful in the agency. And our retention rate
5 is extremely high. When people come here, they want to stay here. And they
6 don't leave for many, many years.

7 SUSAN SALTER: So, yeah, I'm not aware of any information.

8 CHAIRMAN MACFARLANE: Okay. Then let me turn to a question
9 about training -- so, for Ben or Bill, or Miriam. You guys talked about training and
10 some of the training programs. And you talked about doing more online training,
11 and there is a general trend in the U.S. to more online training in general, with
12 these MOOCs in the university world. And, you know, I've done some of the
13 online training myself here. And frankly I think you don't learn half as much with
14 online training. And so I'm wondering whether you assess the outcomes of
15 online training, how successful it is, and if you do assess it, how you assess it?

16 BEN FICKS: I appreciate that feedback. The online training in
17 general -- their Kirkpatrick scores, Level 1, are about 4.1, but for instructor-led
18 training, it's about 4.4. We, in general, think a 3.5 or better score is what we're
19 targeting to. We do reemphasize the ADDIE process, which is the analyzed
20 design, develop, implement, evaluate. So we have a procedure where the
21 expectation for all instructors is to go through that process. So we collect
22 feedback, such as you're giving me right now. And we look at the course and try
23 to improve it.

24 So we do know some courses, for cost-saving purposes, like the
25 computer security awareness course, which was recently rolled out, we

1 leveraged DoD information. And they are kind of the best in breed, but it didn't
2 necessarily work perfectly with iLearn. And so, you know, we were struggling
3 with the balance of cost-effectiveness by leveraging a DoD-produced training,
4 with it actually working on our iLearn system. And we think we've corrected the
5 major issues. But we do, you know, get feedback like that as well. But, so we do
6 constantly balance and that's really what I would say. And we do evaluate.

7 JODY HUDSON: And I'll go ahead and jump in on this too. Not
8 every course lends itself to online learning. And, you know, if its communication
9 of facts, then it's certainly much more amenable to online learning. If it requires
10 analysis of simulation -- we're never ever going to be able to have some of the
11 simulator training be done remotely or online. It'll have to be done within the
12 simulator setting or the, you know, the simulator setting.

13 So we're getting smarter every day, as we analyze what lends itself
14 to online, what doesn't lend itself to online. But clearly there's cases where it
15 doesn't, and we will not be converting those to online. That being said, we have
16 like the seven-week technology series at TTC. Some elements of that series
17 does lend itself to online. And if we can provide some of that fact-based portions
18 of that seven-week training and do that online, students will come more
19 prepared, they will be focused in on the learning of that -- needs to be done in a
20 classroom or in a simulator setting. And at the same time, we can reduce overall
21 travel spend. So instead of having seven weeks of the technology series at TTC,
22 might be able to reduce it to something like five weeks or four weeks.

23 So we're getting smarter every day in deciding what can be done
24 online and what can't. And but it's still -- it's an evolving issue, not just at the
25 NRC but across federal government, and even those universities who are doing

1 online learning. I think we're all learning and getting smarter and smarter. The
2 challenge is just keeping up with technology. But clearly, there are some cost
3 advantages that are just going to have to push us in that direction. But we have
4 to be smart about how we do it.

5 CHAIRMAN MACFARLANE: So when you assess whether your
6 online learning has been -- iLearn stuff has been successful, it's -- you do it just
7 by those little tests at the end of the little packet that you go through?

8 BEN FICKS: I believe there's a feedback form. And you -- we
9 collect the data, which I just mentioned with Kirkpatrick score, you know --

10 CHAIRMAN MACFARLANE: Right --

11 BEN FICKS: -- do you see a 1 through 5.

12 CHAIRMAN MACFARLANE: I'm wondering whether people retain
13 this information over a longer period. Yeah, I see people saying, "No," in the
14 audience. And that was my experience. And it's like, "No." So, I think there are
15 multiple ways of learning. And some ways of learning lend themselves to
16 retaining information longer than others. And so I would just caution you about
17 relying too heavily on the online.

18 So you may see if you do more online training for the simulator
19 courses at the TTC, that folks will arrive and they may not be quite as prepared
20 as you thought because they've already lost some of the information that they
21 weren't supposed to on the computer screen, so...

22 JODY HUDSON: For all the courses, we established the learning
23 objectives up front, and there have been some studies that have been done. I
24 think Stanford had done some research on this area, where they took one
25 particular topic, did a online training, did a classroom training, same learning

1 objectives, compared the learning retention or performance between the two, and
2 it compared very, very similar.

3 CHAIRMAN MACFARLANE: Okay.

4 MIRIAM COHEN: An Chairman, just a fine point -- is it -- I mean,
5 we also have to have a -- make sure we're comparing apples and apples,
6 because there's what I would call the mandatory training that we have to take
7 because it's required by some external body, and there's been people in the
8 agency, including folks in the Human Capital Council that says, "Please, stop.
9 No more training. And if we have to, we want to do it online." And those -- and I
10 hate to call those, like, the malicious compliance training, but I will just for now.

11 And I would separate those from like the real training where we
12 have competency-based gaps that we have to address. And I would view those
13 in a very different light and as far as the retention that you're talking about, clearly
14 in those cases where people have technical quals that they have to pass. And
15 that is a measure of success. And we have indicators for that.

16 So I just want to make sure that we're not really looking at the
17 wrong thing, because we've come a long way in training and development. And
18 we're also looking at limited funds, as you know. And we've cut \$2 million from
19 external training. Unless some money is going to magically appear, we're going
20 to have to continue to get smarter.

21 CHAIRMAN MACFARLANE: Well, don't let our smarts outwit us so
22 that we don't learn anything. So, that's just my caution. Okay. I think we are
23 now turning to Commissioner Svinicki.

24 COMMISSIONER SVINICKI: Thank you. I want to thank each of
25 you for your presentations and to all of your staffs who helped prepare you to

1 give the presentations today. I want to compliment them on their work and thank
2 them for all of their efforts. After this exchange, I'm tempted to make a comment,
3 chairman, that after you have taken NRC's information security training five or six
4 years in a row, you'll be amazed at the retention of how you remember --

5 [laughter]

6 -- that you have to proceed through the virtual office building and
7 you have to interact with your virtual colleagues and unearth the various
8 information security lapses that are occurring throughout the building. At some
9 point you will find yourself begging to have some change in that script, because
10 you will be amazed at your retention. You can go into Alice's office and discover
11 that she wrote --

12 [laughter]

13 -- her password on a sticky note, and you'll really remember that
14 quite well after a few years.

15 Anyway, thank you for letting me get that out of my system.

16 [laughter]

17 I did want to -- everyone began with some comments. And I did
18 want to leverage off some commentary made by some of my colleagues.

19 First of all, as we head into this Memorial Day weekend, where we
20 will honor and remember the service of our veterans and, of course, our active
21 duty and reserve military, I want to congratulate NRC. Susan, I think you said we
22 are one of two agencies that met our veterans hiring. But still, I think that that's a
23 tremendous accomplishment. Congratulations on that.

24 I also wanted to add a comment about resident inspectors and
25 senior resident inspectors. Id' like to put in just a reminder that I agree with Bill

1 Borchardt that that continues to be a very attractive position, and the residents
2 and senior residents I encounter have a great enthusiasm for the mission and the
3 work they do.

4 However, I think there is maybe -- at least a potential -- that we
5 would find them so valuable in those roles that they do not have as much
6 opportunity for developmental rotations or other off-site training and
7 developmental opportunities just because they're essential. And I think this has
8 been compounded since Fukushima, where they have had to observe various
9 licensee activities, and they've been so busy. I think they're still getting there,
10 you know, family vacations and things, but I think when it gets to that next tier of
11 needs, of developmental opportunities within the agency, we need to keep that
12 position a very attractive position, which, again, I agree it is right now. But if they
13 feel like they're so essential in their day-to-day role that they're not given
14 developmental opportunities, then I think that there's a potential that our ability to
15 recruit people to take those positions might at least be a little bit diminished. So I
16 will hope that we will keep an eye on that for those folks out in the field.

17 I will say on individual development plans, I have experience as
18 well, Commissioner Ostendorff was talking about them -- if they weren't
19 mandatory at the Department of Energy, they certainly felt that way because you
20 actually sat down when you had your performance review, then you would, in any
21 areas where you were not fully to achieving the very highest levels of
22 performance in your performance review, you and your supervisor would sit and
23 look at your individual development plan, and it was an opportunity to say, "If I'm
24 not," you know, "outstanding in the following categories, are there any training or
25 developmental opportunities that would allow me to be so?" And I make the

1 comment about it being mandatory because if you -- there was a form for
2 requesting training, and if you did, there was one of the top items was, "Is this
3 training identified on your individual development plan?" And depending on how
4 the fiscal environment was, if it wasn't on there, there was almost no chance of
5 getting approved to take that training. So I agree with Commissioner Ostendorff
6 that there's a potential there to really allow employee performance and
7 development plans to work hand in hand. And I just share that experience.
8 Again, I'm not advocating that they be mandatory here, but I just give you this
9 view of how I thought it was a very synergistic system, at least in another federal
10 department.

11 I would like to ask a little bit more about this OPM, kind of these
12 graded exercises for SES candidates. I'm not understanding completely how we
13 send these folks to OPM. I think it's a day or maybe it's multiple days that they
14 go. But if we are, as an agency, utilizing the tool of SES candidate selection to
15 have this diversity in the SES that we would ultimately like to see, how heavily
16 weighted are these OPM exercises? Is that at some point going to frustrate our
17 selection, where we're trying to tailor, you know, again, the diversity that we want
18 eventually to see in the SES? What kind of weight or what -- how much of a
19 factor is this OPM exercise process?

20 JODY HUDSON: Yeah. I probably need to give you a little bit of
21 background about why we even make use of the OPM Assessment Center.
22 There's a couple of reasons why. In my talking with the office directors, at one
23 time office directors knew just about every candidate that threw their hat in the
24 ring for the SES CDP. And that's no longer the case. Went through a period of
25 rapid growth, had a lot of new talent, and not every office director does know,

1 intimately, what each of the candidates brings to the table.

2 So they felt that having some additional data point was going to be
3 helpful that as they dialogue among themselves about the strengths of the
4 individual candidates, they have some objective merit-based, third-party
5 assessment would satisfy or at least the hope is to satisfy that information gap.

6 So I have one additional data point to be part of the dialogue. We
7 are not using a process where it's simply a rank order of the performance on the
8 assessment center. It is simply a data point to help inform the discussion, the
9 dialogue that the executive resources board has as they make a determination
10 on what that final class looks like.

11 COMMISSIONER SVINICKI: I appreciate that further explanation,
12 but I guess I would offer this caution, is I think we should look carefully at what
13 weight we are giving whatever feedback we get from that assessment center.
14 Again, if we're putting forward SES candidates for inclusion and diversity, and yet
15 the assessment process, you know, somehow has too heavy of an influence in
16 this, I think we just -- we need to balance a number of factors. And I appreciate
17 your commentary that we can get this more objective assessment out of the
18 OPM process.

19 But I think -- I do think we need to balance that, I guess, maybe
20 with a little arrogance of saying, "You know, we have some pretty good insights
21 about what NRC needs." So we should certainly avail ourselves of the
22 assessment, but I hope we wouldn't lose sight of the fact that I think we take a
23 very thoughtful approach to this candidate selection. And so, hopefully we'll be
24 balancing kind of our own insights versus these insights that OPM can provide.

25 JODY HUDSON: Just as an FYI also, DOE, with the last two SES

1 CDPs they've used, they used the assessment center also, and the first year that
2 they used the assessment center had the highest composition of minorities than
3 any other previous class.

4 COMMISSIONER SVINICKI: That's certainly very encouraging. I
5 appreciate you mentioning that particular statistic.

6 I wanted to talk a little bit about agency -- those leaving the agency.
7 I don't know on the retirement tsunami, as we used to call it, certainly the 2008
8 economic downturn, I think, changed a lot of people's retirement plans. But
9 retirement, I think, inevitably -- it sometimes gets deferred but it is never
10 completely taken off the table, so I think -- I don't know if we're still facing a
11 retirement tsunami. And if so, is there anything we do about that, other than just
12 doing the careful planning for the future that you've already talked about?

13 The other thing -- if maybe someone could comment on is I always
14 look at our exit surveys for people who leave for reasons other than retirement. It
15 seems to me that the most recent data you've provided is consistent with
16 previous years in that the largest -- the highest percent category given for why
17 people are leaving, again, for non-retirement reasons, is none -- which is very
18 hard for us, then, to determine why they're leaving. But what's curious is that's
19 coupled with a statistic that 88 percent of employees leaving for reasons other
20 than retirement would recommend employment at the NRC. So that seems very
21 positive, but, Miriam, can you comment on those two items?

22 MIRIAM COHEN: I appreciate you asking the question because
23 we've been providing exit survey data for a number of years. And it's one thing it
24 has remained very, very constant.

25 On the retirement question is we've all been thinking that at some

1 point, 30 to 40 percent of our employees are going to leave, and, like, "What are
2 we going to do?" And it hasn't materialized. Now, what has materialized is that
3 the average age in the agency is going up. But what that also means is people
4 are also working here longer for whatever reason. It could be economics or
5 whatnot. And as I alluded to earlier, people that come here stay a long time.

6 And so I think if you look at the retirements, when people are
7 leaving, they're -- I think they're in their early 60s. Some people leave, you know,
8 later than that, depending on when they came into the agency.

9 So what we're really trying to do is look at the most populous
10 positions in the agency, determine where we have critical skills gaps, and make
11 sure we're doing enough on the knowledge transfer. And the good news that we
12 have is we have data that lets us project the retirement eligibility by series, by
13 positions over the next five years. So I can look now and say, "Okay, how many
14 health physicists are going to potentially be retirement-eligible in 2016?" Now,
15 even if that number is 30 percent, I'm not that alarmed because just because
16 you're eligible doesn't mean you'll necessarily leave. So I think we've always
17 been in position to plan for retirements and do a knowledge transfer that we
18 need.

19 As far as the -- why people leave and recommending us as an
20 employer, that I think that is very consistent. Every year I look at it to see is there
21 something in there? Are we missing something? And as you stated, most
22 people leave for retirements. There's some portion -- the younger part of the
23 workforce, I think some people in their 40s are more mobile, are leaving maybe
24 for transfers to the other agencies or people simply resign.

25 But I also have an opportunity to look at the exit surveys of folks

1 that maybe -- seem very disgruntled or whatnot. And those are few and far
2 between. So if you look at how many people actually left the agency and the --
3 how they filled out the surveys, there's very few -- only a handful out of the
4 people that leave that were just be like -- this is like the worst place to work.
5 Again, it's not -- it's a handful of – it's certainly not statistically significant. And I
6 think if you see 88 percent of the people would recommend the NRC as an
7 employer, I think, is a testament to it being a good place to work.

8 COMMISSIONER SVINICKI: Well, thank you for that. And I just
9 want to close with one other observation. I know we all come at this with our little
10 anecdotes. But there was some discussion about perhaps women going into the
11 SES having concerns about having children or family care commitments. I would
12 just say that in talking to some candidates for legal developmental opportunity in
13 my office, it was solely the male candidates who informed me that they have
14 young children and they have commitments, and they will need to leave the
15 office. So I don't think we should fall into a gender bias in thinking about gender
16 bias there. Thank you.

17 CHAIRMAN MACFARLANE: Commissioner Apostolakis.

18 COMMISSIONER APOSTOLAKIS: Thank you, Madam Chairman.
19 Thank you all for your presentations.

20 We've been talking about training, and there is a particular kind of
21 training that I'm curious about. I was at a nuclear plant a few weeks ago, and the
22 inspectors told me that they were at an open house interacting with the public.
23 And some of the members of the public were very emotional; started yelling at
24 them, calling them names. And the inspector said, "We had no idea how to react
25 to that."

1 So the question is are we doing anything to train people to give
2 them some advice what to do when they deal with the public? That could be a
3 formal meeting with the board, selectman and so on, or with individuals. So
4 those guys were really at a loss to say, "I don't know. I deal with pumps and
5 valves every day and all of a sudden I heard this guy yelling at me." So, please -
6 - did you have a --

7 JODY HUDSON: Yes. The ability to deal with those situations is
8 an important skill set. In both the scenario you just described but also in any
9 interaction we have with people that could be difficult. It might be between a
10 rather intense performance discussion between a supervisor and an employee.
11 It could be between two peers who have different ideas about how to pursue a
12 project. But it's a critical skill that we see as important. And we've been very
13 focused on building some interpersonal skills that get at that issue over the last
14 year and a half or so. Emotional intelligence is key, a key skill set to dealing with
15 that sort of a situation. Also, the difficult crucial conversations to be able to have
16 a discussion to keep the emotional tone down, how to, you know, sense the
17 emotional state of the other person you're engaged with and not feed that high
18 level of emotion. All those are very important skills sets that we recognize are
19 important and are focusing on building here at NRC, not just for people that
20 engage, say, the public, public meetings, which could be tense, but every single
21 employee. We see this as being an important skill set.

22 COMMISSIONER APOSTOLAKIS: So there are courses or maybe
23 even online?

24 VONNA ORDAZ: I can just mention, from my former experience as
25 a --

1 [laughter]

2 COMMISSIONER APOSTOLAKIS: It's better than nothing.

3 [laughter]

4 JODY HUDSON: And the short answer is, yes, we do have
5 courses. I'm sorry, we have courses at the PDC -- instructor-led courses. We
6 also have a variety of online assets for people to learn from.

7 VONNA ORDAZ: And part of the -- I would offer, Jody, also, part of
8 the qualification for being resident inspector, you do go through media training
9 and communications with externals and the public.

10 COMMISSIONER APOSTOLAKIS: So what did this guy do? He
11 failed the course, or what?

12 [laughter]

13 JENNIFER UHLE: This is Jennifer Uhle. I'm the deputy director of
14 NRR, and I'm going to be responding on behalf of the regions, so I'm sure the
15 regions are watching, and so please, hopefully, I'll do a good job on their behalf.
16 And that is the public meeting aspect is a really important part of what we do at
17 the agency, and especially in the regions, because they're on the front lines.

18 And of course, pertaining to nuclear power, there's a lot of emotion.
19 And so for every public meeting where we're expecting there to be a lot of public
20 interest and also maybe some people that are going to be more emotional than
21 others, the Office of Public Affairs in each region has representatives at the
22 regions and they actually work for the Office of Public Affairs. And so there's a
23 discussion that occurs and in dry runs that occur to prepare the people that are
24 going to be at the public meeting for these types of questions; a lot, you know,
25 looking at what's been in the papers and, you know, the calls that the public

1 affairs officers have been receiving.

2 So it is taken very seriously. I -- in some way I would expect that
3 there's differences in how each region approaches it, but I do believe that there is
4 a lot of preparation. Now, I'm not sure these particular resident inspectors, if they
5 were really saying to you, when somebody asks you to resign because you don't
6 care about public safety and their child has been diagnosed with cancer, and it's
7 your fault, it's always -- no matter how much preparation you're going to be
8 getting, it's always hard to answer that question.

9 So, you know, that's something that we try to prepare people for,
10 but it's really no course that can really help one get through that emotional
11 discussion with somebody who's upset.

12 COMMISSIONER APOSTOLAKIS: Well, appreciate these
13 answers, but I would like to get more specific information, maybe next time we
14 meet to understand better how -- because they seem to be reasonable people to
15 me when I met with them. I mean, and they said, you know, "We are thrown into
16 the lion's den and we don't know what to do." And so, let's leave it.

17 Looking at -- something here -- the 2012 Federal Employee
18 Viewpoint Survey results. The lowest positive response was to question 23. "In
19 my work unit, steps are taken to deal with a poor performer who cannot or will not
20 improve." So only 36 percent of people agreed that these steps are taken. So --

21 BILL BORCHARDT: Well, I think this will always be the lowest
22 graded score. Part of the reason is because you don't advertise adverse actions.
23 If I was going to provide negative feedback to you about your inadequate
24 performance I wouldn't do it in a room full of people.

25 [laughter]

1 And we don't do that. And the --

2 COMMISSIONER APOSTOLAKIS: Here, might not [unintelligible].

3 [laughter]

4 BILL BORCHARDT: It's however you interpret the comment.

5 [laughter]

6 But the fact is that those difficult conversations -- that critical
7 feedback is always done in private. And we don't advertise it. We advertise
8 good news all the time. And so there are the majority of cases when we're either
9 taking an official adverse action against an employee or just reprimanding them
10 for inappropriate behavior or putting them on some kind of a program to improve
11 their performance.

12 All those are really only known to a very few number of people in
13 the office at OCHCO: the individual and the supervisor. The only way to address
14 this, really, I think, it would be to publicize it, and we won't do that, so...

15 COMMISSIONER APOSTOLAKIS: Okay. And in the overview of
16 human capital, there are several places where the words "critical skill set"
17 appears. I know one of them is PRA. Let's not talk about it. But what are the
18 others? And I know you have your -- grow your own -- guy with three noses. But
19 what are the other critical sets, and what are we doing about them?

20 MIRIAM COHEN: Okay, I'll take this one. Susan, you can correct
21 me if I --

22 COMMISSIONER APOSTOLAKIS: And why didn't you mention
23 them by the way? I was curious.

24 MIRIAM COHEN: Well, I'm glad you mentioned that because there
25 are multiple lists of critical skills gaps. And so for example, there's -- and I don't

1 want to bore you with too many details, but there's a critical skills gaps that we
2 report to, let's say, the Office of Personnel Management, and right now we don't
3 have any critical skills gaps. And those high risk -- we'll call them high-risk areas
4 for us were determined to be risk analysis, PRA, fire protection, and cyber
5 security. And we did an analysis to look at how many people we have in the
6 positions and the expected retirements, and we're right now in good shape.

7 About a year or so ago, in response to a question from Chairman
8 Jaczko, we identified critical skills across the agency that are important for the
9 offices to be able to perform their functions; so they include the ones I just
10 mentioned, but they also include things that are important to multiple offices, so
11 health physics, cyber security. I mentioned emergency preparedness, at one
12 time, digital instrumentation and control. You could get into IT specialists,
13 contract specialists. In other words, if 50 percent of the contract specialists left
14 the agency, we'd be in trouble. So it's a critical skill. So there's levels of critical
15 skills.

16 So the ones that we're reporting externally in terms of high risk ,it's
17 the three that I mentioned. But then there's a much more broader set, which
18 would be those skills that are important to multiple offices across the agency, of
19 which, you know, there's at least 20 or 25 of them.

20 COMMISSIONER APOSTOLAKIS: Thank you. I didn't know that.

21 Thank you, Madam Chairman.

22 CHAIRMAN MACFARLANE: Okay. Let me see if any of my fellow
23 Commissioners have further questions. No? All right.

24 Thank I would like to invite Sheryl Burrows, who's the chapter
25 president of the National Treasury Employees Union, up to make a comment.

1 SHERYL BURROWS: Good morning, Chairman Macfarlane and
2 Commissioners. Thank you all for your presentations, and I was, again, in --
3 since the last briefing, remain to be impressed with the efforts of DMIC council. I
4 want to thank Tony for inviting and to you to participate, as well as the EEO
5 luncheon.

6 I do see that most of the people that come to the union office for
7 help would fall into, even if it's the over 40, some type of category of the, you
8 know, EEO or veterans, so, this is very important to us. And we continue to want
9 to work together to make this a better place for all 4,000 of our employees, not
10 just the 2,700 BU.

11 I did hear starting out with talking about we're not cutting on
12 training. We just need to be more efficient. We need to be smarter. Also, in this
13 environment, we're going to be able to have less formal training, so we're looking
14 at rotations, on-the-job training, mentoring. I will say that I have seen, though,
15 that NTEU is seeing employees who are having challenges obtaining these
16 rotational assignments because we're in an environment where we're doing more
17 with less. And so it's very challenging for their supervisors to allow them, you
18 know, to take these opportunities. So that does trouble us a little bit, but we will
19 continue to work with management and hope that we can find, you know, a
20 balance between the admission but also getting the person who is very valuable
21 but we can't let them go, the training that they need so that they can advance.

22 We also -- I heard Miriam say that we need strategies in place to
23 replace critical needs. Within our partnership, our office meets with labor and
24 management monthly. We all have been, for the most part, able to be sharing
25 staffing plans. I guess NTEU is concerned about positions that are rated as

1 BALG: backfilled at lower grades. We understand that we need to be more
2 efficient and that we're high graded. But NTEU is wondering where will the
3 duties go that are being done by these higher grades, and will the lower
4 employees be given maybe work that is not appropriate at their grade level? Will
5 this be, you know, a challenge to them?

6 Bear with me, I need to -- okay. And now we're also talking
7 knowledge management is a priority. Because we haven't had the retirement
8 tsunami but, we could. We could. The economy could get better, people's
9 houses are worth more, and you know, and one bad day in a row and they're out
10 of here. So, you know, we keep hearing knowledge management is a priority,
11 but I have to say NTEU is not always seeing that the experienced employees are
12 valued as much as we think they should be. Again, we are working on this and
13 hopefully we can improve this.

14 Now, let's see. Bear with me. This is my page with the survey talk.
15 NTEU has, as we all know or maybe we all know, the 2013 FEVS survey is open
16 until June 7th. I've had a lot of people come to my office and say, "Boy, I'm glad
17 that came out because I get a chance to tell them that I'm not happy." Well,
18 NTEU has put out a communication, and we tell the employees, "We want
19 maximum participation but what we want is honest communication." It's not in
20 anybody's best interest for you when we have an individual say, "I know they
21 know it's me, so I filled it out and I gave them lot better scores than I really
22 believed." And some of that's the stupidest thing. You want to be honest. And
23 you do not have to fill out every single -- if you think that you're in a small office
24 and filling out every single bit about the demographics is going to identify you,
25 then still give us your honest input and just don't fill that out. So that would be

1 what we tell people if they ask about that.

2 But I would like to comment on the, you know, this survey is the
3 decline since 2010. It is notable that at the 13, 14 level, which basically with this
4 backfill at lower grade, it appears is going to be the backbone of our workforce,
5 there's a 20 to 30 percent deviation in positive responses between bargaining
6 unit and non-bargaining. So, I mean that is noteworthy and we do need to
7 address that. What can we do, you know -- some of that might be federal
8 government-wide, not being a happy time to be a federal employee. We haven't
9 had raises, we feel like we're doing more with less. But that really is the
10 backbone of our technical workforce, and we have to find out what we can do, if
11 not to, you know, to make them understand, to fix this, to make them happier.

12 I would like to note in our top areas for improvement. I think I would
13 like to focus on just performance management and environment for raising
14 concerns. With respect to performance management, I think the Commissioner
15 who -- I don't remember who asked how many employees we have for our
16 NSPDP, our 25 positions. We are hiring less than 2 percent of the people that
17 apply. So we're getting the top 2 percent. Our assumption is we're getting the
18 cream of the crop.

19 Then when we come to the performance management system,
20 we're taking the top 2 percent and we're saying our appraisals are inflated. You
21 know, fully successful means you're doing your job well. Well, we are taking the
22 top 2 percent of these performers that come in just wanted to raise the possibility
23 that maybe we are all E's and O's, or most of us.

24 And finally, with respect to environment for raising concerns, I
25 would like to commend the incredible efforts that have gone into a recent update

1 in the management directive on non-concurrence process. It was really -- I was
2 really happy to see this years ago the first round. But the second version of this
3 management directive address some of the problems that I, myself, had
4 concerns with when I was a project manager in NRO, where I simply took
5 somebody off the concurrence because I was told to do so, and didn't really
6 think, "Ooh, that person was involved from the beginning." So having been burnt
7 and having to apologize and feeling bad, it was important to me that the
8 bargaining unit employees have, you know, a venue to raise their concerns that
9 is lower than the DPO process. And I was very impressed with OE, the efforts of
10 OE in updating us, and they involved NTEU early. It appears that the comments
11 that were given by Walter and I, Walter, the executive VP at the time, were all
12 incorporated. I look forward to seeing the final version of that, because I think
13 that it is really important to have as many mechanisms for employees to have
14 their concerns addressed.

15 I would like to end on the note that we are saying behavior matters.
16 We're trying to get input. How should we behave -- how do we map our
17 behaviors to our values? But realizing that the subset of people that I'm seeing is
18 not representative of the agency, and I had always been, as a project manager,
19 treated well, and as a nuclear engineer and a health physicist I've been treated
20 pretty well here. But we say behavior matters; I still see branch chiefs at a
21 branch meeting threatening retaliation in front of the whole branch. I still see
22 things that trouble me. I think our focus needs to be first level supervisors and
23 the training they get because it's a challenge coming from a technical world. I
24 know coming from a technical engineering world, to having 11 stewards to look
25 after, or to, you know, kind help with is a challenge. So I do understand those

1 challenges, but we say behavior matters but we do have a lot of behaviors that I
2 don't think are consistent with our values. I don't think that it is the majority of the
3 supervisors, but I do think that is the ones that will -- if we address, will give us
4 the most improvement. Thank you. I would be happy to entertain any questions,
5 but if not...

6 CHAIRMAN MACFARLANE: Thank you, Sheryl. Thank you very
7 much.

8 Let me thank the staff again for the presentations this morning and
9 the discussion. I think it was very helpful. I hope you found it so too, and
10 enjoyable too.

11 All right. Now we are adjourned.

12 [Whereupon, the proceedings were concluded]