

March 21, 2007

The Honorable Henry A. Waxman
Chairman, Committee on Government Reform
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC) and in accordance with 31 U.S.C. 720, I am pleased to enclose the NRC's response to the recommendations made by the U.S. Government Accountability Office (GAO) in its report entitled, "Human Capital: Retirements and Anticipated New Reactor Applications Will Challenge NRC's Workforce" (GAO-07-105). If you have any questions or comments, please contact me.

Sincerely,

/RA/

Dale E. Klein

Enclosure:
NRC's Response to GAO
Recommendations

cc: Representative Tom Davis

Identical letter sent to:

The Honorable Henry A. Waxman
Chairman, Committee on Government Reform
United States House of Representatives
Washington, D.C. 20515
cc: Representative Tom Davis

The Honorable Joseph I. Lieberman
Chairman, Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, D.C. 20510
cc: Senator Susan Collins

The Honorable David M. Walker
Comptroller General of the United States
U.S. Government Accountability Office
Washington, D.C. 20548
cc: James E. Wells

NRC Response to GAO Recommendations

In its report, "Human Capital: Retirements and Anticipated New Reactor Applications Will Challenge NRC's Workforce" (GAO-07-105), the U.S. Government Accountability Office (GAO) made recommendations to improve NRC's ability to meet our current and future needs for a critically skilled workforce. Specifically, GAO recommended that the NRC:

1. Promote the coordination and integration of human capital planning and implementation activities by completing the agency-wide Human Capital implementation plan; ensuring that the Human Capital Council provides strategic direction, advice, and recommendations on addressing human capital issues; and providing the appropriate level of resources to implement the knowledge management program and the strategic training and development plan.
2. Systematically assess the effectiveness of NRC's use of tools, authorities, and flexibilities for recruiting, developing, and retaining its workforce and adjust their use and targeting, as necessary, to meet workforce needs.
3. Periodically and comprehensively evaluate and share information among NRC's offices on the usefulness of human capital measures, intended outputs, and targets to enhance NRC's ability to monitor trends, reliably measure progress, and inform program office managers in achieving critical human capital tasks.
4. Survey employees during fiscal year 2007 on their satisfaction with NRC's Human Capital program, including new initiatives and offices' use of flexibilities to maintain a quality work environment.

NRC Response:

The Nuclear Regulatory Commission (NRC) appreciates the thorough evaluation and assessment of our human capital challenges and opportunities as outlined in the referenced GAO Report (GAO-07-105).

We agree with GAO's four recommendations for executive action. We plan to implement the recommendations through the following actions:

- Use the FY 2007 Human Capital Implementation Plan to address the highest priority challenges.
- Continue current efforts to engage senior-level NRC management through regular and consistent use of the Human Capital Council. We will increase the effectiveness of the Council by enhancing communication with agency employees. For example, we will ensure prompt publication of meeting minutes and other information for easy intranet access, and we will explore the possibility of using automated tools to support communities of practice. In addition, the Human Capital Council will conduct an annual review of agency-wide human capital accomplishments.

Enclosure

- Restructure the Office of Human Resources (OHR) to add a branch-level component to focus specifically on human capital and strategic workforce planning initiatives. This branch, headed by a GG-15 manager, will ensure completion of the actions outlined above, and it will work with other branches within OHR in carrying out NRC's Knowledge Management Program and Strategic Training and Development Plans. The branch will continue the work on NRC's automated workforce planning tool, and it will help the NRC acquire and retain a workforce with the skills and competencies needed now and in the future.
- Assess NRC's use of tools, authorities, and flexibility in recruiting, developing, and retaining its workforce. One of the first tasks of the new branch will be to draft a survey or interview questionnaire to gather information from all NRC managers on the effectiveness of the Strategic Workforce Planning (SWP) program, training, knowledge management, and other OHR products and services. Based on the results of this effort, the NRC will develop and implement action plans.
- Undertake an evaluation of the usefulness of human capital measures, along with their intended outputs and targets, and share this information with NRC's offices.
- Improve our ability to obtain data from our annual request to offices for Strategic Workforce Planning and Training needs. We will also institute a new annual Human Capital Survey to collect information from employees on their satisfaction with the NRC's Human Capital Program and to assess new initiatives and offices' use of flexibilities to maintain a quality work environment.

The NRC is committed to maintaining the highest possible standards of service delivery in the area of human capital management. Many of our previous human capital efforts have been acknowledged by GAO, and others, as being very timely and innovative. Even before the release of GAO's current report and recommendations, NRC's Office of Human Resources had been working to reinvigorate human capital-related work within NRC. For instance, the office has targeted hiring timeliness for an internal Six Sigma review. Now, however, the time is right to increase all of our human capital efforts. We believe that creating a branch-level component to specifically focus on human capital, combined with implementing the remaining actions described above, will position the agency to maintain an outstanding Human Capital Management program.