



National Nuclear Security Administration
U.S. Department of Energy

NEWS

NEWS MEDIA CONTACT:
Lisa Cutler, 202/586-7371

FOR IMMEDIATE RELEASE
February 25, 2002

**National Nuclear Security Administration Announces
Organizational Realignment**
New Structure Will Help Ensure Efficiency and Effectiveness

Administrator John Gordon today announced a decision to eliminate a layer in NNSA's field management and streamline the operation of the nation's nuclear weapons complex.

Administrator Gordon announced his decision in a report to Congress that outlines a series of steps to reduce duplication and increase accountability in the organization. NNSA is the national security arm of the U.S. Department of Energy. In addition to managing the nation's nuclear weapons stockpile, including its safety, security and reliability, NNSA conducts programs to foster nuclear nonproliferation and provides nuclear propulsion for the U.S. Navy.

When the realignment is fully implemented later this year, the NNSA's eight contractor operated national security laboratories and weapons production plants will report to the administrator through an NNSA Site Office. Currently, there are two federal field management layers – an Operations Office and a local Area Office -- between NNSA headquarters officials and contractor employees who carry out NNSA's mission. The Operations Offices will be converted to federally staffed Service Centers to provide support, such as human resources, finance and procurement, to the eight NNSA site offices.

The reorganization will move many key decision-making responsibilities from headquarters to the field, closer to where the work is actually being done. For example, contract and project management oversight responsibility will rest with each NNSA site office. Headquarters will be responsible for strategic and program planning, budgeting and oversight of research, development and nonproliferation activities.

"These changes will help us achieve the goals set by Congress when it established NNSA," said Administrator Gordon. "By clearly defining roles and responsibilities between NNSA employees at headquarters and in the field we will increase accountability and reduce duplication. We need to make sure that we have people doing the right jobs in the right places to be most effective in carrying out our important national security mission."

This plan follows organizational changes that NNSA has put into effect over the past eight months, including consolidating headquarters support functions, establishing a management council to integrate decision making throughout NNSA, further defining NNSA's relationship with the Energy Department through streamlining external oversight, and establishing an independent federal human resource management capability. NNSA is also implementing an integrated Planning, Programming, Budgeting and Evaluation system to establish improved long-range planning and budgeting tools.

NNSA's report outlines a strategy to reduce administrative burdens for its contractor organizations by streamlining policies, procedures and staffing. For example, unnecessary details regarding how a task will be done will be eliminated from NNSA policy, guidance, orders and contracts.

"Contractors will be given more clear and consistent expectations and will be held accountable for achieving results in a manner that is consistent with our mission. They will also be expected to comply with all environment, safety and health and safeguards and security policies," said Administrator Gordon.

As part of its realignment, NNSA will launch a reengineering campaign to reduce duplication and excess capacity, eliminate unnecessary layers of federal management, reduce the overall number of federal employees and correct skills mismatches.

"We may need to redeploy and retrain some staff to carry out the activities affected by this reorganization, and we will use incentives to encourage career development, training, and retention of highly skilled employees," said Administrator Gordon.

A copy of the report is available online at www.nnsa.doe.gov

-NNSA-

NA-02-03