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3	UNITED STATES NUCLEAR REGULATORY COMMISSION
4	BRIEFING ON STRATEGIC WORKFORCE PLANNING
5	AND HUMAN CAPITAL INITIATIVES
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7	THURSDAY
8	February 1, 2007
9	1:30 p.m.
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12	The Commission convened at 1:30 p.m., Dale E. Klein, Chairman
13	presiding.
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15	NRC CHAIRMAN AND COMMISSIONERS
16	CHAIRMAN DALE E. KLEIN
17	COMMISSIONER EDWARD MCGAFFIGAN, JR.
18	COMMISSIONER JEFFREY S. MERRIFIELD
19	COMMISSIONER GREGORY B. JACZKO
20	COMMISSIONER PETER B. LYONS
21	
22	
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1	PARTICIPANTS
2	OFFICE OF PERSONNEL MANAGEMENT
3	LINDA SPRINGER, DIRECTOR
4	NRC STAFF
5	LUIS REYES, Executive Director for Operations
6	JAMES MCDERMOTT, Director, Office of Human Resources
7	CORENTHIS KELLEY, Director, Office of Small Business and
8	Civil Rights
9	TIMOTHY HAGEN, Director, Office of Administration
10	KATHY GIBSON, Associate Director, Human Resources
11	Training and Development, OHR
12	MICHAEL WEBER, Deputy Director, NRR
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## P-R-O-C-E-E-D-I-N-G-S

CHAIRMAN KLEIN: Well, Good afternoon. We have a two part meeting this afternoon. And so first we have the pleasure of hearing from the Honorable Linda Springer, the Head of OPM. And I'd like to also acknowledge John Salamone that is with her as well. And then we'll hear from our staff that will talk about some of our activities.

Our human capital is extremely important. For an agency like ours, people make a difference. And it's very important that we do things right. I've been very impressed with our systems that we have in place. As I've been told the future is now, because we are having a rapid growth, we are expanding, we have people retiring.

And we have a good workforce planning. We've got good tools. And we're also looking at diversity. And so I think we have a good story to tell. But we're pleased to have you with us Linda and the floor is yours.

MS. SPRINGER: Thank you Mr. Chairman. I'd like to also thank all of the Commissioners and thank you for your hospitality too. We had a good lunch and a good visit beforehand and hopefully that will, when I'm finished my remarks lead to some good questions that will be helpful for everyone to hear.

It's the first time that I've been here at the NRC and it's probably good that it is, that I had a chance to get to know some of the issues and to go through a cycle with the Human Capital survey. It's a good place to start with that

would say about the best agency that we have in the Federal government right
now as measured by that Chief Human Capital ... I'm sorry it's not the Chief, it's

the Federal Human Capital Survey. We have all these acronyms. But certainly

5 the Chief Human Capital Officers and Jim McDermott here is a major part in

6 harnessing the effort of the workforce to be able to achieve those types of results.

We just had a press conference yesterday at the National Press Club and also had one two weeks previously to announce those results. And what we did this year at OPM was to actually have four categories where we announced the rankings, the top ten agencies. And this is out of a group of roughly 35, 36 agencies that took part in the survey. And the NRC scored in the top ten in all of those categories and in some categories was just right at the very top. So it's just a phenomenal track record.

And this is no different, no surprise to you probably for those who have been here more than a couple of years because last survey, in 2004, had similar results. And so if you look at the agencies you're in a very enviable position.

Many would look to OPM or look to, including OPM would look to the NRC for best practices and what we can learn in how we manage our people, how we engage them, give feedback, give the right type of communication. And so you're doing a great job and I want to thank you for being a leader, all of the associates at NRC, and a model for the rest of the community.

Having said that NRC has a lot of the same challenges that other
agencies have, probably most notably is the fact that our Federal work force,
significant portions are reaching the retirement age. And I think here it's roughly
somewhere around a third that will become eligible over the next probably ten
years, or by 2010, by the year 2010, I think was the end point that was measured.
And actually as bad as that sounds it's actually a little better than the Federal
government as a whole. We were discussing at lunch the fact that there are about
a 1.8 million in the overall Federal workforce around the country. There are only
roughly about 15 percent in the immediate area. But throughout you find that
nearly 60 percent are eligible for retirement.

So if you do the math, as I know people at NRC can do probably faster than just about anyone, we're talking somewhere around 7 to 800,000 members of our Federal workforce of the United States government that will be eligible to retire over the next ten years.

The historic trends are that about two-thirds leave when they're actually eligible and the rest stay on for some period of time. And there's no reason to think that that won't change.

So we are looking for NRC, like all the agencies, to find ways to address this issue. I have called it the retirement tsunami because in our world of personnel matters it is a tsunami. It is a major change. It will change the landscape of the federal workforce.

1	And what we need to do is to be able to retain as many as we can,
2	hire as many people as we can, and it gives us opportunities as well, candidly, to
3	reshape and to make sure that we have the right people in the right positions. But

clearly that's a major challenge across the government every bit as much as it is

5 for all of you here at NRC.

So you know what I wanted to chat with you about today is what are some of these issues and then what are we doing to address them and how might you be able to use some of those techniques or ideas and apply them to deal with NRC issues and challenges.

One of the things that we decided and realized pretty quickly at OPM is that the government, as large as it is, is a hidden, a little bit of a secret, it's kind of a hidden gem in many ways when it comes to hiring.

The Gallop Organization recently did some surveying for us and we asked them to survey in their population group the level of awareness of Federal government agencies and then asked the subsequent question of how interested would you be in working at one of those agencies. And the results came out in a quadrant graph, the upper right quadrant as you might expect was high level of awareness and high interest in working at that agency. And then the other quadrants were variations on that.

And agencies with a high scientific, professional mission typically were closer to that right quadrant or in that right upper quadrant. And so that's good news for NRC. Now an agency like the IRS, which actually is a portion of

Treasury, but the IRS was asked about, and that had high recognition, as you would imagine.

COMMISSIONER MERRIFIELD: Certainly higher than ours.

MS. SPRINGER: Higher than just about any of them, but not as high of an interest in working there, so Commissioner Everson might not be entirely happy with that. But the fact of the matter is that the agencies across the government community have varying degrees of recognition and awareness levels when it comes to the general population.

So having seen that and really in anticipation of that OPM has been trying to do some awareness raising of the outstanding breadth of opportunity that there is in working for the United States government. There is no career that you can be in that you can't find a way to use it here in the United States government, in some agency. I don't think there's any agency where you can find everything. But clearly if you're in the science community, if you're an engineer, if you're in some of what might be considered support organizations, accounting, legal, clerical, all of those. There are many, many choices, and so one of the things that we've done is to try to get that word out. And for the first time ever we are doing television advertisements to showcase with real employees the fact that you can do some interesting things right in the United States government, and at the same time have the added benefit of serving your country and serving your fellow citizens.

1	-8- So far we have five ads. And one of the things I thought you might
2	like to see, and I brought them along are those advertisements. They're 30-second
3	spots, so you don't need to run out for popcorn and refreshments.
4	So we'll show all five of them. It will take two and a half minutes.
5	And I think I'm supposed to let someone know. I don't know
6	COMMISSIONER MERRIFIELD: Are we cued?
7	[VIDEO ADVERTISEMENTS WERE SHOWN]
8	COMMISSIONER MERRIFIELD: I think that we have about 3,200
9	volunteers who would be happy to represent the NRC in those commercials.
10	MS. SPRINGER: Good, very good.
11	CHAIRMAN KLEIN: I think safe, clean energy.
12	MS. SPRINGER: Well, one of the reasons, because I did have an
13	ulterior motive in asking if I could show those is that we would love to showcase
14	someone from NRC in one of these.
15	COMMISSIONER McGAFFIGAN: I think our Resident Inspectors
16	would probably what did you do today I made sure this plant was safe and
17	Secure.  MS_SPRINCER: Vec. We have a few others that are in the works
18	MS. SPRINGER: Yes. We have a few others that are in the works,
19	and so if there is someone we'd love to hear about it.
20	COMMISSIONER MERRIFIELD: Yeah, we can make that happen.
21	CHAIRMAN KLEIN: We can give you many.

1	MS. SPRINGER: Great. Now one of the things we've done, by the
2	way we've started to
3	COMMISSIONER McGAFFIGAN: We don't want to use McDermott.
4	COMMISSIONER MERRIFIELD: Yeah, we won't put a lawyer for our
5	agency on there. So even though I am one
6	MR. BURNS: You'll notice that lawyer was in the middle of the
7	Everglades.
8	MS. SPRINGER: That's right. They are real people too. Unlike
9	some of the ones that you see, and, of course, the military tells me for a fact that
10	those great looking Marines really are, and they probably are. But you know we
11	said we want to use real people, we don't want actors and actresses.
12	But some agencies actually have come to us and asked us to
13	produce these. We actually do them. They're not done outside. So this isn't
14	about OPM. But it really is about showcasing the fact that there is a wide variety
15	of interesting things. A lot of people tend to think that if you work for the
16	government there's this stereotype that you work in a building in Washington, D.C
17	and sit behind a desk and you do the same thing over and over for 30 years and
18	then you retire. But you do have good benefits, but you know that's
19	COMMISSIONER McGAFFIGAN: That describes my career.
20	MS. SPRINGER: But you know I think there is just this great variety.
21	And that's what we're trying to showcase. And I think NRC would be a great story
22	to feature in one of these. So let us know.

1 CHAIRMAN KLEIN: Okay.

MS. SPRINGER: But raising awareness is important for all of us. So
that is really kind of step one. This is one of the ways we're doing that. But then
once you've gotten people interested then the question is how do you start to get
them engaged, what are the positions, how do we market the positions that we
have?

And so what we have put forward is a program called career

And so what we have put forward is a program called career patterns. I know Jim is familiar with it. And I think that even before we introduced it there were elements of it that NRC was already incorporating.

We believe that in the 21<sup>st</sup> Century that attracting people will take a different approach then what it has previously. You can't just go out with a position description. And even in the USA Jobs website, which by the way we've had over 100,000 visits to USA Jobs in the locations where these ads have run. They've run in about 15 different media markets. And people take that step.

Now one of the things we're asking when people do apply for a job is did you see these advertisements? And so that will give us an even better indication.

But the fact is that you can't just put out a position description in the old way that we've always done it and leave it at that and then hope, go back and hope. What we believe, and what the Career Patterns approach is based on is the principle that people will be attracted to varying kinds of relationships with their employer in the 21st Century.

1 It might be the traditional type of long-term relationship, it might be a
2 periodic one, it might be a project based relationship, and when the project is over
3 then they move onto another one. It might be with a lot of movement back and
4 forth, mobility between private and public sector. I think that could be applicable
5 here.

There might be situations where you work in a more flexible environment. If someone wants to get up at three o'clock in the morning and work for the United States government from their home and they can do that type of job that way that's great, we should welcome them and support that.

And so what Career Patterns does first is to identify different types of patterns and relationships. And then when we introduced that in midyear we also introduced an analysis tool that would ask a series of questions that would apply to different types of occupational categories.

So let's say a category is an engineer. You would say for a certain type of engineer. Let's say it's a civil engineer, someone who maybe works for FHA and does inspections. You would go through and answer the questions, roughly 20 or so questions, with respect to that position. Then you would match up those answers to the profile for each of several patterns, there might be, I think we went out with roughly about 8 or 10 patterns, in that neighborhood, and other people have developed them as they've gone along, and you'd say okay, it's obvious that three of these patterns are a good fit for a civil engineer. So that means that the next time that FHA has a position vacancy for a civil engineer they

can go out with the description of responsibilities, but to say additionally we can accommodate you in any of these three patterns. And additionally we can tell you that we have the supporting environment that will allow you to be successful in this type of relationship with us.

So if it's someone, for example, who there's a pattern for a position that involves more tele-work, for example, or working from remote locations, then the agency would advertise that as one of the patterns, and you would know that they would have the technology and the type of manager and the type of structure that would allow someone to be successful in that.

As opposed to the traditional where here are the job responsibilities and as you interview you say, well, you know, I'm interested, I'm qualified, but I would like to work in this type of way. Well, we'll see if we can accommodate that, I don't know, we've never done it before, that type of thing. It's not, it's more reactive than proactively using Career Patterns to anticipate it and actually turn that into a marketing advantage.

What we are up against, all of us, every hiring official for the Federal government, and really every agency leader that's thinking about having the people that we need to get our jobs done and carry out our missions is a labor pool that is shrinking and a demand that's increasing. And this isn't just a Federal government issue, it's the fact that the baby boomer wave is going through, and so it is a seller, a seller's market, a talent seller's market.

These good people are going to be in demand, not only by us and not only by the private sector in this country but around the world. And so we've got to be hiring in a way that is going to give us a competitive advantage over all these other people who are going to be making, out there looking for talent the same way that we are.

So Career Patterns is an important step in that direction. We are very concerned that once we have people here that we're able to retain them. And when you look at the things that keep people in their jobs, and this was another thing, for example, that Gallop did with us, there are certain things that score very highly. And also we look at the results of the Human Capital Survey that we just did and those questions that correlate strongly to retention or departure and in the case of those that don't score as well.

Those are things that we're focusing on. And I would suggest that those are things that, while NRC is doing a good job, you want to look at those same ones as well when you look at retention of the people that are here.

And there are things that relate to the intellectual satisfaction of the position. Are you able to grow? Are you able to achieve your own personal career goals? Do you feel connected well to the agency's mission? There are things like that that will tend ... level of engagement, those are things that tend to keep people in the agency where they are. And that's true of any employer. It's not just a Federal government issue.

1	One of the thi	ngs that we	always score	highly on as a	ı government,

as an overall employer, is the benefits portfolio. One thing that we did last year,

late last year in the open season for the health plan was to add the vision and

dental benefits. And we had over 700,000 people that responded to that, which is

5 two and a half, three and a half times what we had when we introduced some

other benefits, previously. So it was a rousing endorsement.

One thing that we don't have currently is a short-term disability benefit. Essentially people have to bank their sick time or rely on donations of sick time and other things. That's something that OPM is going to consider as well in this next legislative session. And we're working with the White House on you know getting their buy in, and we think we'll get that.

So I only mention that in the context of letting you know as good as we think our program is that we're still looking for ways to improve it or fill any gaps that might be there. And that's one, for example, that would include maternity. There are people who don't take jobs with us because we don't have a maternity benefit.

So having said all that you know the benefits thing, we're not going to take our eye off the things that are good, so raising awareness, a 21st Century approach to attracting talent.

In addition to keeping the things in good shape that we already have working well, retention. Now it's my understanding, I learned today that NRC

again is ahead of the game. This is why you score well because you have all the flexibilities and things we're trying to get, or at least some.

But in many agencies you can't bring back an annuitant to return to Federal service without getting approval for a dual comp waives. So in effect you're asking people to volunteer when it comes right down to it, which is absurd. So we are looking to get a broad program and we'd like to probably visit with you to learn the particulars of what you have, but to get something that's generally applicable, keeping people.

And I would say this to just, and I know that people are watching through a webcast, if you like what you're doing, if you feel that you're valued, it's something that you're really good at, why leave when you're 55 years old, 58 years old. You have to ask yourself the question what are you going to do then when you leave that's going to give you that same level of satisfaction and sense of contribution, sense of service, of belonging and meaning and things like that? There are many people who have regretted leaving when they were first eligible.

And back last spring, I think it was, or sometime in that range, one of the major magazines did an article, or a series about retirement and the things that are hardest in making that transition. I don't know if you know what the number one issue was or the number one challenge, but it was spending time with your spouse, something that they weren't used to.

I have an uncle that just retired in January and I think he mentioned to me last week, he's going to talk about working part-time for the company that he

just left. And so there are major life changes. And it's great if you're prepared and

2 you've really thought through it. But you know I can't even imagine the prospect of

retiring and I'm only a few years younger than some people who are just about

4 eligible today.

So I would just say that think twice about that generally and why run out at the first opportunity and then go look for a job. And I understand that there can be some financial benefits there. But in any event I don't want to belabor that one. But retaining people is very important.

And then we've got to make it easier in the actual hiring process.

We have a cumbersome process. We have standards that we've set for agencies on how quickly they need to get that done. We think it should take no more than 45 days from the point where the position closes until an offer is made. But we're not always hitting that consistently. And so we're going to keep working with agencies.

But even before that, at the front end, there was a time when USA Jobs would, if you went through that vehicle, your resume had to conform to a certain format. Now we can take a resume in whatever form. The KSAs and all the other things that vary from agency to agency, we've got to look at some of those things to get more commonality. But just make it an easier process. Take out some of the government-ese that's in some of these descriptions, position descriptions. And those are all part of the effort.

1	So those are some things that we're doing. There's nothing that's
2	really any more important than making sure that we continue to have a qualified
3	and effective workforce. And that will probably be the biggest challenge that the
4	personnel, the human capital, human whatever you want to call it, resource
5	community will deal with in the Federal government over these next five or so
6	years.

I would like to open it up to questions. If there are other things that you'd like me to talk about, I'd be glad to do that.

CHAIRMAN KLEIN: Thanks. Well, obviously you know what we'll do is we'll show you some great examples of our rehiring success of why I want you to do that. And we'll let us help us with our direct hiring authority that we need.

MS. SPRINGER: Sounds like a deal.

CHAIRMAN KLEIN: It turns out that the NRC; it won't surprise you that we are process driven, and so that includes the order in which we ask questions. And so today we get to start with Commissioner Lyons.

COMMISSIONER LYONS: Thank you very much. And thank you Linda very, very much for joining us today. It was an excellent discussion over lunch and very, very much appreciated your comments just now. Also I appreciated you highlighting the agency's performance on the Federal Human Capital Survey. Certainly it's one that I think everyone in the agency should be very, very proud of. And I think we should probably thank OPM for organizing the

survey and providing the results and again we're just very happy with the way they came out.

You mentioned some of the challenges that are facing the entire

Federal government and highlighted the fraction of employees within this agency
that are nearing retirement. And you suggested that maybe we're not quite as bad
off or may not lose quite as many as some other parts of the government. I'm
honestly not sure that's true because if the so-called nuclear renaissance does
happen the same skill sets that we need here will be at a tremendous premium
throughout industry. So we are truly very, very concerned about the need to
recognize the human capital challenges that we face here.

And along that line I was just curious if you could perhaps speculate or add to some of your comments on strategies that you might suggest for the agency as we look towards meeting this human capital challenge.

MS. SPRINGER: Well, in addition to sort of the government wide basic ones that I talked about and just how we attract and position ourselves and position our occupations and openings, I would say that one of the things that I would suggest makes some sense here is, and I think does for others where there's a profession, a particular professional group, is to start right with the community and have good connectivity to that community.

We're trying to focus, for example, our outreach to colleges and universities and graduate schools, all the levels of the community to build ongoing, continuous relationships with them where we actually can build on internships,

actually build on rotational assignments, take the best advantage of the career pattern of coming for a project or a period of time and then moving back.

So this ongoing marriage, if you will, or relationship between what will be the training ground and development ground for the people of the future that would be coming here. And get them at that early point, get them interested in public service as a career option, get that on their radar screen.

And actually spending time, you know, connect with the various deans and say can we can come to visit, maybe once a quarter or at certain times, on a regular basis. I think that by and large we're doing a decent job of coming, going from time to time. But there's no real ongoing continuous relationship.

And I think one idea to consider is to, while they're not offering the experience, but to get people with the right professional proclivities right from the very beginning and get them married up with you by relationships with the universities.

COMMISSIONER LYONS: Those are certainly good suggestions.

And some of those we are actually doing. We have this so-called university champions program that I've been just very, very impressed with. And many of the senior staff, many of the Commissioners have visited various universities and tried to spread information about this agency and encourage folks to consider it.

MS. SPRINGER: Yeah. I don't know if there's a way, and again I'm just reacting to your question, but that you could actually develop programs where just like a semester abroad, but it's a semester here at the NRC and you would

1	actually get credit for it, you know. I don't know if there are ways that you can do
2	that. But there may be some opportunity.
3	COMMISSIONER McGAFFIGAN: My daughter is currently doing
4	that. She's a co-op here.
5	MS. SPRINGER: Okay. What period of time is she here for?
6	COMMISSIONER McGAFFIGAN: She started in December; she'll
7	leave at the end of February and then come back during the summer. She has to
8	do 640 hours under our co-op program. And she gets 12 quarter hours a credit this
9	quarter for participating. So she's not delaying her graduation.
10	MS. SPRINGER: Yes, I think those kinds of things, and again if you
11	can continuously do it, it builds a pipeline, and then those people can turn around
12	and be ambassadors back to what would have been their peer group. So that's
13	one idea. And I think again for NRC I think it makes a lot of sense in a way that for
14	some other agencies it might not to the same degree.
15	COMMISSIONER LYONS: I guess the only other thing I had was just
16	to thank you for your comment about thinking twice about retirement. I've already
17	failed retirement twice. So perhaps I'm following your advice very well.
18	MS. SPRINGER: I want to ask you why, but you know
19	COMMISSIONER LYONS: Because I like the challenge.
20	MS. SPRINGER: You like the challenge. That was one of the six or
21	eight reasons that people missed the challenge, they missed the stimulation of
22	being with their peers. There are a lot of reasons. I would say, I'll go out on a limb

1	and say that I think it's good for people's general health, it's good, it's probably
2	good for social security. I'm not saying it's the answer, but it keeps people paying
3	in as opposed to drawing out. There are a lot of things where I think, a lot of
4	benefit.

But clearly from our own selfish perspective, I think it helps us keep people. And allows for the transfer of knowledge, because when people do leave from the agency standpoint you lose all that institutional knowledge, and that's the thing that you can document, that's important to do. And every agency needs to be doing that succession planning and documentation and all those things. But when someone walks out of the building and takes it with them there's nothing quite like that.

- COMMISSIONER LYONS: Thank you very much.
- 13 MS. SPRINGER: Thank you.

- 14 COMMISSIONER LYONS: Thanks Mr. Chairman.
  - CHAIRMAN KLEIN: Thanks. Well, I'd also like to add my thanks for you coming out. Jim has been here longer than I have so he can comment on whether you're the first OPM, I think you are the first OPM Director who's come out. So thanks for taking the time from your schedule to come out.
  - MS. SPRINGER: Well, I am glad to do that. It's something that we probably should have done sooner. Good.
- 21 CHAIRMAN KLEIN: One issue that I'd sort of like to hear your
  22 thoughts on how we might work is security checks, background checks. One of

the problems, we don't have it as bad as in my previous employer in terms of

2 backlogs, but you know we go after very bright, energetic people, and then you

know we have a delay on background checks. Any thoughts of how we can make

that better?

MS. SPRINGER: Yeah, that really lands squarely in OPM's court because starting now, just about two years ago OPM was given the responsibility for about 90 percent of the background investigations for the Federal workforce, inclusive of contractors. We inherited what had been previously done by the Defense Department. And so that gave us not only the people who were working there, but a huge backlog to work through.

And we do about a million eight background investigations of one type or another. Some of them are suitability checks all the way up through top clearance, top secret clearances and everything that's in between, and so a million eight a year.

There are many things that needed to be done, and when we took this over we started to institute, things like new ways to transmit fingerprint information, better use of technology, transmission of information in for review from the various sources like FBI, like the States and local governments and all the others that we have to go to for information through technology as opposed to paper.

The Intelligence Reform Act put out very specific standards for OPM, for the timeliness of background investigations. The near term goal that just

became effective is that ... let me make sure I get this right, in fact I'm going to
 look it up. But I think it's at 80 percent of the OPM piece, which is the investigation

3 piece.

And you've got to realize that there are two pieces. There's the investigation and then there's the adjudication that's done by the agency. So we're not responsible for that. We're responsible for getting the information to the agency and then they make their decision.

But for that first piece of developing the information there is a goal, a near-term goal that 80 percent of the time we would be done within I believe it's 120 days, 90 days, a three-month period. So the cases that we received in October, 80 percent of them needed to be done by the end of January, let's say, or whatever point in January it becomes 90 days.

Based on what I've seen so far, we will have met about a 73 percent. We're up to 73 and we may very well get to that 80 percent when I get the final tally. In a few cases there's some things that some of the third party agencies haven't done. All the OPM work is done. So we're starting to hit that goal, cutting down the backlog substantially, putting some new tools in place that will help agencies transmit things electronically as opposed to, with the right security over it, as opposed to manually.

We also, and we have had to try to and help creatively some of our third parties. The FBI didn't have the level of staff to devote to a certain requirement that we needed for them. OPM went out and actually not just gave

- them the money, but we gave them people; we found people to staff that position,
- because at the end of the day we're responsible for getting that background
- 3 investigation to the NRC or any other hiring agency.

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So we see good progress, but we also see that it's a big challenge because agencies can't always anticipate in advance what volume of clearances they're going to send over for us, or background investigations to do. And so we're really, we have some elasticity in our staffing, but we gauge that by the level of, the prediction of the agency for what the need's going to be. And we're able to respond, but it starts with the agency.

But I think we're making good progress here. I think that you'll see improvement over the course of this year.

CHAIRMAN KLEIN: Great. Thanks. Commissioner McGaffigan.

COMMISSIONER McGAFFIGAN: Thank you Mr. Chairman. I want to join my colleagues in thanking you for being here today. We take this issue of human capital very seriously. I wear this lanyard, NRC - A Great Place To Work, I recruit, I used to recruit people on Metro by wearing it.

You know young engineers from George Mason or whatever who are on the same metro. We have bonuses here. Commissioners are not eligible for them. But I think people can get up to \$500. Or is it exactly \$500, if they're responsible for recruiting?

MR. McDERMOTT: It's a bounty.

1 COMMISSIONER McGAFFIGAN: It's a bounty. And we maintained

a pretty high standard for headquarter folks, and I'm sure it's true in the Regions

- as well, but in terms of our ... we have a child care center, we have a gym.
- They're not particularly subsidized, but they're available. And I think they're
- 5 important to elements of our staff. Not everybody is a gym member. I never was
- 6 because I had a gym at home. But for many people the gym is a real benefit.

So I think the reason we do well on these surveys, and have done well in recent years is a very long term commitment. It goes back to Pat Norry when she was the Deputy EDO and the Chief Human Capital Officer here. But she always insisted on top notch facilities. We may have a little bit of a problem going forward in that we're starting to get pulled away down to Bethesda and over to Executive Boulevard as we grow. And GSA doesn't do quite as well as some of us would like, at least in timeliness.

The question I told you I would ask is we have a fairly high attrition rate at the moment. We recently had a GAO report that said we might be underestimating the attrition rate going forward, because of this competition that Commissioner Lyons mentioned with the industry as it starts to staff up. Do you have any ideas about additional tools that technical agencies can use to attract people? You know we're using every one that's been given to us at the moment. But is there any thought, are there additional tools that technical agencies, which are as you say the single mission agencies, the NASAs do pretty well, and I think we do pretty well when we're known, but it's going to be an ongoing problem and it

may be going to get worse. We face a tsunami of retirements in a tsunami of additional work. So we face a twin tsunami in this agency.

MS. SPRINGER: Yes. I think that it is important and you've done that, to make use of all the flexibilities that we do have. I think they are somewhere around, probably close to a couple dozen when you add them all together. Now they won't all necessarily be applicable to every agency, but there are some that I think do work and the first step is to make sure we are using those to the fullest extent possible. And that's number one.

But beyond that I think that OPM and the Chief Human Capital

Officer's committee needs to hear a word from you with ideas that you might have
to say, you know, we could have hired this individual had we had a certain type of
component that we were missing. And that will often be the starting point rather
than us sitting back and trying to anticipate. I think you know what you need more
than we do is what I'm trying to say. So I'm certainly open to having OPM and the
Council work with you and to consider some things that maybe we don't have
today. And that is important.

COMMISSIONER McGAFFIGAN: One area that we heard about this morning because we had a meeting on information technology this morning, and this would be across government, you know, we probably invest maybe 10 percent of our budget, maybe more in information technology on an annual basis, and we're quite contractor dependent, but we're also, we need to have people who can manage the contracts and make judgments. And hiring people in IT, particularly

security IT at the moment, because of FISMA is very hard. We went out at GG14

level and got nobody willing to take a job. We went up to GG15 and maybe we'll

3 get some folks.

Is the information technology problem, that's got to be a government wide one, and more important to IRS or some agencies that may be even more computer dependent than we are, are information technology dependent. Is there any thought of solutions on IT across government?

MS. SPRINGER: Well, I don't think necessarily we've zeroed in on that with a customized type of flexibility. I think everyone is particularly attuned to the professions that they are most challenged with. But when we worked with the Chief Human Capital officers and we said well, what are the ones that you're having the hardest time with, what are the ones that are most in demand, that's clearly one of them. We found that a lot of the management type positions, financial managers, accountants, the IT engineers, all of those came up pretty highly as ones that were posing significant challenges.

So I don't think that there's anything that's specific just to IT, but I think that's clearly one of the ones that will continue to be a challenge.

If, for example, though, and again I kind of reiterate this, if we found that, had we had this one thing, we would be able to, that would open the flood gates so to speak maybe for IT professionals, or if you find something that works, not just something that's missing, but something that works, we want to hear about

that because that will help us to shape a solution that might be generally applicable.

COMMISSIONER McGAFFIGAN: Given the competing salaries in the private sector and the fact that people can go and work at government chartered corporations, you know, the Rand's and the software engineering institutes and whatever, it's I think starting at the chairman's salary as low range of the solicitation, might possibly get the interest of a few folks. But a lot of this is just cost based and the opportunity is elsewhere.

MS. SPRINGER: One of the things I want to say because we did talk to, and I do have to sort of I think fill out the picture this way, one of the things we talked to the group when we did the Gallop survey is what attracts people. And sure compensation is going to be one of those things. But there are plenty of people that are unhappy in their jobs that are being paid pretty well in the private sector.

And so there is more to it than just that. There are reasons why people come even though they aren't getting the top dollar in many cases. And there are some cases where candidly I think we are pretty competitive all in.

I know plenty of people who would love to have the stability of working for an organization that's not going to be subject to merger and acquisition and consolidation, called the United States government, which you know is about, you can have the most certainty that that isn't going to happen. There are people who would love to have the retirement programs that we have. Now someone

who comes at age 30 isn't necessarily focused on the retirement program. But by
and large in the private sector what you find is the disappearing defined benefit
plan and 401ks maybe they aren't quite so generous in some cases, or they may
be driven by the stock of the company. And so, you know, it's not maybe quite the
level of certainty. And the benefit programs that we have generally, again, can be
in many cases an attractor for people.

Having as I say the different types of articulated, well supported career relationships I think can be a way to attract people where you know that you can come in and be cared for in a certain way and developed and have that type of support.

So I think compensation is important, but I think there are a lot of other things that people make their decision on.

And not to minimize, service; there are people. I think one thing I would say and I wasn't OPM Director at the time, but I think we lost an opportunity right after 9/11 to really draw people into public service in a way that we hadn't had that opportunity in a long time. I think we still have that opportunity to some degree.

I know candidly, in my own case, I had never worked for the government. I had always been in the private sector for 25 years until 2002. But why did I consider it, because of 9/11. It was the civilian equivalent of signing up, if you will. And not everyone is in a position to just pick up and leave and come to Washington or do something else, but I do believe that there are people who really

L	care about the country and making the contribution, even if it's just for a period of
)	time.

So we've got to just be mindful of all those things, and I think we'll get our share of people. But it won't be easy in this market.

CHAIRMAN KLEIN: Commissioner Merrifield.

COMMISSIONER MERRIFIELD: Thank you very much. I'll add my ditto to the complimentary comments of my fellow Commissioners relative to your willingness to come out here. I think this has been a very good afternoon so far.

And I do appreciate it.

You made some very positive comments about the rankings of our agency. One that hasn't gotten mentioned yet, that I think we're quite proud of, is the employee satisfaction surveys.

Last year we were for the first time included on the Federal government surveys, and came in number three in the government. And as you can well imagine we have used that in our marketing campaign and made young people quite aware of that degree of interest.

Commissioner McGaffigan mentioned some of the reasons why that's the case, the work environment that we provide for our employees, the meaningful nature of the work and the very high level of responsibility we give to some very young people, soon out of college.

One that he didn't mention, but that I would, and I think to a certain degree is a best practice in the Federal government, the Commission well before

we were members made a decision that we would have a contract to have an 1 2 onsite medical team. We have our own doctor and we have our nursing staff here 3 at the agency. So that on any given day someone who works for a Commissioner or someone who works in the mail room, someone who works in our Office of 5 Nuclear Reactor Regulation, if they have a medical issue that they want to see a 6 doctor about, whether it's the sniffles or something more than that can go see, can 7 have an opportunity to see a doctor.

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I think that's made a real positive impact on satisfaction. It's also made a real impact on the number of people we have out for sick leave and the quality of the work that they can conduct here.

So I would leave that one for your consideration. If you're ever taking a look at those things, we've got what is a real model and some very, very good people here who do that for us.

We mentioned earlier the cooperative programs, and we do have those. I did listen to some of the conversation there. Unfortunately I think, at least I discovered an issue. I was out at Purdue University two weeks ago giving a lecture to about 150 students and discovered that we didn't have as good knowledge there, and that's a big school that we recruit at, we didn't have very good knowledge there about the ability of those programs.

So we've got a good co-op program in place, but I think that we perhaps need to be more consistent about advertising that in some of the universities and colleges in which we recruit.

In terms of getting to a question, one of the issues that I think is

2 important to us is our intern program; we call it the Nuclear Safety Development

3 Program. The Commission has made a commitment that 25 percent of the

workforce that we hire in any given year will be people who are fresh out of

5 college, whether they've got a Bachelor's degree, a Master's degree or a Ph.D.

And our Nuclear Safety Development Program has been a very key aspect of meeting that goal. We have attracted a wonderfully diverse and very highly talented group of folks. In many cases I think with no due criticism of our retired annuitants, I think that we're really raising the bar in terms of the quality of the folks that we're bringing in.

But the point being it's a very important tool and our bringing people in, training them and getting them into our workforce. I know there's been perhaps some public debate about the value of these programs. And I didn't know if you wanted to have an opportunity to chat in terms of your philosophy about those programs.

MS. SPRINGER: Well, I comment I think in two dimensions. The first is generally with the challenge that we have before us in departing talent, needing to bring people in, we need to consider and embrace every approach to attracting people, whether it's internships, whether it's returning annuitants, whether it's people mid-career, whatever. We can't leave, turn our back on anything.

1	And we need to do it in a way that is fair but at the same time we
2	certainly shouldn't be walking away from any avenue and opportunity to bring
3	good people into the NRC and any other agency.

And I know that the internship program that you have here has been a great source of talent. I think that when you look at those people and the entre it gives them into doing some very, very important work, it's been a win from their standpoint as well as from the agency's. And that's what our broader program is intending to do as it develops and grows. There are roughly 10 to 11,000 people at this point that we bring in that way. That is a very small number compared to the 700 or 1,000 or so that we're going to be looking at over the next ten years. So it doesn't pose a threat. Actually it's something that we should embrace.

So I think that's my second aspect that it is something that we support. We think it's a good program.

COMMISSIONER MERRIFIELD: I appreciate that and I would say, you know, for us it's a very competitive program; it's not something that's easy to get into. We get great people out of it. And if I had to go to Congress and tell them here's something that you definitely shouldn't mix with, this would be one of them. It's a great program and it's served us well.

One last quicker question. We've debated a bit, one of the things that has changed when I first entered the government in 1986 I was on the cusp of individuals who had a choice between the CSRS system and the newer FERS system for retirement purposes. Obviously CSRS had some degree of golden

- handcuffs to it as you went through your career, made it less and less appealing to leave the Federal government because of the impacts it would have on your
- retirement. FERS is obviously different in that it does have that degree of portability.

And I think we've had some concern that as time goes on and we get folks who get into their careers in their 40s and may have been in government a while, that there may be some increased likelihood that folks will not have that same commitment, at least from the standpoint of their pension program.

Do you all see any of that or is this something that we're sort of shooting at shadows?

MS. SPRINGER: I think there are instances of it, but I think that we believe that if we're doing things right that the main determinant in people staying for long periods of time shouldn't be their pension.

## COMMISSIONER MERRIFIELD: Yeah.

MS. SPRINGER: I think that when you get close to that point obviously that can become a factor. But I think that, you know, again if that is the case, if that's the dominant factor in someone's decision, in fact when they're several years away from retirement, then we probably aren't doing a good job.

You can have the converse problem candidly too where people will stay on longer than they should, when you have that type of pension system.

1	So the portability part doesn't bother me as much. I think there are
2	other things that we have to look to to keep people here. Pension is designed for
3	a certain thing. I don't think that its main objective is to keep people.
4	CHAIRMAN KLEIN: Thank you. Commissioner Jaczko.
5	COMMISSIONER JACZKO: I'd certainly want to echo comments,
6	appreciation for your being here today. I think it's been a very interesting
7	discussion.
8	I had one question I wanted to ask, perhaps for you to expand on a
9	little bit, and that is the issue of improvements in the hiring process. I continue to
10	be amazed every time we hear from Jim McDermott or Luis Reyes about the time
11	it takes for us to make an offer, or the time between identifying a candidate,
12	making an offer, having that person actually come and start working is amazing to
13	me.
14	And I wondering if you could touch on areas where you think that
15	process can be improved, some of it may be issues that the Chairman touched or
16	with security reviews. But I suspect that there are other problems beyond that.
17	MS. SPRINGER: There are. And the security is probably the one
18	that is most visible and universal, and the good news is as I said there are things
19	that are happening to improve that.
20	But there are other my understanding is, and I can't speak for
21	NRC specifically, but many agencies because so many applicants send in their
22	resume and their application and there's a desire to go through all of those, the

process of getting that down to a manageable level, then to focus on, is something that's taking a lot of time at many of the agencies. So an announcement can close

and it would take a long time then to process through what in many cases is

hundreds of people that respond.

And I think that we, in some cases at least, are going to a greater level of detail of review of some of those then we need to, to get down to the serious group of finalists. And that's one of my own personal observations.

Now one thing that OPM did was to produce a tool, Jim would be familiar with this, and it was relatively recent, but a tool that actually said here are the steps that you should take from when that announcement closes to get you through the rest of the process and here's how long they should take as a best practice. And it's kind of almost an interactive tool.

So one of the things we're asking agencies to do to be better managers of those steps is to benchmark themselves against each of those steps. Are we adding steps? If we are we don't think, OPM doesn't think those should be there, maybe you don't need them, take them out. So if they're not on the list get rid of them. If they are on the list how long is it taking you for each of those steps? Here's the standard. It should be three days for this step or six days for this step. Well, if we're taking 14 we've just added another week onto the process.

And so we've, working with the Chief Human Capital Officers and understanding the agencies that do best at this have put together the benchmarks

of what the content should be, what the steps should be and how long they should take. So each agency needs to go through and evaluate against that.

The background investigation work, again that is a partnership at the first instance with the agency giving us everything we need, but then secondly

OPM candidly being able to quickly get all the information it needs to give back to you for adjudication. And that has been a significant factor.

But at the front end though, I think even just getting the best candidates is a function of how well we define and describe our programs. And again we think using Career Patterns is making it an attractive proposition for people.

COMMISSIONER JACZKO: I appreciate that and it's perhaps something I'll explore more with the staff later, because I know we have, the staff has done some creative things I think to try and address some of that. I think they've had open ended, or whatever the official name is, but open ended postings so that, you know, we continue to review applications on a rolling basis to try and I think eliminate some of that idea that you have a huge stack that you have to go through every time.

But I think I'd certainly be curious to hear from staff later about that particular tool that you mentioned and how we fare on that.

I guess I would be remiss if I didn't ask you the question at lunch we had, that just as we were ending our lunch I kind of offhandedly asked you probably the question that is on everybody's mind, and perhaps in a specific way,

1	but I'll ask it in a general way, and how is it that you make the determinations of
2	when the Federal government closes and when it doesn't?
3	And I'll save you the difficult question of answering what's going to
4	happen at about six o'clock this evening.
5	MS. SPRINGER: Well, I will tell you what we do. It's an interesting
6	drill and it sometimes goes on overnight. But we have what's called a Council of
7	Governments is really where it starts. And in that Council of Governments you've
8	got various, the county governments that are kind of, the collar counties around
9	the District, obviously Maryland, Virginia. You've got the District of Columbia in
10	there. You've got various transportation authorities, road treatment, you've got
11	mass transit, the Metro, all the others. And, of course, you've got OPM on there
12	representing the Federal workforce.
13	At the end of the day they all take their cue from OPM, which is
14	probably the one part of my job that's a no win proposition, because no matter
15	what you do someone's going to be unhappy with you.
16	COMMISSION McGAFFIGAN: Which hill does your car have to get
17	up in order to
18	MS. SPRINGER: Yeah, yeah.
19	COMMISSIONER McGAFFIGAN: We'll go ice it.
20	MS. SPRINGER: But what happens is that now let's just take for
21	instance today. Now we are monitoring, I have a group that monitors well in

advance and is plugged in with this Council of Governments and particularly the

weather service in advance. And they're monitoring when is it going to hit, what will the temperature be, what will the road conditions be? Does it look like the systems are coming together? My Blackberry's off, but I guarantee you during this session it would have been buzzing at least a few times with updated weather reports, not that I have to read them yet. And then what will happen is if it's something that we think could hit in the morning, now this one is a little different because it could be during rush hour in the afternoon. By the way it doesn't look like it's going to amount to anything. Just so you all know.

COMMISSIONER MERRIFIELD: Ed, get your hose out.

MS. SPRINGER: Sorry about that.

COMMISSIONER JACZKO: Perhaps, I'll have you stop right there.

MS. SPRINGER: That's what you really wanted to know. This has been, you know, in my tenure it's been pretty easy. I think three times we went through the drill. If it's something for the next morning we have an overnight drill that starts. There are people who monitor through the night and around three o'clock some of those organized calls start. And I get on one, sometime between 3:30 and 4:00 in the morning, which we did do, and ultimately I'll get a report, well, here's all the information, here's all the best information we have from all those authorities, and I'll say okay, now there may be a half dozen people on the call, go around the rooms, say well, what do you think? It's interesting because usually the right answer emerges. And I have someone in that group that's from Mississippi, just so you know, so that's kind of like the reality check.

And then at the end I'll say, well, okay, here's what I think is the right

- answer, and it may be unscheduled leave, like we had a couple of weeks ago.
- And one of the considerations there is that, why that's an attractive option is there
- 4 may be some distant West Virginia county that has a broad school district area
- 5 where they've decided to close and they may legitimately have some condition
- 6 there.

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But you're not going to shut the whole Federal government down because of something that happens in some outer reach area. So then

unscheduled leave becomes a good option.

So what's interesting though is that within minutes of when our public relations person who's on the line hears that call or hears that decision I will see it on the television, because I'll get off the call and at four o'clock flip on the television and sure enough along the bottom you'll see Federal offices are opening two hours late with unscheduled leave or something like that.

Now as you know we only make that call for the national capital region. For the other offices around the country, the other regions, the Federal executive boards for those areas make that determination. But they'll go through the same considerations.

So far we've gotten off easy. In my tenure, as I said we didn't have any big blizzards or challenges. And I'm hopeful I can get through another year like that. But it is a drill we go through. I don't think we'll have anything today though.

1	COMMISSIONER JACZKO: I appreciate you filling us in on that. I
2	think it's not necessarily directly related to our meeting today, but nonetheless I
3	think an important issue for a lot of our employees.
4	MS. SPRINGER: Well, it is. It's probably the thing I'm best known
5	for.
6	COMMISSIONER MERRIFIELD: On that point I live in Fairfax
7	County, Virginia, and there is a service that Fairfax County has where you can
8	sign up your phone for instant messages. So that, for example, when there is a
9	shut down in the schools in Fairfax County before it even gets on WTOP at five
10	a.m. my phone goes off with a message saying that the schools will be closed that
11	day.
12	And you may want to consider whether the government might have a
13	similar program, where government workers could sign up for a service whereby
14	when a decision like yours to close the government or have unscheduled leave
15	that people who have signed up their phones could have that message sent to
16	their phone or their Blackberry, and thus making that communication better.
17	I would imagine there are some other types of notifications that could
18	be made to Federal personnel that would fit that scenario as well, but just
19	something to consider.
20	MS. SPRINGER: Yeah, it's an interesting thought. I didn't know they
21	did that. I'll have to look into it. Maybe our communications people are already
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- looking at the TV. The OPM website always has the operating condition for the
- 2 national capital region. So if there is ever any question that's where you go,
- 3 opm.gov. I understand what you're saying.
- 4 COMMISSIONER MERRIFIELD: It's kind of nice, the phone goes off,
- 5 I look and I say okay, government is closed I can roll back over. And I don't have
- 6 to get on an internet.
- 7 COMMISSIONER LYONS: That's what your kids are doing in the
- 8 next room.
- 9 MS. SPRINGER: I thought Commissioners just stayed here. Yeah,
- it's an interesting thought. Good.
- 11 CHAIRMAN KLEIN: Well, thanks, I realize you have another meeting
- to go off to. I should point out that Commissioner Jaczko would like another
- category added for closings, for severe sunshine.
- 14 COMMISSIONER JACZKO: And Commissioner McGaffigan as well.
- MS. SPRINGER: All right, okay, that's good, we'll consider that. I
- want to again thank all of you, first of all for your commitment. For a group of
- 17 Commissioners to have this level of interest in the people of the organization and
- these issues I think is really one of the reasons why it's such a stellar agency in
- that regard. And because it starts at the top, either good behavior or bad behavior
- or treatment of people starts at the top. So we commend you for that and thank
- you for it, and for this meeting too, and thank you particularly Mr. Chairman for
- 22 **that**.

1	CHAIRMAN KLEIN: Thanks. We'll now move into the staff
2	presentations. And what we do is twice a year all the Commissioners hear about
3	our strategic workforce and human capital and we hear about our EEO programs.
4	And so it is something that we all take an interest. And I'd also like to thank you
5	for mentioning that you have a Blackberry.
6	MS. SPRINGER: Yeah, that's right.
7	CHAIRMAN KLEIN: Thank you.
8	MS. SPRINGER: Thanks again.
9	COMMISSIONER McGAFFIGAN: I'm the hold out who doesn't.
LO	COMMISSIONER LYONS: If you check your Blackberry on the way
L1	out the forecast has changed.
L2	CHAIRMAN KLEIN: It's always too bad that the weather is always
L3	bad when we're closed, so we should have a good closing day.
L 4	Well, thanks for now telling us and informing us about all the good
L5	things that you're doing and what we can do to make it better. You wouldn't want
L6	to let Linda know that Jim and Ren do such a good job that we don't need your
L7	services anymore. So we look forward to hearing the updates. Luis.
L8	MR. REYES: Chairman and Commissioners the staff would like to
L 9	brief you on the activities regarding both Human Capital and EEO.
20	We do have a lot of material that we want to cover in a short amount
21	of time, so I'll just skip my remarks and go directly to Jim McDermott who is going
22	to deliver the presentation.

MR. McDERMOTT: Okay, thanks Luis. If you give me the second slide, now we're there. This agenda is one that has been set by our new Human Capital Council. It's made up of deputy office directors, and they focused on these four areas, critical skills staffing, space, training and development, performance

and engagement. And we're going to talk about those.

I'll be talking about skills. Tim is here to talk about space. Kathy is going to talk about the training and development. And Mike Weber is going to talk particularly about engagement. And in between there, while I'm talking about skills, Ren is going to take up some particular issues of an EEO nature.

Next slide, please. Hiring. We went crazy. We've hired 371 people through the door in fiscal 06. That's more than the agency's ever done. And we did something different this year then we did last year. This year we started with a full head of steam. As of January 20<sup>th</sup> we have a net gain in the staff of the office of maybe, I'll say it's about 80. That's a net gain. This time a year ago we were at zero; we still hadn't crossed into net gain territory.

How do we do that? It's because we started with about 150 people in the cue. What does that mean? They've accepted offers; we're working to get them through the door. We have 172 people in that status today. They've got accepted offers; they're on their way. And they'll get here. So that will position us well to use a whole lot, more than 100 percent maybe of this year's authorized ceiling and tee us up well for the next fiscal year.

1	Our recruitment plans. We're looking at our recruitment schedule
2	and we pared it back a little bit when the continuing resolution was looming. And
3	we leaned it out a little, we kind of whittled back on the number of people that

might go off on a recruitment trip. We're done with that.

You've heard us say that we rebalanced our efforts to focus more on experienced employees rather than newly hired people. Well, that wasn't a huge shift. We're going to about four more associations and about four or five fewer schools. But we're still going to make 80 school visits and I don't know how many association visits; we'll make far more school visits. I didn't want to leave the impression that we were falling off going after the entry levels, far from it.

Strategies that we're using. I'll just highlight a couple of them.

We've gone to what we call career invitationals. It means we go out and post a vacancy announcement; tell people you better apply because if you apply we'll invite you to a session. We held one for secretaries here on campus. We held on for scientists and engineers across the street at the Marriott. And we held a few around the country. They're good. The ones here in town were more successful than the ones around the country.

We went to Savannah River and we got some good hits and ended up hiring four people I think from Savannah River.

We got in trouble; we went to Monroeville and camped on Westinghouse's doorstep. Luis heard about it and actually we didn't get anybody out of that trip.

1	But also by invitation, by Constellation's invitation, camped in
2	Rochester, because they were cutting back at Nine Mile Point. I don't think we've
3	actually hired anybody yet as a result of that visit. We have hired some people
4	from Nine Mile Point. We've hired some trainers as a matter of fact from Nine Mile
5	Point.
6	That's a good technique. The invitational you get a much better
7	return on your investment.
8	Other recruitment strategies they're ones we've already talked about.
9	For the entry levels and for cooperative education students and it is all about
10	getting them before they graduate, the tool we got in the Energy Policy Act, pay
11	their housing allowance. That's terrific. I mean, that makes us the premier
12	Federal employer of summers and co-ops. We have more than a thousand active
13	applications for these positions that our folks are churning through now.
14	COMMISSIONER McGAFFIGAN: How large is the housing benefit?
15	MR. McDERMOTT: 750 bucks a month, as I recall. Correct me if I'm
16	wrong, yell. That's right. Yeah, \$750 a month, which means it covers at least half
17	and probably a lot more than half depending on what kind of an arrangement that
18	you can come up with.
19	I don't have to talk about the effects of the continuing resolution.
20	Can I have the next slide, please?
21	CHAIRMAN KLEIN: Well, we're going to be optimistic.
22	MR. McDERMOTT: I know, I know. No popping. No popping yet.

CHAIRMAN KLEIN: Right, not yet. But we're putting the champagne

2 on ice.

MR. McDERMOTT: I want to say just a little bit about demographics because we hired a flood of people, but we kept our eye on the ball a little bit about are we getting appropriate diversity? The short answer is yes. The short answer is if you look across those categories, if you compare what we hired in 06 to where we were at the end of 05 the hiring percentages were slightly better than the representational percentages at the end of 05.

Since we've been on our campaign this fiscal year, same story; the hiring percentages of the folks we've hired to-date, this is as of January 20<sup>th</sup>, these are people that have actually come through the door. I can't talk about the demographics of the 172 out there accurately because until they come through the door and tell us what they think they are we really don't know.

But again those percentages are all positive, you know, two percent higher on African Americans, six percent higher on Asian Pacific Americans and so forth. Even higher on Native Americans, that's a onesie, twosie proposition, but we are getting more.

The next chart, please. This is the Voinovich chart. And I just thought, out of nostalgia if nothing else I would show it up here. It shows that if we can do it, we want to grow the staff by about 400 gross, 200 net gain this fiscal year. Short answer is we're going to do that. We can do that. We're already well positioned to hit that.

The next chart, please. This chart it's the same information in one
sense, but it tells a story of what we did and how we managed the process. Green
line, and we want to get to green, is what would take us to what I showed you on

the first chart, about 400 and at least a 200 net gain.

The blue line was a contingency plan to say, okay, we better flatten out quickly here and then we can tail up a little bit at the end of the year, if we're really squeezed on the continuing resolution. The red line was for effect, firing for effect. It was to say if we indeed were constrained to the FY06 ceiling that's our hiring. And it's not a hiring, it's a firing chart; it means stop hiring entirely and hope that attrition gets us where we need to go.

I've already said that this year we already have a full head of steam up and we ought to be able to hit that mark. We talked a bit with Director Springer about the incentives that we actually use. This little graph, this gives you by the numbers how we've been doing that for the last five fiscal years.

Recruitment bonuses are really an essential part of hiring; that's what we use most. And we are going to probe ... I was going to tell you anyway, here's what I want to do. I want to start targeting back to specific skill sets; my favorite example, I&C. We'll probably propose to our FEPCA panel you got to give us a blanket. We're going to have to probably pop for as much as 25 percent recruitment bonus to get a good digital I&C person in. We have looked, somebody looked up for me, about 13 postings that we conducted over the last several years,

- two hires that have actually come in the door on I&C. We've got work to do there.
- 2 That's a critical short.
- One of the things that we haven't been using much, and again
- 4 Linda's sort of teed it up for me, is retention allowances. If you look at that it's
- 5 been very flat going across. And retention allowance is not a bad idea and may
- 6 become a very good idea, especially when we start getting cherry picked by the
- 7 utilities and all for people who are going to want our people.
- 8 COMMISSIONER MERRIFIELD: Can we pass the costs of that ...
- 9 well, let's see now, I'm trying to think of ... can we penalize those who hire away
- our workers and make them pay for their retention bonuses?
- MR. McDERMOTT: I think that if we did that we should inspect them.
- 12 They should get a lot of special inspections.
- 13 COMMISSIONER MERRIFIELD: That would take care of it.
- MR. McDERMOTT: Not on this chart is an indication of what we're
- doing with these pension offset waivers. We have today 53 NRC retirees on this
- program, which means we're waiving the penalty for coming back to work for us.
- Most, a majority, slightly more than half of them function essentially
- as consultants. They're here on an intermittent basis, they come in, they work a
- thing, then they go away and then they come back. Slightly fewer than half are,
- they're back like regular employees; they work a regular schedule and all the rest.
- The FEPCA panel watches this closely. The FEPCA panel is the
- Federal Employee's Pay Compensation Act. They watch how we use this thing.

	-50-
1	We're pretty insistent that knowledge transfer be the core reason why we're
2	bringing back these annuitants. We don't want to do this forever and just to have
3	another pair of hands.
4	I use my own shop as an example. I had a gifted personnelist who
5	had everything in her head here. She's going to retire. I said I need you to come
6	back and train the three or four new people we've hired. And I told her boss she
7	trains right, she's just not another pair of hands working for Jim Dyer, you know,
8	staffing NRR or Bill.
9	Could I have the next slide?
10	COMMISSIONER MERRIFIELD: Mr. Chairman on that score I just
11	had a clarifying question. We get a report, you all send us a report of people who
12	are part of that, at least a part, I think more in a consultant level, because I've seen
13	some of the dollar levels. But I don't recollect seeing a separate list of people who
14	have basically have come back.
15	MR. McDERMOTT: I don't think we give you that. I don't think we
16	have a standard report that we furnish. I'm looking around. We do?

MR. REYES: It's the same report. The list is combined. And what you'll see is on some of them, the ones that work in and out, you'll see the total amount of money that we have paid. And on the other ones you'll see a GG15 grade, for example. So that list is a complete list. No, that's not it?

PARTICIPANT: They don't give the salary amounts.

MR. REYES: But that is the list of everything. That list we send you.

1	-51- COMMISSIONER MERRIFIELD: Well, I'll have to go back to it again.
2	I'm not certain that message didn't come across to me in reading it. So maybe
3	we can clarify. I may just not have gotten it. It may be my problem. But it wasn't
4	clear to me.
5	MR. McDERMOTT: We'll follow up with you then.
6	MR. REYES: When the list was generated, the Commission was
7	interested in the cost. And so if we want to make sure you get some other
8	information out of it, we can modify it. But the original request you have, that
9	provides the Commission quarterly. was to show you the cost of that program.
10	MR. McDERMOTT: Can I have the next chart, please? This is just
11	one leaf out of our current Six Sigma project on hiring.
12	COMMISSIONER MERRIFIELD: This is the Rorschach test?
13	MR. McDERMOTT: Yeah, each one of those little thingies is a hiring
14	case. And you can see where we want them to be, where they are on average.
15	And some of them, a fair number, man, we're doing a lot better than 25 days, and
16	some of them are 140 days or whatever. Way up there. Why? Answer, we don't
17	know, but we have identified them and we're going after them to find out why.
18	This was low hanging fruit and this; I took the piece that Linda talked
19	about, the 45 days when the job line has been closed until you got an offer letter
20	out. There is no reason why we can't do that in 45 days. So we said that's a great
21	piece to do a Six Sigma on, find out where the bottlenecks are, we think we know

intuitively, get the data and see if we're right or wrong.

1	COMMISSIONER MERRIFIELD: I suggested to Luis a while back
2	this was a good idea for our first Six Sigma project. I know you were the one that
3	encouraged the staff to go with Lean Six Sigma. I've got to say though this is a
4	very disappointing chart. I mean, it is what it is.
5	MR. McDERMOTT: Yeah, yeah.
6	COMMISSIONER MERRIFIELD: But this shows no degree of
7	predictability.
8	CHAIRMAN KLEIN: But it will be good to find the data.
9	COMMISSIONER LYONS: Yeah, and to track over time. Hopefully
10	this can be a good example.
11	MR. McDERMOTT: Oh, yeah.
12	COMMISSIONER MERRIFIELD: Right.
13	MR. McDERMOTT: Oh, yeah, and you know I'm finding out what
14	went on with those dots. Sometimes it's just bad bookkeeping; we left a vacancy
15	announcement up there that nobody wanted to act on. Well, take it down and shut
16	it down and get it off. But sometimes it just stayed up there too long, and for a lot
17	of different reasons.
18	Now the hiring process is three phases. There's everything that
19	goes on until you put the posting up and there's everything that goes on after you
20	get the offer done. That's primarily the security and EOD process. We intend to
21	look at both of the other phases. Actually we'll look at phase three first because I

warned people we're going to be looking at phase one, so start figuring out what
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2 it you do anyway?

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- This part of the process is well understood. People know exactly
- 4 what we're supposed to be doing. The front end is mushy. The back-end is not
- 5 mushy, but we need to look at the time frame.
- I think NRR is also going to do a Six Sigma from their vantage point.
- 7 How are we doing on contracting? How is a program office doing its contracting
- stuff to get it done, because they're going to need a lot?
- 9 MR. HAGAN: Actually Jim, it's NRO.
- MR. McDERMOTT: I meant to say NRO, I'm sorry. I knew you were working NRO.
  - Can I have the next slide, please? Retention. You heard the Director talk a lot about retention today. It's the other side of the hiring coin. It doesn't do any good to hire them if we don't keep them. We use all the techniques that she talked about, you know, we try to have flexibilities, we have this and that and the other thing.
  - Training is more important than I'll call the fringe things, the flexibilities and space or work schedules and all that. Training is what draws and keeps, especially our newer employees on the range.
- The other piece, and Mike Weber's going to talk about it a little later, is engaging our new hires in interesting and important work. Engagement is again far more important for retention than flexibility here or a little flexibility there. The

survey results that we got indicate that we're not doing badly in this area. But
we're going to have to keep on it.

We monitor our attrition real closely. Can I have the next slide,

please?

and I want to preface this by saying it's not because I feel any less important about these issues, unfortunately I've got some timing challenges that are going to require me to not stay for the remainder of the meeting, and I don't have any questions at this point, I know the staff has been committed to these issues, I just wanted to make it clear that my departure is not reflective of the fact, I don't think that this is important, because it is one of the most critically important things that we do. It's just unfortunate that I've come into a conflict; I won't be here for the remainder of the meeting. But I do thank the staff for a very interesting briefing and I appreciate the other commissioners for their time. Thanks.

MR. McDERMOTT: The attrition chart. Last year our attrition was 6.29 percent. What I look at is attrition at each pay period, because it's seasonal. Now last year, we just finished pay period eight, last year our attrition rate at the end of pay period eight was about eight and a quarter percent. And it drifts down because that's a peak that comes. This year that peak is not as high.

So I'm encouraged to say well, maybe we get out of this fiscal year with about the same level of attrition, maybe a hair less than last year. Six, six and

1	a quarter percent is fine. I think five to seven, maybe even seven and a half
2	percent is healthy. We need some attrition. We need to refurbish.
3	We don't need a lot right now when we're trying to grow the place,
4	but nevertheless some attrition is just essential.
5	And, of course, the shift of employees to the FERS system. We
6	talked about that a little bit while the Director was here. Right now we have oh,
7	about 73 to 74 percent of our staff in the FERS system; the other 23, 24, the 26,
8	27, in the CSRS. FERS is portable, enough said, I don't have to belabor it. But
9	people can go. Yes?
LO	COMMISSIONER LYONS: Just a clarification. What is transfer?
L1	How is transfer defined? Transfer to what?
L2	MR. McDERMOTT: Transfers to other Federal agencies. Thank you
L3	for the question. That's what it is, transfers within the government.
L 4	COMMISSIONER LYONS: But it's still a net loss to us.
L5	MR. McDERMOTT: Oh, yeah, yeah, that's why it's in our column.
L 6	CHAIRMAN: And it looks like it jumped from 05 to 06.
L7	MR. McDERMOTT: It did, it and I don't know why.
L8	MR. REYES: I know why.
L 9	MR. McDERMOTT: Why?
20	MR. REYES: The minute the word gets out that we have the talent
21	we have, people come after us. We lost now a very good person to the White

House. I mean, what's happening now is that people know within the government

where the NRC is and we keep advertising we're number one on this and we're number one on that. Guess what, now we're a good place to recruit from.

MR. McDERMOTT: If you've got good eyesight notice the shift too that, and this is kind of good news, resignations are a smaller chunk, in 06 than they were in 05. Resignations is what we have to watch. And the Chairman and I have talked about this. We're revising the way we do exit interviews and find out why people are leaving. We have a very good IT system that was useless because it didn't identify the problem. It just said, yeah, somebody left who was unhappy for some reason. But there was no way to connect anything up to anything useful. We're fixing it. It's eyeball to eyeball when you leave the agency. And we're going to record and track the reasons as best we can. The system that we've set up is supposed to be in operation by March 30<sup>th</sup>.

The every popular tsunami chart, please, next chart. There it is. The lump on the left corner gets bigger. The lump at the upper right corner gets bigger. There we are. Enough said. I think it's self-explanatory. The average age of the staff has actually declined slightly, but it looks to us like it's going to, the slope is flattening out, it's going to stay around 48. That's where it is. And it isn't going to go much farther one way or the other.

There's a particular aspect to our attrition pattern that Ren's going to address. It's something she spotted and it's something that she needs to talk about, as well as a couple of other EEO update items. So Ren I'll turn it over to you

MS. KELLEY: Okay, thank you so much, Jim, and following Luis's

and Jim's lead I'm going to be brief as well in light of the time, if you'll turn to the

next slide, please. The three topics are the FY2006 attrition rate, the alternative

dispute resolution yellow announcement, this says policy, it's actually going to be

issued as a yellow announcement, and the anti-harassment policy.

And we did get some information and a request from the Commission as a result of the last EEO briefing to take a look at the departing rate, the departure rate of female employees, which females represent about 38 percent of the agency workforce, but we're departing at about a 47 percent rate.

And so just comparing this chart shows, comparing females to males, and I want to draw attention particularly to resignations because there's more than, females resign at a rate more than two times that of the male counterparts.

As Jim mentioned we don't have a lot of information right now in terms of when people walk out the door, the information was somewhat limited, but were able to glean some data from this in terms of the categories of reasons, and that's retirements and the figures there in terms of what the representation, why some retire, some transfer to other agencies, some resign. And the other category kind of is a potpourri pot that contains a number of reasons, none of them really mounting to high numbers.

But we expect that as the system is put in place we'll be able to collect more information, but as you can see here the distribution, there's not a

1	really wide gap	between the	retirement and	transfer nu	mbers, from	males to
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- females. But certainly the resignations, there is a significant difference in those
- 3 two groups.
- 4 COMMISSIONER JACZKO: Can I just clarify. How many numbers
- are we talking about there? I mean, is it single digit or 20s, tens of people?
- 6 MS. KELLEY: Well, I really don't ...
- 7 COMMISSIONER JACZKO: If you don't have it.
- 8 MS. KELLEY: I don't have that information. I think we have to get
- 9 the actual numbers and provide that.
- 10 With regard to the Alternative Dispute Resolution, I just wanted to
- make the note that this continues to be a focus area for us to increase the
- participation rate with using that process and we thank the Chairman for making a
- statement to that affect across and encouraging, and the Commission, for
- encouraging the use of ADR.
- And the Commission just issued an anti-harassment policy. We've
- always had an anti-sexual harassment policy. The policy has been broadened to
- include all forms of harassment, using the EEO basis. And we believe that's an
- important part to the agency continuing to be a positive place to work and let all
- employees know that type of behavior will not be tolerated.
- And that's the extent of the information that I will provide today. I'll
- turn it back to Jim.

1	MR. McDERMOTT: Tim, you're up. We'll go right away to space
2	then, I'm looking at the clock here.
3	MR. HAGAN: Commissioner McGaffigan mentioned that this is a
4	great place to work. Well, we see our challenge here is to provide great space in
5	which to work.
6	As you know we've been in dire straits really in terms of our space
7	for the last year and a half, and we've had a number of initiatives to try and
8	optimize the space in the building.
9	We moved the Professional Development Center down to Bethesda.
10	I think we've got some very positive feedback on how that worked out. And the
11	Center is working, operating full speed now.
12	We also have several initiatives within the White Flint complex that
13	we're nearing completion on right now. One is the moving of the Document
14	Processing Center down to the Old Supply Store that's going to free up some work
15	stations in this building where they're sorely needed.
16	But the next major accomplishment is in March with the first wave of
17	the moves to Executive Boulevard on the third floor.
18	COMMISSIONER McGAFFIGAN: Are you taking bets on that?
19	MR. HAGAN: Actually I would take bets on that one. Mid-March,
20	we're going to make mid-March on that.
21	COMMISSIONER McGAFFIGAN: GSA has disappointed you at
22	every stage and every move.

MR. HAGAN: I think our last round got us aligned on the importance

of that particular floor. We are monitoring that every day. We have people over

there every day. So it is moving quickly. And actually we're going to schedule a

4 tour for the Chairman I think next week.

Behind that, that first wave is in March, and then six weeks later we expect to complete the first and second floors and move the rest of NMSS over there. And as you all, well, let me add one more thing, we also acquired some more space down at Gateway, the fourth and fifth floor at Gateway in Bethesda. We're building out the fifth floor in March. And the fourth floor is going to be more of a challenge. We have a lot of demo work to do there, so it's going to be a couple of months later for that.

Our biggest challenge as you know for the past year has been trying to get our permanent space solution. And as of yesterday we spoke to GSA, the prospectus people, and they assured us that the prospectus will go next week.

Now I know we've heard this before, but they were certain that that was going to go down next week and that they would let us know exactly when it is. And I know that you have interest in knowing that, Chairman, and we'll keep you posted on that.

The next step there would be for OMB to approve it and we'd release the, GSA would release the prospectus to Congress, which really is the critical step. We're preparing what they call a program of requirements for RPs and as

- -61soon as the prospectus goes to Congress then we can release our requirements 1 2 on the street and get the project moving. 3 As I mentioned it's been a challenge, I think we talked earlier about attracting and retaining people, and we see space it's just absolutely essential to 4 5 our being able to continue doing that. And that's all I have. MR. McDERMOTT: What do you want to hear most, our next would 6 be training and development from Kathy in fifty seconds. 7 MS. GIBSON: Fifty seconds? Okay. Training and development. 8 The EDO has approved our Training and Development Strategic plan. It's 9 available on the web for the staff. I just got the printed copies from the print shop 10 today. So I'll leave some with Annette for you all. 11 We are implementing this plan. It allows us to better establish 12 priorities and manage our resources across the agency. The goals and strategies 13
  - in this plan are linked with the agency's Strategic Plan.

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We've made some changes to accommodate the new hires. We scheduled additional sessions of just about every course that we offer to accommodate training for the new hires in technical areas, regulatory skills as well as professional development.

And we've implemented a new employee orientation website, so that we could shorten the orientation that we do Monday morning, but provide more information to the staff to look at as they get indoctrinated to the agency.

1	We have a lot of activities going on to support new reactors. Some
2	of these things that I'll talk about are being delayed, somewhat because of the
3	continuing resolution.

The Office of Nuclear Reactor Regulation, New Reactor Office,
Region II, and my staff worked together to put a training plan together, so that we
could be prepared to train folks that are going to be working on new reactor
licensing.

We've instituted a new one-day training course on the 10 CFR 52 process. So far approximately 90 staff have attended that course. We've established a website that has information about the Part 52 process. We're excited about it. It's innovative in that we have video or audio on it of Jerry Wilson who's been a primary staff person on the Part 52 process. And he, on the website, explains that process. And we're getting a lot of good feedback from the staff on that.

We're developing a shorter reactor technology course for the NRO staff. That will serve as a background to build upon for the new reactor designs. We're developing a short course for each of the four new reactor designs. We're going to pilot two of those courses in the spring and the other two in the summer. And we plan to contract for five new courses for construction inspectors on quality assurance and various codes and standards.

I guess the last thing I'll mention, I don't know how many seconds
I've taken or minutes so far, but we have hired technical instructors in

1 headquarters so that we can provide more training in headquarters for the NRR

and the NRO staff. That of course reduces the travel for their staff to go the TTC

or for the TTC instructors to travel up here.

The headquarters instructors are in the process of being trained and qualified and so during that time the TTC staff is developing the courses and getting ready for the contracts that I've mentioned. But when the headquarter staff are trained and qualified then those activities will be transferred over to the headquarter's staff. So we're kind of in a transition here and we're excited about that too.

MR. McDERMOTT: Thanks Kathy. Much of what I would say about performance we discussed at lunch today with Linda. We've had OPM audits and we've had a review by GAO. In fact, I think Sara Lynch and Rick Chessman are behind me right there, yes. We're following up on their recommendations too.

I would like to yield to Mike Weber to talk about what I think is very important, how we are engaging the new staff. Mike.

MR. WEBER: Good afternoon, Chairman, Commissioners. We succeed or fail based on our individual and collective performance. And in our nuclear regulatory business failure is simply not an option. And consequently we focus our efforts every day to sustain and enhance performance by attracting, retaining, and engaging very talented staff and managers that we bring to the agency.

Director Springer in her earlier remarks already touched on

engagement so I think that was a nice preview of what I'm going to cover. To

achieve our objective of enhancing performance it's essential that we engage the

4 staff at their earliest arrival to the agency and build organizational capacity through

5 both early training and by assigning them meaningful and challenging work.

These two slides that I have cover some of the areas that we've been engaged or we've been working on. But they're only examples. And they feature some of the improvements that we put in place over the last couple of years in partnership with both the Office of Human Resources and our other partner offices within the staff. So I'll only touch on some of these examples.

One of them is the new employee training. We work to ensure that the employees are welcome from when they first arrive at the agency, even before they arrive at the agency, to let them know that we're eager for their arrival and we have plans for their work with us.

And then when they get here we certainly focus them on safety and security and we introduce them to the culture of the organization and the expectations that we as NRC, NRR managers have for them.

We also put in place last October a qualifications program for our technical staff. It's modeled after the very successful qualifications program we've used for years as an agency in the region for inspectors and also in various headquarters elements. But now for the first time we're requiring all the

headquarters NRR employees in the technical disciplines to be qualified and we're
working on a similar program for our administrative staff.

And also we mentor and train all these new employees and some of the existing employees by engaging our senior staff in coaching and mentoring. It's very important for knowledge management purposes, knowledge transfer, and it also keeps people here, because they're very dedicated to the mission of the agency and they see that by coaching and mentoring they can give back to their public by helping to develop the next generation of nuclear regulators. That's absolutely essential with the large turnover that we're experiencing.

We go to the next chart. We are broadening staff through assignments, equipping them with a broader range of skills and experiences. They can apply those throughout their career. Using cross training, rotational assignments, lateral assignments.

We're also responding, for example, to staff feedback that we've received in the safety culture test, in the Safety Culture Survey and putting in place enhancements. One of those enhancements, for example, is by having senior managers provide context for regulatory decisions, particularly when those decisions aren't in align with the recommendations that came from the staff, we see that as important.

While I've focused on what we have underway in the Office of NRR, that's not to exclude similar efforts that are underway in the other offices. And if we had the time we could go into all the various activities. We don't hold these to

- ourselves; we share those with our partners. And I would only end by saying
- these efforts and your leadership are absolutely essential for continuing to ensure
- that NRC remains a premier place of employment. Thanks. Luis.
- MR. REYES: That concludes our prepared remarks. We're open for guestions.
- 6 CHAIRMAN KLEIN: Thanks. Commissioner Lyons.

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- COMMISSIONER LYONS: Well, thanks to all of you for a very informative, albeit short presentations. And I also really appreciate that your presentations are backed up by a lot of information and a lot of data in the book that you provided which I certainly found very useful.
  - By way of questions, actually one other comment I wanted to make. In terms of the innovative hiring strategies one that I've particularly watched and Jim knows this, is the Universe to Champions program. I've watched that particularly from the perspective of New Mexico State just because I happen to have some ties there. But I've been very impressed with how it has advanced. I know we've hired I think at least a couple people from New Mexico State, have interns coming in. To me all those things are very, very positive, and it's just a good example, and I know there are many more examples in terms of how that program is working. So certainly compliments there.
  - On the Six Sigma project on hiring, and I guess this goes to Jim, despite, I may not be sure what I'm looking at on that graph, but as I look at that, I think it's a 65-day average, does that mean that we can't go to a university and

- offer someone a job on the spot? Or what tools do you have if you have a hot shot
- that you're interviewing at any university, what can you do to get them committed
- right then and there, because I'm sure our competitors in the private sector can do
- 4 that?

MR. McDERMOTT: That's why we talk about direct hire every now and then. But here's a work around that we've tried with some success. It's

similar to what I called about our invitationals.

We send a vacancy announcement. We host an announcement with a particular, these are terms of art for us, but we call it the area of consideration. It's for the school. It's for Ohio State or it's for Tuskegee or New Mexico, wherever. And we say hey, this job is open for three weeks. You've got three weeks to apply. We usually, if we're going out there we open it two weeks before we go out there and flood it around the campus saying, come on, come on, apply. We go out and we meet and talk to a lot of kids and we say come on, apply, you got to get in by next Monday or else. And they apply and we can take that and massage it in a day and say okay, these are the ones we want to make an offer to or these are the ones we want to do a second interview with.

A lot depends upon the management team that goes out to the field to do this recruiting. They will go out and say look, we're in this business, we know that these are top notch kids that are going to come out as among the best qualified candidates for the position, so we want them, put us in a position to sign off on them and get them an offer right away.

1	It's possible, if we have the right people there, to actually do that
2	before we leave town. But what have we done? The steps that we have taken
3	are: we've recruited, and then we've got assert and then we've said okay, these
4	are the people we want, we're selecting them, they're having conniption fits over in
5	the bleachers because
6	MR. REYES: He's oversimplifying the process.
7	MR. McDERMOTT: Yes.
8	MR. REYES: But it can be done, I mean, we have done it. It's a lot
9	of work. It's a lot of work.
10	MR. McDERMOTT: I wait until the vacancy is closed before I
11	actually sign on the dotted line, because it would look much better at the trial if I do
12	that.
13	MR. REYES: But you have to verify that they're qualified. Then you
14	have to do reference checks. I mean, it's an intensive process, but it can be done
15	with a lot of planning.
16	COMMISSIONER LYONS: I'm glad to hear that we're doing that. I
17	just think that that's just a very, very important way of competing with I think a lot
18	of other organizations, private companies.
19	MR. REYES: Having said that, no intelligent person will accept a job
20	without knowing physically where they're going to work, how does it look like, what
21	office space, etc., etc. So we end up bringing them here, that's where you see us
22	bringing them here, what we call sometimes a second interview, which is really

1	see the place, see the child care center, see the credit union, the cafeteria, judge
2	the surroundings, we let them talk to other people their age that are going through
3	our training programs. It gets to the point if you're going for the cream of the crop
4	you're competing with somebody else for those kinds of dimensions on the job.
5	COMMISSIONER LYONS: Yeah. Another question. There were

COMMISSIONER LYONS: Yeah. Another question. There were several so-called critical skill gaps identified in FY06, and the ones that I had down were criticality, safety, PRA and digital I&C.

Having identified those as critical skill gaps have we employed specific strategies to try to reach those skill groups and are we showing any degree of success?

MR. REYES: Let me add an example because I think criticality safety is dear to my heart. We have always had that gap and we will probably always have it. But the same thing happens at DOE and a lot of other places.

COMMISSIONER LYONS: Absolutely.

MR. REYES: And one of the strategies we use is you can't get what's not available. So I want to make a plug for what NMSS did. What they did is they took a nuclear engineer in college, started co-oping that individual, that individual graduated, came on board with us, then we send them to several schools on criticality safety and now that person is a qualified criticality safety inspector, met all our requirements.

So when the product is not out there, we are investing in making it ourselves, because you can keep posting and you won't get it. Let me give you an

1	example. We interviewed an individual for that job, getting a Ph.D. in nuclear
2	engineering, criticality safety, out of college. The person got offered a six figure
3	salary. We cannot go there. So if we can't buy them, if we can't go there, we'll
4	just develop our own. And so we are implementing strategies to solve those
5	problems.

Now Jim mentioned earlier digital I&C instrumentation and control.

We're probably going to have to do something like that. But we have the tools. We have the Graduate Fellowship program. We can send somebody to get a graduate degree. We pay for it. And so those are the innovative tracks we're taking when they're not readily available or out of range in terms of salary.

MR. McDERMOTT: You know we just don't just up and decide to do this. One of the things we survey, when we survey for the needs and we also survey for the solution. We ask the managers, what do you think our best chance is? It usually comes back for these chronic short falls, we got to train; we got to train our own to do them.

COMMISSIONER LYONS: That's a perfectly good solution by my way of thinking.

MR. McDERMOTT: Yeah.

COMMISSIONER LYONS: That's fine.

MR. WEBER: If I could add Commissioner other techniques that we employ, we talk to our own staff who are expert in those areas and ask them to hey, if you've colleagues out there that are interested, we're one of the best places

- to work. Get them to apply. We advertise in professional journals, selected for
- those special disciplines. We'll go out and recruit at job fairs and professional
- society meetings, specifically in those areas. I know we've been doing that in
- 4 NRR working with HR, and the Regional offices too.

- 5 COMMISSIONER LYONS: All that's positive.
- 6 CHAIRMAN KLEIN: Because I ask you all questions all the time, I
  7 will defer to the gentleman on my right, Commissioner McGaffigan.
  - COMMISSIONER McGAFFIGAN: Thank you Mr. Chairman. I didn't know GAO was in the audience. I do want to commend you for the report you gave us. I thought it was tremendously constructive. The fact that you did the report came out of a conversation I had with Senator Voinovich when I was going through my confirmation process in 2005. And he wanted to be certain that all those tools he had gotten us in the Energy Policy Act of 2005 were being utilized and utilized rationally, and I think you made a lot of good constructive points as to where we can improve. And so I want to thank you, and I'm sure I'm speaking for the entire Commission when I say that.

Now Jim, I pointed out to you last fall at a particular college, which I'll leave unnamed, the Nuclear Navy had done a much better job than the NRC. The NRC, the thing that was in the publication at this college of all the different companies coming to recruit at their career fair, the NRC one was, the NRC is an agency of government that is responsible for the reasonable assurance of

1	-72- adequate protection of the public health and safety and the common defense and
Τ	
2	security
3	MR. McDERMOTT: Right out of Title 5.
4	COMMISSIONER McGAFFIGAN:come work for us, and in the
5	Nuclear Navy which was just below us or above us, I forget which, we're a swell
6	place to work, we give tremendous responsibility early in your career.
7	CHAIRMAN KLEIN: And they have good pictures.
8	MR. REYES: They have a submarine jumping out of the water.
9	COMMISSIONER McGAFFIGAN: So has that been fixed? I mean,
LO	do we now go out
L1	MR. McDERMOTT: We've taken one step, which is to take the PR
L2	notice that you wrote and handed to me and try and get that incorporated, and it
L3	was very good, and get all that incorporated.
L 4	COMMISSIONER McGAFFIGAN: NRC is a great place to work; we
L5	give a lot of responsibility early.
L6	MR. McDERMOTT: I don't know the details on that. I pass that on
L7	and said, you know, we do have to do a better job.
L8	COMMISSIONER McGAFFIGAN: I hope you are.
L9	MR. McDERMOTT: We need to tune up our displays and all that.
20	It's a to-do for me to get back to and tell you exactly what kind of progress we've
21	met on that. I don't know right know right here, right now.

	-73-
1	COMMISSIONER McGAFFIGAN: We have a proud record. We
2	have a lot of good things going for us and we are hiring. And that's what a lot of
3	young people in colleges want to hear is that. They may not stay with us forever.
4	You and I have talked about the fact that the three-year, and I think GAO may
5	have said this as well, the three-year goal, the sort of three-year retention goal we
6	have may not be the right one, because it could be a fall of the cliff for the fourth
7	and fifth year. So we need to brag about ourselves and not at all be reluctant to
8	brag about ourselves when we're recruiting people, because we're up against
9	people, whether they're in the private sector or the Nuclear Navy, or god knows
10	who, who are going to be touting their good points. Now the Nuclear Navy is a
11	great place to work. It's just we're a great place to work too. Okay.
12	MR. McDERMOTT: Duly noted. We brag a lot, but we don't have the
13	right, it's the message in the bulletin, it's the message in the ad, it's how spiffy do
14	we really look. We got to work at that.
15	COMMISSIONER McGAFFIGAN: When we're thinking about space,
16	looking ahead to the early part of the next decade, do we have space for
17	simulators, for the new designs that are going to go through the COL process and
18	maybe receive COLs? And when are we going to have an EPR and a ESBWR

MR. HAGAN: Right now our space plan doesn't have that incorporated, you know, we have a contractor looking at our strategy for space.

and an AP1000 simulator on campus?

19

20

1	-74-
1	It's really focused more on a five-year window, not probably as far out as you're
2	looking.
3	COMMISSIONER McGAFFIGAN: But at some point clearly aren't we
4	going to need simulators?
5	MR. REYES: Well, we need to bring to the Commission options on
6	what do to with our future training because clearly we're going to add the new
7	generation simulators. And where and how we'll operate those still to be decided.
8	So we owe you proposals and then once
9	COMMISSIONER McGAFFIGAN: We're going to need the old
10	simulators too.
11	MR. REYES: Correct. You can't throw away the old ones. 104 units
12	are going to continue to operate 60 years, maybe 80.
13	CHAIRMAN KLEIN: And that's a challenge we have to look at. You
14	know when you look at the facility we have in Chattanooga that one is very difficult
15	to move, very, very difficult. And so then we have to look at where do we want to
16	be long-term and then what do we want in the intermediate. And so the staff is
17	working on it.
18	COMMISSIONER McGAFFIGAN: I won't be around when you guys
19	make that decision, but I would think there's something for the new plants having
20	the simulators approximate here in Bethesda, I mean, in Rockville, is a good thing.
21	MR. REYES: There's a lot of benefits to regionalizing that now. The
22	situation changes because if we do have standard designs you may have a

1	situation where one simulator is being, you serve several utilities and it could serve
2	a university and it could serve us too. So we need to think this through because
3	there's opportunities that were never there before.

COMMISSIONER McGAFFIGAN: Okay.

MR. REYES: Instead of being unique to that plant, if it's a referenced plant that is quite a few around the country, the utility can use that, INPO can use it, maybe a university wants to use it, we can use it. So we'll have to think this through.

COMMISSIONER McGAFFIGAN: Okay.

COMMISSIONER LYONS: Ed could I add just one thing. I've been holding off because of the CR, but I will be putting out a proposal within the Commission on exactly that point.

COMMISSIONER McGAFFIGAN: On the simulators for the future?

COMMISSIONER LYONS: Yeah. For whatever it's worth, and we may go a different way, but there will be a proposal that you'll see soon.

MR. McDERMOTT: May I add a point? And this is about the link between training and retention, if we're not going to keep people, if they're not lifers, we got to stop training new hires as if they're going to be lifers and have them do nothing but train for three years and then leave. We have to rethink how much training and how much work we want them to do, and in my humble view balance that better.

1	MR. REYES: The other thing is that the whole training approach we
2	may have to do more like the military, you know where they have a certain, they
3	have two groups, people who stay there for 20, 30 years and people who are four
4	years and they're out. And if we end up in that situation we may have to strategize
5	our training different. I think that's what Jim is talking about.
6	CHAIRMAN KLEIN: Commissioner Jaczko.
7	COMMISSIONER JACZKO: I just had a couple of brief questions
8	and a brief comment. I certainly look forward to hearing what we're able to find out
9	about some of the issues with the gender imbalances on I think the attrition rates
10	and I think that will interesting to see if there are any trends in anything that we
11	can try
12	MS. KELLEY: I do have an answer to your question, Commissioner
13	Jaczko.
14	COMMISSIONER JACZKO: Okay.
15	MS. KELLEY: I just didn't have it in front of me right at the time, but
16	in 06 a total of 211 people left the agency and that was 99 females and 112 males
17	And the representation though of females is lower than that of males. So that
18	accounts for the
19	MR. REYES: The percentage.
20	MS. KELLEY: Yes.
21	COMMISSIONER JACZKO: And as I understand I guess there is a
22	program underway to try and as we go forward

1 MS. KELLEY: To monitor it more closely.

2	COMMISSIONER JACZKO: Capture that. And I'd certainly look
3	forward to hearing what you find out from that. You know, there are lots of other
4	little things as I went through some of this information that stand down. I think
5	there's a reduction in the use of the student loan repayments. And again I'm not
6	sure if that's because we're not using it or because the people who are eligible for
7	it aren't there any more and you know all those kinds of things.
8	I think it will be interesting to know if that's tied to any particular issue
9	that we're losing a certain, again class of employees who, for whatever reason
10	were using that student loan repayment and are no longer here and so they're not
11	using it anymore.
12	The only question I would have just follows up a little bit on what
13	Commissioner Lyons had said and that's going back to the chart on the offers and
14	this is just a little bit of a clarification about what this means. This is the cycle time
15	versus date of offer, the Lean Six Sigma project.
16	Cycle times in days. That is the number of days from the time the
17	offer was made until the time that the employee arrives?
18	MR. McDERMOTT: It's the time between when the job
19	announcement ended.
20	COMMISSIONER JACZKO: Okay.
21	MR. McDERMOTT: And a manager could act on it when we actually

did the action, sent an offer letter saying do you want a job.

1	-78-
1	COMMISSIONER JACZKO: Okay.
2	MR. McDERMOTT: Forty five days.
3	COMMISSIONER JACZKO: So some of that is I guess that perhaps
4	makes more sense of what you said, some of that time may just simply be that
5	postings were up for a long time and we didn't get applicants until late in the cycle
6	MR. McDERMOTT: That's really a cop out. It doesn't start until the
7	posting has ended.
8	COMMISSIONER JACZKO: Okay.
9	MR. McDERMOTT: What we want to find out is where was the thing
LO	sitting? Was it on a manager's desk? Was it in caught in Personnel for an undue
L1	length of time? But that's why we're going to look at these cases.
L2	MR. WEBER: If I could add just briefly, there's obviously a lot of
L3	causes to that spread and it's healthy that we're looking at it now, applying new
L 4	techniques and evaluating what drives it. But there may be a whole lot more in
L5	there than at first meets the eye.
L 6	For example, I know as a manager there are times when the first
L7	person you pick off the cert declines the offer and then you go to the next person.
L 8	So you can actually go a couple of people down before you get somebody to
L 9	actually take the offer. Well, if each one of those offers is tracked you can
> N	understand why that would spread out

1	There are other times when a manager wants or a supervisor wants
2	to select someone, but they're not allowed to hire against that position because
3	they don't have the authorized FTE.
4	So at times we go back to our Office of Human Resources and ask
5	that the cert be extended in order to allow through attrition or whatever means a
6	position to open up so we can actually hire the person.
7	So it may not be driven by, you know, any lackadaisical response on
8	the part of the staff, it may be other factor.
9	MR. REYES: But that's what the Lean Six Sigma analysis will do for
10	us. It's going to digest it in such a way that we know where the idle time is. We'll
11	know the scatter. We'll know the different areas where the scatter is and obviously
12	those areas we're going to concentrate on.
13	COMMISSIONER JACZKO: But I appreciate that and I certainly am
14	glad that the staff is looking into this and I perhaps have been focusing on this
15	because again this seems like this is an issue that anecdotally I hear for why
16	sometimes we lose people because of this time it takes to get people in the door.
17	The last just brief question I would ask is on this particular issue
18	Director Springer did mention a particular interactive tool that OPM has, and I
19	would just ask simply is that something that the staff is using and working with
20	that.
21	MR. McDERMOTT: Anybody can go to opm.gov and you can click

on it yourself and they have this little row of push buttons, whatever you call them,

1	that says this should take five days, this should take three days, this should take
2	four days.
3	COMMISSIONER JACZKO: Are your managers instructed
4	MR. REYES: That's going to be our benchmark.
5	MR. McDERMOTT: No, we haven't told them to go look at it and see
6	what it is.
7	MR. REYES: Correct, but we are going to model. We want two
8	things. We want a model EEO program and Ren didn't have time to mention that
9	but the harassment policy, etc., etc. All those things are because we want to be a
10	model EEO program. The same thing here, we want to be the model. We want to
11	be best in class and the same standards we are going to use there.
12	COMMISSIONER JACZKO: Good. Thank you.
13	CHAIRMAN KLEIN: Just one clarifying data point would be nice. On
14	page 13 Jim of your attrition rate by gender, what would be interesting, if you look
15	our female transfer and resignation rate is higher but in my former life at the
16	university I would hear from companies that have the same problem. It would be
17	good to compare how we are with others. My guess is that we are going to be
18	consistent.
19	MR. McDERMOTT: Probably better than others to be quite honest.
20	COMMISSIONER LYONS: Could I just make one brief comment
21	before you close. I just wanted to react Jim and Luis to the suggestion that you

just made about training people anticipating that they are either short term or long

- term employees. Put me down as being really worried about that kind of an
- 2 approach. Maybe you can convince me that that's a good idea. But my first
- reaction is you're going to end up with a self fulfilling prophecy and at least that
- 4 really scared me when you said it.
- 5 CHAIRMAN KLEIN: What I'm hoping you meant to say, as Elliott
- 6 always says what the Chairman should have said, is that I think it's more of real
- time training needs, because what the military does is they train for the skills that
- 8 you need on a certain time.
- 9 COMMISSIONER LYONS: Oh, if you said it that way I wouldn't worry
- 10 as much.
- 11 CHAIRMAN KLEIN: And so I assume that that's what you meant to
- 12 **say.**
- MR. McDERMOTT: Well, of course.
- MS. GIBSON: If I could comment. I think for practical reasons, in the
- past we had a smaller number of staff. So for efficiency we would have one
- course that a lot of different people that had different needs would attend, because
- it was most efficient to do that way. Now that we have more people we can have,
- we're tailoring some courses to people, so not everybody's going through the one
- shot deal. We can tailor train to the jobs and to the offices now because we have
- 20 more people. So there's some practicalities to where it's a better thing than what
- it's been in the past.
  - COMMISSIONER LYONS: You're making me feel better.

1	MR. McDERMOTT: Let me spoil it. There's a problem that I'm
2	hearing from the new people. They're saying we're not getting engaged. We start
3	a project and then we go off for six weeks to TTC and we come back somebody
4	else finished the project, we get a different project, we start that one. And that's
5	what I meant about the retention thing.
6	It wasn't so much that gee, I don't want them, I want to use them like
7	Bic pens and throw them away, but they need to get responsible work and there
8	has to be some continuity in that, and if to do that I have to lengthen out the
9	training and not try to cram it in the first three years, that's what I would like to do.
10	COMMISSIONER LYONS: Well, again, and if you say it that way I
11	won't worry as much. Maybe I just reacted wrong.
12	MR. McDERMOTT: Okay.
13	CHAIRMAN KLEIN: Because that's training when they need it, as
14	opposed to
15	MR. REYES: For the task at hand.
16	COMMISSIONER LYONS: Well, and training for engagement, and
17	that's fine. I was just nervous with the long term and short term.
18	CHAIRMAN KLEIN: Yeah, it didn't I knew what he intended to
19	say. Well, thanks for the presentation. As I think our organization, probably more
20	so than others because we're so people intensive, that's what we do is people,
21	really is how we will be judged and how we perform is by our people. And so what

you all do to hire, train, retrain, and keep really is what will make at the end of the day the success that we are. So keep up the good work. It's good.

And I hope that one of these days we will get our permanent space solution. You know we've worked at it as hard as we can and we'll work it harder. You know I think that once we get through the CR and the other issues at hand, I'm hoping that OMB won't take as long as GSA to get our prospectus out. So I think we just have to stay on top of that every other day. And then soon every day, because we don't want to miss that next deadline. So we'll just keep at it.

So thanks for what you do and the meeting's adjourned.