

ALIGNMENT: ACHIEVING MANAGEMENT AND OPERATIONAL EXCELLENCE

December 1, 2011

Secretary Chu released the DOE Strategic Plan in May 2011, which established a vision for transformational clean energy, science, and security solutions that are significant, timely, and cost effective. Successfully achieving this vision will require a sustained commitment to management and operational excellence from Headquarters to every site office, service center, and laboratory or production facility.

To help realize the Management and Operations goal within the DOE Strategic Plan, Secretary Chu established the Associate Deputy Secretary (ADS) position in February 2011. In support of the Secretary and Deputy Secretary, the Associate Deputy Secretary drives improvements in mission execution and assures that they are efficiently and effectively implemented throughout the Department. The Associate Deputy Secretary reports directly to the Secretary and the Deputy Secretary, and is the primary point of contact for: Office of the Chief Human Capital Officer; Chief Information Officer; Economic Impact and Diversity; Management; Health, Safety and Security; and Hearings and Appeals. In this capacity, the ADS ensures day to day activities required by the Under Secretaries and Assistant Secretaries with the line management responsibility are efficiently and effectively implemented. Additionally, Secretary Chu appointed a Senior Advisor for Operations, Mike Weis, who works closely with the Secretary and the Associate Deputy Secretary towards improved mission execution.

Focused on the safe and secure mission execution, results/actions are tracked via 52 Measures of Performance aligned with the Department's Strategic plan. Examples include:

Efficiencies – In fiscal year (FY) 2011, there have been significant cost savings realized to date. Savings include efforts associated with bulk purchasing, fleet vehicle reductions (with an overall goal of 35% reduction in vehicles by FY 2013), travel reductions, mobile device management, website consolidation, and elimination of excess real property.

Effectiveness – Safe and secure mission execution.

Achieve Operational and Technical Excellence

1. Alignment – **Align roles and responsibilities across the complex:** Horizontal integration (i.e., line/functional, Headquarters/field, Federal employees/laboratories). Decision making is more efficient and effective. The ADS oversees a routine decision making governance which includes:
 - Chief Operating Officer Board established in June 2011. This Board is comprised of career Senior Executive Service members from the line, functional offices, and field leaders.
 - Operations Management Council which consists of the Under Secretaries and functional leaders.
 - Nuclear Safety and Security Council established in June 2011 which facilitates integration and coordination of the senior nuclear leaders across each Under Secretary program.
 - Super 8 which integrates and coordinates the eight major functional leaders in support of line management.
 - Directives Review Board which consists of senior leaders who approve mission directives and requirements.
 - A weekly operations meeting with the Secretary and Deputy Secretary.

Additionally, the executive decision correspondence process was changed in March 2011, resulting in executive decisions 10 times faster than before.

2. **Develop the most highly-qualified, capable, and flexible workforce:** We are optimizing our work/Federal workforce and reducing the need for support service contractors. We are upgrading our continual learning program for managers, and working to improve diversity and inclusion in the workforce.
3. **Assure excellence in research and development (R&D) management:** We are consolidating our R&D financial assistance information technology programs/processes towards better effectiveness while saving dollars.
4. **Improve contract and project management:** There are several measures of performance in this area which are being pursued.
5. **Leverage infrastructure to support the mission:** This includes the Department's sustainability efforts (e.g. fleet reductions, buildings efficiency, cool roofs).
6. **Create a regulatory process that is strategic and efficient:** (e.g. revised refrigerator energy standard, etc.).

Implement a Performance-Based Culture

1. **Cultivate a performance-based framework:** We are articulating clear performance expectations, clear accountability, responsible empowerment, timely and responsible performance assessments. (Includes a 'managers training managers' training effort). Recognition of our people is occurring (e.g. management reform recognition, Honor awards).
2. **Improve transparency:** Budget and reporting codes are being consolidated by 50% towards improved financial transparency. We are working to reduce the time required to distribute funds from Headquarters to the field by a factor of four or greater.
3. **Transform our approach to safety and security:** We are streamlining requirements, eliminating duplication (e.g. Health, Safety, and Security requirements have been reduced by 50% while maintaining safe and effective operations).
4. **Enable missions through responsive information technology (IT) and cyber security:** We are improving our commodity IT services, and our cyber risk management.
5. **Refresh our strategy regularly:** The Quadrennial Technology Review is informing our budgets. We are participating in the Office of Management and Budget's Business Quarterly Review process. The ADS conducts bi-monthly management reviews with cognizant leaders to ensure that measures of performance are being realized.

Alignment is our Operating Model towards achieving Management and Operational Excellence. We are taking a systems approach to align DOE's Strategy, Structure, Processes, and People such that they are better focused on mission. The DOE Strategic Plan (a key aspect of our strategy) indicates that we must do the following towards achieving Management and Operational Excellence:

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