



Briefing on Project Aim

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Executive Director for Operations

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Chief Financial Officer

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Agenda

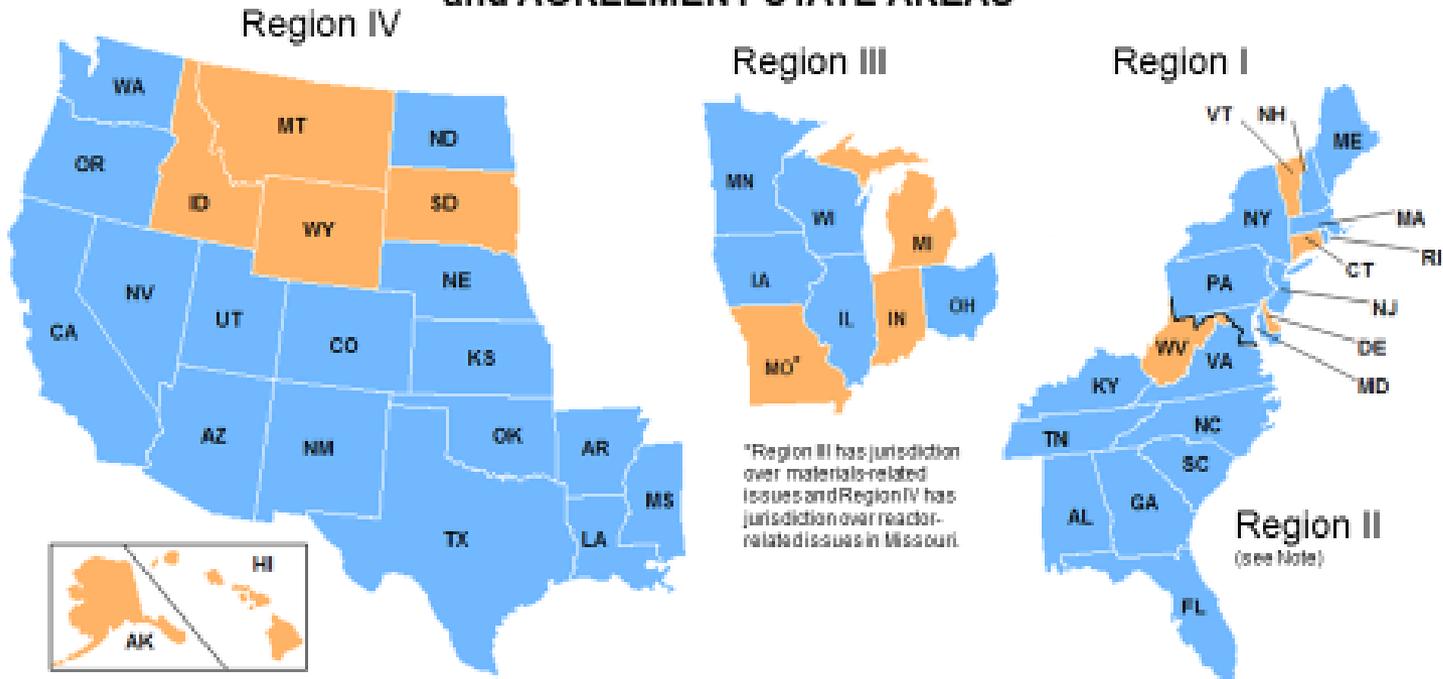
- Overview
- Status of Project Aim Implementation Strategies:
 - Evaluation of Consolidation of the Regional Materials Program
 - Implementation Activities in the Office of Administration
 - Fulfilling Project Aim Commitments
- Closing Remarks

Evaluation of Consolidation of Regional Materials Program

**Daniel S. Collins, Director
Division of Materials Safety, State, Tribal,
and Rulemaking Programs
Office of Nuclear Material Safety and
Safeguards**

Overview

U.S. NUCLEAR REGULATORY COMMISSION REGIONAL and AGREEMENT STATE AREAS



Multiple Options Evaluated

Option 1: Enhanced National Materials Program (no consolidation)

Option 2: Consolidation of Functions from Reactor Decommissioning

a) everything to HQ

b) inspection functions consolidated in a single region

Option 3: HQ Consolidation of NMU and DLLW BL Functions

Option 4: One Region Consolidation (current HQ functions remain in HQ)

Option 5: Two Region Consolidation (current HQ functions remain in HQ)

Recommendations Influenced by Qualitative Decision Criteria

- *Mission Effectiveness*

Maintain or improve mission accomplishment, considering the following:

- Oversight/Licensing
- Incident response
- External Stakeholder interactions

- *Employee Impact*

Minimize negative employee impacts, considering the following:

- Loss of experienced personnel
- Mentoring and career opportunities
- Morale

Recommendations Influenced by Qualitative Decision Criteria (cont'd)

- *Implementation Complexity*

Maximize probability of successful implementation, considering the following:

- Complexity
- Feasibility
- Program risk

Recommendations Considered

Quantitative Decision Criteria

Evaluated the potential savings or additional costs for each option, including the following:

- Travel
- Locality pay
- FTE
- Real Estate
- Relocation costs
- Survey/HP equipment

Qualitative Rankings Focus on Mission and People

- Relative Ranking of Options
 - Option 1
 - Option 2
 - Option 5
 - Option 4
 - Option 3

Quantitative Evaluation Summary

	Option 1	Option 1- with variation	Option 2	Option 3	Option 4	Option 5
Operating Costs -FTE -Travel -Real Estate -Locality Pay	\$0	(-) \$1.0 M/yr (6 FTE)	(-) \$0.16 to (-) \$0.19 M/yr (1 FTE)	(-) \$2.0 M/yr (10 FTE)	(-) \$1.8 to (-) \$2.0 M/yr (10 FTE)	(-) \$1.4 to (-) \$1.5 M/yr (8 FTE)
Implementation Costs -Relocation -Travel to New Hub for Counterpart Meeting	\$0	\$0	<u>One-Time:</u> (+) \$0.80 to (+) \$1.20 M <u>Annual:</u> (+) \$0.01 to (+) \$0.02 M/yr	<u>One-Time:</u> (+) \$7.0 M <u>Annual:</u> (+) \$0.14 M/yr	<u>One-Time:</u> (+) \$4.6 to (+) \$4.8 M <u>Annual:</u> (+) \$0.07 to (+) \$0.08 M/yr	<u>One-Time:</u> (+) \$2.2 to (+) \$2.4 M <u>Annual:</u> (+) \$0.03 to (+) \$0.04 M/yr

Recommendation for Improvement and Efficiency

- Option I with variation:
 - No further geographic consolidation
 - Continue ongoing efforts to achieve consistency and improve processes
 - Implement re-baselining
 - Each region to identify additional 2 FTE reduction in supervisory or non-technical staff
- 20 Total FTE saved:
 - 14 FTE from re-baselining and process enhancements
 - 6 FTE from regional reductions

Implementation Activities in the Office of Administration

Eleni Jernell

Deputy Division Director

Acquisition Management Division

Significant ADM Accomplishments

- Contracting Officer's Representative Process Standardization Initiative (CPSI)
- White Flint Campus (WFC) space consolidation
- One-Stop-Shop
- On-going opportunities for efficiencies and savings

Mission-Critical Function of Contracting Officer's Representatives (COR)

- Cross-cutting CPSI review
 - Standard set of COR roles and responsibilities through lifecycle
 - Workload and process management
 - Certification and training
 - Recognition and accountability

Opportunities for Enhancements

People - COR's responsibility often viewed as a "collateral duty"

Processes - Added intra-office steps over and above agency-required policy/guidance

Tools – Lack of Agency specific training and inconsistent use of enterprise, authoritative systems and data

Achieving Enhanced Contract Outcomes

Completed

- Improved tools for CORs
- COR FY 17 Performance Plan and Supervisors Guide

Next Steps

- Standardize COR mission-driven function
- NRC-specific COR training approach

Right-Sizing Agency Space Needs

- TWFN succeeding lease
- White Flint Campus consolidation
- Shared space pilot in the Office of Regulatory Research
- Strategy for continuous progress

Improving Efficiency Through One-Stop-Shop

- Joint project between OCIO and ADM
- NRC Service Catalog
- Reduces agency costs, expedites service initiation response times, eliminates paper forms/tracking systems, and reduces staff time processing requests

On-Going Opportunities for Efficiencies and Savings

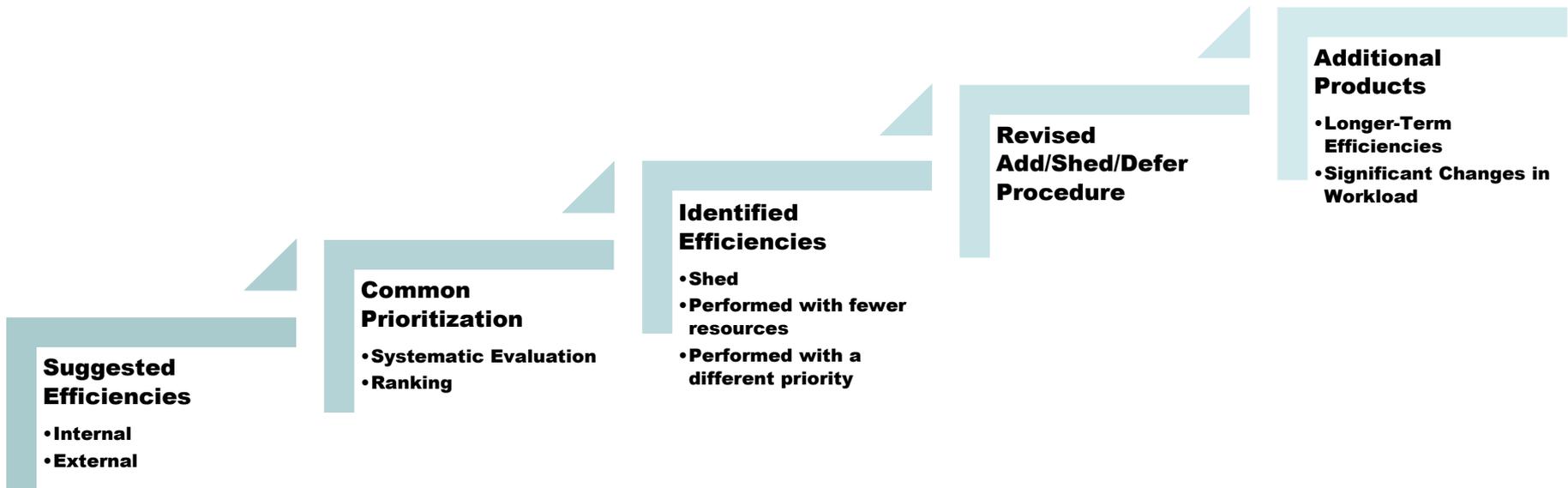
- Optimize services to align with mission needs and future workload
 - Agency changes are resulting in corresponding adjustments to services/service levels
 - Focus on higher priority work
 - Leverage core competencies early
 - Develop communication strategy

Fulfilling Project Aim Commitments

Robert J. Lewis
Assistant for Operations
**Office of the Executive Director for
Operations**

Project Aim Implementation Timeline															
Task #	Task Name	Start	Finish	Jul '15	Oct '15	Jan '16	Apr '16	Jul '16	Oct '16	Jan '17	Apr '17	Jul '17	Oct '17	Jan '18	Apr '18
1	Overall Implementation Plan	06/08/15	08/25/15	OEDO											
2	Project Aim Monthly Status Reporting	06/08/15	03/16/18	OEDO											
3	Fees Transparency and Simplified Calculations	12/01/14	08/15/16	OCFO											
4	Staffing Ceiling for 2016	06/08/15	10/11/16	OEDO											
5	Common Prioritization and Re-baselining	07/08/15	04/06/16	OEDO											
6	Benchmark Overhead	02/11/15	08/30/15	OCFO											
7	NRC Assessment of the Risks IT Systems	06/24/15	12/31/15	OCIO											
8	Strategic Workforce Plan	06/08/15	02/08/16	OCHCO											
9	"One-Stop-Shop" for OCIO and ADM requests	07/08/15	04/08/16	OCIO											
10	Centers of Expertise (COE)	08/10/15	11/09/15	OEDO											
11	COR Process Standardization	04/29/15	09/30/16	ADM											
12	Expand the use of Mobile IT Solutions	09/08/15	09/08/16	OCIO											
13	Evaluate Consolidation of the Regional Materials Program	11/08/15	06/27/16	NMSS											
14	Evaluate the Consolidation of Regional Corporate Support Functions	07/20/15	05/31/16	OEDO											
15	Transitional Plan for the Merger of NRO and NRR	07/27/15	06/08/16	CEDO											
16	Identification of Mission Critical Positions	11/30/15	08/09/16	OCHCO											
17	Planning for Developing Competency Models* (Start date dependent on Item 16)			OCHCO											
18	Re-examine Leadership Model	06/08/16	03/09/17	OCHCO											
19	Operating Reactor Licensing Process Improvements	04/01/14	03/16/18	NRR											

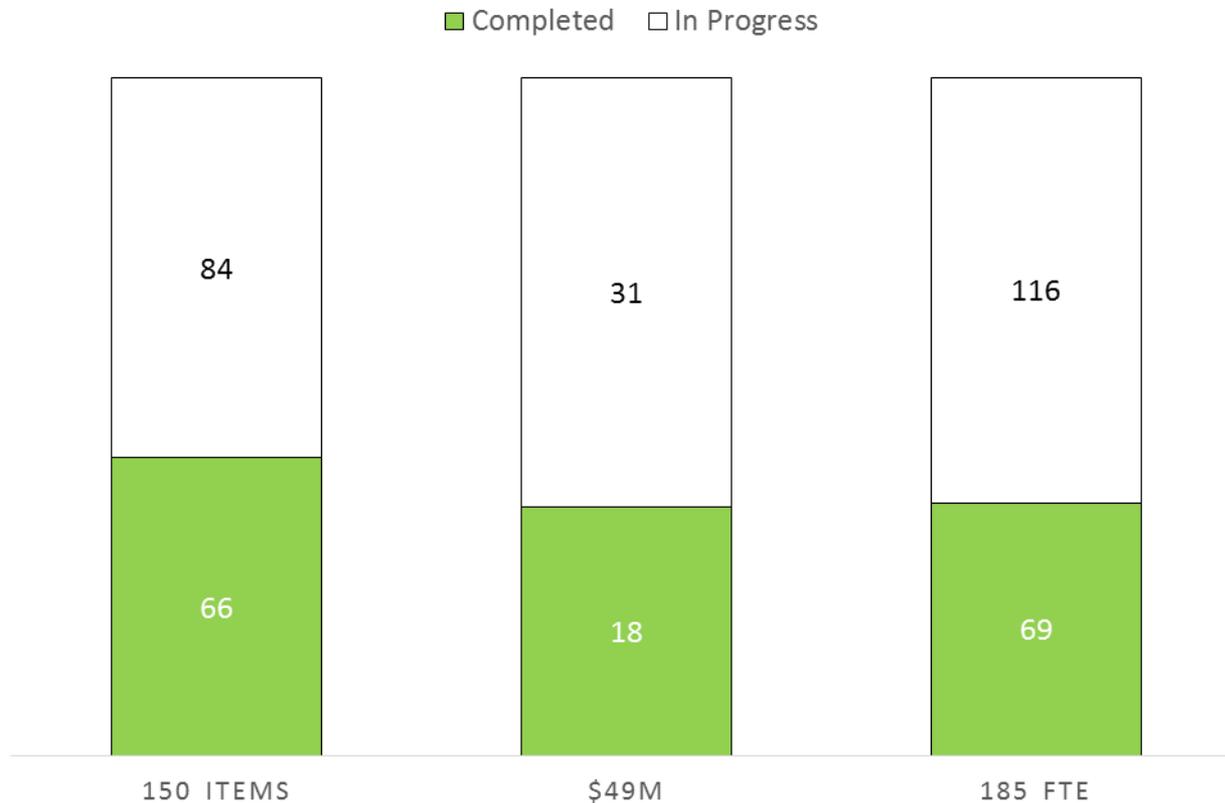
Re-baselining Agency Work



Re-baselining will reduce the Agency's budget by approximately \$48M over 2 years

Re-baselining of Agency Activities

- Commission approved 150 activities in SECY-16-0009 to be shed, deferred, or performed with fewer resources.



Looking Forward

- Maintain momentum on 9 remaining Aim tasks and implementation
- Seek additional opportunities beyond Project Aim
- Maintain effective communications to ensure staff is fully informed and engaged
- Focus on strategic workforce planning and aligning people and work
- Systematically enable innovation to leverage employee creativity

Closing Remarks

Maureen Wylie
Chief Financial Officer

Final Comments:

- Accelerating pace of change, and keeping pace and focus
- Continue to embrace this dynamic environment
- Aim beyond what is required
- Focus efforts to prepare supervisors and staff for future landscape
- Cultivate successful outcomes through organizational and cultural change management
- Mission driven, people centric, performance based regulator