Communication and Change Management Implementation Strategy

NATIONAL ACADEMY OF
PUBLIC ADMINISTRATION

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A Whitepaper by a Study Team of the

NATIONAL ACADEMY OF PUBLIC ADMINISTRATION

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Communication and Change Management Implementation Strategy

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Acronyms and Abbreviations

The Academy	National Academy of Public Administration
The Department	United States Department of Energy
DNFSB	Defense Nuclear Facilities Safety Board
DOD	Department of Defense
DOE	United States Department of Energy
FEVS	Federal Employee Viewpoint Survey
FTEs	Full-Time Equivalents
FY	Fiscal Year
GAO	Government Accountability Office
HR	Human Resources
IT	Information and Technology
KSI	Key Success Indicator
OIG	Office of Inspector General
SES	Senior Executive Service

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Executive Summary

For the last 30 years, the Defense Nuclear Facilities Safety Board (DNFSB or Board) has played an essential oversight role to enhance public health and safety at defense nuclear sites operated by the Department of Energy around the United States. The Board's compelling mission underscores the enormous potential this Agency has to demonstrably enhance health and safety in this complicated operating environment, one fraught with gnarly challenges connected with nuclear weapons production. While a relatively small federal agency, the DNFSB punches well above its weight in its work to support our Nation's security interests. The Board members and the Board's employees bring critical technical expertise to achieve the mission.

The DNFSB has faced substantial organizational culture challenges over the past few years, severely negatively impacting internal staff perceptions of the work environment. In addition, the many challenging issues also led to a palpable deterioration in the Agency's effectiveness in its engagement with the Department of Energy, as well as with congressional representatives and other external stakeholders. These challenges were documented and discussed in a November 2018 organizational assessment report of a Panel of Fellows of the National Academy of Public Administration (the Academy) and can be accessed through the following link: https://www.napawash.org/uploads/Academy_Studies/Revised_NAPA_DNFSB_Final_Report.pdf). Its conclusions were corroborated by other recent public reports focusing on the Agency.

As follow-on from the November 2018 Academy report, the DNFSB requested the Academy to work extensively with Board members and Agency staff members to prepare two deliverables directly related to recommendations found in the organizational assessment. First, an Academy study team (Academy team) assisted the DNFSB to prepare a revised strategic plan (the current plan covers 2018-2022 and is found at https://www.dnfsb.gov/sites/default/files/page/FY%2018-22%20Strategic%20Plan_0.pdf). The revised plan covers 2018-2022, with the possibility of including portions of the Board's next 2022-2026 plan. It is intended to be used as a transition guide to enhance Agency culture and overall performance, both internally and externally. The strategic plan document is not encompassed in this whitepaper, as it is a separate, stand-alone, Board product that will be made public at a time determined by the Agency.

Second, and following completion of the strategic plan, the Academy was also asked to submit a communication and employee engagement implementation strategy that can be adopted as an instrument to enhance Board implementation of the new strategic plan. This whitepaper provides an assessment of DNFSB's change readiness and communication activities, as well as a communication and change management implementation strategy.

Based on Academy team interviews and previous work, the current state assessment features four challenges:

- Challenge #1: Work culture of mistrust.

- Challenge #2: Low employee morale leading to disengagement and staff departures.
- Challenge #3: Lack of consensus on mission and strategic direction.
- Challenge #4: Perceived lack of adherence to the Agency's Core Values.

Moving from the present with the aim to imagine how the Agency should function in the future, Board members and staff members identified five future states necessary for the Agency to realize the strategic vision described in its new strategic plan:

- Future State #1: Common understanding of DNFSB's core mission and vision.
- Future State #2: Enhanced communication with external stakeholders and between Board members and staff.
- Future State #3: New organizational culture based on mutual trust and respect, and adherence to Core Values.
- Future State #4: Alignment of human capital planning and performance measurement with Agency strategic plan.
- Future State #5: Continuous improvement of DNFSB effectiveness.

Board and staff members have a unified view of the DNFSB's strategic importance in the defense nuclear complex and recognize that Agency dysfunction has negatively impacted mission performance. Staff articulated that the Agency must overcome ineffective communication, a culture of distrust, and a lack of consensus on DNFSB's strategic direction.

Turning to the communication and change management implementation strategy, it is structured around eight Key Success Indicators (KSIs) that are critical to successful organizational transformation found in best practice literature. Organized around these KSIs, and informed by both extensive Board member and staff input, we devised 29 implementation steps that are linked to the following eight KSIs:

- KSI #1: Ensure Top Leadership Drives the Transformation
- KSI #2: Establish a Clear Vision and Integrated Strategic Goals
- KSI #3: Design the Organizational Structure That Will Enable the Vision
- KSI #4: Create a Sense of Urgency, Implement a Timeline, and Show Progress from Day One
- KSI #5: Communicate Frequently Through Multiple Channels to Multiple Stakeholders
- KSI #6: Dedicate a Powerful Implementation Guidance Team to Manage the Transformation Process
- KSI #7: Engage Employees to Seek Their Improvement Ideas, Build Momentum, and Gain Their Ownership for the Transformation
- KSI #8: Sustain the Effort by Nurturing a New Culture, Rewarding Risk, and Measuring Progress

Given the preeminent role that Board members have in the Agency, the implementation steps are largely directed toward these leaders. While tasked by their position to lead organizational transformation, the onus to work toward Agency transformation is also placed on all Agency

employees to address culture and operational challenges that can lead to more effective mission outcomes.

Not all 29 implementation steps to effect DNFSB's transformation are equally urgent, nor can they be taken simultaneously. To gain momentum and engage staff, we recommend Board members adopt the following initial steps:

- Roll out the new strategic plan with its shared vision and integrated strategic transformation goals.
- Dedicate a strong implementation team to manage a coordinated transformation process.
- Create a sense of urgency and communicate a strong case for change.
- Demonstrate commitment to the transformation by announcing immediate steps to change organizational culture and climate, and maintain this messaging in future.
- Ensure top leadership drives the transformation and remains visible as it unfolds, course correcting as required.

As DNFSB celebrates its 30th anniversary, it is a propitious time to prominently set out on a new course intent on healing organizational wounds that have been suffered over recent years, moving forcefully and wisely to rebuild trust within the organization. This whitepaper focuses largely on internal challenges and actions to address them. Focusing on successful outcomes connected with internal challenges is consistent with the new Agency strategic plan. Doing so, the DNFSB will be in a better position to enhance effective engagement with external stakeholders, such as the Department of Energy, Congress, and others. To be sure, the DNFSB's external stakeholder engagement ought not to be ignored, but rather it is purposely set as a secondary priority. Thus, it is time to turn inward, to build a unified staff and Board member focus that provides an environment of synergy in all directions within this small Agency to maximize mission impact. This whitepaper offers a roadmap.

This effort will demand a daily passion to propel all parts of the Agency in this direction. It calls for taking actions that are demonstrative reminders of this goal to all involved. It will also require senior leaders, as well as all others in the Agency, to be held to account for communications and actions that might veer from the required course so that the precision surrounding a successful transformation trajectory can be maintained. It will also require clear demonstration of mission clarity, energy, and discipline to bring about any needed course correction. The strategic plan is a critical baseline, and it must be nearly a daily reference point. There is too much errant "muscle memory" in this Agency to risk falling short of rigorous oversight of what happens next.

This Agency has an advantage not necessarily shared with all federal agencies. To a person, the Board members, senior staff members, and all other staff from the three Agency operating units, have demonstrated the desire and unique skills to engineer a significant organizational transformation. The individuals who work at the DNFSB, at all levels, thus have the opportunity and challenge to be a part of an organizational transformation that can be enormously rewarding for any person's career. Being a part of a turnaround like this is an exceptional opportunity to anyone who believes in the mission. And the Nation will also be the beneficiary.

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Section 1: Introduction

As it celebrates its 30th anniversary, the DNFSB confronts significant organizational challenges both internally and externally, which have negatively impacted mission performance.[1] Now, DNFSB has the opportunity to improve mission performance through the implementation of its new strategic plan. This whitepaper provides a Communication and Change Management Implementation Strategy to inform the complex change efforts required to improve DNFSB mission performance. Prepared by a study team of the National Academy of Public Administration (the Academy), and with the support of a five-member Expert Advisory Group of Academy Fellows (see Appendix A for short biographical information), this whitepaper stresses the importance of organizational transformation[2] at the Agency. The Academy study team (Academy team or study team) finds both opportunities for, and barriers to, Agency transformation. This whitepaper presents a number of findings and associated action steps that DNFSB can take in response to manage and measure organizational transformation using a variety of communication and change management effective practices. Research studies on organizational transformation underscore how challenging it is to successfully drive long-term change in an organization.[3] Thus, the entire Agency (Board members[4] and professional staff) will need to enhance its efforts in change management and implementation to ensure that genuine transformation and improved outcomes are achieved and sustained over time.

Background on the Defense Nuclear Facilities Safety Board

Established by Congress in 1988, the DNFSB is a small, independent federal agency within the executive branch of government with an essential mission, "to provide independent analysis, advice, and recommendations to the Secretary of Energy (Secretary), as operator and regulator of defense nuclear facilities to enhance public health and safety." At present, the Board provides oversight to eleven defense nuclear sites[5] managed by the U.S. Department of Energy (DOE or Department) and subject to Board jurisdiction. The Board's safety oversight mission covers all phases in the life of a defense nuclear facility including design, construction, operations, and decommissioning.

Up to five presidentially appointed Board members lead DNFSB, with Board members subject to

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[1] *Defense Nuclear Facilities Safety Board Organizational Assessment*. National Academy of Public Administration. Washington D.C: (November 2018).

[2] The Academy study team defines organizational transformation as intentional and coordinated change within an organization aiming to improve efficiency and effectiveness.

[3] *Stop Using the Excuse "Organizational Change Is Hard"*. Harvard Business Review. Boston: (July 19, 2017)

[4] When we use the term Board members, we mean the individuals who hold this title. At this writing there are three Board members.

[5] While the Agency web site https://www.dnfsb.gov/doe-sites enumerates 14 sites, we do not count the sites labeled as "closure project" (Fernald, Mound, Rocky Flats, and West Valley) because the DNFSB does not do any active oversight of these sites anymore; we also count Y-12 National Security Complex and Oak Ridge National Laboratory separately.

Presidential nomination and Senate confirmation (PAS). As of this report and since March 2019, the Board has operated with three Board members. The Fiscal Year (FY) 2020 Congressional Budget Request requests $29.4m and 100 Full Time Equivalent (FTE) employees, of which 81 are currently employed.[6]

Congress granted the Board a suite of statutory tools to carry out its mission. Principal among these is the Board's authority to issue a formal recommendation to the Secretary. The statute requires that the Secretary either accept or reject the Board's recommendation through a written transmission to DNFSB. In the case of an acceptance, the Secretary must write and execute an implementation plan. This entire process takes place on the public record.

In addition to issuing recommendations, the Board is empowered to hold public hearings (and subpoena witnesses, if necessary), conduct investigations, and obtain information and documents from the DOE and its contractors[7] needed for the Board's work, and review and comment on DOE requirements and standards affecting safety at defense nuclear facilities. The DOE, by law[8], must grant the Board, "ready access to such facilities, personnel, and information as the Board considers necessary to carry out its responsibilities."

Scope of Work and Organization of the Whitepaper

DNFSB engaged the Academy to assist with the formulation of a revised Agency Strategic Plan that covers 2018-2022,[9] with the possibility of including portions of it in the Board's next 2022-2026 plan (the strategic plan) and to develop a *Communication and Change Management Implementation Strategy* (the whitepaper). The Academy team approached these two deliverables as an integrated assignment. For example, research and interviews conducted initially as part of the strategic plan exercise helped inform the analysis and development of this whitepaper. In addition, components of the whitepaper's change readiness assessment are embodied in the strategic plan.

The whitepaper's scope of work included employee and stakeholder engagement, communication strategies, key practices for transformation, process management and increasing accountability. The Academy's whitepaper is comprised of two major tasks:

- **Task One** was to provide the study team's observations and assessment of DNFSB's change readiness and communication activities. The assessment provides a baseline for agency transformation and informs the change management strategy.

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[6] *FY 2020 Congressional Budget Request.* Defense Nuclear Facilities Safety Board. (March 18, 2019).
[7] DOE employs and oversees contractors for much of the work accomplished at its defense nuclear facility sites.
[8] 42 U.S.C. § 2286c. Responsibilities of the Secretary of Energy. Subsection (a) Cooperation.
[9] The DNFSB's original 2018-2022 Strategic Plan can be found at:
https://www.dnfsb.gov/sites/default/files/page/FY%2018-22%20Strategic%20Plan_0.pdf

- **Task Two** was to formulate a communication and change management implementation strategy for DNFSB's management to consider as it drives strategic change in the Agency. The strategy outlines a holistic framework for institutional transformation: the team identified eight Key Success Indicators (KSI) or practices for organizational transformation and recommended specific implementation steps for DNFSB management to consider.

The Academy team determined that the most appropriate way to assess and develop implementation steps was to view the task in the context of large-scale organizational transformation. The Academy team had the following two tasks. Approaches to accomplishing each one are discussed below.

Task One: Performing an assessment of DNFSB's change readiness and communication activities

In order to develop an overall understanding of the current state organizational model, barriers to improvement, and proposed future state for the Agency, the Academy team gathered both primary and secondary data using primarily qualitative research methods. As part of our research, the study team:

- Reviewed the Academy's 2018 Organizational Assessment,[10] the results of DNFSB's Federal Employee Viewpoints Surveys (FEVS), and prior reports by stakeholders including the Nuclear Regulatory Commission's (NRC) Office of the Inspector General.[11]

- Reviewed official documentation related to the Agency's mission including its enabling legislation, draft strategic plan, and other reports from advocacy groups.

- Collected and inventoried documentation of various DNFSB communication activities, including meetings, written products, events, and training.

- Conducted semi-structured interviews with over forty DNFSB staff in Washington D.C. and in the field (see Appendix B for a full list of questions and individuals interviewed for this project). In order to obtain a representative sample, we targeted interviewees from different functions and levels of seniority within the Agency.

- Conducted two focus group meetings with DNFSB staff to seek their input on the implementation of select KSIs and to validate our understanding of the Agency's current state, barriers to improvement, and desired future state.

The Academy's assessment viewed *change readiness* as a measure of confidence, informed by both subjective and objective factors.[12] "This concept acknowledges that readiness is a perception, and is

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[10] *Defense Nuclear Facilities Safety Board Organizational Assessment*. National Academy of Public Administration. Washington D.C: (November 2018).
[11] Pursuant to Congressional legislation, the IG for the NRC also serves as the OIG for DNFSB.

measured both by judgment and by more structurally sound data."[13] It takes into account a broad range of viewpoints gathered both vertically and horizontally across the organization. It assesses the degree to which various audiences: (1) feel the need to effect change (Case for Change); (2) share a common vision for the desired outcomes (Future State); and (3) identify potential barriers (Barriers to Improvement). Additionally, it considers the existence (or not) of Agency capabilities (knowledge, skills, abilities and tools) necessary to effect the required changes to achieve the desired Future State.

Additionally, industry literature[14] suggests several key indicators that underpin an organization's ability to effect change successfully:

- **Capacity readiness**—the degree to which the organization is able to bring supportive work processes, historical knowledge and experience, current knowledge, skills and abilities, and resources to bear to aid in both the successful implementation and sustainability of the desired change.

- **Commitment readiness**—the degree of resolve and ability of the organization, through its leaders at all levels, to see the change through to successful and sustainable completion within the organization's overall strategic agenda.

- **Cultural readiness**—the degree of alignment between cultural norms and the proposed change.

The Academy team provides its baseline observations on communications and change readiness, in Section 2, using the following four parameters:

- **Current State**: Environmental factors that drive the need for strategic change.
- **Case for Change**: Compelling factors and, or, systemic challenges that support the need for change.
- **Barriers to Improvement**: Factors that may impede the transition from the current to the desired future state.
- **Future State**: Articulated in the agency's strategic plan, the future state describes the desired culture, core values, strategic goals, objectives and measures.

In addition to the assessment of change readiness, the study team performed an assessment of communication activities at the Agency, assessing communications using a Three-Layer Communication Framework[15] that addresses Global, Local and Personal messages (visualized in

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[12] Combe, M. (2014). Change Readiness: Focusing Change Management Where It Counts. *PMI Whitepaper*.
[13] Ibid.
[14] Ibid.
[15] *U.S. Coast Guard Modernization Study*. National Academy of Public Administration. Washington D.C: (April 2009)

Figure 1.) This framework posits that, as a broad, high-level message cascades down the organization structure, it should be evolving into a more specific, individualized message customized by the appropriate supervisor. Similarly, this framework should enable a reverse flow mechanism for the return of feedback to those leaders who are driving the strategy at the senior levels of the organization. An effective and intentional communication approach will be vital to drive transformation within the organization.

Figure 1. Three-Layer Communication Framework

The study team's baseline observations about DNFSB's communication activities utilize the following three categories of message types:[16]

- **Global Message**: The Global Message is the Strategic Vision for the Agency. A key question characterizing this type of communication is what does this mean for the Agency as a whole?
- **Local Message**: The Local Message is the Logistics and Operations of the Agency. A few key questions characterizing this type of communication are: what does this mean for my job? How can my job contribute to the success of the Agency?
- **Personal Message**: The Personal Message is the Personal Motivation of each employee. A few key questions characterizing this type of communication are: what does this mean for me and my significant others? How is my life going to change?

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[16] Ibid.

Task Two: Developing a Communication and Change Management Implementation Strategy

DNFSB's activities were analyzed using an organizational transformation framework that includes eight organizational transformation key success indicators (KSI) or practices that are key, both individually and in the aggregate, for organizational transformation. The KSIs reflect common effective practices as observed by the private and public sectors.[17] Academy Panels and Expert Advisory Groups have utilized this framework with its 2018 Organizational Assessment of DNFSB, as well as with other organizations including the U.S. Coast Guard, the Council of Europe, the U.S. Department of Housing and Urban Development, and the Social Security Administration. See Appendix C for additional information on the framework and related KSIs.

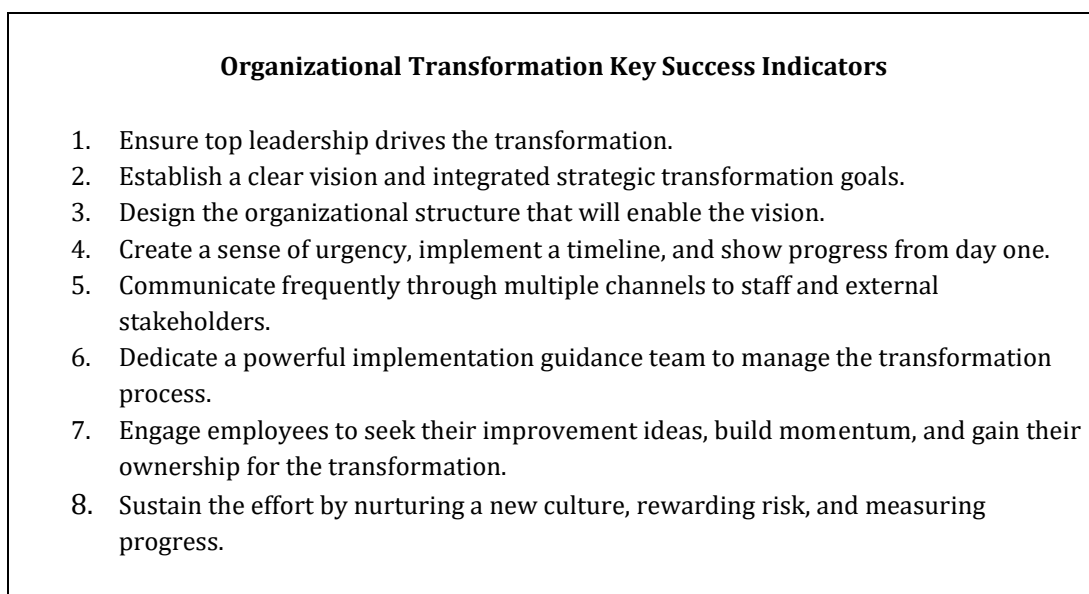Figure 2 below outlines the eight KSIs used in the Academy team's analysis.

Organizational Transformation Key Success Indicators

1. Ensure top leadership drives the transformation.
2. Establish a clear vision and integrated strategic transformation goals.
3. Design the organizational structure that will enable the vision.
4. Create a sense of urgency, implement a timeline, and show progress from day one.
5. Communicate frequently through multiple channels to staff and external stakeholders.
6. Dedicate a powerful implementation guidance team to manage the transformation process.
7. Engage employees to seek their improvement ideas, build momentum, and gain their ownership for the transformation.
8. Sustain the effort by nurturing a new culture, rewarding risk, and measuring progress.

Figure 2. Organizational Transformation Key Success Indicators (Source: Academy Study Team)

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[17] For more information, see *Transforming Organizations*, by Mark A. Abramson and Paul R Lawrence; *The Heart of Change,* by John Kotter and Dan Cohen; and A Government Accountability Office (GAO) report to Congressional Subcommittees, *Results Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*.

Organization of this Whitepaper

This whitepaper consists of an executive summary and three sections, summarized below:

- **Section 1: Introduction**

This section provides a description of DNFBS's principal operations, an overview of project scope, a discussion of our methodology and data collection, and an outline of the whitepaper's content.

- **Section 2: Assessment of Change Readiness and Communication Activities**

This section provides the study team's baseline observations concerning change readiness and communication activities. These observations address DNFSB's current state, case for change, barriers to improvement, and desired future state. The section concludes with a summary of the study team's findings.

- **Section 3: Communication and Change Management Strategies and Implementation**

This section describes each of the Academy's KSI's for organizational transformation, assesses DNFSB's progress against each KSI, and details action steps for DNFSB.

Section 2: Assessment of Change Readiness and Communication Activities

Over time, the Agency has garnered a reputation of being a reliable, expert-based organization whose guidance and Recommendations were valued by the Department, Congress, and the public. In recent years, however, the reputation of the Agency as a whole, and the Board members in specific, have suffered. For example, as evidenced in the 2016 and 2017 Federal Employee Viewpoint Survey (FEVS), there was a marked decline in support and respect for Board members: respect for senior leaders declined from 33 to 18 percent; the percentage of staff that felt that senior leaders generate high levels of motivation declined from 25 to 15 percent; and the percentage of staff that felt senior leaders exhibit maintain high standards of honesty and integrity declined from 39 to 29 percent. [18]

In May 2019, DNFSB began developing a new Agency strategic plan. Its development included devising an Agency vision, core values, strategic goals, and strategic objectives. Work on each of these elements was accomplished through robust engagement of the Board members with staff in order to enhance employee involvement and collect a broad view of perspectives to incorporate into this strategic document. These collaborative efforts resulted in a new strategic plan that will guide how DNFSB will operate internally, how it should engage with DOE within the defense nuclear complex, and how it should engage with congressional and other stakeholders.

In order to better realize this new vision for the Agency, the organization will need to make demonstrable changes to transform itself. This section of the whitepaper assesses the Agency's current readiness for change and current communication activities. Specifically, this assessment focuses on the internal aspects of the Agency. The study team believes that solving for the internal problems is an essential building block to enhance Agency ability to realize the vision described in the new strategic plan.

This assessment will inform recommended implementation steps aimed at driving transformation, detailed in Section 3.

Assessment of Current State

For the purposes of this assessment, an organization's current state is defined as the collection of environmental factors that drive the need for strategic change. Those factors may be interrelated and should not be considered in isolation. In assessing DNFSB's current state, staff members were asked to consider internal and external factors that impacted their ability to complete the Agency's mission. Based on the primary and secondary research described in Section 1, four key

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[18]   The Federal Employee Viewpoint survey is an annual survey conducted by OPM and available at https://www.opm.gov/fevs/

environmental challenges emerge to inform the study team's baseline observations on DNFSB's current state:[19]

- **Challenge #1**: Work culture of mistrust
- **Challenge #2**: Low employee morale leading to disengagement and staff departures
- **Challenge #3**: Lack of consensus on mission and strategic direction
- **Challenge #4**: Perceived lack of adherence to the Agency's Core Values

A discussion of these four challenges and their attendant descriptors follows below.

Challenge #1: Work culture of mistrust

An important challenge for DNFSB management to address is the perceived "culture of mistrust" that manifests itself both vertically and horizontally in the Agency. Staff members expressed a general lack of trust among Board members, and which also appears in some degree between the operating divisions in the agency—driven, largely, by prior miscommunication. For example, interviewees cited the Board Member's approach to organizational change management, including the DNFSB restructuring announced on August 15, 2018[20] and the December 2017 reorganization of the SES leadership in the Office of the Technical Director (OTD). In both instances, there was minimal advance communication or consultation with Agency employees by the Board members. Staff members expressed their dismay that the August 2018 reorganization has not been formally modified or rescinded by the board chair, even after congressional direction prohibiting the proposed restructuring.[21] Other staff members shared their frustration related to Board members' not trusting the staffs' ability to competently perform their job, instead regularly "micromanaging" staff. Finally, certain staff felt they could not openly share dissenting opinions without fear of retribution from their line management.

The importance of trust as a key ingredient in organizational efficiency and transformation cannot be overstated. Trust has been described as the basis around which all human relationships revolve; the glue that binds leadership with staff and provides the capacity for organizational success.[22] Importantly, when employees feel a healthy level of trust, they are more comfortable with organizational change and more willing to embrace a new strategic vision for the Agency. As outlined in NAPA's 2018 Organizational Assessment, "Rebuilding trust, as part of this

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[19] These are also discussed in: *Defense Nuclear Facilities Safety Board Organizational Assessment*. National Academy of Public Administration. Washington D.C: (November 2018).

[20] The Board proposed an important organizational restructuring during the course of this project, which included several key changes, intended to be effective October 1, 2018, and implemented fully during fiscal year 2019. Subsequently, Congress included language in the Energy and Water, Legislative Branch, and Military Construction and Veterans Affairs Appropriations Act, 20197 (enacted on September 21, 2018) that prohibits the DNFSB from using budgeted funds to implement the restructuring.

[21] For more information, see Energy and Water, Legislative Branch, and Military Construction and Veterans Affairs Appropriations Act, 20197 (enacted on September 21, 2018)

[22] *The Importance of Trust in Leadership.* David Mineo. (2014).

organizational transformation, will be an important building block for improving Board performance." [23]

A fundamental component of trust in the workplace is communication. In recent years, staff members have struggled to understand key strategic decisions or the reasoning behind those decisions made by Board members. Two recent examples include the December 2017 and August 2018 organizational restructuring announcements. In both of these cases, the global, local, and personal messages were unclear for most staff members we interviewed. Because the global message was poorly communicated by Board members and the local and personal messages were largely nonexistent, staff members were left to infer what the restructuring meant for their roles in the Agency and for them, personally. Based on the study team's interviews with Agency staff, these two events exacerbated a culture already heavily burdened by mistrust.

Challenge #2: Low employee morale leading to disengagement and staff departures

A majority of staff members interviewed by the study team commented on the poor employee morale that has led to both a high rate of staff departures and challenges to recruit new staff. While a full review of contributing factors is outside the scope of this whitepaper, interviewees cited various organizational challenges including a lack of collaboration among Board members, mistrust within the Agency, ineffective communication vertically and horizontally, and a lack of consensus on the Agency's mission. FEVS scores bear these contentions out.

As articulated in various OIG reports and the 2018 Academy Organizational Assessment, DNFSB had the lowest overall ranking (28th place) among small agencies in the 2018 FEVS. The Agency's respondents — the second highest rate of response of comparable agencies (89 percent) — cited strong dissatisfaction with the Agency's leadership. Only 26 percent of respondents said that they respect senior leadership, and a mere 24 percent feel empowered in the Agency's work or have involvement in decisions. [24]

Challenge #3: Lack of consensus on mission and strategic direction

The perceived lack of consensus on mission and strategic direction among Board members is frequently cited as a major challenge for DNFSB, both internally and externally. In interviewing staff members, the study team encountered numerous examples of how the lack of consensus has permeated the different levels and functions of the Agency. These examples include:

- Unclear roles and responsibilities of Office of the Technical Director (OTD) staff, given ambiguity of the Agency's core mission and the working definition of "adequate protection;" Pursuant to DNFSB Policy Statement 7, "Adequate protection" relates to "a safety item

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[23] *Defense Nuclear Facilities Safety Board Organizational Assessment*. National Academy of Public Administration. Washington D.C: (November 2018).

[24] As of the date of this report, the 2019 individual agency FEVS scores were not publicly available. As such, this report references the 2018 FEVS results.

where the Board recommends corrective actions to ensure adequate protection of public health and safety."[25]

- Lack of clarity on the roles and responsibilities of Board members gives rise to micromanagement at multiple levels of the organization.[26]
- Ineffective communication both internally and with external stakeholders to include DOE and the congressional oversight committees.
- Engagement with DOE has dropped off dramatically over the last few years.

Challenge #4: Perceived lack of adherence to Agency Core Values

During the Academy team's strategic plan development assistance to DNFSB, we engaged with Agency staff on the identification and definition of core values. Feedback on this topic, including the prior process to establish those values was demonstrably negative. Descriptions from that feedback included:

- "Core values have no meaning in this agency."
- "Leadership from the top does not engender respect."
- "The current values have too much negative history…the process was all wrong and they are not shown in the actions of Board members today."
- "There is a widespread lack of respect. When Board members are disrespectful to staff, it circles back so that the staff disrespects Board members."
- "Value behavior needs to start at the top and flow down."
- "Values need to be cultural, embedded and stable."

Case for Change

The case for change can be defined as the core compelling factors and/or systemic challenges that support the need for change in the Agency. Our analysis identified several factors that underpin the case for change. These include: the national importance of DNFSB's oversight mission; the recognition that DNFSB has recently underperformed in its essential mission; and the resulting erosion of its reputation and influence with stakeholders. [27]

In assessing DNFSB's case for change, staff members were asked to consider the counterfactual and potential implications: "What might result if DNFSB did not exist and what would the potential impact on public safety be?" This question prompted interviewees to validate the importance of their agency and its mission. Indeed, throughout the interview process, respondents were almost

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[25] DNFSB Policy Statement 7 is accessible at:
https://www.dnfsb.gov/sites/default/files/document/14946/Policy%20Statement%20PS-7.pdf
[26] Examples included Board members' involvement with HR policies, hiring decisions and DNFSB Policy Statement 7 statement that states that "The Board determines what constitutes a safety item for the agency."
[27] These three points were documented in the November 2018 Academy organizational assessment referenced earlier; in it the Academy assessment included commentary from both recent NRC IG reports and DOE officials.

unanimous in their assertion that DNFSB's safety oversight mission is as important today as it has ever been in the Agency's 30-year history.

Staff posited that DNFSB oversight prevents the blurring of mission and production demands with safety oversight responsibilities at DOE. Some staff said that, absent DNFSB's oversight, they would expect significant negative consequences for the defense nuclear complex. Key themes from sessions with staff discussion groups included:

- "An erosion in the public's level of confidence in the safety of the defense nuclear complex;"
- "Greater risk that Contractors would cut corners at the expense of safety;"
- "Negative performance drift at DOE and in the safety at defense nuclear facilities;"
- "Higher likelihood that a preventable accident would occur;" and
- "DOE and the defense nuclear complex would become an echo chamber with no system of checks and balances in place."

Notwithstanding the above, staff members stated that DNFSB has recently underperformed in its essential mission, due in part to ineffective communication, lack of resources, lack of alignment between resources and mission objectives, and other factors described below. These factors have led to a degree of dysfunction in the agency, as well as an erosion of DNFSB's reputation and influence with stakeholders. Finally, DOE's Order 140.1[28] is seen as a potentially significant constraining factor that could negatively impact DNFSB's mission. In the aggregate, these factors provide a strong case for change and may promote a sense of urgency and engagement on the part of Agency staff to turn things around.

Barriers to Improvement

Barriers to improvement are factors that may impede the transition from the current state to the desired future state. The Academy team asked staff to identify potential barriers that might compromise DNFSB's ability to fully realize transformation and more successfully execute its vital mission. These barriers to improvement include ineffective communication, a culture of distrust, and a lack of consensus on DNFSB's strategic direction.[29]

Among staff members interviewed, there is a general consensus that communication within DNFSB and with stakeholders must be improved in order to implement strategic change. Internal communication on strategic direction and change is hampered by a number of factors, including organizational siloes in the Agency, absence of a formal internal communication plan, and turnover in permanent SES leadership.

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[28] For more information, see *DOE Order 140.1, Interface with the Defense Nuclear Facilities Safety Board*. Available at https://www.directives.doe.gov/news/o140.1-interface-with-the-dnfsb-news

[29] Although the 2018 Academy Organizational Assessment and strategic planning exercises identified a number of external barriers to improvement, this analysis purposely focuses largely on the significant internal barriers to improvement.

Miscommunication and negative behaviors across the Agency have created a prevalent work culture of distrust and organizational dysfunction. Descriptors included: "staff is disengaged, derisive, disrespectful behavior in all directions," Some people cannot move on from the "past organization and are resistant to a change in structure."

Finally, staff members cited a lack of consensus on mission, strategic direction and Board responsibilities, which is likely driven by poor internal communication. This, in turn, has led to certain staff members feeling demoralized and disengaged. Other staff members felt that the roles and responsibilities of Board members were not clear, which has led to constrictive processes and perceived micromanagement by Board members at multiple levels of the organization.

Future State

The Agency's future state describes a common vision for the desired outcomes, including its culture, core values, vision, and operations. In assessing DNFSB's future state, staff members were asked to consider two open-ended questions to identify the defining characteristics that would enable the agency to fully accomplish its mission:

- "What are the necessary attributes for DNFSB to successfully complete its mission? "
- "What should the agency look like in five to ten years?"

The study team's interviews with staff revealed five overarching desired Future States and attendant descriptors.

Future State #1: Common understanding of DNFSB's core mission and vision
Interviewees consistently cited the need for better Agency-wide alignment of the mission, strategic plan, human capital planning, organizational structure, and roles and responsibilities. Staff descriptions of future state #1 included:

- "Shared vision of what we're trying to achieve"
- "Aligned vision at Board level drives agency priorities, organizational structure and composition of management team."
- "Improved governance and clarity of roles and responsibilities at all levels of the organization."
- "Alignment between strategic priorities and tactical resource allocation, but also adaptable to changes within field."
- "Proactive and reactive work in OTD. Future state is more proactive work; Risk assessment as prioritization input. "
- "Tech staff designed to create best technical advice. Board members evaluate the technical advice against their broader context and responsibilities. "

Future State #2: Enhanced communication with external stakeholders and between Board Members and staff

Staff members expressed a strong desire to improve communication internally (vertically and horizontally) and with external stakeholders. Descriptions of future state #2 included:

- "Robust and proactive engagement with DOE and other stakeholders, including Congress, watchdog groups, and expert organizations"
- "Board more proactively engaging those outside of the agency. More advocacy based Board. Talking to Hill, DOE, watchdog groups, etc. "
- "More respect and communication between DNFSB and DOE; High technical standing with DOE"
- "More communication with Authorizers and Appropriators on the Hill"
- "Freer information flow between DNFSB and DOE"
- "More collaboration (within and between departments)"

Future State #3: New organizational culture based on mutual trust and respect, and adherence to all Core Values

Given the pervasive level of mistrust in the Agency, many staff members posited the need to develop a positive and supportive work culture that embodies DNFSB core values. Staff descriptions of future state #3 included:

- "Level of trust across whole agency that we're working to the same ends."
- "Everyone trusts each other to do their job."
- "All staff adhere to core values."
- "Board trusts professionals to do their jobs, on technical and administrative sides."
- "Performance metrics need to include adherence to core values."

Future State #4: Alignment of human capital planning and performance measurement with Agency strategic plan

Interviewees advocated for further alignment between the Agency's strategic plan and human capital activities including performance measurement, staffing, and training. Staff descriptions of future state #4 included:

- "People are trusted to do the roles they are hired to do. People at different levels have competencies to do those roles. The organization has a collective understanding of what successful staff look like at each level of the organization."
- "The organization has full complement of Board members and other units fully staffed."
- "The organization actively builds levels of competence."
- "Develop a pipeline of knowledge between senior staff and junior staff. One tactic would be to pair experienced engineers with newer engineers. Another tactic would be improved expectation setting for newer engineers."
- "Succession planning and better knowledge management is vital. Turnover is currently very difficult and everyone is scrambling every time."
- "Fill the positions: using organization's strategic goals to drive staffing accordingly."

- "Alignment between strategic priorities and tactical resource allocation. "
- "Realistic alignment between objectives and individual performance measures."

Future State #5: Continuous improvement of DNFSB effectiveness

Recognizing that DNFSB's mission will continue to evolve with the defense nuclear complex, staff members agreed that the Agency will need to continuously adapt to those changes with a proactive, risk-based approach. Staff descriptions of future state #5 included:

- "OTD agenda is consistent and strategic. It is not personality-driven."
- "If I'm a seismic engineer or fire protection engineer, I want to do that work. If they aren't in a work plan, that says I'm not valuable here."
- "Where we need to be, no, where the risk is, we go to the risk. If we don't have that skillset, then we go out and get it."
- "We have to be adaptive, based on risk."
- "There are new changes within DOE (a generational change) and they need to be taught correct prioritization (safety demands over production) and to communicate more with DNFSB. "
- "More action for DNFSB to become proactive, not reactive, in stopping accidents."

Summary

The study team's analysis identified five future states necessary to realize the strategic vision described in the Agency's new strategic plan:

- **Future State #1**: Common understanding of DNFSB's core mission and vision.
- **Future State #2**: Enhanced communication with external stakeholders and between Board members and staff.
- **Future State #3**: New organizational culture based on mutual trust and respect, and adherence to Core Values.
- **Future State #4**: Alignment of human capital planning and performance measurement with Agency strategic plan.
- **Future State #5**: Continuous improvement of DNFSB effectiveness.

Agency staff members recognized the DNFSB's strategic importance in the defense nuclear complex and recognized that Agency dysfunction has negatively impacted mission performance. Staff articulated that the Agency must overcome ineffective communication, a culture of distrust, and a lack of consensus on DNFSB's strategic direction.

As a framework to construct an implementation strategy, Section 3 provides an organizational transformation framework with eight key success indicators (KSI) to shape the Agency's implementation of communication and change management strategies. Each KSI is accompanied by action steps designed to facilitate an improvement in mission performance.

Section 3: Communication and Change Management Strategies and Implementation

Section 3 summarizes the Academy team's recommendations related to the implementation of agency-wide communication and change management strategies. The review utilizes the Academy's organizational transformation framework with eight key success indicators (KSI) to inform the analysis and recommendations. All eight KSIs, individually and in the aggregate, enhance the potential for success in achieving real transformation. In addition, the Academy team synthesized findings from the 2018 Academy Panel's organizational assessment, the change readiness and communication analysis contained herein, and other data sources to complement the analysis.

Given the interactive nature of the KSIs, some of the proposed steps may be common to several KSIs. This section addresses each KSI and includes both a description of the KSI practices, and recommended implementation steps for DNFSB. The study team deems that KSIs 1 and 2 are closely interrelated and combines treatment of these two for the purposes of our discussion and recommendations.

KSI #1 and KSI #2

KSI #1: Ensure Top Leadership Drives the Transformation

Successful organizational transformations require involved and invested senior leadership to guide the effort from its inception. This does not mean that the head of the organization is solely responsible for driving change; nor does it suggest that top leaders should make all decisions without employee input or guidance. It does, however, charge senior leaders with setting the direction, pace, and tone in providing a clear, consistent rationale for change. Leaders must take actions to enhance an environment in which the workforce is united by a common understanding and a single mission.[30] This initiative is particularly important for DNFSB as the perceived lack of consensus on mission and strategic direction among Board members is frequently cited as a contributing factor to staff's low morale and disengagement.

During a period of organizational change, senior leaders face the challenge of maintaining ongoing day-to-day activities without decline in productivity or performance. This must be accomplished while simultaneously guiding the change initiative through effective decisions and communications, dedicating sufficient time to organizational transformation activities, and regularly communicating updates on change initiatives. By striking an appropriate balance of responsibilities for current operations with these new priorities, senior leadership will foster an organizational climate of cooperation and ownership.

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[30] Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations.* GAO-03-669. July 2003.

KSI #2: Establish a Clear Vision and Integrated Strategic Goals

A successful organizational transformation depends on developing and regularly communicating the overarching vision and strategic goals of the future state organization. The vision should speak to the overall mission of the transformed organization—including its basic philosophy, principles, and organizational framework[31]—while the strategic goals must clearly outline how to achieve the vision.[32]

The organizational vision and strategic goals found in an agency strategic plan should become the focus to guide the transformation and help define and foster a new culture. This will ensure that those employees and stakeholders who do not see a direct personal connection to the transformation will nevertheless understand what the future state organization aims to accomplish, how their positions or roles are likely to evolve, and what steps individuals will need to take to help the new organization be successful.[33] In addition to driving change, senior leaders need to be accountable for the transformation. Part of this task is to take ownership of the current management challenges that precipitated the need for change and to communicate how implementation of the new vision and goals will ameliorate those conditions.

The definition of "senior leaders" will vary among agencies. For the purposes of this whitepaper, the senior leadership team includes the Board members, the directors of OTD and OGM, and the Senior Executive Service (SES) employees. These leaders have broad reach in the Agency and are best positioned to communicate the new vision and help drive the transformation.

Research conducted by the GAO suggests that major change management initiatives may take five years or longer to be successfully implemented in public sector organizations and that consistent leadership is required during this period.[34] As turnover in a senior leadership team creates challenges to this process, it is important to try to maintain continuity.

Implementation Steps for KSIs #1 and #2

The Academy team recognizes the Board members' commitment to address significant leadership challenges and organizational dysfunction at DNFSB through the implementation of the new strategic plan. To support this initiative, it is important to address the perceived lack of consensus on mission and strategic direction among Board members. To this end, the study team recommends the following implementation steps for the Board members:

- Board members should regularly communicate a common understanding of the new vision, strategic goals and objectives, as well as the reasons for change. This can be done as part of

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[31] Abramson, Marc A. and Paul R. Lawrence (eds). *Transforming Organizations*. Rowman & Littlefield Publishers, Inc, 2001.

[32] Cohen, Dan and John Kotter. *The Heart of Change*. John P. Kotter and Deloitte Consulting LLC, 2002.

[33] Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*. GAO-03-669. July 2003.

[34] GAO, 2003.

the rollout of the new Strategic Plan and should comport with the new communication strategy described in KSI #5 of this whitepaper.

- Board members should assume responsibility for the transformation process and remain highly visible during the transformation process.
- Board members should involve senior representation from all three DNFSB components (OTD, OGC, and OGM) in the drafting, roll-out, and implementation of change management practices. This will facilitate cooperation and change ownership throughout the agency, help ensure continuity in the implementation process, and allow Board members to share the workload—balancing current line responsibilities with the new priorities.

KSI #3: Design the Organizational Structure That Will Enable the Vision

"Large-scale change may necessitate organizational redesign,"[35] because the agency's structure should facilitate improvement, and consideration should be given to the function, size, and organizational placement of various managerial and advisory units within the organization. The new organization must have a clear set of principles and priorities that serves as a framework to help the organization create a new culture and drive desired employee behaviors. Focusing on these principles and priorities helps the organization to maintain its drive towards achieving the "vision" of the transformation.

To that end, organizational redesign can facilitate the removal of system barriers. System barriers are the formal arrangements and authorities that can impede change. In fact: "The distance between the agency 'center' and the 'field' is important to ensure sound communication and exchange of information. As too much change can create chaos, thoughtfully planned and executed redesign is key."[36]

Implementation Steps for KSI #3

As senior leaders implement the new Agency strategic plan, it will need to reexamine the Agency's current structure, internal processes, and human capital planning. To this end, the study team recommends the following implementation steps:

- Board members should regularly communicate a common understanding of the new vision, strategic goals and objectives, as well as the reasons for change. This can be done as part of the rollout of the new Strategic Plan and should comport with the attributes of a new communication strategy described in this whitepaper.
- Board members should assume responsibility for the transformation process, be held accountable for achieving its goals, and remain highly visible during the transformation process.

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[35] Cohen, Dan and Kotter, John. *"The Heart of Change."* Boston, Harvard Business School Press, 2002.
[36] *Transforming Organizations*. Edited by Marc A. Abrahamson and Paul R. Lawrence, Lanham, MD. Rowman and Littlefield Publishers, 2001.

- Board members should involve senior representation from all three DNFSB components (OTD, OGC, and OGM) in the drafting, rollout, and implementation of change management practices. This will facilitate cooperation and change ownership throughout the agency, help ensure continuity in the implementation process, and allow Board members to share the workload—balancing current line responsibilities with the new priorities.

- Board members should reexamine the Agency's current organizational structure, internal processes, and human capital planning to address staff concerns related to micromanagement, cumbersome internal processes, etc. Consideration should be given to the function, size, and organizational placement of various managerial and advisory units within the organization to facilitate improvement and to ensure that the organizational structure supports the desired future state.

KSI #4: Create a Sense of Urgency, Implement a Timeline, and Show Progress from Day One

Change Management thought leaders agree that a primary driver of a successful transformation effort is identifying a high level of urgency throughout the organization. This urgency clarifies the "why the changes must take place" component to the discomfort that can come with change, and gives some context to the consequences of inaction. Often, existing environmental factors create a momentum for improvement. It is imperative that the leadership team capitalize on the need for change that is recognized throughout the organization and take care to explain the organizational benefits of undergoing the transformation.[37] If an atmosphere of complacency or "false pride" pervades the organization, then there is little hope for momentum to truly build and bolster the initiative.

Charting the course with a clearly-defined timeline and details of the progress are essential for supporting the change initiative and instilling buy-in throughout the affected stakeholder community. In an environment of increasing transparency and accessibility consistent with promising practices at present, open and honest dissemination of information is paramount to a successful transformation. Creating a timeline and making this road map available to all affected parties is one of the first steps in establishing collective ownership in the change initiative. Key stakeholders, internal and external, are concerned not only with what results are to be achieved, but also the processes that are to be used to achieve those results. [38] One practice for showing progress from day one are quick wins – victories that foster faith in the change effort, emotionally reward the hard workers, keep the critics at bay, and build momentum.

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[37] *Transforming Organizations*. Edited by Marc A. Abrahamson and Paul R. Lawrence, Lanham, MD. Rowman and Littlefield Publishers, 2001.

[38] Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations.* GAO-03-669. July 2003.

Implementation Steps for KSI #4

As described in Section 2, DNFSB staff members expressed mistrust in senior leadership's handling of prior restructuring efforts. Specifically, in the past, Board members have announced organizational changes without providing an explanation as to why the changes were necessary, what other options were considered, and what the implications would be for the Agency. In addition, certain staff members believe they cannot rely on Agency leaders to accurately communicate the position of the Board members without bias or "spin." Others posit that it is not safe to question the rationale of a restructuring in a public forum fearing retaliation by senior leaders.

In consideration of these factors, the Academy team recommends that the Board members implement the following steps within the next three to six months:

- Board members should articulate succinct and compelling reasons for organizational change. The rationale should be grounded with a discussion on DOD's weapons modernization program and DOE's production goals.
- Agency leaders should communicate quick wins to gain momentum. This will demonstrate senior leadership's commitment to move forward with the strategic plan.
- Board members should provide signals to staff members of their intention to take immediate steps to change organizational culture and climate. This may include:
    - The board chair either formally modifying the 8/18 restructuring plan, or formally withdrawing the plan.
    - Board members actively demonstrating to staff that they are implementing lessons learned from the recent training sessions including Crucial Conversations and Clifton Strengths.
    - Board members announcing concrete steps to address the identified management challenges, time frame for accomplishing these steps, and senior leadership assigned responsibility.

KSI #5: Communicate Frequently Through Multiple Channels to Multiple Stakeholders

Successful change initiatives are driven by a comprehensive, consistent communication strategy that strives for both employee understanding and buy-in. Effective communication is not only merely the distribution of information and data, but also an honest attempt to address staff anxieties and to evoke faith in the vision of the initiative.[39] These communication efforts need to occur frequently (from the very beginning of the change initiative) to all affected stakeholders - upward, downward, and across functions. It is essential that the information being shared enables leaders to engage employees and helps to build trust in the transformational team (see KSI #6).

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[39] Cohen, Dan and Kotter, John *The Heart of Change.* John P. Kotter and Deloitte Consulting LLC, 2002.

Mechanisms for ensuring that feedback is received, processed, and acted upon is also crucial when developing a change-driven communication strategy. Success hinges upon communication channels being open in both directions. Authentic buy-in will not exist in a meaningful way without that transparency and accessibility. Additionally, these channels must vary by group to ensure that the method for sharing information aligns with the needs of the specific stakeholder group.

The Academy team recommends using a three-level communications framework, detailed below and in Section 2, to structure internal communications:

- **Global Message**: The Global Message is the Strategic Vision for the Agency. A key question characterizing this type of communication is what does this mean for the Agency as a whole? The Global Message is primarily owned by the Board members and senior executives of the organization.
- **Local Message**: The Local Message is the Logistics and Operations of the Agency. A few key questions characterizing this type of communication are: what does this mean for my job? How can my job contribute to the success of the Agency? The Local Message is primarily owned by senior executives and the subsequent levels of management within an organization.
- **Personal Message**: The Personal Message encapsulates the Personal Motivation of each employee. A few key questions characterizing this type of communication are: what does this mean for me and my significant others? How is my life going to change?

The Academy team identified two overarching observations on communication within the Agency that should inform the application of the implementation steps detailed below.

1) Given the steadily declining morale and climate within the Agency, communication from Board members and senior leadership is increasingly impactful. Incomplete or tentative communications activities that don't address the Local and Personal concerns of staff will be ascribed to negative motives.
2) When communicating about change, Board members and senior leadership should discuss all aspects of the problem: why the problem should be addressed, how the solution proposes to fix the problem, how it was arrived at, and how the new solution will affect staff members. Finally, to the extent possible, senior leadership should solicit input from the staff early on in the process to foster engagement. Staff members suggested in meetings with the Academy team that the model used by the Academy might be a useful template (Current State, Case for Change, Barriers to Improvement, Future State).
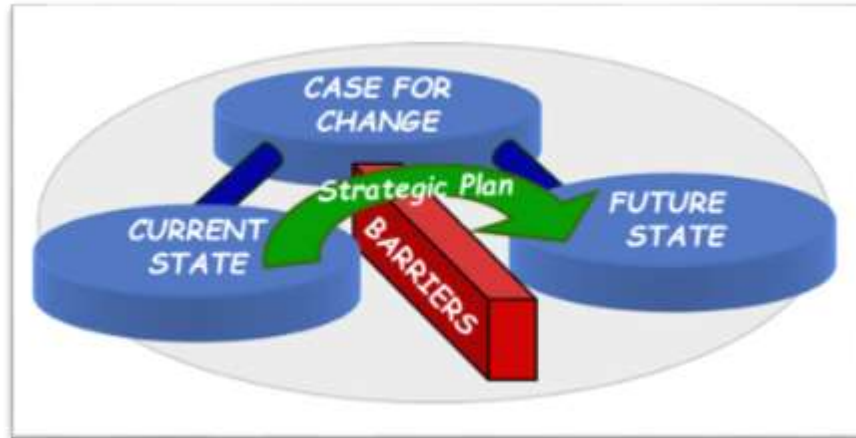
Figure 1. NAPA Model for Communicating Change

Implementation Steps for KSI #5

In order to improve internal communications, the Academy team recommends the following implementation steps:

- DNFSB should implement an internal communication plan that, at a Global Level, includes three key objectives:
  - Emphasize the benefits transformation will have in regard to enhancing the way DNFSB oversees the defense nuclear complex;
  - Explain the intrinsically-linked relationship between the transformation and DNFSB's focus on mission execution, people, and mission support systems; and
  - Demonstrate how DNFSB is adapting to the dynamic conditions in the defense nuclear complex, in order to ensure they can sustain the current level of oversight with regard to safety, while continuing to prepare for future unknown challenges.
- DNFSB should accelerate the rebuilding of trust and confidence within the Agency by communicating effectively on recent Agency developments. These near-term communications could be structured with the *Crucial Conversations* format[40] and the topics might include:
  - The release and implementation of the new strategic plan and vision for the Agency;
  - The withdrawal of the 2018 Agency Reorganization plan; and
  - The importance of restoring trust and healthy employee engagement in the Agency.
- DNFSB should keep the following key principles in mind when implementing a new communications approach internally:
  - Communicate early and often to build trust.
  - Ensure consistency of message.

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[40] *Crucial Conversations is third party communication training provided by VitalSmarts. For more information see* https://www.vitalsmarts.com/crucial-conversations-training/

- Encourage two-way communication by creating feedback loops between various levels of the organization, including "skip level" feedback mechanisms, where staff members can meet directly with Board members.
- Utilize technology tools such as a "transformation blog" to update staff on progress and provide information to meet specific needs of staff.
- The board chair should consider having a "Board Chair Chat" with staff members every few months.
- Institutionalize and leverage top-down communication between Board members and staff.

KSI #6: Dedicate a Powerful Implementation Guidance Team to Manage the Transformation Process

Large-scale organizational transformation does not happen without a compelling guiding force. A fragmented management team cannot accomplish this complex task, and there are not enough hours in the day for even the strongest executive to accomplish change single-handedly.[41] The executive challenge is to assemble an effective implementation team that will be responsible for the transformation's day-to-day management.

Specifically, the implementation team is tasked with ensuring that various change initiatives are sequenced, implemented in a coherent and integrated way, and provide early mediation of unintended challenges that negatively impact implementation. Top leaders must vest the transformation team with the necessary authority and resources to set priorities, make timely decisions, and move quickly to implement the top leadership's decisions regarding the transformation. The qualifications of implementation team members - a team comprised of top performers - are also a visible sign that top leaders are serious and committed to the organizational transformation.[42]

Implementation Steps for KSI #6

The Academy team recognizes the Board members' involvement in implementing the new strategic plan and guiding the organizational transformation. However, to continue this momentum, Board members will need to appoint a competent implementation team to oversee day-to-day management of the transformation. To ensure that this initiative receives the focused, full-time attention and resources needed to be successful, the Academy team recommends the following implementation steps:

- Board members should appoint a transformation implementation team consisting of high-performing staff and dedicate the required resources.

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[41] Cohen, Dan and Kotter, John *The Heart of Change*. John P. Kotter and Deloitte Consulting LLC, 2002.
[42] Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations.* GAO-03-669. July 2003.

- Develop and disseminate to staff members implementation goals and an accompanying timeline.
- Seek and monitor employee attitudes and take appropriate follow-up actions.
- Identify internal cultural challenges to increase understanding of current and desired future work environments.

KSI #7: Engage Employees to Seek Their Improvement Ideas, Build Momentum, and Gain Their Ownership for the Transformation

A successful transformation must involve employees from its earliest steps in order to successfully solicit their active endorsement, even ownership, for the changes occurring in the organization. Employee involvement strengthens the transformation process by including frontline perspectives and experiences.[43] "The manner, in which reform is introduced, particularly regarding staff involvement and communication, demonstrably affects the response of staff to the improvement process. Leaders should be knowledgeable and sensitive to the process of change, as well as the desired objectives. Employees who are empowered and engaged in the change are more involved in the improvement process."[44] One way to empower employees and build momentum is through quick wins that are visible, timely, unambiguous and meaningful. Without quick wins to build momentum early, large-scale change rarely happens, no matter how brilliant the vision and how necessary the changes.[45]

Implementation Steps for KSI #7

The Academy recommends the following implementation steps for the Agency:

- Agency leaders should engage staff in strategic planning and change management processes:
  - Create a mechanism or vehicle for senior leadership to engage with staff on potential changes and solicit their input prior to formulating those changes.
  - Board members to attend staff meetings to engage with staff directly on issues of concern.
  - Articulate compelling reason for change.
- Empower staff by delegating authority to appropriate organizational levels.
- Establish and cultivate a formalized employee voice,[46] including formalized mechanisms that create a "safe space" for employees to be able to offer critique to the Agency and pass

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[43] Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations.* GAO-03-669. July 2003.

[44] Transforming Organizations. Edited by Marc A. Abrahamson and Paul R. Lawrence, Lanham, MD. Rowman and Littlefield Publishers, 2001.

[45] Cohen, Dan and Kotter, John. "The Heart of Change." Boston, Harvard Business School Press, 2002

[46] Employee voice is the means by which employees communicate their perspective to their employer. It's the primary vehicle for employees to influence matters that affect them at work.

on feedback to Board members without fear of retribution from their managers. This effort should include training for managers on employee voice.

- Implement "skip level" meetings where staff members can meet directly with Board members. This communication tool allows employees to develop a relationship with senior leadership and share their insight on the day-to-day work environment, opportunities for improvement, and barriers to success.
- Organize small group meetings of employees to interpret the post climate survey results and identify proposed actions to address issues.
  - o Synthesize the results of the meetings, proposed solutions, and present to Board members and senior leadership.
  - o Board members to decide which actions to pursue, which not to pursue, and which to table. Provide explanation for each and timetable if appropriate.

KSI #8: Sustain the Effort by Nurturing a New Culture, Rewarding Risk, and Measuring Progress

A successful organizational transformation requires the adoption of a new culture. Changes will be more likely to be effected permanently only if employees are able and willing to embrace a new set of values and norms.[47] It is the Agency leadership's responsibility to sustain the transformation effort by encouraging and nurturing a culture that will best support the needs of the new organization. This includes creating a compelling vision that motivates employees to move away from outdated norms, incentivizing change acceptance by rewarding those individuals who truly reflect the desired culture, and monitoring buy-in and progress made through accurate measurements of clearly defined transformation objectives.

DNFSB'S strategic plan articulates a new overarching vision and strategic goals for the Agency. It reflects a new future state that draws on the collective input from staff and Board Members. However, to successfully implement the new vision and transform the agency, DNFSB's management must foster a new culture that embodies its core values and encourages employee engagement. Employee engagement is a key driver of overall mission success and the ability of senior management to successfully transform an organization. As outlined in the above change assessment, the Academy team received negative feedback from staff on the Agency's adherence to core values.

The Agency has recently redefined its core values and added an additional one, in the new strategic plan. Staff was involved in all steps of this process. One theme from staff interviews was the need for accountability: "core values are for everyone; all employees must have skin in the game."

As DNFSB embarks on strategic transformation, it will be critical for Board members to

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[47] Cohen, Dan and Kotter, John. "The Heart of Change." Boston, Harvard Business School Press, 2002.

demonstrate adherence to core values as their actions set the "tone at the top." The study team recommends that DNFSB implement the following steps:

Implementation Steps for KSI #8

- Embed core values in all activities of the organization to reinforce the new culture.
- Implement performance metrics that support strategic goals and objectives.
- Senior Leadership and staff to implement concepts used at recent training to demonstrate good faith effort and set tone at the top for the agency. Express appreciation for staff; everyone should understand their role in the agency.
- Adopt an agency-wide approach to assess implementation of culture shift; include employee and stakeholder feedback.
- OTD, GM and GC need to have more engagement between groups; also more communications within each of the divisions.
- As "all change is personal," staff will need to feel a personal connection with the new vision and the transformation process. The study team recommends creating a strong linkage between the new vision and strategic goals with the employee performance appraisal process.
- To operationalize core values, the Academy team recommends DNFSB leadership implement the following steps:
  - o Identify and define several positive behaviors that support each core value. To this end, the behaviors should be observable, measurable and applicable to all employees.
  - o Create draft performance standards and assessment tools that measure the extent to which those behaviors are exhibited by staff.
  - o Test draft standards and tools as a pilot with representative sample of management and staff. Seeking their input early in the process will facilitate engagement and buy in.
  - o Incorporate those standards into the performance appraisal process using the existing performance categories for federal employees and reflecting OPM guidance. Tailor the tactics and solutions to comport with the different staff functions and levels of seniority
  - o Monitor and track adherence to the value performance standards on an individual and agency –wide basis.
  - o Revise definitions and standards as necessary based on observed results.
- To track its progress, DNFSB should identify and define measures of success that will indicate success at different stages of implementation. To this end, the agency will need clearly defined transformation objectives and implement a monitoring plan.

Summary

In this section, the Academy team proposes 29 implementation steps for DNFSB's Communication and Change Management Strategies to enhance employee engagement. These implementation steps were mapped to the Academy team's organizational transformation framework with eight key success indicators. They are further informed by findings from the 2018 Academy Panel's organizational assessment, the new strategic plan, the change readiness and communication analysis contained herein, and information gleaned through additional focus groups with DNFSB staff.

In addition, we performed an assessment of DNFSB's internal communication activities using a Three-Layer Communication Framework that addresses Global, Local and Personal messages. This framework posits that, as a broad, high-level message cascades down the organizational structure, it should be evolving into a more specific, individualized message customized by the appropriate supervisor. We provide an overarching strategy to enhance internal communication, which is a primary focus of this whitepaper.

A common theme throughout this whitepaper, which is consistent with the Academy's work on the strategic plan, is that the Board members and other Agency leaders are avidly pursuing a fresh chapter for the Agency. Organizational transformation is not easy. It is complicated and is tantamount to running a marathon. This critical work will take time, laser focus, and a clear, common vision. If successful, the Nation has the potential to reap major benefits from the Agency's efforts. More importantly, Board members and staff members at all level now have the privilege and challenge to engage collaboratively to build an ever better future for the Agency. As DNFSB celebrates its 30th anniversary this year, there are enormous opportunities for current and future Agency staff members (at all levels of the Agency) to build on the past, jettisoning the behaviors that have not been fruitful, in order to navigate the challenges of its essential mission with enormous success.

Appendix A: Expert Advisory Group and Study Team Biographies

Expert Advisory Group

Leisha DeHart-Davis. Professor, School of Government, University of North Carolina-Chapel Hill; Albert and Gladys Coates Distinguished Term Associate Professor, School of Government, University of North Carolina-Chapel Hill, Associate Professor, School of Government, University of North Carolina-Chapel Hill; Associate Professor, School of Public Affairs and Administration, University of Kansas; Assistant Professor, School of Public Affairs and Administration, University of Kansas; Research Associate, Air Quality Laboratory, Georgia Institute of Technology

Michael Dominguez. Director, Strategy, Forces and Resources Division, Institute for Defense Analyses. Former positions with the U.S. Department of Defense: Principal Deputy Under Secretary of Defense for Personnel and Readiness; Assistant Secretary of the Air Force for Manpower and Reserve Affairs, including service as Acting Secretary of the Air Force; Assistant Director for Space, Information Warfare, and Command and Control, Office of the Chief of Naval Operations. Former Research Project Director, Center for Naval Analyses; General Manager, Tech 2000 Inc.; Associate Director for Programming, Office of the Chief of Naval Operations; Director for Planning and Analytical Support, Office of the Assistant Secretary of Defense for Program Analysis and Evaluation; Executive Assistant to the Assistant Secretary of Defense for Program Analysis and Evaluation; Program Analyst, Office of the Secretary of Defense for Program Analysis and Evaluation; Military service in various assignments with the U.S. Army's Southern European Task Force.

Michael McCord. Director, Civil-Military Programs, Stennis Center for Public Service. Former Under Secretary (Comptroller) and Chief Financial Officer, U.S. Department of Defense; Professional Staff Member, Senate Armed Services Committee; Budget Analyst, House Budget Committee; Assistant Analyst, Congressional Budget Office.

John Paczkowski. Senior Managing Director, Public Sector Division, Witt O'Brien's; Senior Vice President, Homeland Security and National Resilience, ICF; Vice President, Emergency Management and Infrastructure Protection, ICF; Director, Emergency Management and Security, Port Authority of New York and New Jersey; Assistant Director, Operations, Port Authority of New York and New Jersey; Senior Subject Matter Expert, Homeland Security Executive Leaders Seminar, Naval Postgraduate School; Colonel, Chief Civil Support Division, National Guard Bureau, United States Marine Corps; Colonel, Senior Marine Corps Emergency Preparedness Liaison Officer, Marine Forces Reserve, United States Marine Corps.

David M. Walker. William J. Crowe Chair and Professor on the Economics of National Security, U.S. Naval Academy. Former Senior Strategic Advisor, PricewaterhouseCoopers; Chairman, Government Transformation Initiative; Founder and Chief Executive Officer, Comeback America Initiative; President and Chief Executive Officer, Peter G. Peterson Foundation; Comptroller General of the United States; Partner and Global Managing Director, Arthur Andersen, LLP; Public Trustee, U.S.

Social Security and Medicare Trust Funds; Assistant Secretary of Labor for Pensions and Welfare Benefits Programs, U.S. Department of Labor; Acting Executive Director, Pension Benefit Guaranty Corporation.

Study Team

Brenna Isman, *Director of Academy Studies.* Ms. Isman has worked for the Academy since 2008 and provides oversight across all of the Academy's studies. She recently served as the Project Director for the Academy's project that assisted a financial oversight board in developing and implementing its strategic plan. She also directed the Academy's statutorily required assessments of the National Aeronautics and Space Administration's use of its Advisory Council and the Environmental Protection Agency's practices for determining the affordability of regulatory mandates, as well as the Academy's organizational study of the U.S. State Department's Office of Inspector General. Her prior consulting experience includes both public and private sector clients in the areas of communication strategy, performance management, and organizational development. Prior to joining the Academy, Ms. Isman was a Senior Consultant for the Ambit Group and a Consultant with Mercer Human Resource Consulting facilitating effective organizational change and process improvement. She holds an MBA from American University and a Bachelor of Science in Human Resource Management from the University of Delaware.

Roger Kodat, *Senior Project Director.* Mr. Kodat has led more than twenty projects at the Academy, including several organizational assessments and strategic planning engagements. He is currently leading the Academy's organizational assessments of the Defense Nuclear Facilities Safety Board (DNFSB) and the Corporation Commission of the State of Oklahoma. He is also leading studies of health systems management at the Bureau of Prisons and of management challenges in the Agricultural Research Service (ARS). He recently completed a review of the strategic mission and organization of the Maritime Administration (MARAD) and a study of the procurement strategies utilized by the Transportation Security Administration (TSA). In addition, he led the Academy's congressionally requested studies of NASA's access management controls for information technology. Mr. Kodat was appointed and served as Deputy Assistant Secretary of Treasury, responsible for Federal Financial Policy, from 2001 to 2008. His responsibilities at Treasury included leading reforms of the U.S. Postal Service and oversight of the Federal Finance Bank. Prior to joining government, Mr. Kodat had an extensive career in commercial finance and banking, including serving as Vice President for both Chase Manhattan Bank and Manufacturers Hanover Trust in Eastern Europe. He holds a B.S. from Northwestern University and both an MBA in Finance and M.A. in Political Science from Indiana University.

Mark Thorum, *Senior Advisor.* Mr. Thorum is on detail at NAPA from the Export-Import Bank of the United States--Office of Inspector General (OIG) where he served as Assistant Inspector General (AIG) for Management and Policy and as the AIG for Inspections and Policy Evaluations. He is currently supporting Academy projects with Defense Nuclear Facilities Safety Board (DNFSB), Social Security Administration (SSA) and Federal Aviation Administration (FAA). Prior to joining government service, Mr. Thorum had an extensive career in structured finance, risk mitigation and financial markets advisory with two international financial institutions. He holds a Ph.D. from the

Virginia Polytechnic Institute and State University - School of Public and International Affairs. He received a M.A. from The Johns Hopkins University – School of Advanced International Studies, and a D.E.A. from the Institut d'études politiques de Paris (Institute of Political Studies) Paris, France.

Elijah C. Evans, *Research Analyst.* Mr. Evans is currently supporting an assessment of strategies for enhancing the technology policy resources available to the U.S. Congress, an assessment of program delivery for design and construction programs at the National Park Service, and an assessment of the Agricultural Research Service's National Research Programs. Prior to this, he supported the Academy's assistance to a financial oversight board in developing the agency's strategic and performance plans. He also served on congressionally directed engagements that examined the U.S. Environmental Protection Agency's guidelines for affordability of infrastructure investments and National Aeronautics and Space Administration's use of its Advisory Council. He joined the Academy in February 2017 and received a B.S. in Convergence Journalism and Political Science from Abilene Christian University in December 2016.

Appendix B: Questions and Interviewee List

To facilitate discussion, the Academy team asked DNFSB staff to consider several questions. Interviewees were advised that their responses were not for attribution.

Interview Questions:

1. In assessing DNFSB's current state, staff members were asked to consider internal and external factors that impacted their ability to complete the agency's mission.
2. In assessing DNFSB's case for change, staff members were asked to consider the counterfactual and potential implications: "What might result if DNFSB did not exist and what would the potential impact on public safety be?"
3. In assessing DNFSB's barriers to improvement, The Academy team asked staff to identify potential barriers that might compromise DNFSB's ability to fully realize transformation and more successfully execute its vital mission.
4. In assessing DNFSB's future state, staff members were asked to consider two open-ended questions to identify the defining characteristics that would enable the agency to fully accomplish its mission:
   o "What are the necessary attributes for DNFS to successfully complete its mission? "
   o "What should the agency look like in five to ten years?"

Focus Group Questions:

1) KSI: Communicate frequently through multiple channels to staff and external stakeholders.
   Focus Group Question: How can internal communication be improved to foster trust and engagement at DNFSB?

2) KSI: Engage employees to seek their improvement ideas, build momentum, and gain their ownership for the transformation.
   Focus Group Question: As "all change is personal," staff will need to feel personal connection with the Agency's new vision and strategic plan. How can senior leadership best engage with you to seek your ideas and gain your buy-in?

3) KSI: Sustain the effort by nurturing a new culture, rewarding risk, and measuring progress.
   Focus Group Question: Future State #3 refers to a new Agency culture based on mutual trust, respect, and adherence to core values. What practical steps would you recommend to help foster a new culture, reward risk, and measure progress?

The following DNFSB staff members were interviewed. Titles and positions listed are accurate as of the time of the Academy's initial contact.

Anthony Hutain, Nuclear Engineer, Defense Nuclear Facilities Safety Board

Ben Caleca, Resident Inspector, Defense Nuclear Facilities Safety Board

Bruce Hamilton, Chairman, Defense Nuclear Facilities Safety Board

Casey Blaine, Acting General Counsel, Defense Nuclear Facilities Safety Board

Chris Roscetti, Technical Director, Defense Nuclear Facilities Safety Board

Daniel Bullen, Technical Staff, Defense Nuclear Facilities Safety Board

Don Owen, Technical Staff, Defense Nuclear Facilities Safety Board

Doug Minnema, Senior Engineer, Defense Nuclear Facilities Safety Board

Eric Fox, Attorney, Defense Nuclear Facilities Safety Board

Farid Bamdad, Senior Nuclear Safety Specialist, Defense Nuclear Facilities Safety Board

Glenn Sklar, General Manager, Defense Nuclear Facilities Safety Board

Jeremy Bingham, Senior IT Program Manager, Defense Nuclear Facilities Safety Board

Jeremy Parmer, Physical Security Program Manager, Defense Nuclear Facilities Safety Board

Jessie Roberson, Board Member, Defense Nuclear Facilities Safety Board

John Abrefah, Senior Engineer, Defense Nuclear Facilities Safety Board

Jonathan Plaue, Resident Inspector, Defense Nuclear Facilities Safety Board

Joseph Gilman, Associate General Counsel, Defense Nuclear Facilities Safety Board

Joyce Connery, Board Member, Defense Nuclear Facilities Safety Board

Katherine Herrara, Deputy Technical Director, Defense Nuclear Facilities Safety Board

Katie Heffner, Technical Staff, Defense Nuclear Facilities Safety Board

Kelli Holmes, Contracting Officer, Defense Nuclear Facilities Safety Board

Ken Deutsch, Technical Staff, Defense Nuclear Facilities Safety Board

Kim Knight, Information Security Program Manager, Defense Nuclear Facilities Safety Board

Lisa Schleicher, Geophysicist, Defense Nuclear Facilities Safety Board

Mark Sautman, Resident Inspector, Defense Nuclear Facilities Safety Board

Matthew Duncan, Resident Inspector, Defense Nuclear Facilities Safety Board

Min-Wai Merschat, Senior Budget Analyst, Defense Nuclear Facilities Safety Board

Miranda McCoy, Resident Inspector, Defense Nuclear Facilities Safety Board

Monique Helfrich, Technical Staff, Defense Nuclear Facilities Safety Board

Nathan George, Nuclear Engineer, Defense Nuclear Facilities Safety Board

Padraic Fox, Resident Inspector, Defense Nuclear Facilities Safety Board

Patrick Migliorini, Engineer, Defense Nuclear Facilities Safety Board

Perry Meyer, Technical Staff, Defense Nuclear Facilities Safety Board

Peter Foster, Technical Staff, Defense Nuclear Facilities Safety Board

R. Todd Davis, Technical Staff, Defense Nuclear Facilities Safety Board

Rich Tontodonato, Deputy General Manager, Defense Nuclear Facilities Safety Board

Rosalind Howard, Audit Liaison, Defense Nuclear Facilities Safety Board

Ryan Eul, Technical Staff, Defense Nuclear Facilities Safety Board

Sanjoy Sircar, Technical Staff, Defense Nuclear Facilities Safety Board

Sherry Lewis, Technical Staff, Defense Nuclear Facilities Safety Board

Sonia Thangavelu, Technical Staff, Defense Nuclear Facilities Safety Board

Timothy Dwyer, Technical Staff, Defense Nuclear Facilities Safety Board

Vanessa Prout, Director of Human Resources, Defense Nuclear Facilities Safety Board

Vera Johnson, Finance Management Specialist, Defense Nuclear Facilities Safety Board

Veronica McCray, Human Resources Specialist, Defense Nuclear Facilities Safety Board

Zachery Beauvais, Resident Inspector, Defense Nuclear Facilities Safety Board

Appendix C: Leading Practices in Organizational Transformation

In order to appropriately, and fairly assess organizational transformation efforts in the public sector, the Academy has conducted comprehensive research on leading practices for organizational transformations. This Appendix narrows that research to three reputable sources, each of which reflects the most common practices for organizational transformation:

- *Transforming Organizations*, by Mark A. Abramson and Paul R Lawrence;
- *The Heart of Change,* by John Kotter and Dan Cohen; and
- A Government Accountability Office (GAO) report to Congressional Subcommittees, *Results Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*.

The authors of these works are considered thought leaders in organizational transformation and change management. Research for all three published works included in-depth academic study, data collection, consulting, and work experience with an extensive group of organizations undergoing change. The publications represent a cross section of public (*Abramson*) and private sector *(Kotter*) best practice examples, with the GAO Report reflecting both.

Transforming Organizations* (Abramson/Lawrence)	Heart of Change* (Kotter/Cohen)	Implementation Steps to Assist Mergers and Organizational Transformations* (GAO July 2003)
Select the right person	Create a sense of urgency so that people start telling each other "Let's go, we need to change things!"	Ensure top leadership drives the transformation.
Clarify the mission	Pull together a guiding team powerful enough to guide a big change.	Establish a coherent mission and integrated strategic goals to guide the transformation.
Get the structure right	Create clear, simple, uplifting visions and sets of strategies.	Focus on a key set of principles and priorities at the outset of the transformation.
Seize the moment (urgency / right time)	Communicate the vision through simple, heartfelt messages sent through multiple channels so that people begin to buy into the change.	Set implementation goals and a timeline to build momentum and show progress from day one.
Communicate, communicate, communicate	Empower people by removing obstacles to the vision.	Dedicate an implementation team to manage the transformation process.
Involve key players	Create short-term wins that provide momentum.	Use the performance management system to define responsibility and assure accountability for change.
Engage employees	Maintain momentum so that wave after wave of change is possible.	Establish a communication strategy to create shared expectations and report related progress.
Persevere	Make change stick by nurturing a new culture.	Involve employees to obtain their ideas and gain their ownership for the transformation.

Figure 2. Comparison Chart: Leading Practices in Organizational Transformation

Appendix E: Principles and Elements for Strengthening Organizational Health and Performance in Government

A mature performance-focused organizational culture in the public sector should:

- Include the use of data analytics to target efforts to improve organizational capacity and health;
- Extend the reach of the federal performance framework to program managers, frontline operating units, and mission support units; and
- Use these metrics not as an accountability hammer, but as a tool to foster continuous learning and improvement.

The process would:

- Reinforce and complement other elements of the federal performance management framework, including strategic planning and review and reorganization planning, by empowering front-line managers to diagnose and address management problems;
- Help managers at all levels analyze a wide array of information to diagnose particular management weaknesses and address their sources;
- Provide incentives and rewards for innovative, collaborative actions by managers and people at all levels to increase their engagement, effectiveness, and efficiency; and
- Help managers at all levels exploit emerging data analytics and use these data in real time to monitor and continuously improve operations and results.

The Three Elements of a New Strategy

Over the next few years, the strategy for creating conditions that can lead to improved capacity and performance would have three major elements:

- Help agency leaders and managers strengthen their organizational units' health and performance by systematically applying methods for spotting, diagnosing, and remedying management challenges of particular units within an agency;
- Develop an evidence-driven, learning-based approach within agencies focused on improving program performance and results; and
- Help agency leaders and managers make effective use of a flood of new data relevant to managing their workplace and operations by giving them tools to access, analyze, and apply those data to management quickly and by providing them with skills necessary to manage in this emerging environment, acknowledging, and rewarding their success.

For more:
https://www.napawash.org/uploads/Strengthening_Organizational_Health_and_Performance_in_Government.pdf

Appendix F: Additional Resources for Consideration

Abramson, Marc A. and Paul R. Lawrence (eds). *Transforming Organizations*. Washington, D.C.: Rowman & Littlefield Publishers, 2001.

Cohen, Dan and John Kotter. *The Heart of Change*. Washington, D.C.: Harvard Business Review Press, 2012.

Combe, M. *Change Readiness: Focusing Change Management Where It Counts*. Washington, D.C.: Project Management Institute, 2014.

Garfein, S., Horney, N. F., & Nelson, M. *Managing change in organizations*. Washington, D.C.: Project Management Institute, 2013.

National Academy of Public Administration. *No Time to Wait, Part 2: Building a Public Service for the 21st Century*. Washington, D.C.: National Academy of Public Administration, 2018.

National Academy of Public Administration. *No Time to Wait: Building a Public Service for the 21st Century*. Washington, D.C.: National Academy of Public Administration, 2017.

National Academy of Public Administration. *Strengthening Organizational Health and Performance in Government*. Washington, D.C.: National Academy of Public Administration, 2018.

U.S. Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*. GAO-03-669. Washington, D.C: July 2003.

Appendix G: Change Management Descriptors

Future State	Descriptors
Common understanding of DNFSB's core mission / vision	"Agency-wide alignment of the mission, strategic plan, and human capital planning; Shared vision of what we're trying to achieve" "Aligned vision at Board level drives agency priorities, organizational structure and composition of management team." "Improved governance and clarity of roles and responsibilities at all levels of the organization." "Strategic Goals and Objectives outlined in strategic plan align with desired future states. " Alignment between strategic priorities and tactical resource allocation but also adaptable to changes within field "Proactive and reactive work in OTD. Future state is more proactive work; Risk assessment as prioritization input. " "Clear roles and responsibilities of Board and staff: Tech staff designed to create best technical advice. Board evaluates the technical advice against their broader context and responsibilities. "Board trusts professionals to do their jobs, on technical and administrative sides. "
Enhanced communication with external stakeholders and between Board and staff.	"Robust and proactive engagement with DOE and other stakeholders, including Congress, watchdog groups, and expert organizations" "Board more proactively engaging those outside of the agency. More advocacy based Board. Talking to Hill, DOE, watchdog groups, etc. " "More respect and communication between DNFSB and DOE; High technical standing with DOE" "More communication with Authorizers and Appropriators on the Hill" "Freer information flow between DNFSB and DOE" "More collaboration (within and between departments)"
New organizational culture based on mutual trust/respect and adherence to all Core Values	"Level of trust across whole agency that we're working to the same ends" Positive and supportive work culture that embodies DNFSB core values Everyone trusts each other to do their job All staff adhere to core values

Future State	Descriptors
Human capital and HR planning align with strategic plan	People are trusted to do the roles they are hired to do. People at different levels have competencies to do those roles. The organization has a collective understanding of what successful staff look like at each level of the organization.
	The organization has full complement of Board members and other units fully staffed.
	The organization actively builds levels of competence.
	Develop a pipeline of knowledge between senior staff and junior staff. One tactic would be to pair experienced engineers with newer engineers. Another tactic would be improved expectation setting for newer engineers.
	Succession planning and better knowledge management is vital. Turnover is currently very difficult and everyone is scrambling every time.
	Fill the positions: using organization's strategic goals to drive staffing accordingly
	Alignment between strategic priorities and tactical resource allocation.
	Adaptable to changes within field
	Realistic alignment between objectives and individual performance measures
Continuingly enhancing DNFSB effectiveness	OTD agenda is consistent and strategic. It is NOT personality-driven.
	"If I'm a seismic engineer or fire protection engineer, I want to do that work. If they aren't in work plan, is says I'm not valuable here." Where we need to be, no, where the risk is, we go to the risk. If we don't have that skillset, then we go out and get it.
	Have to be adaptive based on risk.
	There are new changes within DOE (a generational change) and they need to be taught correct prioritization (safety > production) and to communicate more with DNFSB.
	More action for DNFSB to become proactive, not reactive, in stopping accidents.

Appendix H: DNFSB Key Success Indicators and Implementation

KSI	Description	Implementation Steps
Ensure top leadership drives the transformation	Strong and inspirational leaders are indispensable in any organization, especially those organizations undergoing large-scale transformations. Successful organizational transformations require involved and invested leadership to guide the effort from its inception.	• Board members should regularly communicate a common understanding of the new vision, strategic goals and objectives, as well as the reasons for change. This can be done as part of the rollout of the new Strategic Plan and should comport with the new communication strategy described in this whitepaper. • Board members should assume responsibility for the transformation process and remain highly visible during the transformation process. • Board members should involve senior representation from all three DNFSB components (OTD, OGC, and OGM) in the drafting, roll-out, and implementation of change management practices. This will facilitate cooperation and change ownership throughout the agency, help ensure continuity in the implementation process, and allow Board members to share the workload—balancing current line responsibilities with the new priorities.
Establish a clear vision and integrated strategic transformation goals	Successful transformation depends on developing and communicating the overarching vision and strategic goals of the future state organization. The vision should speak to the overall mission of the transformed organization—including its basic philosophy, principles and organizational framework[48]—while the strategic goals must clearly outline how to achieve the vision.[49] The vision and strategic goals drive transformation and help foster a new culture.	

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[48] Abramson, Marc A. and Paul R. Lawrence (eds). *Transforming Organizations*. Rowman & Littlefield Publishers, Inc, 2001.

[49] Cohen, Dan and John Kotter. *The Heart of Change*. John P. Kotter and Deloitte Consulting LLC, 2002.

| Design the organizational structure that will enable the vision | The agency's structure should facilitate improvement, and consideration should be given to the function, size, and organizational placement of various managerial and advisory units within the organization. The new organization must have a clear set of principles and priorities that serves as a framework to help the organization create a new culture and drive employee behaviors.

Focusing on these principles and priorities helps the organization to maintain its drive toward achieving the "vision" of the transformation.[50] | • Board members should regularly communicate a common understanding of the new vision, strategic goals and objectives, as well as the reasons for change. This can be done as part of the rollout of the new Strategic Plan and should comport with the attributes of a new communication strategy described in this whitepaper.
• Board members should assume responsibility for the transformation process, be held accountable for achieving its goals, and remain highly visible during the transformation process.
• Board members should involve senior representation from all three DNFSB components (OTD, OGC, and OGM) in the drafting, rollout, and implementation of change management practices. This will facilitate cooperation and change ownership throughout the agency, help ensure continuity in the implementation process, and allow Board members to share the workload—balancing current line responsibilities with the new priorities. |

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[50] Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations.* GAO-03-669. July 2003.

| Create a sense of urgency, implement a timeline, and show progress from day one | Change Management thought leaders agree that a primary driver of a successful transformation effort is identifying a high-level of urgency throughout the organization. This urgency clarifies the "why the changes must take place" component and gives some context to the consequences of inaction. | Board members should articulate succinct and compelling reasons for organizational change. The rationale should be grounded with a discussion on DOD's weapons modernization program and DOE's production goals. Agency leaders should communicate quick wins to gain momentum. This will demonstrate senior leadership's commitment to move forward with the strategic plan. Board members should provide signals to staff members of their intention to take immediate steps to change organizational culture and climate. This may include: The board chair either formally modifying the 8/18 restructuring plan, or formally withdrawing the plan. Board members actively demonstrating to staff that they are implementing lessons learned from the recent training sessions including Crucial Conversations, and Clifton Strengths. Board members announcing concrete steps to address the identified management challenges, time frame for accomplishing these steps, and senior leadership assigned responsibility. |

Communicate frequently through multiple channels to multiple stakeholders	Successful change initiatives are driven by a comprehensive, consistent communication strategy that strives for both understanding and buy-in. Effective communication is not simply the distribution of data but an honest attempt to address anxieties and to evoke faith in the vision of the initiative.	• DNFSB should implement an internal communication plan that, at a Global Level, includes three key objectives:
		  o Emphasize the benefits transformation will have in regard to enhancing the way DNFSB oversees the defense nuclear complex;
		  o Explain the intrinsically-linked relationship between the transformation and DNFSB's focus on mission execution, people, and mission support systems; and
		  o Demonstrate how DNFSB is adapting to the dynamic conditions in the defense nuclear complex, in order to ensure they can sustain the current level of oversight with regard to safety, while continuing to prepare for future unknown challenges.
		• DNFSB should accelerate the rebuilding of trust and confidence within the Agency by communicating effectively on recent Agency developments. These near-term communications could be structured with the *Crucial Conversations* format and the topics might include:
		  o The release and implementation of the new strategic plan and vision for the Agency;
		  o The withdrawal of the 2018 Agency Reorganization plan; and
		  o The importance of restoring trust and healthy employee engagement in the Agency.
		• DNFSB should keep the following key principles in mind when implementing a new communications approach internally:
		  o Communicate early and often to build trust.
		  o Ensure consistency of message.
		  o Encourage two-way communication by creating feedback loops between various levels of the organization, including "skip level" feedback mechanisms.
		  o Utilize technology tools such as a "transformation blog" to update staff on progress and provide information to meet specific needs of staff.
		  o The board chair should consider having a "Board Chair Chat" with staff members every few months.
		  o Institutionalize and leverage top-down communication between board members and staff.

Dedicate a powerful implementation guidance team to manage the transformation process	Dedicate a strong and stable implementation team responsible for the transformation's day-to-day management. Implementation team is important to ensuring that various change initiatives are sequenced, implemented in a coherent and integrated way, and to provide early indicators and mediation of unintended impacts of the implementation.	• Board members should appoint a transformation implementation team consisting of high-performing staff and dedicate the required resources. • Develop and disseminate to staff members' implementation goals and an accompanying timeline. • Seek and monitor employee attitudes and take appropriate follow-up actions. • Identify internal cultural challenges to increase understanding of current and desired future work environments.

| **Engage employees to seek their improvement ideas, build momentum, and gain their ownership for the transformation** | A successful transformation must involve employees from the beginning to gain their ownership for the changes. Employee involvement strengthens the transformation process by including frontline perspectives and experiences.[51] | Agency leaders should engage staff in strategic planning and change management processes: Create a mechanism or vehicle for senior leadership to engage with staff on potential changes and solicit their input prior to formulating those changes. Board members to attend staff meetings to engage with staff directly on issues of concern. Articulate compelling reason for change. Empower staff by delegating authority to appropriate organizational levels. Establish and cultivate a formalized employee voice,[52] including formalized mechanisms that create a "safe space" for employees to be able to offer critique to the Agency and pass on feedback to board members without fear of retribution from their managers. This effort should include training for managers on employee voice. Implement "skip one level" meetings where staff members can meet directly with board members. This communication tool allows employees to develop a relationship with senior leadership and share their insight on the day-to-day work environment, opportunities for improvement, and barriers to success. Organize small group meetings of employees to interpret the post climate survey results and identify proposed actions to address issues. Synthesize the results of the meetings, proposed solutions, and present to board members and senior leadership. Board members to decide which actions to pursue, which not to pursue, and which to table. Provide explanation for each and timetable if appropriate. |

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[51] Government Accountability Office. *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations.* GAO-03-669. July 2003.

[52] Employee voice is the means by which employees communicate their perspective to their employer. It's the primary vehicle for employees to influence matters that affect them at work.

Sustain the effort by nurturing a new culture, rewarding risk, and measuring progress	Successful transformation requires the adoption of a new culture. Changes will be permanent only if employees are able and willing to embrace a new set of values and norms. It is the leadership's responsibility to sustain the transformation effort by nurturing a culture that will best support the needs of the new organization, creating a compelling vision that motivates employees to move away from outdated norms, incentivizing change acceptance by rewarding those individuals who truly reflect the desired culture, and monitoring buy-in and progress made through accurate measurements of clearly defined transformation objectives.	- Embed core values in all activities of the organization to reinforce the new culture. - Implement performance metrics that support strategic goals and objectives. - Senior Leadership and staff to implement concepts used at recent training to demonstrate good faith effort and set tone at the top for the agency. Express appreciation for staff; everyone should understand their role in the agency. - Adopt an agency-wide approach to assess implementation of culture shift; include employee and stakeholder feedback. - OTD, GM and GC need to have more engagement between groups; also more communications within each of the divisions. - As "all change is personal," staff will need to feel a personal connection with the new vision and the transformation process. The study team recommends creating a strong linkage between the new vision and strategic goals with the employee performance appraisal process. - To operationalize core values, the Academy team recommends DNFSB leadership implement the following steps: - Identify and define several positive behaviors that support each core value. To this end, the behaviors should be observable, measurable and applicable to all employees. - Create draft performance standards and assessment tools that measure the extent to which those behaviors are exhibited by staff. - Test draft standards and tools as a pilot with representative sample of management and staff. Seeking their input early in the process will facilitate engagement and buy in. - Incorporate those standards into the performance appraisal process using the existing performance categories for federal employees and reflecting OPM guidance. Tailor the tactics and solutions to comport with the different staff functions and levels of seniority - Monitor and track adherence to the value performance standards on an individual and agency–wide basis. - Revise definitions and standards as necessary based on observed results. - To track its progress, DNFSB should identify and define measures of success that will indicate success at different stages of implementation. To this end, the agency will need clearly defined transformation objectives and implement a monitoring plan.

Other Images Credits

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http://www.DNFSB.gov