ORNL Quality Services Division
Performance Approach for Fiscal Year 2003

Approved by:_____ _____

John G. Burr Date
Quality Services Division Director

Quality Services Division
Performance Approach and Schedule for Fiscal Year 2003

1. Introduction

The purpose of this document is to establish the Quality Services Division's (QSD) performance assessment process within the framework of UT-Battelle's Performance-Based Management System (PBMS). The PBMS was developed and deployed to be the overarching system to integrate all aspects of the Laboratory's performance management in a way that is consistent, understandable, and self-reinforcing. Under UT-Battelle, the PBMS is ORNL's performance planning and measurement system. The implementation of this system provides ORNL staff and management with the mechanisms to:

- Effectively communicate with customers and stakeholders to determine the Laboratory's direction through the development of performance objectives and indicators, including those established as Directorate-level critical outcomes through agreement with our Department of Energy (DOE) customer;
- Utilize an integrated performance assessment process to monitor performance pertinent to Laboratory's objectives and indicators;
- Analyze information obtained through the Lab-wide integrated assessment processes to identify areas for improvement; and
- Implement needed improvements as they are identified.

2. Division Business Summary and Approach to Annual Performance Planning

The Division has established a set of strategic goals that guide the allocation of resources to effectively apply our management systems, processes, and tools toward meeting the needs of our various customers. The strategic goals of the Division emanate from (1) applicable ORNL Performance Evaluation Plan (PEP) commitments made to DOE at the Environmental, Safety, Health and Quality (ESH&Q) Directorate level, (2) other, non-PEP directorate-level strategic goals, and (3) division-level goals developed as a result of directorate and division management strategic planning and goal-setting activities. ESH&Q Directorate and QSD goals are provided as **Appendix 1 and 2** in this document. Clear goal setting based on organizational commitments is intended to ensure that division management and staff are fully apprised and cognizant of goals incumbent upon them and reflected in their individual goal-setting activities.

It is especially important for the Division to ensure incorporation of assessment activities associated with our two management systems: the PBMS and Quality Management System (QMS). Management system goals form a significant subset of the Division's goals and will be addressed through the ORNL Standards Based Management System's maturity evaluation processes as a part of QSD's assessment set.

3. Establishment and Update of QSD Performance Objectives

The Laboratory Agenda provides the top-level framework for the Quality Services Division's performance assessment program. The Laboratory Agenda contains ORNL's long-term strategic objectives and intermediate-term critical outcomes agreed to by Laboratory management and the DOE. The critical outcomes serve as management's focal points for emphasis to all Laboratory staff relative to achieving ORNL's strategic objectives. During the annual business planning cycle, the DOE and the Laboratory directorates and divisions determine supporting performance objectives that represent near-term results contributing to the achievement of the critical outcomes and other objectives deemed necessary to measure performance related to the Laboratory's missions. Indicators are developed for the performance objectives as a means of determining the degree of success in achieving these objectives. The critical outcomes, performance objectives, and associated indicators are documented in the Laboratory's PEP, which is approved by the DOE. The ESH&Q Directorate is assigned responsibility for the performance objectives and associated indicators for which it is responsible through the PEP formulation and management approval process.

With the Directorate's objectives in mind as one set of inputs, the Division conducts strategic planning, at a minimum, on a yearly basis. Through this process a consensus is developed pertinent to division business elements and their associated vulnerabilities. In addition to PEP objectives, inputs to this process are wide ranging and based upon factors including identified future customer needs, programmatic trends, and the results from past year performance assessment activities. The result is the yearly performance assessment schedule based on the prioritization of potential impacts to key business elements. The QSD FY03 Performance Assessment Schedule is available in the Assessment Tracking System (ATS). The program is managed by the Division Quality Assurance Specialist (QAS) for the Division Director. The QAS provides regular performance assessment information and feedback to Division management and staff. This information is also used for the compilation of performance assessment information pertinent to the Environment, Safety, Health, and Quality (ESH&Q) directorate. The QSD annual performance assessment schedule is entered into the ORNL Assessment Tracking System (ATS).

As a part of the schedule formulation process, each directorate-level critical outcome is identified on the schedule through attribution to the Laboratory PEP. The balance of the schedule includes measures concerning our critical business elements, key customers, the needs of our staff, and the overall state of our capabilities, infrastructure, and resources to further enhance the growth of the Division relative to our missions and goals. These measures logically flow from the Division's strategic planning and goal-setting efforts.

The Division's performance assessment schedule is developed in consideration of the balanced scorecard model provided in ORNL's Performance Planning and Assessment subject area. This model comprises five general business categories: customer focus, financial performance, staff results, organizational effectiveness, and compliance. These five categories of business considerations are used to define various measures or indicators identified by Division management that will be used to gauge progress in achieving results consistent with the missions and goals unique to the Division and Directorate, as well as the any specific goals contained in the Laboratory PEP. The schedule of performance assessment activities relative to each one of the identified measures or indicators reflects the importance of each to the Division's missions and goals.

4. Performance Measurement

Line managers, staff, and any SMEs who participate in conduct of assessment activities develop the methods for conduct of these activities. Performance assessment activities are tailored to the work or other activity being assessed. They may take the form of walk-through observation, surveillance, document review, direct work observation, work hazard evaluation, customer surveys, management system maturity evaluations, or many others. Where defined, performance assessment activities are performed in compliance to applicable requirements contained in the SBMS. The method used for conduct of each assessment activity will be documented. The method of assessment will be entered into the ATS or the ATS entry will reference the method if provided for in other sources such as an SBMS subject area or an internal, division-generated checklist.

Division management and SMEs regularly review both Division and other organizations' self-disclosing events such as occurrence reports, nonconformance reports, and radiation event reports to discern operating experience information useful to the Division and its customers. In addition, abnormal events as defined in ORNL's Abnormal Events Program Description as well as the results of evaluations performed by Independent Assessment and Internal Auditing are also reviewed for this information mining purpose.

Results of external audits, occurrence reports, radiation event reports, and other factors are regularly reviewed by management, staff, and SMEs so that any areas for improvement can be identified and prioritized. When necessary, critiques or investigative teams are chartered by the Division Director to review events and factors leading up to occurrences or other off-normal deficiencies in an in-depth fashion. Critiques and investigations are considered to be an additional source for future performance assessment input. Corrective actions associated with critiques or investigations are tracked in ATS by division management to ensure that improvements are formulated and completed in a way that addresses the root cause of each problem. Information provided through these various inputs is also regularly reviewed by Division management to identify appropriate areas for review in future assessment activities.

Division management and staff also regularly review the notifications from the ORNL Lessons Learned Program for situational insight pertinent to operational factors that may be applicable to Division or customer activities. These are shared with appropriate staff personnel on a frequent basis. Division management also reviews internal problems to determine if sharing the resultant lessons learned would be useful to others within the Division and Directorate, and throughout the Laboratory.

The Division expects to periodically receive independent review of its operations, facilities, and management systems. The sources of these reviews are numerous including SMEs from ORNL's support offices such as Independent Oversight, evaluators from UT-Battelle, DOE Oak Ridge Operations, and others. The results of these reviews are considered a valuable information source for division management to use in improving operations, customer responsiveness, and employee safety and health.

5. Analysis and Review of Performance Data

The data collected as a result of division performance assessment activities will be analyzed to gauge performance in each of the particular areas assessed. Where needed, this analysis effort will look to discern success factors as well as areas requiring improvement. It will also be used to determine the overall effectiveness of the Division's planning activities. Analysis will include a gamut of methods including causal factor analysis, root cause analysis, and brainstorming to ensure corrective actions and future assessment will promote improvement. Information developed as a result of analysis activities will be shared with management and staff. It will also be provided to the Directorate for performance evaluation reporting and other year-end, roll-up purposes.

6. Utilization of Performance Information

As assessments are completed and the data analyzed, the strengths and weaknesses in any particular areas will be identified. Issues identified during assessments will be analyzed to determine whether improvement efforts are appropriate or needed. When needed, associated corrective actions will be identified. Corrective actions will be prioritized based upon the significance of the condition identified. The conditions and the corrective actions will be entered into ATS. In addition, the results of the individual assessments will be reviewed to determine if any trends indicate broad, generic conditions that need to be addressed. If generic conditions are identified, they will be addressed as part of the division's internal corrective action process. If potential site-wide issues are identified, they will be forwarded to the Laboratory organization with responsibility for addressing each issue.

As the feedback and improvement portion of the business planning cycle, assessment results will be analyzed to provide information needed by management and staff in next year's business planning and goal-setting activities. As a result, our assessment results are used in all phases of management decision-making processes to allocate resources to provide improvement initiatives where needed. This includes division and group goal-setting activities even to the individual staff performance level. Our overarching purpose is to provide management and staff the mechanisms for success by improving each year's planning and assessing activities. Business growth through effective planning, assessment, analysis, and process improvement will be the result.

Environmental, Safety, Health and Quality (ESH&Q) Fiscal Year 2003 Goals
Kelly Beierschmitt, Director

- *Provide effective ESH&Q systems and tools*

– Complete SBMS implementation – sunset remaining LM policies/procedures
– Increased customer understanding of and satisfaction with SBMS
– Prepare for ISO 17025, 9000, and 14001 certification
– Increase field deployed staff by 10%

- *Reduce hazard exposure at ORNL*

– Complete remainder of Hazardous Material Control Area evaluations – bring down inventories
– Transfer 1,500 items from CMC to reuse
– Remove 49,000 kg of newly generated hazardous/mixed waste from site
– Remove 600 m^3 of newly generated LLW from site
– Disposition 340 radioactively contaminated gas cylinders
– Develop and implement newly generated waste management transition plan for full deployment in FY 2004
– Execute legacy material clean-up strategy
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- *Enhance maturity in self-assessment program*

– Conduct ISM Workplace Maturity Evaluations
– Conduct Management System Maturity Evaluations
– Increase end-of-year score on IO Performance Assessment Program Evaluations by 25%

- *Continue the efficient management of ORNL ESH&Q Program*

– Improve staff competence (certification, advanced degrees, succession planning)
– Maintain cost at or below inflation
– Continue "thought leadership" and influence external policy as necessary (model contract, external regulation, enduring role of EM)
– Move toward best-in-class safety performance by reducing total recordable case rate by 25%
– Meet our commitment to nuclear safety compliance in 10 CFR 830 Subpart B – deliver compliant Documented Safety Analyses and Compliance Implementation Activities on schedule

- *Execute with distinction the responsibilities of a general manager accountable for a major component of the Laboratory's resources.*

Representative responsibilities include:
– Establishing the operational discipline that improves trends in ES&H performance
– Developing, implementing, and using the results of a rigorous self-assessment program to demonstrate improvement as measured by Independent Oversight's evaluations
– Ensuring the continued development of a diverse and highly productive work force

FY2003 Personal Performance Goals
John G. Burr, Division Director
Quality Services Division

Oct 9, 2002

Goal 1: Enhance Maturity of Performance Based Management System

- *Define and Initially Deploy Peer Review / Science and Technology Performance Evaluation Process*.
  Impacts: Increased customer confidence, tools to focus R&D investments, enhance relevance of science, growth in S&T business volume.
  Deliverables: SBMS Subject Area and annual report to be incorporated into Laboratory Annual Self-Evaluation Report.

- *Integrate PBMS and Integrated Planning Management Systems.*
  Impacts: More efficient, cost-effective planning efforts at all levels through unification of two critical – but now artificially separate - processes.
  Deliverables: Revised management systems descriptions identifying the interfaces and intersections of PBMS and IPMS.

- *Provide One-on-One Training for Key Management Systems Owners and their Subject Matter Experts in Analysis of Performance Data Using the ATS.*
  Impacts: More familiarity and expertise in performance data analysis and more effective use of performance results.
  Deliverables: Training schedule, documentation of training conducted, and annual report on effectiveness and impact.

- *Deploy Management Systems Maturity Evaluation Process (Co-owner with Fay Fredrick).*
  Impacts: Increased customer confidence, control overhead costs, PAAA liability reduction, risk reduction, increase regulatory confidence.
  Deliverables: Documentation in ATS showing that at least <u>six</u> management systems received peer reviewed management system maturity evaluations and documentation in ATS showing that <u>all</u> management systems owners (including PBMS and QMS) conducted self-assessments using the management systems maturity evaluation criteria.

- *Develop and Deploy a Performance Dashboard that is integrated with the ATS.*
  Impacts: Increased customer confidence, keep leadership informed, prompt action to emerging issues, enhanced management involvement.
  Deliverables: Operational performance dashboard on Web – may be internally developed or linked to PBViews (commercial software package).

- *Develop and Deploy an ATS driven Master Issues List.*
  Impacts: Management clarity, consensus, and cognizance of overarching Laboratory issues.
  Deliverables: Master Issues List feature available in ATS and documented in SBMS subject area for Issues Management.

- *Formalize the Performance Evaluation Plan Process.*
  Impacts: Institutionalization of management expectations pertinent to organizational goal setting, more efficient and effective process.
  Deliverables: New PBMS PEP subject area or appropriate incorporation into an existing subject area.

- *Mature the ATS tool and its use.*
  Impacts: Empower effective performance assessment and increased management cognizance of opportunities, successes related to Laboratory-wide use of ATS.
  Deliverables: Defined and documented set of performance metrics for ATS, annual report using these metrics.

- *Mature Abnormal Events Analysis Process.*
  Impacts: More effective, consistent identification and analysis of operating issues.
  Deliverables: Defined and documented set of performance metrics for abnormal events reporting and analysis, annual report using these metrics.

- *Mature the Critiques Process.*
  Impacts: More consistent review/analysis of abnormal events.
  Deliverables: Defined and documented set of performance metrics for critiques, annual report using these metrics.

- *Mature the Lessons Learned Process.*
  Impacts: More consistent, effective use of results from operating anomalies, problems.
  Deliverables: Defined and documented set of performance metrics for lessons learned, annual report using these metrics.

Goal 2: Enhance Maturity of Quality Management System

- *Establish Credentialing Process for Quality Managers (QMs), Quality Assurance Specialists (QASs), and Quality Engineers (QEs).*
  Impacts: Increased staff confidence and competence, increased customer and regulatory confidence, risk reduction.
  Deliverables: Approved credentialing implementation plan and evidence of plan implementation progress.

- *Mature Vendor / Supplier Approval and Evaluation Program.*
  Impacts: risk reduction, increased efficiency, increased regulatory confidence.
  Deliverables: Develop and initially deploy Vendor / Supplier Approval and Evaluation SBMS subject area.

- *Provide Outstanding Field Deployed QA Services to R&D and Support Organizations.*
  Impacts: Risk reduction, enhanced line management efficiency and effectiveness, increased regulatory confidence.
  Deliverables: Develop uniform customer feedback mechanism / tool and annual customer feedback analysis and report.

- *Develop and deploy Software Quality Assurance Program.*
  Impacts: Risk reduction, consistent implementation of software requirements, customer satisfaction.
  Deliverables: Issue Software Quality Assurance SBMS subject area.

- *Develop Laboratory requirements for Inspection.*
  Impacts: Consistent conduct, expectations for inspection activities.
  Deliverables: Issue Inspection SBMS subject area.

- *Revise Laboratory requirements on Deviations*.
  Impacts: Consistent SME knowledge and implementation of the deviation process.
  Deliverables: Issue Deviation SBMS subject area.

- *Mature the Non-conformance Reporting (NCR) Process*.
  Impacts: More consistent knowledge and implementation of nonconformance process, more useful feedback related to vendors, service providers.
  Deliverables: Defined and documented set of performance metrics for NCR, annual report using these metrics.

- *Mature Laboratory Configuration Management (CM) Program.*
  Impacts: More consistent knowledge and implementation of CM requirements, risk reduction, regulatory confidence.
  Deliverables: Mapping of current CM implementation within current SBMS management systems, CM SBMS Program Description or subject area if deemed necessary.

- *Conduct Programmatic Review of HFIR Quality Assurance Program.*
  Impacts: Risk reduction, enhanced regulatory confidence.
  Deliverables: Final review report.

- *Conduct Programmatic Review of Non-Reactor Nuclear Facilities Quality Assurance Program.*
  Impacts: Risk reduction, enhance regulatory confidence, baseline for NNF management relative to quality integration and effectiveness.
  Deliverables: Final review report

Goal 3: Define Metrology Services and Measurement Standards Program

- *Complete Move of Metrology Programs and Services to 5510A.*
  Impacts: Risk reduction, enhanced scientific integrity, Increased customer and regulatory confidence, Standards traceability, reduced measurement uncertainty.
  Deliverables: Environmental control system in place, primary calibration capabilities all in service, all equipment and resources out of 2033.

- *Fully Implement Test and Calibration Software System.*
  Impacts: Increased cost effectiveness, improved tracking of Metrology Lab performance metrics, better service to customers *via* Web Interface.
  Deliverables: MetCal/MetTrack system in place and operational, data from old system completely transferred.

- *Publish new Quality Assurance Manual.*
  Impacts: Compliance with ISO 17025
  Deliverables: Manual completed and vetted, staff trained, quality system fully implemented.

- *Formalize training and qualifications process.*
  Impacts: Compliance with ISO 17025, More efficient Metrology Technician staffing system, Improved calibration quality
  Deliverables: Qualification for Metrology Techs developed and integrated into SAP training system, Calibration stations defined and OJT for each developed, staff actually qualified (documented).

- *Achieve Nuclear Weapons Complex Certification.*
  Impacts: Improved credibility, "Round-robin" privileges, Opportunity for WFO revenues
  Deliverables: Pass NWC (Nuclear Weapons Complex) PSL (Primary Standards Laboratory) audit, Become Certified as an approved NWC CCL

- *Achieve ISO 17025 Accreditation.*
  Impacts: Improved national and international credibility for ORNL research data, Improved opportunities for WFO revenues
  Deliverables: Metrology Lab operating in compliance with ISO 17025, Application with either NVLAP or A2LA in place, requirements for accreditation of ORNL Metrology Lab completed.

- *Develop new Metrology Services financial model.*
  Impacts: Enhanced customer satisfaction due to predictable costs, Identify where needed services are not being used, risk reduction, increased cost effectiveness.
  Deliverables: "Flat rate" charge-back system for calibrations in place for FY04 budget year which means that the concept must be developed and approved before July 03 and provided to customers for FY04 planning.

- *Provide Outstanding Calibration Services to R&D and Support Organizations*.
  Impacts: Risk reduction, enhanced line management efficiency and effectiveness, increased customer and regulatory confidence.
  Deliverables: Develop Customer satisfaction metrics which defines "outstanding service" (what do customers want and what do they expect of our performance vs how you would measure your performance), customer satisfaction survey, provide feedback to customers.

Goal 4: Define Quality Engineering and Inspection Services Program

- *Assess QE&I Programs and Services (Including Direct Change vs Overhead Analysis).*
  Impacts: Risk reduction, customer and regulatory confidence.
  Deliverables: Completed Self Assessment of inspection services with recommendations incorporated into the inspection SBMS and appropriate QE&I procedures.

- *Provide Outstanding Quality Inspection Services to R&D and Support Organizations.*
  Impacts: Risk reduction, enhanced line management efficiency and effectiveness, increased customer and regulatory confidence.
  Deliverables: Develop uniform customer feedback mechanism / tool and annual customer feedback analysis and report.

- *Complete transition of Inspection database to FAMMIS.*
  Impacts: Enhanced line management efficiency and effectiveness, increased customer confidence
  Deliverables: All generic inspection data report forms fully integrated into the FAMMIS database, and formal plan developed for modifying/customizing of inspection criteria for each piece of equipment.

- *Revise procedures to delete or clarify the use of "Reject Tags".*
  Impacts: Increased customer and regulatory confidence
  Deliverables: Issue Inspection SBMS Subject Area and review and revise applicable QE&I procedures to comply with the SBMS.

- *Mature Remaining Life Surveillance Program for all Required Boiler / Pressure Systems.*
  Impacts: Risk reduction, customer and regulatory confidence and compliance
  Deliverables: Additional personnel trained and certified in Ultrasonic Inspection techniques to Support the Remaining Life program. Initial thickness readings entered into data base system for 30% of identified vessels.

- *Develop plan to relocate Non-Destructive Testing from 3017 to 5500.*
  Impacts: Risk reduction, enhanced line management efficiency and effectiveness, increased customer confidence.
  Deliverables: Plan and associated budget requirements fully developed and approved, ADS submitted.

- *Streamline Data Management Process for Respirator Testing.*
  Impacts: Enhanced line management efficiency and effectiveness, increased customer confidence
  Deliverables: Computer program for data entry and retrieval installed and operational. Data entry complete and reports being submitted to customers on a regular basis.

Goal 5: Mature Intercomparison Studies Program

- *Deliver projected business volume of $600K.*
  Impacts: Financial stability and growth.
  Deliverables: Financial reports showing $600K business volume.

- *Provide Outstanding Customer Service.*
  Impacts: increased customer confidence and satisfaction.
  Deliverables: Develop customer feedback mechanism / tool and annual customer feedback analysis and report.

- *Maintain Traceability to National Institutes for Standards and Technology (NIST).*
  Impacts: Increased customer and regulatory confidence, risk reduction, continued standards traceability, increased marketability, increased sales.
  Deliverables: NIST proficiency results at the Monitoring Laboratory Level of +/- 9%.

- *Complete Technical Basis Manual.*
  Impacts: Increased cost effectiveness, increased efficiency, reduction in spending, more defensible program rationale
  Deliverables: Publish technical basis manual.

- *Complete relocation of ISP from 3017 to 5510A.*
  Impacts: Risk reduction, enhanced scientific integrity, increased customer and regulatory confidence

Deliverables: All equipment and resources out of Bldg 3017, fully operational in 5510A.

Goal 6: Meet QSD Organizational Goals

- *Keep Spending Within Budget.*
  Impacts: Increased cost effectiveness.
  Deliverables: No overall unplanned negative variances.

- *Conduct Required Training.*
  Impacts: Increased customer confidence, risk reduction.
  Deliverables: No delinquencies.

- *Develop plan to move remaining QSD Staff out of Building 3017 to 5500.*
  Impacts: Cost reduction.
  Deliverables: ADS submitted.

- *Maintain safe, secure, and environmentally compliant workenvironment.*
  Impacts: Risk reduction.
  Deliverables: Work Control documentation for all work areas.

- *Ensure QSD Leadership Continuity.*
  Impacts: Ensure continuity of operations.
  Deliverables: Deputy Director hired.

Goal 7: Enhance Effectiveness of the ORNL/UT-Battelle Waste Certification Program (support to Karen Downer)

- *Provide Outstanding Services to the WCO.*
  Impacts: Risk reduction, enhanced line management efficiency and effectiveness, increased customer and regulatory confidence.
  Deliverables: Customer Survey.

Goal 8: Develop New Business

- *Obtain contract for DOE Filter Test Facility.*
  Impacts: Improved national and international credibility for ORNL research, operational, and inspection capabilities, improved opportunities for WFO revenues
  Deliverables: Preliminary scoping proposal submitted to DOE, detailed proposal developed and submitted to DOE (if funding is obtained).