

**ORNL Quality Services Division  
Performance Approach and Schedule for Fiscal Year 2004**

**Approved by:** \_\_\_\_\_

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## **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. 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 performance planning and 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 (**Table 1**) based on the prioritization of potential impacts to key business elements. 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.

Table 1

Quality Services Division Assessment Schedule  
FY 2004

Assessment Activity	Organization	Date Scheduled
IO Assessment of QSD	QSD	10/06/03
ISM Assessment	3017	05/07/04
3017 Safety Walkthrough	3017 Staff	03/30/04
ISM Office Evaluation Checklist	QSD wide	05/14/04
Records Inventory	QSD	04/02/04
1st Quarter PEP Review	Lab-wide	02/06/04
Mid-Year PEP Review	Lab-wide	04/22/04
3 <sup>rd</sup> Quarter PEP Review	Lab-wide	07/29/04
04 End-of-Year PEP Review	Lab-wide	10/21/04
ATS Survey	Lab-wide	05/14/04
F&O (ATS and QA Services)		
Manager's Assurance Memo – Preliminary	Lab-wide	06/01/04
Manager's Assurance Memo – Final	Lab-wide	07/27/04
Mid-year Personal Appraisal Reviews	QSD	06/01/04
Division Financial Performance	QSD	Monthly
QSD Staff meetings (status against schedules)	QSD GLs and Direct Reports	Weekly
QSD Division Meetings (feedback from division personnel)	QSD	Bi-monthly
Internal surveillance of ORNL Metrology Laboratory's QM Manual, Section 5.2, Personnel	Metrology	10/01/03
Internal audit of Test and Calibration Methods and Method Calibration of the ORNL Metrology Quality Manual to see if it complies with ISO 17025, section 5.4.	Metrology	11/03/03
Internal surveillance of ORNL Metrology Laboratory's quality manual to check compliance with ISO 17025, section 5.6, Measurement Traceability.	Metrology	02/13/04
Internal surveillance of ORNL Metrology Laboratory's quality manual to check compliance with ISO 17025, section 5.5, Equipment.	Metrology	02/23/04
Internal surveillance of ORNL Metrology Laboratory's quality manual to check compliance with ISO 17025, section 5.8, Handling of Test and Calibration Items.	Metrology	03/10/04
An internal surveillance/audit of ORNL Metrology was conducted to check compliance with ISO 17025, Section 5.9, "Assuring the Quality of Test and Calibration Results."	Metrology	03/19/04
To conduct an internal surveillance/audit of ORNL Metrology to check compliance with ISO 17025, Section 5.10, "Reporting the Results."	Metrology	04/13/04
Review ORNL Calibration System for OA-50 Vulnerabilities	Metrology	04/05/04
Review of QSD Subject Areas for QA-50 Vulnerabilities		
NVLAP Accreditation On-site Assessment	Metrology	02/02/04
Y-12 Assessment for Nuclear Weapons Program Certification	Metrology	01/27/04
Safety Walkthrough 3017/5510A	ISP/Metrology	12/11/03
Safety Walkthrough 3017/5510A	ISP/Metrology	04/06/04
Safety Walkthrough 5500/5500A	QE&I	04/06/04

Analysis of NRIP PE samples for maintenance of traceability	ISP	Sept – 11/24/03
Evaluation of safety requirements in SSI procedures	QE&I	04/30/04
Tower inspection program self-assessment report	QE&I	09/30/04
Assessment Activity	Organization	Date Scheduled
IO Assessment of QSD	QSD	10/06/03
Assessment of F&O Welding Program for RRD	QSD	May04
Review of RRD QA Program (If resources allow)	QSD	Aug/Sept 04
Review of RRD Procurement Process (If resources allow)	QSD	Aug/Sept 04