



NATIONAL NUCLEAR SECURITY ADMINISTRATION

# GOVERNANCE & MANAGEMENT FRAMEWORK





## FROM THE ADMINISTRATOR



Across the nuclear security enterprise, we are united in our resolve to deliver our vital national security mission: to protect the American people by maintaining a safe, secure, and effective nuclear weapons stockpile; by reducing global nuclear threats; and by providing the U.S. Navy with safe, militarily-effective naval nuclear propulsion plants.

Our mission space is broad, and, in the modern context of continually evolving risks, we cannot afford to become complacent. It is my goal to enable our scientists, engineers, technicians, operators, and our entire enterprise to do what we do best—research, innovate, and execute our nuclear security mission.

It is time for us to shape the future of the Nation's nuclear security enterprise. We will work together as an NNSA team by drawing upon our common values, relationships, transparency, trust, our passion for our mission, and our commitment to success. We will enhance mission awareness, break down stovepipes, continuously improve performance, and build enduring and trusting partnerships that will enable us to accomplish our mission. This *Governance & Management Framework* will minimize processes that are duplicative and push back against the unrealistic goal of zero risk. Pursuit of zero risk has hindered our progress in the past, often delaying action or calling for yet another expensive assessment to study problems that were already well-documented.

This *Governance & Management Framework* identifies the way we will work together across the entire enterprise to achieve the Nation's priorities and goals. In this way, we can execute NNSA's *Strategic Vision*, which identifies our values, principles, mission priorities, and goals. Success with Governance and Management means success in delivering the mission. It means getting to "Yes."

Consistent with our Governance and Management approach, NNSA is actively demonstrating the effective integration of operations across our nuclear security enterprise necessary to adapt to emerging threats. This *Framework's* focus on a team approach to mission integration and strategic planning, establishing clear roles and responsibilities, and resetting our approaches to risk management, will ensure we balance risks appropriately and enable our workforce to continue to meet the challenges of today and tomorrow.

A handwritten signature in black ink that reads "Lisa E. Gordon-Hagerty".

**LISA E. GORDON-HAGERTY**

*Under Secretary for Nuclear Security*

*Administrator, National Nuclear Security Administration*



# TABLE OF CONTENTS

<b>Introduction .....</b>	<b>1</b>
Purpose .....	1
Background.....	1
<b>NNSA Governance &amp; Management Expectations.....</b>	<b>2</b>
Mission Integration and Strategic Planning.....	3
The NNSA Governance Steering Committee.....	4
NNSA’s World-Class Workforce.....	4
Value-Driven Workforce .....	4
Personnel Management .....	5
Training.....	6
Empowering a Diverse, Inclusive, and Innovative Workforce.....	7
Clear Roles and Responsibilities .....	8
Federal and Contractor Alignment.....	8
Alignment within the Federal Workforce.....	8
External Relationships.....	9
Risk Management .....	10
Federal Oversight Risk Management Initiatives.....	10
NNSA Risk Management Initiatives .....	11
Presidential and National Risk Management Initiatives.....	12
<b>Conclusion.....</b>	<b>13</b>
<b>Appendix A: NNSA Corporate Expectations.....</b>	<b>A-1</b>





# INTRODUCTION

## Purpose

NNSA's *Strategic Vision* identifies our vision for the future, policy direction, and mission priorities, as well as the current challenges that we must overcome. This *Governance & Management Framework* lays out the path and the tools for NNSA as a team to deliver its mission in a resilient, agile, and responsive manner. This *Framework* is the *how* to the *Vision's what* and explains how Governance and Management (G&M) serves a key role in managing the nuclear security enterprise. This *Framework* encompasses the federal headquarters and field office staff, our partner laboratory, plant, and site personnel, and the partners' corporate parents.

## Background

NNSA's [Supplemental Directive \(SD\) 226.1B, NNSA Site Governance](#) establishes our governance approach by describing how the Federal Government and NNSA's Management and Operating (M&O) partners assure effective mission performance and operational excellence. Together, NNSA's federal program, functional, and field offices and our M&O partners comprise the **NNSA Team**.

Included in SD 226.1B is the basis of a good governance system that informs a common understanding of the unique relationship between all entities within the nuclear security enterprise. This common understanding involves trusted partnerships that transcend our contractual relationship. Governance provides the foundation by which we, as the **NNSA Team**, will deliver on our five mission priorities, delineated in the *NNSA Strategic Vision* and listed below:

1. Maintain the safety, security, and effectiveness of the Nation's nuclear deterrent;
2. Reduce global nuclear security threats and strengthen the nuclear enterprise;
3. Provide safe and effective integrated nuclear propulsion systems for the U. S. Navy;
4. Strengthen key science, technology, and engineering capabilities; and
5. Modernize the national security infrastructure.



SD 226.1B requires that the scope of federal oversight be determined based on the demonstrated strength of the contractor’s management systems and the risks associated with less-than-satisfactory performance. High-risk activities and areas with significant performance weaknesses must be evaluated to determine the necessary activity-specific oversight. Nuclear safety, nuclear security, and fiduciary functions are examples of activities that warrant increased oversight.

The approach consists of three overlapping systems of oversight:

1. Federal oversight performed by federal program, functional, and field offices;
2. Contractor assurance performed by the laboratories, plants, and sites; and
3. Contractor corporate parent(s) oversight performed by the M&O partner corporate parent(s), as specified by contract.

This forms a site governance approach (Figure 1) focused on continuous improvement of all activities and functional areas that can affect mission reliability. The site governance approach is designed to be transparent and encourage efficiencies. Data generated from oversight and assurance activities are shared to allow each partner to identify positive and adverse indicators and opportunities for improvement.

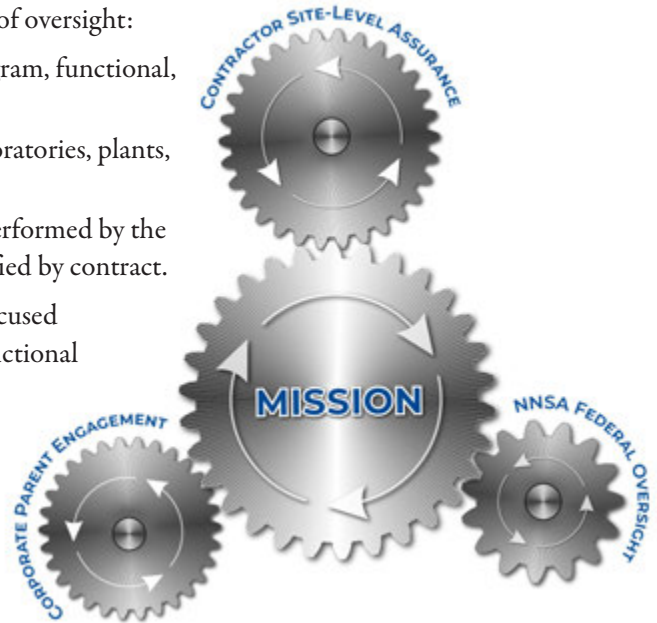


Figure 1: Governance Supports Mission Delivery



## NNSA GOVERNANCE & MANAGEMENT EXPECTATIONS

The *Strategic Vision* details four key expectations for G&M across the nuclear security enterprise to ensure constant focus and alignment on mission:

1. We work with a single purpose as One NNSA through more effective teaming and improved mission integration.
2. We ensure every member of our workforce knows and understands our mission and his or her role in accomplishing it.
3. We execute the mission based on clearly defined roles, responsibilities, authorities, and accountability to prevent redundancy and miscommunication.
4. We empower leadership to streamline decision-making and manage rather than avoid risk.

Underlying every aspect of these expectations is the commitment to meeting NNSA’s national security mission priorities now and over the long term.

## Mission Integration and Strategic Planning

Mission integration requires visionary leadership, competent and committed management and staff, and a formal strategic planning process. We will conduct short- and long-term planning with a top-down component from the NNSA *Strategic Vision*, as well as a bottom-up component from the field. Strategic planning efforts across each organization within NNSA fosters understanding of how the efforts of each organization fit into the enterprise to achieve our national security mission. The common understanding that results from strategic planning is better communication, increased collaboration, enhanced teaming, and more complete mission integration across the nuclear security enterprise.

The planning process is an ongoing cycle informed by DOE’s *Strategic Plan*, and NNSA’s *Strategic Vision* (Figure 2), and is consistent with *OMB Circular A-11, Preparation, Submission, and Execution of the Budget*. NNSA’s field sites develop and issue periodic strategic plans that document their vision and support of NNSA’s overall mission, challenges, and *Strategic Vision*. The laboratories, plants, and sites’ strategic plans both inform and are informed by NNSA’s strategic planning documents. These documents fit into the overall NNSA strategic planning process and allow our senior leaders to conduct integrated and enterprise-wide planning to properly align resources with future needs and risk.

**Effective Integration of Operations**

NNSA delivered our first production unit of the low-yield, submarine-launched ballistic missile warhead (also known as the W76-2) to our Department of Defense partner less than a year after the need was identified in the 2018 Nuclear Posture Review.

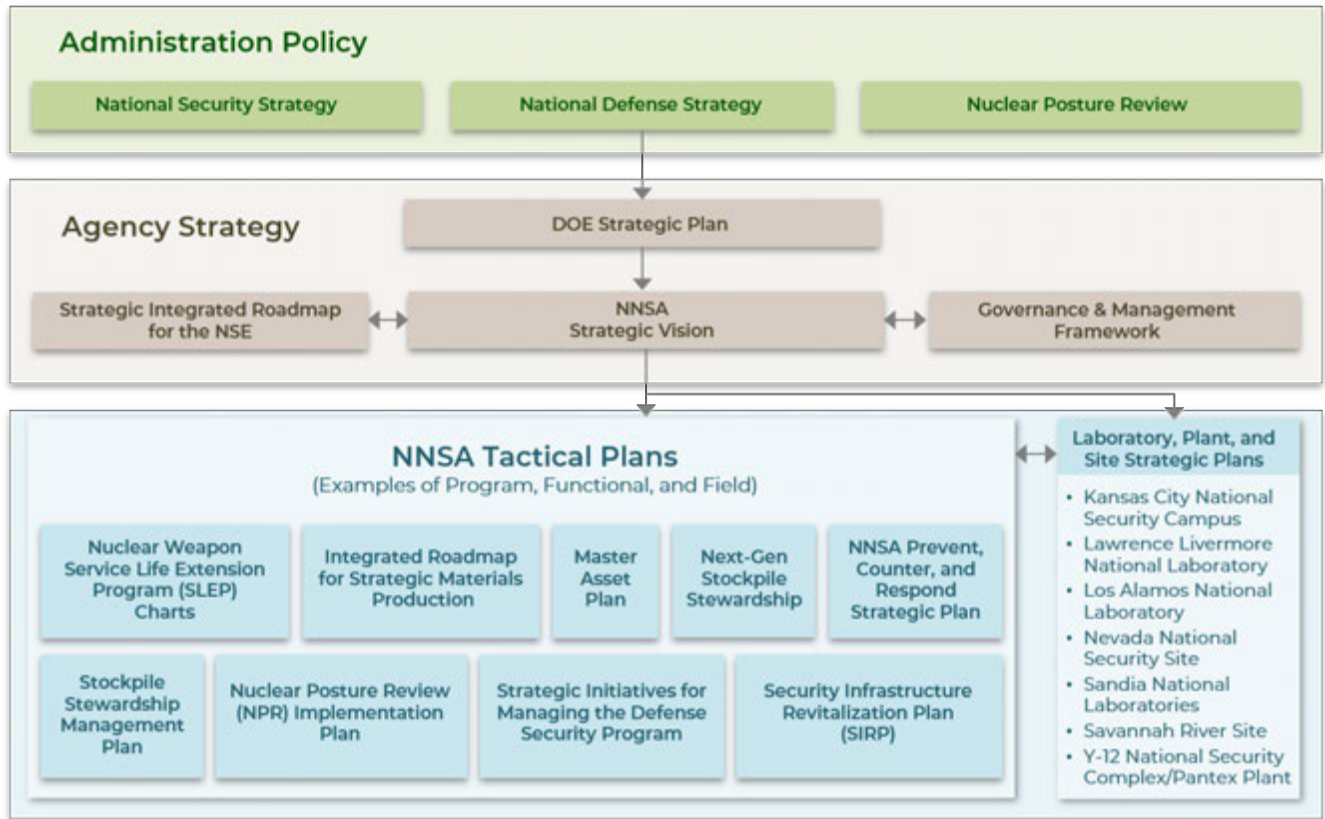


Figure 2: Strategic Planning Cascade

## THE NNSA GOVERNANCE STEERING COMMITTEE

The NNSA Governance Executive Steering Committee (GESC) was established to implement guidance and share best practices and lessons learned to improve G&M across the nuclear security enterprise. The members of the GESC represent every part of our enterprise, allowing the committee to solve challenges common across the enterprise and to collectively support G&M expectations for the benefit of the nuclear security enterprise, and our Nation.

### GESC Expected Outcomes

- Work with NNSA's Management and Budget and other DOE organizations to support the development of NNSA governance training for the workforce.
- Work with NNSA program, functional, and field offices to identify and address any issues or opportunities identified through peer reviews and activities of the GESC.
- Coordinate with the senior advisory governance working group and the NNSA Operations and Efficiencies Board periodically on other key initiatives related to governance.
- Develop, review, and periodically update the NNSA Peer Review Continuous Improvement Strategy.

## NNSA's World-Class Workforce

Our workforce is our greatest asset. A successful governance approach depends on an inclusive and collaborative environment where we can work across organizational boundaries, eliminate stovepipes, and align to a common purpose. Every member of NNSA's workforce must know and understand our mission and his or her role in accomplishing it. In order for individuals to understand their role in supporting the mission, we focus on values, personnel management, training, and diversity.

### VALUE-DRIVEN WORKFORCE

Our workforce is inspired by the core values detailed in the NNSA *Strategic Vision*: **Integrity, Trust, Respect, Accountability, and Excellence**. Our core values guide our actions as an enterprise, define our direction, drive our behaviors, and unite our employees. Our values and their resulting culture enable NNSA to achieve its mission and function as the **NNSA Team**.

Our leadership's actions ensure that the workforce is engaged and that our enterprise stands behind our vision and values. We accomplish this at the senior management level by modeling NNSA's core values in our daily actions. We reinforce these practices through training, by regularly monitoring feedback from workforce surveys, and through other methods of communication, including newsletters, social media, and site visits.





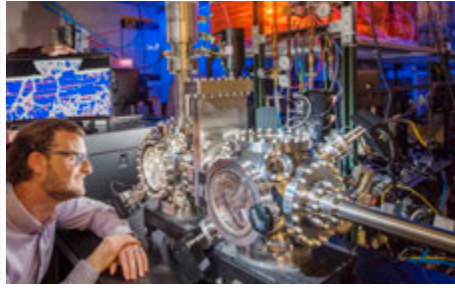
## PERSONNEL MANAGEMENT

Over the next five years, nearly 40 percent of our workforce will be eligible to retire, requiring a significant transition of expertise to a new and less experienced workforce. NNSA is planning now for this workforce transition and is aggressive in implementing innovative ways to attract, retain, and strengthen our workforce. To support this transition, NNSA developed a corporate human resources perspective that has improved communication and strengthened recruiting efforts.

Succession planning, knowledge preservation, ongoing training, workforce development, and retention efforts are all areas of focus to ensure the future of the nuclear security enterprise. Core competencies—and the expertise needed—are developed via the selection of qualified individuals and through training specific to the needs of the enterprise. NNSA is working to develop and prepare every employee to meet future challenges and to support the needs of the enterprise and the employee. NNSA is coming together to participate in a spectrum of activities, ranging from individual site recruitment to joint recruitment activities, such as the Job Fair with our headquarters, field offices, laboratory, plant, and site partners in the Washington, DC area in January 2019. As recruitment and retention efforts progress, NNSA will evaluate efforts and adapt our approach to future needs.

### The HR perspective was developed in recognition of the five keys to attracting and retaining a high-quality workforce:

1. Owning a place in the mission;
2. Working with state-of-the-art experimental, computational, and manufacturing capabilities;
3. Employing modern business and operating systems;
4. Working in up-to-date, modern workspaces; and
5. Career development opportunities.



## TRAINING

Training and developing our workforce is crucial to the success of the enterprise. Without appropriate and continuous training, NNSA's ability to meet our mission and pivot to address changing requirements would be constrained. Training ensures clear and transparent communication, supports integration of new processes and ideas, provides continuity of operations, and facilitates an unambiguous understanding of roles and responsibilities. The learning process starts with hiring and continues throughout everyone's career. Opportunities to learn and to improve should always be ongoing. NNSA's G&M training includes an online Governance Awareness Course for the entire workforce. We will also be launching an Executive Governance Training course that will be delivered in an interactive classroom setting for our senior executives. The goals and metrics of this training are directly aligned with our G&M priorities and NNSA's national security mission.



“We must lean forward in the development, planning, and execution of programs that address our current challenges while developing the workforce, infrastructure, tools, and governance systems that will enable us to meet our deterrence, non-proliferation, and naval propulsion mission requirements for the next 50 years. We must embrace a next-generation enterprise that is flexible enough to respond to future challenges.”

Lisa E. Gordon-Hagerty  
*NNSA Strategic Vision*

### Positive Trends in Governance & Management

NNSA's scores increased in all 2018 Federal Employee Viewpoint Survey and DOE indices. Our partner workforces report similar positive trends:

- Lawrence Livermore National Laboratory ranks among the best places to work by Glassdoor.
- Sandia National Laboratories scores nationally as one of the best employers for diversity by *Forbes*.
- Kansas City National Security Campus' ongoing employee surveys demonstrate sustained improvement in employee-management relations and trust.



## EMPOWERING A DIVERSE, INCLUSIVE, AND INNOVATIVE WORKFORCE

We are focused on leading people in an open, supportive environment that encourages innovation, continuous improvement, and inclusive behaviors that support collaboration and effective teaming. The unique challenges related to nuclear security require a diverse set of skills and experiences that can only be found in a workforce that is representative of our Nation's diverse population. We will draw on the unique talents and diverse perspectives of our workforce to innovate and address challenges as a high-performing organization.

One NNSA means having an effective, unified team working toward serving our Nation and accomplishing our vital mission. This supportive and diverse environment will improve mission integration and implementation of solutions to enhance workplaces throughout the enterprise and continue to promote NNSA as a “best place to work” in the Federal Government.



### Objectives of Executive Governance Training—

The NNSA executive-level graduates will be able to:

- Define elements of the NNSA Site Governance model.
- Identify applicable regulations that govern NNSA Site Governance.
- Identify external concerns (reports/responses) expressed about governance for the nuclear security enterprise.
- Articulate the key roles and responsibilities of the NNSA Program Managers, Functional Managers (FMs), Field Office Managers (FOMs), and the three governance oversight entities described in NNSA SD 226.1B.
- Articulate the roles of NNSA executives in governance.
- Describe methods for achieving strategic partnerships.
- Establish the need to align cultural behavior principles between the three governance oversight entities.
- Explain the peer review process and its purpose.
- Promote a culture of trust, accountability, integrity, respect, communication, and transparency.
- Demonstrate the response and actions during practical application scenarios.

## Clear Roles and Responsibilities

NNSA's workforce must have a clear understanding of expectations and goals for the enterprise, and its place in our mission. Clearly defined roles and responsibilities drives collaboration, teamwork, communication, and efficiency across the enterprise, resulting in peak performance and mission execution.

### FEDERAL AND CONTRACTOR ALIGNMENT

NNSA SD 226.1B describes federal and contracting partner roles and responsibilities. These roles and responsibilities are summarized in the jointly developed NNSA *Corporate Expectations* document, Appendix A. The recently issued [NAP-413.2 Program Management Policy](#) provides specific guidance for conducting program management activities within the NNSA. This policy provides increased organizational discipline, clearly defined management responsibilities and authorities, and consistency across both headquarters and field offices to increase management efficiency and effectiveness. NAP 413.2 also eliminates management redundancies and provides guidance on tasking and direction from NNSA programs to the [NNSA Team](#).

The M&O model, which is predicated on forging trusted and enduring relationships between the U.S. Government and its partners, provides wide discretion on how our partners can structure their organizations and manage their flexible work scopes. Our three national security laboratories, in addition to being M&Os, are also Federally Funded Research and Development Centers (FFRDCs). FFRDCs are public-private partnerships in which the government charters the centers with executing dedicated scopes of research and development to meet enduring government-identified needs. As NNSA's FFRDCs, the three national security laboratories are charged with the mission to maintain cutting-edge science and engineering capabilities in meeting the Nation's nuclear security needs.

### ALIGNMENT WITHIN THE FEDERAL WORKFORCE

NNSA SD 226.1B divides federal management functions into three categories: program management, functional management, and site management. This delineation makes clear that there are three sets of managerial functions necessary to achieve the trust and cooperation needed for effective federal management of the nuclear security enterprise.

**We continually assess the alignment of our federal workforce. The principles we apply as we seek possible strategic realignment include:**

- Executing defined roles, responsibilities, authorities, and accountability to prevent redundancy and miscommunication and better focus on advancing the Nation's nuclear security.
- Improving accountability by focusing functional area deliverables that better support program offices.
- Raising the quality and consistency of work products that support NNSA functional and program execution.



NNSA's Office for Defense Programs, Office for Defense Nuclear Nonproliferation, and Office of Naval Reactors are led by Presidentially-appointed, Senate-confirmed senior executives who have the primary responsibility for mission delivery and are the ultimate risk acceptors for achieving NNSA's overall mission deliverables. Their success is enabled by functional, field office, and contracting managers, who are highly credentialed, career civil servant executives with expertise in their appointed fields. They act as risk acceptors on behalf of the government in their appointed areas and share in the responsibility and accountability for mission accomplishment. Our success depends upon each element within NNSA executing its assigned responsibilities to ensure overall mission success. This is how we meet our mission, and this is how we will continue to get to "yes."

Two examples in which the federal managers demonstrate respect for one another's roles and responsibilities are how we handle data calls and site visits from headquarters (HQ) to the field offices. Because data calls from HQ to the field are costly in terms of both time and money, we balance the administrative costs against the benefits HQ managers obtain from the data. Field and HQ managers can negotiate a data call to achieve the desired balance. The management of site visit protocol parallels that of data calls, due to the similar burden they can place on the sites. Program, functional, and contracting managers proactively coordinate their reviews and assessments of our contractor partners' work to use federal resources effectively and to avoid unnecessary impacts on our partners.



## EXTERNAL RELATIONSHIPS

Along with the strong relationship that we share with our trusted partners and their parent companies, we cannot be successful without building and sustaining strong relationships across the Federal Government to include the Department of Defense (DoD), the Department of State, and Congress; oversight agents; the communities where our sites are located; and other non-federal external partners. As mentioned earlier, the *2018 Nuclear Posture Review* reflects the critical importance of our ability to partner with DoD and strengthen our trusted relationship.

Our focus on teaming and enduring relationships also involves external stakeholders, such as the Defense Nuclear Facilities Safety Board and the joint panel of the National Academy of Sciences and National Academy of Public Administration on NNSA Governance Reform. These organizations provide NNSA with advice on how to make us a stronger organization, and we value their counsel.

## Risk Management

G&M is ultimately about making decisions, and decision making is about balancing risks. Our approach emphasizes the identification and management of obstacles to mission success. Our policy for quality management, [NAP-26B, \*Quality Management System\*](#), establishes expectations that promote risk reduction and mitigation activities (see text box).

### Expectations for Risk Management

- Increased likelihood of successfully delivering on goals and objectives;
- Decreased unanticipated outcomes;
- Improved ability to assess risks associated with changes;
- Enhanced ability to communicate to customers and others regarding NNSA's risk management activities; and
- Improved risk mitigation, particularly regarding impact of realized negative events.

Throughout the enterprise we emphasize responsible risk management rather than the unrealistic goal of eliminating all risk. We established risk reduction programs and processes that: 1) identify, track, and eliminate or mitigate obstacles to mission success at their source; 2) monitor the effectiveness of these efforts; 3) initiate actions to improve mission success; and 4) effectively and efficiently oversee our operations.

Our approach to federal oversight reduces known obstacles, and our implementation of government-wide initiatives illustrates our commitment to manage risk effectively and responsibly. Efforts are underway to document lessons learned, process improvements, etc., and to institutionalize the process of applying and integrating lessons learned across the enterprise.

## FEDERAL OVERSIGHT RISK MANAGEMENT INITIATIVES

Effective federal oversight depends upon identifying, evaluating, and addressing obstacles to mission success. Identifying and evaluating best practices is a key risk management strategy. We create benchmarks to support accurate measurement of risk and performance. We also collect, analyze, and disseminate lessons learned and share these best practices across the enterprise through channels such as peer reviews. Regular peer reviews held at each of our field sites provide recommendations for areas of improvement and identify best practices in site governance. These peer reviews provide feedback on the status of implementing SD 226.1B and focus on how good governance facilitates continuous improvement across our enterprise. Our federal oversight is based on the strength of our partners' management systems and targeting risk associated with previously identified performance issues and high hazards.

The examples below describe two completed safety oversight pilot projects that were designed to better align Headquarters' functional offices with field offices, enhance federal oversight without expanding our oversight footprint, improve processes, and remove obstacles to mission success.

## Removing Obstacles to Mission Success: Pilots for Transformation of Safety Oversight

**Safety Basis Pilot 1:** We developed a modified process to decrease the time needed for safety document approval and reduce the number of open issues that arise during review.

**Leveraging Federal Safety Oversight Pilot 2:** Leveraging Federal Safety Oversight Pilot 2: NNSA federal oversight historically involves a significant number of reviews. Some of these reviews are poorly coordinated, which frequently result in fragmented data collection that did not support our decision-makers' ability to manage risk efficiently. This pilot successfully translated data into useful information to improve our decision-makers' ability to understand, communicate, and leverage resources needed to manage risks using more quantitative approaches (e.g., heat mapping) and data analytic tools.

## NNSA RISK MANAGEMENT INITIATIVES

Our mission cannot be delivered without satisfying the highest safety and security standards. In balancing mission risks, our commitment to implementing the highest standards for safety and security does not waver. We recognize it is never a choice to meet safety and security expectations *or* to meet our mission. We must *always* accomplish both.

We are adopting a holistic and rigorous approach to risk management that will address the concept of risk acceptance, clarify responsibilities associated with accepting specific risks, and strike the appropriate balance between completing our mission efficiently and meet all safety and security standards. NNSA is developing a formal, comprehensive Enterprise Risk Management (ERM) approach. Though still in an early stage, as we develop the ERM we will include established risk management principles and best practices. Our new approach and early successes are focused on addressing safety and security incidents promptly, holistically, and comprehensively.

NNSA also promotes a strong safety-conscience work culture through the 10 CFR Part 708 "DOE Contractor Employee Protection Program" and employee concerns programs. NNSA's employee concerns programs provide federal, contractor, and subcontractor employees with alternative, formalized programs for reporting concerns relating to the workplace, environment, safety, health, and management of facilities that may affect NNSA's ability to accomplish its mission safely and efficiently.



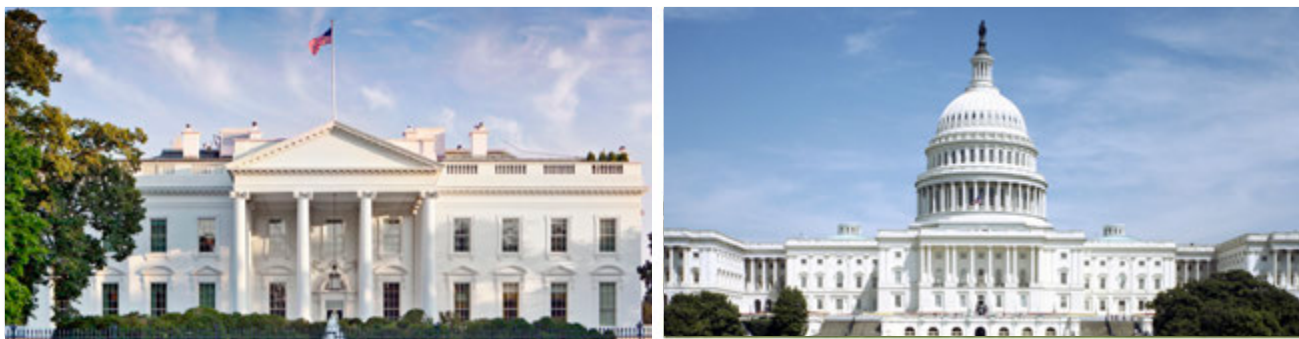
"Some perceive safety and security as competitors for mission achievement; we reject this perception. Instead, we believe safety and security are enablers to mission success. We understand that decrements in safety and security impart risks to achieving mission."

*NNSA Strategic Vision*

## PRESIDENTIAL AND NATIONAL RISK MANAGEMENT INITIATIVES

President Trump's management agenda lays out a long-term vision for modernizing the federal government to improve mission outcomes, provide excellent service, and effectively steward taxpayer dollars. These initiatives complement other long-standing initiatives, such as compliance with the *Federal Manager's Financial Integrity Act* and various Office of Management and Budget directives that assure taxpayers' resources are managed efficiently and effectively for the Nation.

As a part of the Department's response to the government reform initiative, we are eliminating inefficient practices (obstacles), removing burdensome regulations, and improving workforce performance and accountability. Our efforts will include specific objectives to manage workforce performance that will include goals for programs to execute assigned functions and supporting organizations effectively. Our efforts will also include goals to eliminate, restructure and merge activities, improve organizational efficiency and effectiveness, boost accountability, and reduce costs.



The [Program Management Improvement Accountability Act \(PMIAA\)](#) empowers senior officials to drive results and to confirm that the workforce has the tools and authority needed to improve results. The objectives of the PMIAA are a part of our strategy to improve and sustain program and project management excellence. Our implementation of the PMIAA will reflect that federal program and project managers have an important obligation to ensure programs and projects deliver critical services to the American public efficiently and effectively while being on time and within budget and scope. The PMIAA implementation plan will encompass crucial workforce development initiatives to identify and remove obstacles to project delivery and promote mission excellence.

When complete, this plan will describe NNSA's approach for implementing the PMIAA. The plan will focus on ensuring efforts are appropriately aligned with DOE and the Office of Management and Budget (OMB) principles and implementing strategies. Portfolio reviews will assess program performance using standards and principles consistent with OMB expectations; identify lessons learned and best practices disseminated to help ensure that programs are managed effectively and improve continuously; and strengthen our program management capacity to build a highly capable workforce. These efforts are in alignment with the activities already underway to improve our G&M and risk management objectives.

### Reduce Burdensome Practices

Our goal is to avoid burdensome regulations and practices, assess duplicative functions, and eliminate non-essential activities which are not core to the agency's mission.





## CONCLUSION

Our *Governance & Management Framework* enables us to meet our mission priorities by focusing on mission integration and long-term, strategic planning; alignment and development of our workforce; clearly defined roles and responsibilities; and a holistic, comprehensive approach to risk management. We have established clear lines of authority, responsibility, and accountability that allow us to focus our attention and talent on the work required to make our world a safer place. To that end, we are committed to recruiting and retaining the most talented and capable workforce, led by inspired and dedicated senior executives with an unwavering focus on our national security mission. We will maintain productive relationships within our **NNSA Team**, DoD, Congress, and our external stakeholders.

The ultimate measure of our success is whether we deliver our mission. How well we execute our mission and how effective we are at overcoming the challenges are measures of our Governance and Management. We will establish metrics based on our system of structured guidance and core values, and track performance to identify areas for improvement. Only through evaluating our mission performance, and the processes through which we deliver our mission, can the nuclear security enterprise remain resilient and responsive to the needs of our Nation.

While much has been accomplished with respect to G&M, we recognize that much remains to be done. We will continue to pursue our actions as the **NNSA Team** with a focus on continuous improvement toward the common goal of protecting our Nation. Together, we will overcome all obstacles and achieve our mission.

# APPENDIX A. NNSA CORPORATE EXPECTATIONS

These are best practices for the relationships between Federal elements of the National Nuclear Security Administration and its contractors. For NNSA program, functional, and field offices and our contractor partners, this reference guide will serve as a resource for strategic decision making, programmatic planning, and operations in support of maintaining a safe, secure, and effective nuclear security enterprise.

## PROGRAM\*

### Mission Program Leadership

- Develop programmatic strategy; ensure alignment with external entities
- Communicate strategy with field and functional offices
- Set mission program priorities (including budgets) with agreed-upon scope, cost, and schedule through proper direction of contractor partners
- Ensure programmatic deliverables are met working within authorities and roles established by DOE orders and policy
- Use mission support “enablers” through functional and/or field offices



### Contractor Oversight

- Demonstrate active engagement on program priorities; monitor contractor partners progress on scope, cost, and schedule
- Provide continuous feedback to contractor partners on program activities in coordination with the relevant field office and provide performance direction through actions authorized by contracting officers and their representatives
- Work with field office managers to establish performance objectives and other evaluation criteria for contractor partners, and to evaluate how contractor partners are performing
- Eliminate duplicative oversight where an integrated approach is possible

### Risk Management

- Understand mission execution risks; work collaboratively with contractor partners, field offices, and functional offices to identify and manage program technical, safety, security, environmental, and other risks
- Delegate authority to the lowest appropriate level in the organization once capability and performance are demonstrated, and allow decision-making to proceed at that level
- Verify effective execution of authorities, including delegated authorities, on schedules graded to the significance of each authority and demonstrated performance
- Use technical experts to ensure decisions reflect appropriate risk management decision-making

#### AVOID:

- “Directing” M&O and other major site and facility contractors (contractor partners) without proper authority
- Inappropriately interjecting in detailed operational issues
- Second-guessing decisions made once authority has been delegated

\* Several offices within NNSA have both program and functional Authorities/Responsibilities (A/R). For example, NA-50, NA-70, and APM (i.e., Line Item Construction) have infrastructure program responsibilities that are separate from the respective office's functional A/R in nuclear safety, safeguards and security, and acquisition, contract and project management.

## FUNCTIONAL\*

### Mission Support – The “Enablers”

- Provide functional expertise, advice, and counsel to mission program offices, senior management and field office managers in accordance with roles established by DOE orders and policy
- Use/promote transparent data to support quality decision-making at all levels
- Collaborate to develop functional policies that enable the mission
- Where appropriate, set mission support program priorities (including budgets) with agreed-upon scope, cost, and schedule through proper direction of contractor partners
- Perform defined regulatory functions and oversight support in consultation and coordination with mission program offices and field offices
- Work with field office managers to establish how contractor partners functional performance is evaluated, including performance objectives and other criteria, and how contractor partner is performing



### Risk Management

- Provide technical support and risk management tools to the program and field offices in managing the Department's major mission risks
- Deliver on high priority functional management responsibilities, allowing mission work to proceed on schedule
- Evaluate broad range of risks in order to anticipate issues

### Functional Process Discipline

- Strive to ensure functional processes meet best-practice professional standards from inside and outside government
- Coordinate data calls with program offices and field offices and issue through a CO
- Coordinate and integrate with program offices and field offices when performing independent analysis/oversight of contractor partner or program performance, utilizing risk-informed graded approach
- Assist risk acceptance officials to manage risks in a manner aligned with the mission priorities and policies and consistent with functional guidance
- Provide functional expertise and counsel to field offices and mission program offices

#### AVOID:

- Assigning tasks to the field outside functional management responsibility
- “Directing” M&O and other major site and facility contractors (contractor partners) without proper authority
- Setting mission program priorities and policies
- Second-guessing decisions made once authority has been delegated

\* Several offices within NNSA have both program and functional Authorities/Responsibilities (A/R). For example, NA-50, NA-70, and APM (i.e., Line Item Construction) have infrastructure program responsibilities that are separate from the respective office's functional A/R in nuclear safety, safeguards and security, and acquisition, contract and project management.

## FIELD

### Contract Management Including Contracting Officer (CO) Functions

- Administer performance-based contracts with NNSA contractors to deliver on the program and functional objectives established by program offices while preserving independence needed for regulatory decision-making and coordinating with other impacted NNSA offices
- Integrate NNSA requirements applicable to contractor partners and modify contracts accordingly
- Work with program and functional offices to establish performance objectives and other evaluation criteria for contractor partners, and to evaluate how contractor partners are performing
- Perform delegated contract management functions, including authorizing work
- Confirm contractor assurance process effectiveness via oversight activities
- Hold contractor partners accountable in exercising independent judgment in delivering on contractual obligations and monitor contractor partner performance against contract requirements



### Authorizing or Approving Official

- Serve as Federal approval official in accordance with delegated authorities and in accordance with DOE orders and policy
- Support independent regulatory decision-making with documented, unbiased, objective reviews that do not contain personal or organizational conflicts of interest
- Exercise due diligence with technical expert input; communicate decisions to program offices that are made with delegated authority; request technical assistance when needed
- Execute permits and other licensing-type documents as the on-site NNSA representative

### Risk Management / Oversight

- Oversee contractor partner's approach to operations and risk management using a largely systems-level / performance-based approach; communicate emerging trends and risks to program and functional managers to support enterprise-level risk decisions
- Communicate performance information with program offices and functional offices
- Coordinate and consolidate, as feasible, site reviews with functional and program offices
- Work with the contractor partner to ensure that Federal assets are properly protected and maintained

### Landlord

- Serve as the US Government senior representative for the site/plant/laboratory
- Carry out essential landlord responsibilities within delegated authority

### Field Office Operations

- Coordinate with local stakeholders to inform, educate, and promulgate NNSA missions and initiatives

#### **AVOID:**

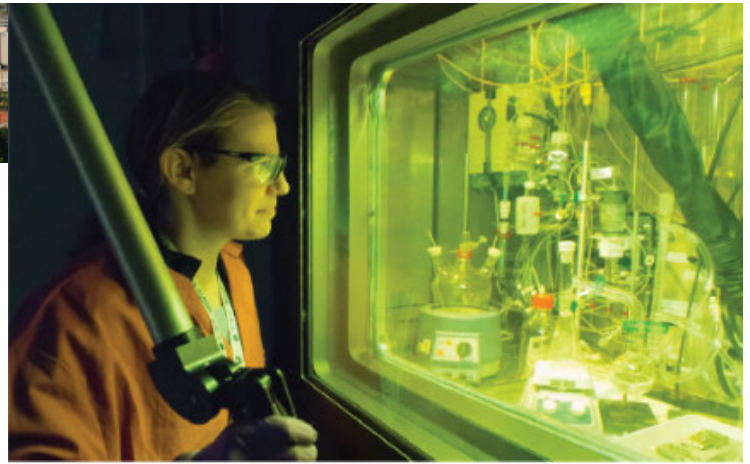
- Doing the contractor partners' work for them
- Telling contractor partners HOW to deliver work
- Setting program priorities and policies
- Second guessing decisions made once authority has been delegated



## CONTRACTOR PARTNERS/ CORPORATE PARENT

### Deliver High-Quality Products Within Contractual Parameters

- Provide the scientific, technical, and operational capabilities to deliver products and R&D to support NNSA's mission
- Deliver on performance targets
- Prepare annual strategic plans based on guidance and policy from NNSA



### Strategic Partnership Projects

- Provide high quality scientific and technical capabilities that can be leveraged across the Federal government

### Technology Commercialization / Business Transfer

- Enable technology commercialization and business development mechanisms

### Risk Management

- Work with field offices and functional offices to manage major operating risks consistent with Federal rules and stewardship of Federal resources
- Implement and manage an effective contractor assurance system

### Asset Stewardship

- Work with NNSA to ensure a state of readiness to support mission activities
- Conduct support activities as necessary to support mission objectives

### Corporate Parent

- Develop/implement parent oversight plans consistent with NNSA governance policy and contract requirements
- Maintain routine/effective relationship with field office manager in concert with board meetings to seek/ provide feedback
- Meet with Administrator/senior NNSA leadership to ensure meeting mission expectations
- Serve as pathway for corporate reach-back to resolve issues ensuring critical goals are met
- Support assurance oversight peer review process to enable NNSA enterprise as learning organization

#### **AVOID:**

- Conducting or taking on work scope that is not properly authorized
- Second-guessing decisions made once authority has been delegated





U.S. Department of Energy  
National Nuclear Security Administration  
[nnsa.energy.gov](http://nnsa.energy.gov)

