

REPORT: EM Management Analysis and Strategic Vision-Casting

September 25, 2008

Submitted by the EMAB Strategic Vision-Casting Subcommittee

Background:

In the course of developing the Environmental Management Advisory Board's (EMAB) fiscal year (FY) 2008 review topics, EM leadership and Board members recognized a need to re-examine the program's strategy and vision for the future, in order to better position EM and continue its momentum for clean-up and closure. This endeavor will also ensure that the next administration and current stakeholders are aligned with EM's proposed priorities, funding requirements, and commitments for 2009 and beyond. Consequently, the Board formed a Strategic Vision-Casting Subcommittee that was charged with the assignment of reviewing EM's current and past missions and strategic visions to assess how they have been important in guiding EM forward, and to address how to best re-define EM's current strategic vision for the future.

The re-examination of EM's strategic vision is important for multiple reasons.

1. Under the leadership of Assistant Secretary James Rispoli, a major focus for EM has been on improving the program's efficiency and accountability with regard to delivering its missions and fulfilling its obligations to stakeholders in Congress, the communities where EM operates, the regulators, and the public. While these improvements have been important to moving EM forward during the last four years, many of the future challenges EM faces will require more negotiation, more compromises, and a sustainment of funding in order to be successful.
2. EM's priorities and requirements are shifting as successes have occurred; examples include the closure of the Rocky Flats and Fernald sites, and the decommissioning of facilities such as Oak Ridge K-25 and 27 buildings. Stewardship of closed sites is a higher priority today as a result of successful closures. Increasing demands for federal funding across the government challenges EM to not only do more with less, but to also continue to find more efficient technologies and regulatory solutions to achieve clean-up sooner and at an overall lower cost; and the "easier to achieve" successes have been achieved. Remaining clean-up projects present the most complex, costly, and time-intensive challenges to date. Without some level of funding predictability, sustaining the needed federal and contractor skilled workforce to achieve success will be difficult.
3. Experience in the private sector suggests that periodic re-examinations of strategic visions are necessary to inspire and align leadership, the workforce, the stakeholders, and the investors (e.g. Congress), and help to identify common goals, risks, and priorities. A balance must be established so energies can be focused on where EM needs to head during the next four years, instead of where it has been. This is important to all.

The Vision-Casting Subcommittee has met twice since March 2008; this is an interim report of its findings and recommendations to date. With multiple internally and externally driven programmatic initiatives (e.g. the National Academy of Public Administration Study, Best in Class Initiatives, Human Capital developments, and increased focus on communications), a focused review of the EM Vision is warranted in preparation for a new administration as well as for the advancement of the program's mission and purpose.

Findings and Observations:

Drawing on the Board's familiarity with the EM program and the diversity of its members' experience, EM has chosen to establish a succinct vision/legacy document that can be put in place before the current administration transitions. EMAB can support and facilitate this process, as EM promotes and builds on the new EM vision and mission.

The purpose of vision-casting should not be limited to reflecting the EM legacy to date. Vision-casting is also a strategic planning tool to help the program keep its momentum during the pending transition and align new staff and regulators.

EM needs to build on its accomplishments in such a way that success continues to be measurable, understandable, and achievable. In the past, more attention has been provided to problems and delays than to successes. Success has many potential paths:

1. Senior career personnel must have the opportunity to reframe success and promote it to the new political leadership in order to build a broader basis for support in the future.
2. Reducing financial liabilities is part of success. To the extent that regulators can show flexibility, EM should renegotiate more realistic end points for its projects.
3. The elements that EM has seized upon during the current administration are easily embraceable. Shrinking footprints and liabilities, benchmarking, and increasing efficiency are all good building blocks, but EM needs to crystallize an identity that will launch it forward to designated end states or measurable conclusions. The program needs to shed light on the end of the tunnel.
4. A broader vision will include operating from a more efficient or private sector orientation. In order to be more successful, the vision could address restructuring the EM workforce and account for work force transition and the larger socioeconomic issues that affect the communities surrounding EM sites.
5. Local visions of land-use may inhibit the next level of efficiency. EM should consider moving more work and people "outside of the fence" and its M&O culture. Inside the fence, there is an entitlement philosophy that makes it very difficult for the program to accomplish anything quickly. This concept also falls in line with the nuclear renaissance by creating opportunities to support new missions and new work.

EM can turn its challenges into something better. The program can seek to create a more stable and predictable environment similar to that of an Army Corp of Engineers model.

By increasing its credibility, EM will free itself up to accomplish its work and better manage its mission.

The Subcommittee's previous experience with vision-casting in the public and private sectors suggests that the top leaders are the first audience; they are the long-term thinkers who are responsible for change. Beneath the vision level, EM needs to establish values that resonate with its staff and create vehicles for organizational participation, i.e. surveys, focus groups, etc. It is important that all stakeholders embrace and support the vision in order to make it sustainable regardless of the change in administration.

Additionally, EM's priorities are shifting; its mission is evolving. Perhaps the program should first re-visit the mission and then set a revised vision and philosophy. It appears that EM's leadership is open to reframing future budgets requests in such a way that funding is concentrated on select sites.

- The intention would be to close out specific projects quickly, rather than disperse money across lots of sites and extend lifecycles throughout the complex.
- This approach and philosophy has been considered before, but was never implemented due to the fact that budgets were never redistributed. This will require more interfacing with the Office of Management and Budget, members of Congress, regulators, and stakeholders, than has occurred in the past. While some infusion of funding from supplementals or reprogrammings occurred to select sites, other sites' needs went unanswered, and as a result, aggregate liabilities increased throughout the complex. Many stakeholders felt that the government did not deliver, and this reflects the difficulty EM faces in making commitments to future funding.

Recommendations:

To further aid the Assistant Secretary and the Office of Environmental Management in recasting its vision and priorities for the future, the Strategic Vision Casting Subcommittee offer the following recommendations:

Recommendation 2008-31: As part of the strategic communications plan and transition book being prepared for the next administration, develop a new strategic vision statement for EM to reflect the future direction and requirements of the program.

The current EM vision is being reflected in the EM transition book. EM leadership needs to recast this vision before November 1, 2008. Once updated, the revised vision needs to be circulated to stakeholder leadership for support and refinement. This effort should link to ongoing EM strategic planning practices; EMAB is prepared to provide input and counsel as appropriate.