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DEFENSE NUCLEAR FACILITIES SAFETY BOARD

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May 29, 2001

The Honorable Spencer Abraham
Secretary of Energy
1000 Independence Avenue, SW
Washington, DC 20585-1000

Dear Secretary Abraham:

The Defense Nuclear Facilities Safety Board (Board) held two public meetings in February 2001 on Board Recommendations 95-2, *Safety Management*; 98-1, *Integrated Safety Management*; and 2000-2, *Configuration Management—Vital Safety Systems* dealing with Integrated Safety Management (ISM). Prior to the meetings, the Board provided the Department of Energy (DOE) with two sets of questions to answer during the meetings. Most of the questions were adequately addressed by the presenters during their remarks, or responses were provided separately for the record. However, several were not addressed completely, or the answers raised additional questions. Enclosure 1 contains the remaining questions that the Board would like to have answered and submitted for the meeting record. In addition, commitments made to the Board during the meetings are included in the enclosure.

A significant portion of the meetings was spent discussing the roles and responsibilities of DOE Headquarters (DOE-HQ) personnel for the continued implementation and improvement of ISM. "Clear Roles and Responsibilities" is a guiding principal for ISM. However, the Board notes that there continues to be uncertainty and inconsistencies concerning the identification of line managers in DOE-HQ. The Principal Deputy Assistant Secretary for Environmental Management stated that the line management chain could be traced by who writes the performance evaluations. The Director of Site Operations for the National Nuclear Security Agency stated that the line management chain parallels the flow of money from the Secretary to the contractor. Unfortunately, neither the DOE Corporate Functions, Responsibilities, and Authorities Manual (FRAM) nor the DOE directives clearly articulate the DOE line management chain. The Board also notes that the roles and responsibilities of the Director of Site Operations are not clearly defined.

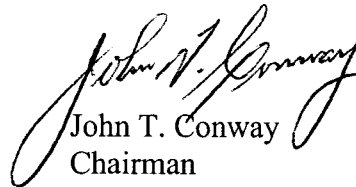
Therefore, pursuant to 42 U.S.C. § 2286b(d), the Board requests that DOE provide a report within 60 days of receipt of this letter that:

- Provides a simple organization chart for the National Nuclear Security Agency and the Office of Environmental Management depicting the line management chain from the Secretary to the Field Element Manager.

- Provides the specific section of the FRAM or other DOE directive that describes the line management roles and responsibilities for each of the line managers.

Enclosure 2 provides a report prepared by the Board's staff, for your information and consideration in this effort.

Sincerely,



John T. Conway
Chairman

c: The Honorable Carolyn L. Huntoon
General John A. Gordon
Mr. Mark B. Whitaker, Jr.

Enclosures

Enclosure 1

Additional Questions and Commitments from the February 13 and 22, 2001 Public Meetings on Integrated Safety Management

Remaining Questions Concerning Recommendations 95-2, *Safety Management*, and 98-1, *Integrated Safety Management*

- What has been done to capture lessons learned from the sites' Annual Integrated Safety Management Update process?
- A finding from the 98-1 implementation verification was the need to link the Corrective Action Management System with lessons learned. What steps have been taken to address this issue?
- What is the status of all sites capturing the 98-1 process in their implementing procedures and effectively implementing them across all programs? What mechanisms are in place to ensure the timely completion and reporting of all corrective actions?
- In December 2000, the report *Initial Joint Review of Wildland Fire Safety at DOE Sites*, was submitted to the Secretary of Energy. On January 19, 2001, the Secretary issued a memorandum titled "Wildland Fire Safety Enhancements," to Program Secretarial Officers, DOE Operations Office Managers and DOE Field Office Managers, directing them to develop implementation plans for all actions within 60 days. Are the corrective action plans being completed, and are findings being tracked to closure in accordance with the formal process established in the DOE directives system in response to Recommendation 98-1? If not, what process is being used and what was the basis for not using the established DOE process?
- Please describe the value of currently used Performance Indicators in assessing the state of your programs. What other performance indicators do you use to assist in measuring effectiveness and/or safety in your programs? What other performance indicators would you suggest that could be useful to you?

Commitments made by DOE

- *EM*—Board brief on the Savannah River Site multi-year performance-based incentives. (This commitment was met on March 9, 2001).
- *EM*—Board brief on the events that led to EM missing Recommendation 2000-2 commitments. (This commitment was met on April 5, 2001).
- *NNSA*—Board brief on NNSA technical competence (NNSA Core Technical Group).
- *NNSA*—Meet with the Board's staff to discuss line management in the context of Board Recommendation 98-2.

Enclosure 2

Line Management Terms Defined

Effective line management of safety depends on the appropriate integration and execution of three components: responsibility, authority, and accountability.

Responsibility. Something for which one is held to be accountable. Duties associated with one's responsibility may be delegated to another who may act as one's agent; however, one may not divest himself of the assigned responsibility through such delegation. In this way, a senior manager can assign or create responsibilities for subordinates that resemble subsets of his or her own and allow for more focused attention to issues, but this is not the same as sharing responsibility.

Responsibility is usually defined through documents (e.g., Functions, Responsibilities, and Authorities Manual [FRAM], Orders, charters, and letters of designation or delegation). Two important aspects of responsibility are:

- Someone should be personally assigned to take the actions required to ensure the success of every important task and function.
- No two people or positions should have the exact same responsibilities.

Authority. The right and power to direct the use of resources and exact obedience. People who can *unilaterally* make decisions to commit resources have authority in the "line management" sense of concern to the Board. Often, authority is defined by who controls the resources (fiscal, personnel, and material), not who influences commitment decisions, regardless of how much influence, real or perceived, a person has. Unlike responsibility, authority can be divided and delegated to others. Most of the Board's Recommendations require contractors to take action; therefore, DOE managers with authority to direct contractor actions or direct the allocation of resources to support such actions are of particular interest. Included in this group are contracting officers and people who can unilaterally direct the actions of contracting officers.

Accountability. Being held personally answerable for one's actions. Managers who are assigned responsibility and are entrusted with authority must be held accountable. Subordinate managers are held accountable by senior managers for assigned responsibilities.

An important sub-issue is oversight. Oversight is the means by which a senior manager remains aware of subordinates' performance. It is not a violation of "line management responsibility for safety" for a staff person or organizational element to provide oversight. In these cases, the staff member is responsible only for maintaining cognizance, gathering data, and providing timely information to the senior line manager. It is the senior line manager, acting on the information gathered through staff oversight, who holds subordinate line managers accountable.

Delegation of Authority. Senior managers can partially fulfill their responsibility by delegating authority for appropriate action to subordinates; however, a senior manager cannot

divest himself of responsibility and associated accountability by delegating to a subordinate. It is incumbent on senior managers to ensure that any subordinate assigned responsibility for a task has sufficient authority to successfully complete the task. Subordinate managers should ensure that they have the requisite authority prior to accepting responsibility (and therefore accountability) for a task. Senior managers are expected to provide oversight of subordinates and remain fully accountable for the results of responsibility and authority assigned downward whether or not they continue to take part in decision making.

Key Points.

- The term “line management responsibility for safety” is closely tied to the principle that “authority should be commensurate with responsibility.”
- Few DOE managers identified to the Board as being responsible for safety have the authority necessary to carry out their responsibilities.
- Oversight provided by persons outside “line management” does not diminish line management responsibility for safety.

The comments beginning on the following page provide a Board’s staff perspective on line management concepts as expressed in quotes from DOE’s Functions, Responsibilities, and Authorities Manual (FRAM).

**Annotated Quotes from
DOE M 411.1-1A: Safety Management
Functions, Responsibilities, and Authorities Manual
Approved: 10-18-99**

“Line Management. “DOE line management refers to that portion of the Department organization that has a linear reporting relationship extending from the Secretary to the people in the facilities directly performing the Department’s missions. It is distinct from DOE support organizations, such as those of the Office of the Assistant Secretary for Environment, Safety and Health and the Office of Management and Administration, which also have safety support responsibilities and functions.”

Staff Note #1—This definition is vague. Line Management is actually defined here through only two examples of what it is *not*. The concept of a linear reporting relationship is important but does not capture the essence of line management: responsibility, authority, and accountability for core mission objectives.

Staff Note #2—This definition is not in the glossary of terms; it is found only in a footnote.

“Accountability. The state of being liable for explanation to a superior Department of Energy (DOE) official for the *exercise of authority*. Ultimate accountability is to the Secretary, who may delegate authority or share responsibility for specified actions. *The designee of an authority is accountable to the delegating responsible authority for the proper and diligent exercise of that authority.* Responsibility differs from accountability in that a responsible official “owns” the function for which he or she is responsible; it is an integral part of his or her duties to see that the function is properly executed, to establish criteria for the judgment of excellence in its execution, and to strive for continuous improvement in that execution. A responsible official is associated with the outcomes of the exercise of authority regardless of whether it was delegated, and regardless of whether the designee properly followed guidance. Accountability, on the other hand, *involves the acceptance of the authority* for execution or for further delegation of components of execution by using guidance and criteria established by the responsible authority.” [Emphasis added]

Staff Note #3—This definition is at odds with the staff’s definitions particularly in the places highlighted. DOE reverses “authority” and “responsibility” from the staff’s perspective (see below). The staff believes that line management should be accountable for performing specified functions and achieving specified outcomes (i.e., responsibilities) not just for the judicious use of authority.

“Authority. The permission afforded by law, regulation or directive, or delegated by senior management enabling a DOE employee to perform a function or reach and implement a decision.”

Staff Note #4—No comments.

“Delegation. Written permission sent by a responsible authority to another DOE employee transmitting the authority to perform a specific function on behalf of that responsible authority, usually containing guidance towards the manner in which the authority is to be used. By delegation, the responsible authority cannot diminish his or her responsibility for the consequences of the exercise of the authority.”

Staff Note #5—The staff defines responsibility in terms of assigned tasks and functions. The staff would substitute “accountability” for the term “responsibility for consequences.”

“Oversight. The responsibility and authority assigned to the Assistant Secretary for Environment, Safety and Health to independently assess the adequacy of DOE and contractor safety performance. Oversight is separate and distinct from line management activities, including self-assessments.”

Staff Note #6—The staff believes that the term “oversight” is general. We agree that “independent oversight” is separate from line management (up to some level—see below) but the term “line management oversight” is not an oxymoron in our model.

“Responsibility. The state of being *liable for the outcome of the exercise of an authority* granted by law, regulation, or directive. Responsibility cannot be delegated although the associated authority may be.” [Emphasis added]

Staff Note #7—The staff does not believe that responsibility is derived from authority. The two can, and too often do, exist separate from each other. In the staff’s model, responsibilities are the functions and outcomes assigned to a line manager. In our opinion, DOE sometimes experiences difficulties because managers assigned responsibility for safety do not have requisite authority.

“EH, which is not a line management organization, is responsible for carrying out the following three functions in support of the safety management system at Headquarters and in the field:

Independent Oversight. EH is the Headquarters element conducting independent oversight of ES&H activities. (The Office of Independent Oversight and Performance Assurance and the Office of Security and Emergency Operations, which are within the Office of the Assistant Secretary for Nonproliferation and National Security, oversee security and emergency management activities.)”

Staff Note #8—EH is independent of the Program Secretarial Officers and Field Element Managers. EH is not independent of the Secretary (the senior line manager to whom EH reports). EH provides staff oversight of line managers subordinate to the Secretary so that the Secretary has information with which to hold subordinate line managers accountable.

“Delegations. The Secretary receives responsibilities and authorities from statutes and Congress and may delegate those authorities throughout the Department and establish further responsibilities. Although the authority for executing specific functions can be delegated down the line to the individual who actually performs the function, *the responsibility for that function cannot be delegated. Designees are to be held accountable for impropriety or dereliction in the use of delegated authority.* In particular, contractors operating DOE facilities are accountable for performing their activities in a safe manner, and DOE line management is responsible for directing and monitoring the performance of those contractors to ensure the safety of their employees and the public and for protecting the environment. Delegations of authority for specific functions that differ among individual DOE organizations cannot be specified in this Manual.” [Emphasis added]

Staff Note #9—The staff believes that accountability is derived from responsibility, not from authority. The staff accepts that senior managers can establish responsibilities for subordinates and thereby increase the number of people accountable for performing some function or achieving some objective.