

Improving Mission Execution by Integrating our Management Systems

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December 2011

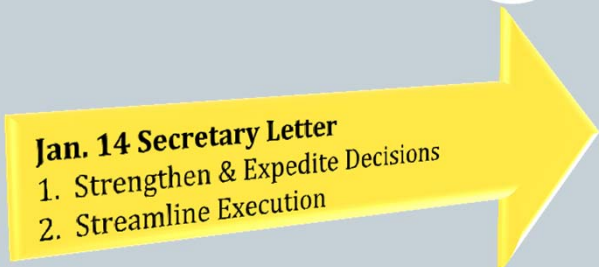
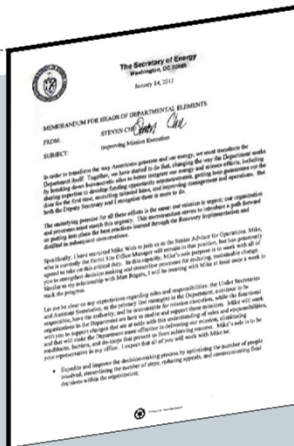
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ALIGNMENT: ACHIEVING MANAGEMENT AND OPERATIONAL EXCELLENCE

(Alignment of Strategy + Structure + Processes + People + Mission Focus)



Putting the Pieces Together to Improve DOE Management and Mission Execution



Process Changes

- Streamlined Correspondence Approvals
- Establish COO Board
- Horizontal Integration of Support Functions
- Development of Internal Communications Function
- Standardization of Delegations / Move Towards Working Level
- Promulgation/Connection to Strategic Plan

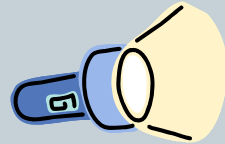
Behavioral Changes

- Clarify / Simplify R&R "Rules of Thumb"
- Learning Module for DOE Leadership
- Discussion and Reinforcement of Expectations

Fill in the Gaps

Institutionalize the Changes

- Links to the Strategic Plan
- Assignment to Responsible Organization
- Expedited Decision-Making
- Predictable Performance



Opportunity for building an Internal DOE Integrated Management System Approach to Drive Management and Operational Excellence

Management and Operational Excellence

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Goal: Establish an operational and adaptable framework that combines the best wisdom of all Department stakeholders to maximize mission success.

- Align Roles and Responsibilities Across the Complex
- Cultivating a Performance-Based Framework

- DOE Strategic Plan, May 2011

Initial efforts will also have synergistic impacts on additional strategic elements, for example

- Develop the most highly qualified, capable, and flexible federal workforce
- Leverage infrastructure to support the mission

Integrating our Management Systems is an integral part of the ongoing DOE Strategic Goal to improve management and operational excellence and is integral to DOE Management Principles.

Integrated Management System

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- **What this is:**
 - Part of ongoing Management and Operational Excellence initiatives
 - One internal DOE system approach for defining work processes and developing, promulgating, and implementing requirements
 - Consistent, predictable, efficient performance, including simplification of DOE/contractor interface (DOE speaking with one voice)
 - Driver for consistent, predictable, efficient performance
 - Supports oversight model for governance that relies on Contractor Assurance Systems and reflects the DOE roles of owner, regulator and customer
 - Basis for development of an enterprise risk management model
- **What this is not:**
 - New reform effort, review of existing DOE policy, or new directive for contractor management system

Planned Actions

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- **Optimize initial subsystems by aligning requirements and how they are implemented to focus on the mission and on meeting the needs of the customer**
 - Human Capital, Contractor Human Resources, Real Property, Requirements
- **Identification of externally-driven requirements (R's), what additional controls are needed (C's), and how are those implemented**
- **Analyze recent requirements changes for lessons learned and benchmark other institutions**
- **Report out to the Chief Operating Officers Board, the “Super 8”, and the Secretary by mid-January on first subsystem and potential for expansion to other components of mission delivery process**

What We Need from our Contractors

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- Engagement and ownership of Integrated Management approach and principles
- Consistent and corporate message when individual members are charged with representing the contractor community in this effort-avoid end-runs to senior management
- Partnering on revised governance model - be willing to embrace the work and benefits of this long-term effort, even if old methods will benefit you in the short-term
- Honest and open feedback when behavior is not consistent with this approach
- Own and accept the risk that derives from the new governance model