

Independent and Self-Evaluation of CAS

presented to the

***EFCOG ISM&QA and Contractor Assurance Working Group
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Bob Stuewe

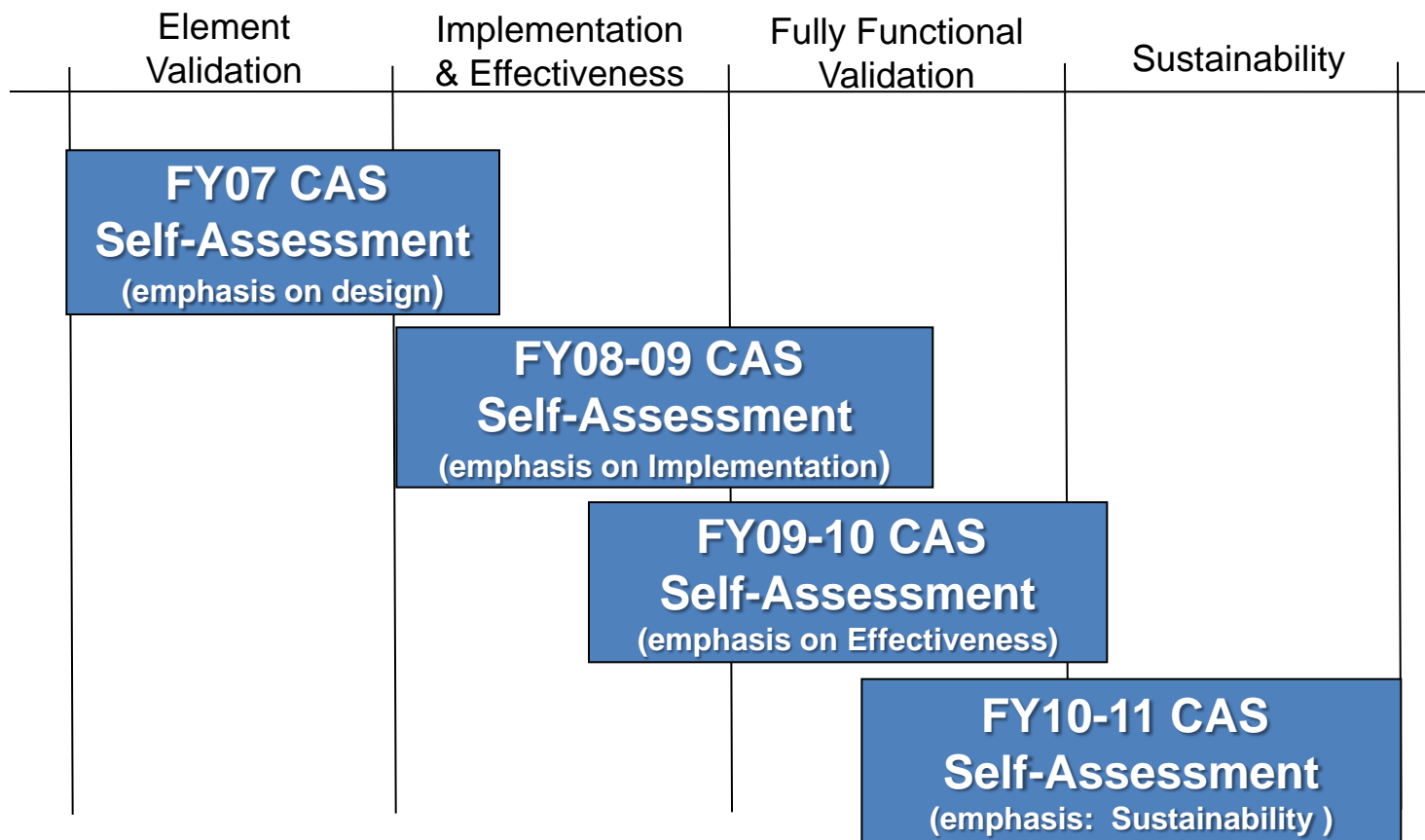
***Contractor Assurance Office – Performance Feedback
Los Alamos National Laboratory***

LANL Independent and CAS Self-Assessments

- **Annual Independent Assessment**
 - Parent Organization Functional Management Assessment (POFMA)
 - Informs the Board independently on CAS operation and effectiveness
- **Annual CAS Management Self-Assessment**
 - Built into CAS design (System Description Document)
 - Informs the selection of improvements for the next fiscal year as part of CAS continuous improvement
 - Informs the content and conclusion in the annual CAS Assurance Letter sent to the Board and to the NNSA

These assessments share planning, scheduling, and results information, but execute and develop conclusions independent of each other

Assessment Progression as the CAS Matures



POFMA tends to be on leading edge each year

UNCLASSIFIED

Management System Progression

Process View

1. Defining repeatable and predictable processes
2. Using the processes in the most relevant areas
3. Good results in a few areas
4. Continuous improvement becomes evident
5. Many favorable trends
6. Fact-based learning
7. Many-to-Most relevant areas with good results and/or favorable trends

Assessment Design Options

Informing Improvement:

What do we need to work on next?

Verification:

Are we there yet?

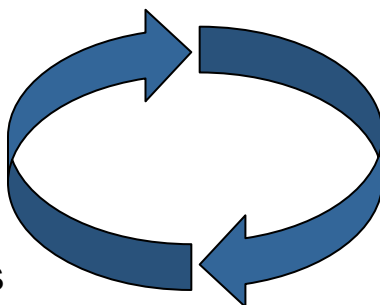
System View

1. Reacting to problems as they happen to individual processes. **(Reactionary)**
2. Reacting to problems as they happen to the organization as linked processes. **(Joint Problem Solving)**
3. Working to achieve organizational goals as individual but linked processes. **(Alignment)**
4. Working to achieve organizational goals with system of interdependent processes. **(Integration)**

Relationship: Independent/Self-Assessment

■ LANL Self-Assessment

- Planned in 3rd Qtr
 - Documents
 - Measures
 - Interviews
 - Analyses
 - Related Assessments
 - Team Selection
- Execution in 4th Qtr
 - Midway Report to POFMA
 - Incorporate POFMA Outbrief
 - Final Report mid-September



■ LANS Independent

- Planned in 3rd Qtr
 - Team Selection
 - Documents
 - Requested Presentations
 - Action Progress Review
 - Interviews
- Execution in 4th Qtr
 - Outbrief in August
 - Report early September

Separate reports to senior management and Board

Relationship: Independent & Self-Assessment

■ Collaboration With Independence

- Honestly request independent to look at “leading edge”
 - Critical point for continuous improvement
 - Sometimes better than expected, sometimes worse
 - Overlap with self-assessment helps ensure “balance” even with limited timeframe for independent
- Avoid duplication of interviews
 - Independent interviews senior leaders and NNSA
 - Self-Assessment interviews process workers and field interviews
 - Avoids conflict of interest for self-assessors
 - Team leaders collaborate on questions to ensure shared value

Points About Interview Questions

- Most useful for verifying use
 - Independent
 - Questions designed from basic system operational
 - Questions of an open-ended nature
 - Responses will be in respondents language if “built in”
 - Self-Assessment
 - Questions designed from detailed knowledge
 - Questions very specific to “pull the string”

Independent Examples:

- How do you use measures in managing your organization?
- How do you select assessments?
- How do you use share Lessons Learned in your organization?

Self-Assessment Examples:

- What actions did you take on this unfavorable trend?
- How did you determine that this issue was resolved effectively?
- What actions did you take on this lessons learned?

LANL CAS Self-Assessment Methodology

Critical Few for each component:

- 3-5 (max) criteria for Implementation
- 3-5 (max) criteria for Effectiveness
- Divided across Institutional and/or Directorate as appropriate

Observations not Opinions:

- Dashboard Levels and Trends
- Other credible data sources
- Documents
- Interviews to validate how use

Objective not Subjective:

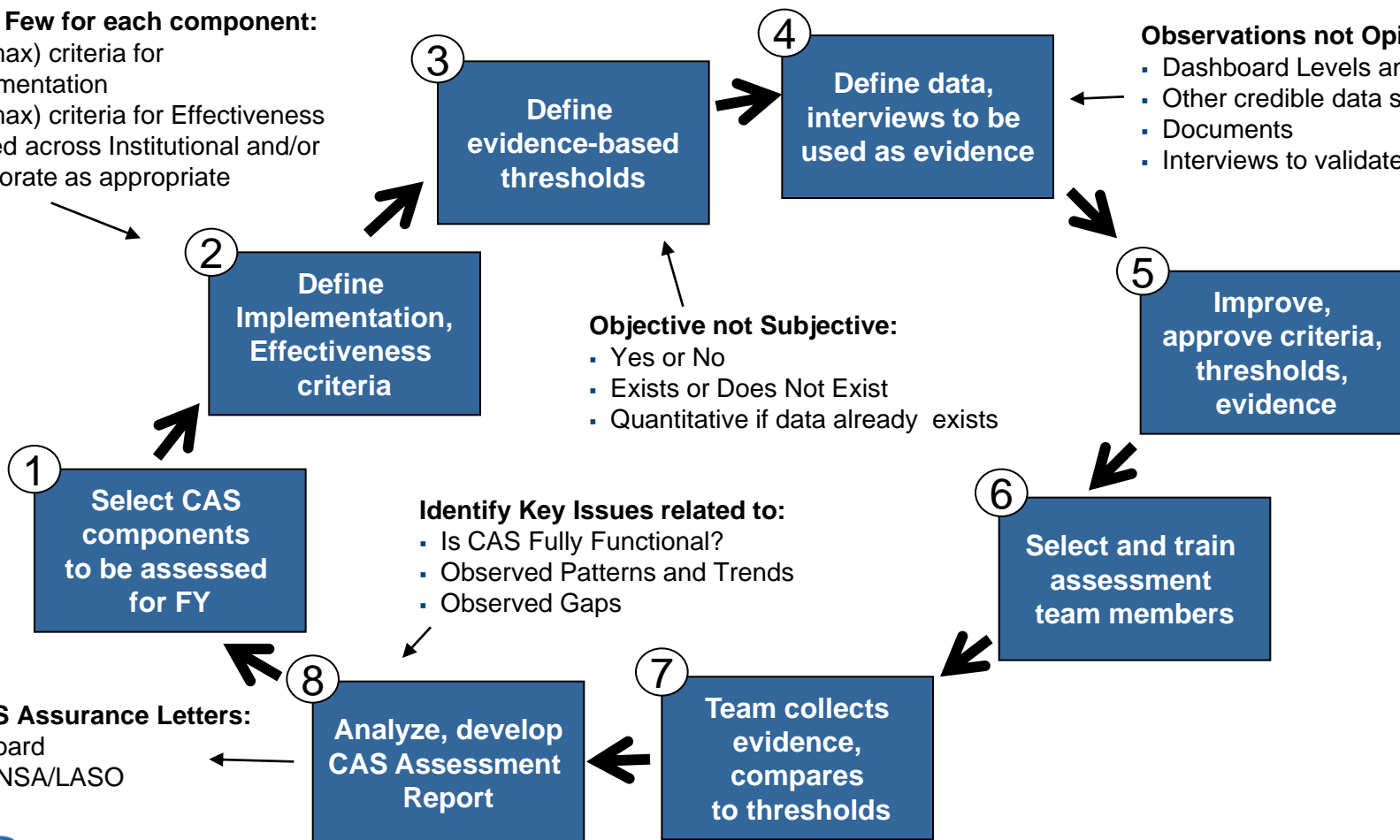
- Yes or No
- Exists or Does Not Exist
- Quantitative if data already exists

Identify Key Issues related to:

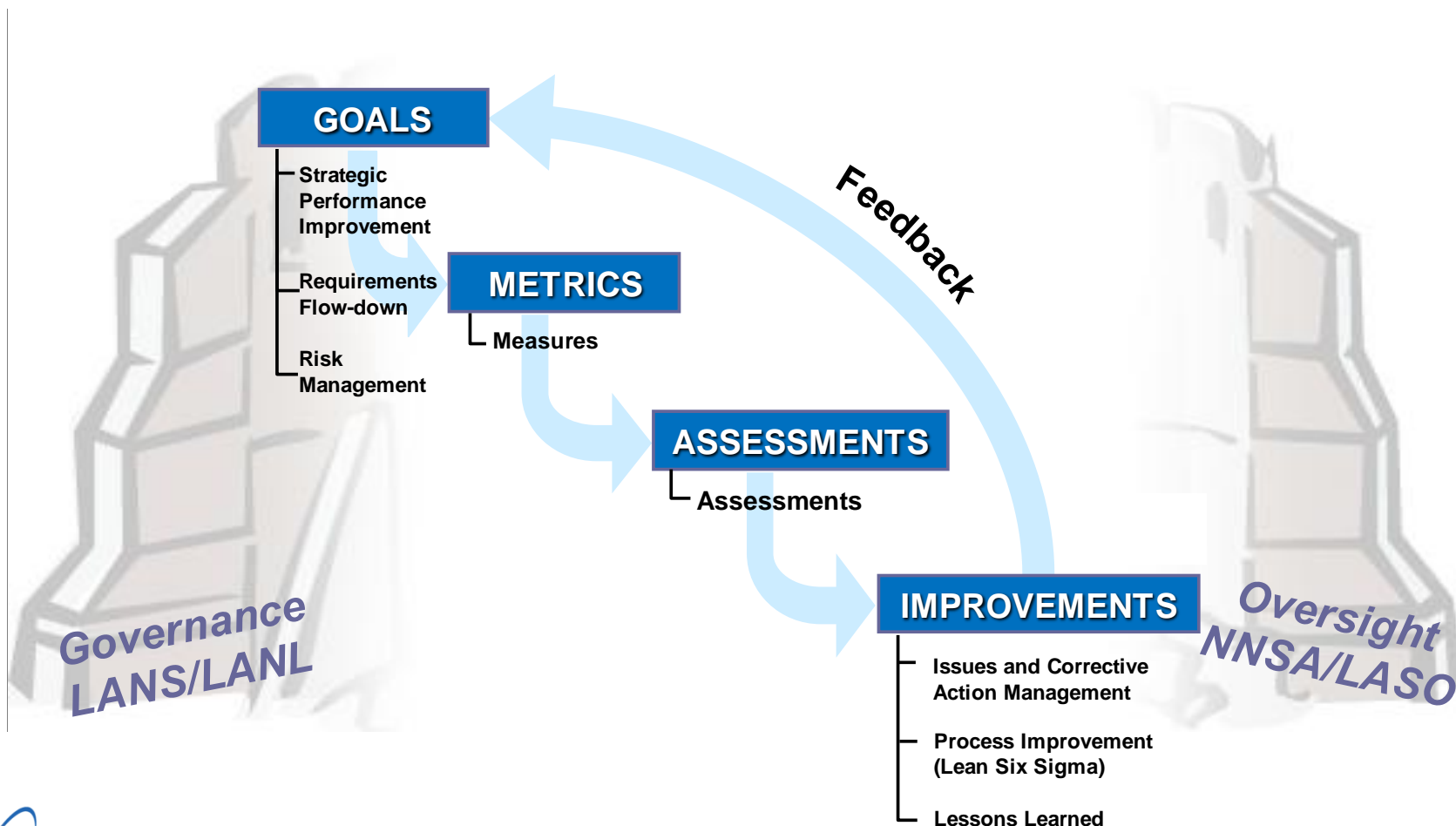
- Is CAS Fully Functional?
- Observed Patterns and Trends
- Observed Gaps

CAS Assurance Letters:

- Board
- NNSA/LASO



LANL Contractor Assurance System



Assessing Implementation

■ Planning:

- Select Components
 - Goals (Strategic Performance Improvement, Requirements Flow Down, Risk Mgt)
 - Measures
 - Assessments
 - Improvements (Issues Management, Lessons Learned, Process Improvement)
 - Related processes of concern (e.g. other feedback)
- Select Deployment Segments
 - Institutional
 - Organizational
 - » Sub-Units
 - » Facilities
 - » Requirements Areas
- Define Thresholds for Determinations:
 - Not Implemented
 - Partially Implemented
 - Implemented

IMPLEMENTATION

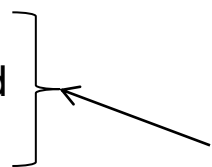
Processes are predictable and repeatable and in use by the most important deployment segments

Factor in NNSA criteria and
LOCAS Fully-Functional Definition

Assessing Effectiveness (same basic methodology)

■ Planning:

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EFFECTIVENESS

Processes deployment has no significant gaps that would preclude achieving desired results, processes are demonstrating sustained good performance levels and /or favorable trends.

Factor in NNSA criteria and
LOCAS Fully-Functional Definition

“Fully Functional” Criteria

from LOCAS Integration Council Implementation Report

Table III. Elements of a Fully Functional CAS

Rigorous, risk-based self-assessments, including feedback and continuous improvement

Effective and efficient causal analysis, trending, corrective action, and risk management

Identification and correction of negative trends before they become issues

Executive leadership uses the CAS/management system to guide its actions, to include strategic performance targets and measures

Substantive parent organization involvement and contributions to assuring mission success

Third party certification, as appropriate, is achieved

Information is transparent—substantive insight supports effective oversight

Integrated, consistent application of the management system across all site activities

Integrates the elements of ISM, ISSM, and QA

Defines performance expectations and compares them with actual performance to guide improvements to the work process

Demonstrates continuous improvement and cycles of learning

Criteria Example

Implementation Characteristic	Institutional expectations are defined and followed for evaluating LANL Dashboard measures performance	
Observable: Whether measure owners regularly review their performance		
	Criteria	Best Fit
	“Implemented” Criteria: >90% of measures in the LANL Dashboard that are Red or Yellow have commentary, and >90% of commentary was written with personal involvement of the measure owner	
	“Partially Implemented” Criteria: Less than “Implemented” but more than “Not Implemented”	
	“Not Implemented” Criteria: <75% of measures in the LANL Dashboard that are Red or Yellow have commentary, and >90% of commentary was written with personal involvement of the measure owner	

Example: FY09 LANL CAS Self-Assessment

- 12 Other Assessments (including Independent POFMA)
 - 2 External; 5 Internal Independent; 5 Management Self-Assessments
 - Collectively: >100 interviews and >100 documents reviewed
- 16 additional targeted interviews
 - Most associated with improvement and corrective action progress
 - About 50 in FY08 – fewer other relevant assessments that year
- >200 documents reviewed
 - Institutional and local procedures, reports, minutes, agendas, schedules
- 48 Dashboard Measures: CAS process levels and trends
- 14 supporting analyses
 - Using data in systems to monitor use by organizations
 - Annual trends in areas without Dashboard Measures

CAS Self-Assessment Report

- Overall implementation and effectiveness determinations
- Shows all information (bullet form) used to determine “Best Fit” for each characteristic
- Delta from the previous CAS Self-Assessment
- Findings, Issues, Opportunities for Improvement
 - The most important – the ones that are barriers to advancement
- Tables that document deployment
- Analyses that support determinations

CAS Assurance Letters: Is the CAS Operational? Is it responsive to contract requirements? How well is it working? Are there any significant issues? How do you know?

Lessons We Have Learned

- First year different – validates design, compliance
- Separate Implementation and Effectiveness
 - Leads to more “actionable” results
 - Deployment continuum: a few, some, **many, most**, all
- Method forces definition of what “success” looks like
 - Effective does not mean “perfect”
- Balance is important to ensure effective improvement
 - Documents, measures, interviews, analyses
- Leverage other assessments
- Assessment Plan: hard to build, saves time in future years

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Questions?