EFCOG Best Practice #130

Best Practice Title: "*Operational Performance Reviews (OPR)"* as a vital part of a maturing Contractor Assurance Process

Facility: Oak Ridge National Laboratory (ORNL) managed by UT-Battelle for the Department of Energy

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Brief Description of Best Practice:

Assurance systems are designed to ensure mission objectives are met; workers, the public, and the environment are protected; and operational, facility, and business systems are effectively run and contract requirements are met.   One method for verifying the effectiveness of UT-Battelle's assurance system processes is the Operational Performance Review (OPR). The OPR was designed as a collaborative, yet independent peer review of each UT-Battelle divisions' operational performance and ESH&Q risk management.

The OPR is a management assessment to evaluate the effectiveness and maturity of an ORNL division's implementation of Contractor Assurance and Integrated Safety Management requirements in terms of functionality, effectiveness and efficiency. The review is tailored to the performance and risks of divisions, management systems, and the Laboratory; and includes assist opportunities on known problem areas or best practices worthy of broad sharing. The OPR is also used to satisfy the field assessment portion of the internal audit requirements of the three ORNL registered systems (ISO 9001, ISO 14001, and OHSAS 18001).

Why the best practice was used:

For years ORNL conducted Operational Awareness Program (OAP) inspections consisting of condition-based and compliance-focused assessments which did not address behavior drivers or systematic issues. OAP was a mature program that had successfully met the stated purpose: 1) drive improvement in operational processes and ES&H; and 2) identify potential hazards and less-than-optimum operational conditions throughout ORNL. OAP was very focused on 'boots in the field' with large teams representing all the ES&H disciplines performing more than 35 walkthroughs (2-3 hours each) and more than 20 performance observations each year. OAP consistently identified the same issues (defective cords, insufficient panel clearance, used batteries and lamps storage) which were not representative of the higher risk areas to the Lab. Feedback from both line management and DOE suggested that OAP could be enhanced to deliver more value.

What are the benefits of the best practice:

Alerting the divisions and the Management System Owners (MSOs) to things they may not have known and/or risk they may not have thought about.
   • Increased understanding of the Lab's risk areas and effective mitigation.
   • Filling a gap in the Lab's management assessment process under the Contractor Assurance umbrella.
   • Divisions and MSOs preferred this format to the OAP – better dialogue with folks on solutions.
   • Through this process we have successfully reduced the assessment impact on the line organizations by being able to 'check the box' for compliance to the Lab's three registered systems and ISM.
   • Assisting line management in solving efficiency and effectiveness issues.

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- Identifying Best Practices worthy of sharing across the Lab.

What problems/issues were associated with the best practice:

OPR can be resource intensive. The OPR teams have grown large, making them difficult to manage especially with varying levels of assessment experience and traditional compliance-only focus by some. Some management systems have an issue with 'bench depth' while others are taking the opportunity to build depth with multiple representatives on an OPR team. The team composition is vital to ensure members are good listeners, can see the big picture and think objectively and creatively outside the scope of their day-to-day job. The OPR process has proven to add value, but it does require management commitment to look deeper than what other assessments can reveal and uncover opportunities for improved efficiencies.

How the success of the Best Practice was measured:

The lessons learned are gathered throughout the year with input from OPR team leaders, team members, Division points of contact, management system owners (MSOs) and DOE site office representatives.

The reviews have filled a gap in the ORNL management assessment process under Contractor Assurance. Through this process we have successfully reduced the assessment impact on the line organizations by being able to 'check the box' for compliance to the Lab's three registered systems and ISM. To some, the greatest value measured has been assisting line management in solving efficiency and effectiveness issues. For others, the value has been through the identification of best practices worthy of sharing and alerting the divisions and MSOs to things they may not have known or risk they may not have thought about. Overall, ORNL management has an increased understanding of the Lab's risk and the effectiveness of risk mitigation in the areas OPR reviewed.

Description of process experience using the Best Practice:

OPR Preparation: The OPR Manager meets with division point of contact to discuss the OPR process and determine the scope and potential team members, based on the operational risks of the function to be reviewed. Selections are made collaboratively. The OPR Team Leader is typically a Directorate Operations Manager, Division Operations Manager or Division Manager from another directorate, which brings credibility, independence and unique perspective to the review. Since the OPR Pilot conducted in the summer of 2010, Management Systems included in OPRs have expanded from the core ESHQ and work control functions to include additional areas based on the risks and needs of the division (i.e. Safeguards and Security, Information Technology, Acquisition, etc.).

Additional preparations include an assessment schedule, roles and responsibilities, facility access requirements, including PPE, scope of ongoing activities, and work control documents associated with work activities to be observed. An OPR team orientation is conducted prior to the review to discuss the OPR process and communicate the scope and schedule of the assessment to the team members. Team members are responsible for reviewing the information they need to conduct their portion of the assessment and supplying "Lines of Inquiry" to the OPR Manager for consolidation into the OPR Assessment Plan.

Conduct of OPR: The review is streamlined into a 5 day work week, and is focused on the higher risk activities for that organization. The OPR begins with a management review presentation which includes the organization's strategy for risk management and their

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metrics for operational performance. Discussion between the OPR team and the organization typically identify risk areas to be reviewed in interviews, performance observations and assist topics.

Assist topics are known problems or nonconforming areas that the organization would like assistance in resolving. These could also be recognized best practices that the organization's approach could benefit other elements of ORNL. The assist topics are selected collaboratively between the division and the OPR team. Time is scheduled for a sub-set of the OPR team to support the assist topics during the review.

The OPR seeks to strike the right balance between compliance and performance efficiency. The performance observations are scheduled during specific work activities in progress and the team interviews staff about the work control (scope, authorization, hazards, training, documentation, feedback, PPE, tools and equipment, etc.).

OPR Feedback: At the conclusion of the review, the OPR team conducts an out-brief with the line management and Management System Owners on the results of the assessment. The OPR team's conclusions are based on the assessment of the assurance systems, processes, tools and practices in place, the level of engagement of management in these processes, and the evidence presented of process effectiveness. In addition, the OPR process provides a means of sharing good/best practices and/or lessons learned fostering continuous improvement.

The OPR report identifies findings, opportunities for improvement, and strengths based on the OPR team's conclusions. OPR results "go both ways" assigned to either the organization reviewed or management systems and are documented in accordance with the issues management process. One of the divisions reviewed expressed, "Good opportunity for the line to look 'back up the microscope' and for the management systems and support organizations to hear the voice of the customer."

The OPR FY 2012 schedule reflects reviews of a high-risk process and operations within a building, not just by organizational lines. Process improvements continue to evolve the OPR process through effective communication of the process, feedback, and partnering with Independent Oversight and DOE. The OPR program continues to mature and add value to ORNL.