



U.S. DEPARTMENT OF  
**ENERGY**



# Contractor Assurance System

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# Introduction

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- **Goal**

- Ensure that an effective, efficient, compliant, and well integrated federal oversight framework that drives improvement in DOE and contractor performance is understood and implemented at all levels of the organization.

- **Why?**

- There is inconsistent execution of contractor oversight across the EM Program, specifically the establishment and effective use of a Contractor Assurance System (CAS). To avoid unacceptable consequences, DOE needs to ensure integration of information is occurring among sites and organizations, sites are able to intervene effectively and timely, and sites systematically review functional elements through the use of effective performance indicators.

- **Approach**

- Develop a consistent and effective EM Program oversight model that platforms off DOE Order 226.1B and defines oversight roles and responsibilities for line management and support offices and sets forth expectations for a CAS. Expectations and roles & responsibilities coupled together strengthens and focuses oversight. In addition, with limited resources we must ensure that resources are appropriately allocated or targeted to achieve maximum effectiveness. Once an effective CAS process has been implemented, the focus of DOE oversight will ensure the CAS is rigorously maintained and self critical.

# DOE Focus Areas/Charge Questions

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- How do we best evaluate effectiveness of the CAS and how does one know when it is degrading?
- How do we provide some consistency of CAS evaluation across the complex?
- How do we ensure the oversight programs are appropriately comprehensive, especially in key functional areas?
- Is there enough focus on the execution/performance of federal management oversight?

# Objective - Define An Effective Oversight Program

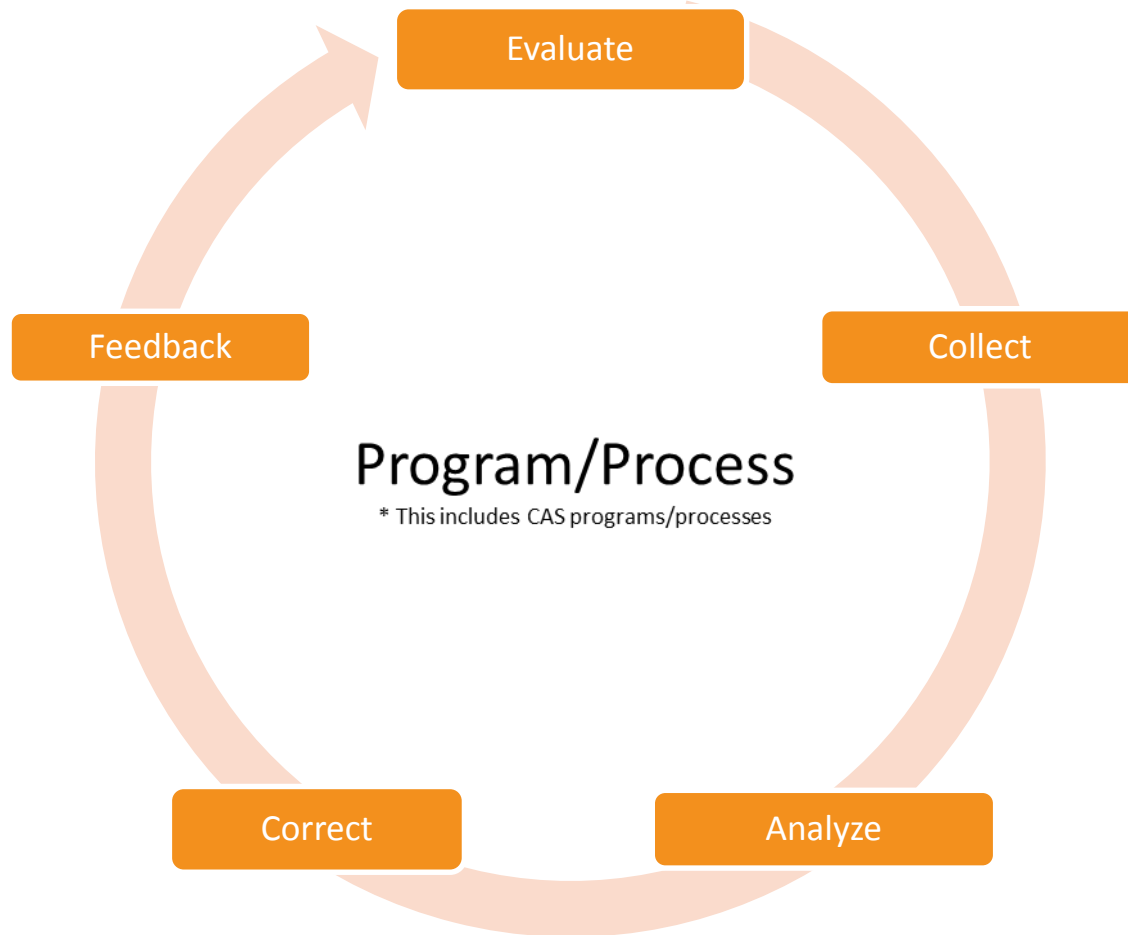
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- What does an effective Oversight Program look like?
  1. Grounded on three safety culture focus areas: Leadership, Employee Engagement, and Organizational Learning
  2. Defines an integrated process that recognizes performance issues early on to prevent unacceptable consequences
  3. Ability to collect, evaluate, and analyze information to identify adverse trends and anomalies
  4. Senior Management active safety leadership and engagement
  5. Appropriate oversight balance of high risk and routine activities
  6. Routine independent and management assessment of the oversight program to promote continuous improvement

# DOE-SR Method for Evaluating Effectiveness of CAS

- Developed a Performance Based Incentive Specific for CAS
  - Attributes from DOE O 226.1B
    - *Requirements flow down and procedure adequacy - Programs are established to ensure applicable requirements are accurately reflected in procedures and work processes.*
    - *Assessment Program - Rigorous, risk-informed, and credible self and QA assessments and feedback activities are conducted to identify issues and improvement opportunities. This includes Parent Company/Corporate Board involvement*
    - *Performance Measures - Metrics are effectively used to provide an accurate picture of current performance against goals*
    - *Trend Program - Deficiencies and metrics are analyzed to support identification of performance trends. Reports are provided to management with sufficient technical basis to allow informed decisions that support correction of negative performance/compliance trends before they become significant issues*
    - *Causal Analysis and Corrective Action - Performance gaps are identified and analyzed commensurate with their significance. Corrective actions are timely prioritized by importance, and appropriately targeted*
    - *Lessons Learned - Lessons Learned experiences and good practices are incorporated into the overall work process and used to inform the organizations of adverse work practices or experiences*
    - *Employee Engagement - Programs are established to promote quality awareness and ownership at the worker level.*

# DOE-SR Expectations for CAS



# Effectiveness of CAS

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## Evaluate

- Proactive: Assessments
- Reactive (but still valuable): Issue Reviews

## Specifically for CAS:

- Evaluate the performance of assessments, causal analysis, corrective action development, metrics, etc.
- Its better to say:
  - “Self-assessments are good because we review them for clarity, rigor, and results” versus “Self-assessments are good because we did X amount”
  - “Causal Analysis are good because performance is evaluated” versus “Causal Analysis are good because they are identifying causes”
  - “Metrics are good because they are identifying issues” versus “Metrics are good because they are indicating good performance.”

# Effectiveness of CAS

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## Collect

- Segregate data into useful information easy to analyze
- Convert data into useful metrics when possible

## For CAS Specifically:

- Collect data in one place. You cannot say the company is doing good if you have separated the organization into site programs and facility programs and you are only looking at site programs.
- Separate data that doesn't compare apples to apples. Findings and OFIs are completely different things. Changes in the number of Findings does not indicate the same thing as changes in the number of OFIs. It is more appropriate to track them separately.
- Use coding that is valuable to your site and is sensitive enough to separate data into useful buckets for later trending and metrics. Occurrence report coding is for coding occurrences and may not be the best way to code your data.

# Effectiveness of CAS

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## Analyze

- Be critical when looking at data.
- Use multiple perspectives, especially if everything looks good.

## Specifically for CAS

- If data is coming from an event or is indicating a trend, perform good causal analysis. Good causal analysis is dependent on having all the information. If the developed corrective actions include collecting more data to identify contributing factors like an extent of condition or evaluating a procedure, then you did not have all the information to do a proper causal analysis.
- Data showing consistent performance still needs investigating. Stable performance is still a trend and should be questioned. Are the right parameters being measured.
- Intuitive analysis only works if you are being critical. Don't be afraid to be more critical than outside organizations would be. You are ahead of the game if you have self-identified the issue and are working to correct it.

# Effectiveness of CAS

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## Correct

- Causes are removed to minimize repetition/prevent recurrence
- Actions are prioritized to ensure items with higher risk addressed first (Significance Categories)
- Corrective action data is fed to a robust lessons learned program and being trended.

## Specifically for CAS

- Causal analysis is proper to pinpoint issue. Actions in the double digits may indicate cause is not known.
- Corrective actions types are used appropriately. Determine if corrective actions that “prevent recurrence” need to be long term vs. short term.
- Create a coding system that works for the site.

# Effectiveness of CAS

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## Feedback

- Build into plans an opportunity to adjust some focus as indications point toward possible issues. CAS needs to be fluid enough to change as the issues and environment change.

## Specifically for CAS:

- Adjust assessment plans or build in assessments that focus and increase frequency of program areas/processes that are indicating poor or decreasing health.
- Maintain a lessons learned database for all levels of work and operations. Post-job briefs should record issues that need to be part of future pre-job briefs.
- CAS is also a program and should be tweaked based on what evaluations of the process tell you.

# Summary

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## Focused on Improvement for the Following Areas

- **Transparency/Self Critical**
  - Effectiveness of Self Assessment Program
  - Identifying, and more importantly, communicating issues
- **Effectiveness of Corrective Actions**
  - Was the cause identified?
  - Repeat issues
- **Senior Management Involvement**
  - Are issues effectively communicated to senior management
  - Senior management actions when issues are identified

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# Questions?