

Effective Stakeholder Communications in a Changing Budgetary Environment – 15541

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ABSTRACT

Effective communications allow stakeholders to maintain trust and avoid misunderstandings by building relationships that foster better teamwork, more informed decision making, and faster problem-solving. This presentation and accompanying paper will feature a case study on the Liquid Waste program of Savannah River Remediation LLC (SRR) at the Savannah River Site (SRS) in South Carolina exemplifying its effective communication strategies with stakeholders and its partnership approaches to deliver consistent, constructive, and concise communications with stakeholders. Furthermore, this presentation proposes for consideration new models for communication with stakeholders regarding funding across DOE waste cleanup sites. This presentation also proposes a model for consideration instituting a competitive set-aside incentive program for DOE contractors to foster further efficiency, innovation, and measurable progress. The set-aside pool of funding would reward DOE site's on tangible measurable benefits such as progress in meeting milestones, furthering specific environmental risk reducing life-cycle costs.

Reduced budgetary funding can lead to much consternation for stakeholders, potentially causing a breakdown of years of hard-earned trust and jeopardizing future cleanup efforts. Therefore, organizations should proactively work together to develop a strategy to communicate effectively with stakeholders in order to assuage stakeholder concerns, mitigate risks, and continue to carry out its mission. In the face of funding reductions, effective communication can help promote better understanding by providing more information to help stakeholders understand DOE's funding allocation for each site. Furthermore, providing a set-aside competitive program could further incentivize innovation and reward progress.

Providing consistent, constructive, and concise communications is vital in the face of a changing budgetary environment. The Savannah River Site case study provides an example of the U.S. Department of Energy – Savannah River (DOE-SR) and SRR partnering to inform stakeholders about cleanup progress at the site. DOE-SR and SRR periodically and consistently provide both annual written progress reports under the Federal Facility Agreement and quarterly written progress reports under the landfill permit to the government regulators. Through the Liquid Waste System Plans, DOE-SR and SRR constructively and concisely summarize both the significant progress made and explain how a changed budget can impact the goals moving forward. Furthermore, DOE-SR and SRR informs the community and general public about the Site's progress and future during Citizens Advisory Board meetings. In addition, through the new proposed model for complex-wide communications, stakeholders can better understand how budget constraints will affect them. The set-aside program would also encourage stakeholder participation and involvement in helping each state and site obtain extra funding through performance evaluations.

Waste management organizations can benefit in a number of ways from an effective partnership approach to communicate with stakeholders about available funding. Keeping an open and honest dialogue with regulatory agencies can help preserve confidence, thus mitigating or completely avoiding costly and distracting fines and penalties. Informing the public not only promotes trust, but also spurs the public to exercise its right to demand more information and voice any concerns to elected or DOE officials. With this approach, DOE can receive better understanding and cooperation from stakeholders in a changing budgetary landscape. Furthermore, a set-aside competitive program would encourage efficiency and

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innovation that could lead to further cost savings for the government while providing extra funding for cleanup efforts.

INTRODUCTION

Since the dawn of the digital age, effective communication has been a stalwart component in continuing to build trust. A seemingly simple concept, effective communications is a concept from which books, courses, seminars and for which college majors have been developed. Effective communication requires a dialogue -- a two way dialogue -- during which the exchange of ideas succeeds in bringing about a greater understanding, hopefully, with ancillary benefits such as trust and a willingness to achieve common goals. This is particularly true where the discussion centers around a shrinking DOE budget and continuing state and federal obligations. This paper identifies the effective communications method of SRR to an identifiable set of stakeholders and proposes new models to bring further successes.

DISCUSSION

As background information, SRS, a 300-square-mile DOE Complex located in the State of South Carolina, began operations in 1951 and has produced nuclear material for national defense, research, medical, and space programs. The separation of fissionable nuclear material from irradiated targets and fuels resulted in the generation of over 150 Mgal of radioactive waste. As of December 2013, approximately 37 Mgal of radioactive waste are currently stored onsite in large underground waste storage tanks at SRS. Most of the tank waste inventory is a complex mixture of chemical and radioactive waste generated during the acid-side separation of special nuclear materials and enriched uranium from irradiated targets and spent fuel using the Plutonium Uranium Reduction Extraction (PUREX) process in F-Canyon and the modified PUREX process in H-Canyon (HM process). Waste generated from the recovery of Pu-238 in H-Canyon for the production of heat sources for space missions is also included. The waste was converted to an alkaline solution; metal oxides settled as sludge and supernate was evaporated to form saltcake.

This Liquid Waste system is the integrated series of facilities at SRS that safely manage the existing waste inventory and disposition waste stored in the 51 underground storage tanks into a final glass or grout form. This system includes facilities for storage, evaporation, waste removal, pre-treatment, vitrification, and disposal. This communication discussion centers around how SRR and DOE utilized effective communication around this liquid waste work.

Effective communication starts with the employees. We begin with employees because they are windows to the outside world. This is especially true in a climate of budget reductions. If a company's employees don't trust the company, the parade of horrors that can occur are myriad – including a greater propensity for whistleblowers, less efficiency and less innovation to name a few. A loss of morale and gossip mongering are additional outcomes which could lead to distractions and safety issues. In contrast, having the trust of employees allows companies to take on even greater work challenges, creates synergy and allows for greater innovation because employees believe they have a say in what matters and a better understanding of what the company is trying to accomplish. This all begins with communication.

Since its inception in July 2009, SRR has continued to branch out from the nontraditional means of communicating with employees. Traditional means have included roundtables and all employee meetings. With the advent of technology, communications now include video messages from the President and electronic emails. SRR experimented six years ago with Edventures, a company-wide participation event in which employees from different operations and departments of SRR were provided

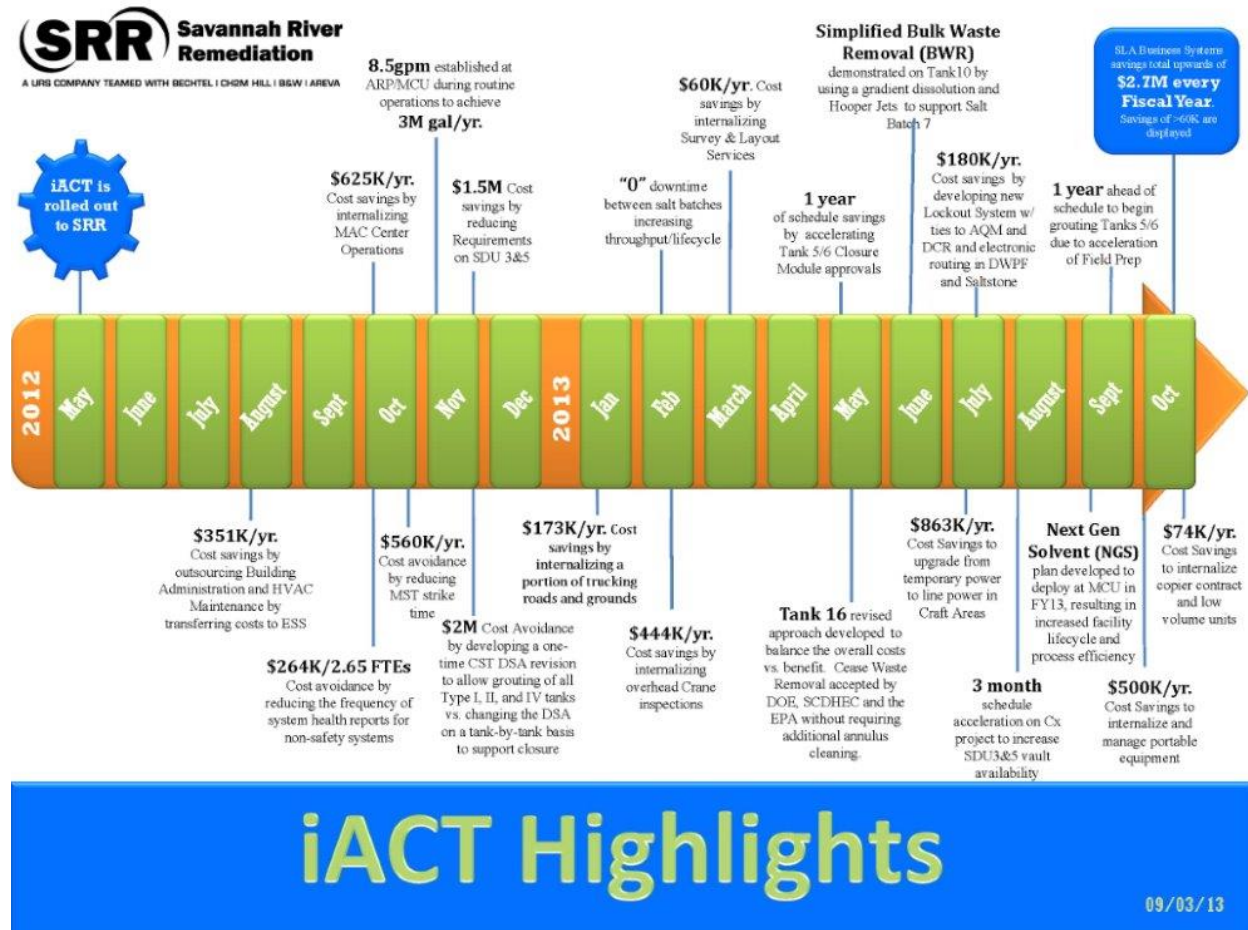
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a game board and cards similar to Monopoly during which explanations of where allocated budget dollars were spent and the contract terms and conditions were provided to all employees. Many employees were surprised at the allocations to each department, but more importantly, were educated in the contract terms and the role in making SRS and SRR work. The benefits from such an encounter were significant as employees learned the interdependence of the departments, where the actual DOE budget went and left empowered both individually and collectively to change what they could for the better. This process was repeated in 2011 with a different emphasis on changing goals and the budget as the budget changed. It was also piloted to include government stakeholders.

The iACT process followed next championed by the current SRR President, Stuart MacVean. This process built on the collaboration spirit of the Edventures program and developed an estimated savings to the government of \$7.5 million and \$2.3 million in cost avoidance. It also accelerated some schedules by at least one year.

SRR continued its external communications in 2012 with the iACT teams where teams of SRS employees were on the hunt to reduce costs and unnecessary services in conjunction with incorporating the personal responsibility of each employee (i) in accelerating closure of tanks (iACT). This personal responsibility and ownership was a powerful communication tool that allowed all employees to find improvement in their respective departments. The results of this endeavor are found in Table I.

TABLE I
iACT



These types of activities are important in communicating a message to the stakeholders that SRR and DOE cares about every dollar spent under its control, garnering support and trust from the customer and the regulator that the site is efficient and careful with the resources it has been allocated.

As the management continued to evolve this process, it started the LEAN process in late 2013. This is a non-traditional communication tool which employees collectively share ideas, experiences, lessons learned and other valuable insight to streamline existing processes. Various LEAN teams have been formed which look at not only processes, but examines the dollars spent on certain activities and evaluated if the task, service and/or process was even necessary. Along with the help of consultants, these LEAN teams dialed down to root causes of cycle time delays and eliminated days of unnecessary review, and in doing so, freed up valuable time that could be deployed to perform other tasks. Effective communication started with the actual people performing the work and successfully engages them in developing and delivering improved ways of performing tasks. To date, we believe the LEAN process has produced over \$20 million in savings to be deployed to perform additional work at the site.

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Finally, SRR is embarking upon the speed of trust – a training program based on “The Speed of Trust” book by Steven M. Covey. In its take on the book, SRR is focusing on self-trust, relationship trust and organizations trust objectives. As a result of recent layoffs, sequestration and SRS budget resolution, SRR embarked on implementation of this concept to re-establish and continue to build trust between the employees, organizations, and management. Among the tools used are training sessions of management to evaluate if they have self-trust and trust with employees. These tools are ultimately designed to improve morale and productivity. SRR is pursuing this because we believe there is a correlation between trust and productivity.

What does all of this have to do with effective communications?

The answer is plenty. When employees are actively engaged in saving and working efficiently, they become walking, talking billboards for the company, the site and the DOE customer. Communication becomes efficacious and contagious so that the community becomes aware of the site doing the right thing, building support and trust among all stakeholders.

Another stakeholder where effective communication was utilized is the DOE-SR Liquid Waste team, and while communication with the customer is required per contract between the parties, that did not stop the evolution of effective communication between the parties. Three times, the executives of both DOE and SRR have come together under the umbrella of partnering to increase communication, collaboration and effectiveness in performing the tasks under the SRR Liquid Waste contract. The first partnering session occurred in 2011, and the second in 2013, with the goals including better and more effective communication among ourselves and with our stakeholders with alignment and transparency. Both meetings resulted in signed partnering agreements. The second agreement signed in 2013 by all SRR and DOE executive staff members stated as a goal to communicate with our stakeholders with transparency and one voice. Most recently in 2014, the parties came together to review priorities in light of shrinking budgets and develop new paths to address the issues. This illustrates the importance of effective communications; that despite having contractual terms and conditions that address the work to be performed in order to achieve even greater success together, DOE and SRR agreed that effective communication was a vital tool to achieving even more.

While it goes without saying, having the contractor and customer in one accord on the priorities and mission of the Liquid Waste program is necessary, particularly in light of shrinking budgets.

Effective communication with external stakeholders (as distinguished from the customer and the employee) starts with the local and surrounding community. Many times problems can arise when the local community is not provided information or an avenue to be heard. Additionally, employees are often forgotten as external stakeholders. Unfortunately, some programs fail to recognize that employees are part of the community, too, and not just part of the workforce. As stated earlier, employees are walking, talking billboards and effective windows to the outside world, and as such, ensuring that employees have current information on issues is an effective communication tool. SRR recognizes that sending employees external mailings ensures more accurate sharing of information to the general public. SRR has also recently erected in strategic places around the site, 55-inch wide screens that continually provide up to date news and information of importance to SRS employees (e.g., how many canisters have been produced).

Another important stakeholder at SRS is the Citizens Advisory Board (CAB), one of eight Environmental Management Site-Specific Advisory Boards (EMSSABs) funded by the DOE and located in Aiken, SC. These Boards provide advice and recommendations to DOE at its request on environmental remediation,

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waste management and related issues. Agency Liaisons from DOE, the U.S. Environmental Protection Agency-Region IV (USEPA) and the South Carolina Department of Health and Environmental Control (SCDHEC) participate at the table during Board meetings.

The CAB is headed by a Chair and Vice Chair that represent the CAB at Environmental Management Site-Specific Advisory Board meetings and to the public. The remaining board members are divided into four issues-based committees, which include the Waste Management Committee, the Facilities Disposition & Site Remediation Committee, the Nuclear Materials Committee, and the Strategic & Legacy Management Committee.

The various committees within the CAB meet to discuss environmental management issues involving the Savannah River Site and its impact on the surrounding Central Savannah River Area (CSRA). Issues covered by the committees involve environmental clean-up on the site, budget management, materials handling, historic preservation, plans for the future uses of the site, and more. Members of the public may provide comments during several Public Comment Periods offered at various times throughout the meeting.¹

The DOE and SRR routinely communicate with the Board as presenters at its regularly bi-monthly committee meetings as well as the full Board meetings. However, DOE's response to a recent CAB request is unprecedented. Every year SRR provides to DOE a draft System Plan based on inputs and assumptions from DOE. That System Plan has been called the DNA of the Liquid Waste system as it controls and manages the treatment and disposition of sludge and salt waste and enables continued tank closure activities, sustains sludge disposition activities in the Defense Waste Processing Facility, controls space in tanks and minimizes continued limited use of old style tanks. This plan also states that one of its common goals and values is to ensure that DOE's strategy and plans are subject to public involvement and acceptance. This is no simple plan. It is a complex processing plan of chemistry, engineering and high hazard risk mitigation to name a few of its attributes. Every year in the past, in an effort to aggressively demonstrate effective communication, representatives, typically engineers from both DOE and SRR, present the System Plan to the CAB for review and questions.

However, as a proactive means to meet a new request from the CAB for more meaningful effective communications, DOE is now considering providing the CAB the inputs and assumptions used to develop the System Plan as well as possibly providing a draft System Plan to ensure relevant public participation and comment. This would create a new level of trust and partnership that is unprecedented and should be commended.

It is also quite possibly fraught with risk. What happens if the CAB does not agree with the draft recommendations or if budgetary constraints change the agreed to recommendations? While no one can fully answer that question, the level of trust that is associated with the level of transparency and effective communications should pay dividends for all involved.

An additional step SRR takes with the citizen stakeholder is personal attention and establishing personal relationships. On many occasions, SRR has provided technical tours and made subject matter experts available for question and answer sessions to address questions and discuss issues on a range of subjects related to the Liquid Waste Program. For example, members of the Governors Nuclear Advisory

¹ Savannah River Site - Citizens Advisory Board. (2014). About Us. Retrieved January 15, 2015, from <http://cab.srs.gov/about.us.html>

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Council (GNAC) have been provided detailed explanations of highly technical information to ensure effective communications.

The Liquid Waste Program interaction with its regulators has continued to evolve in its effort to achieve the most effective state of communications.

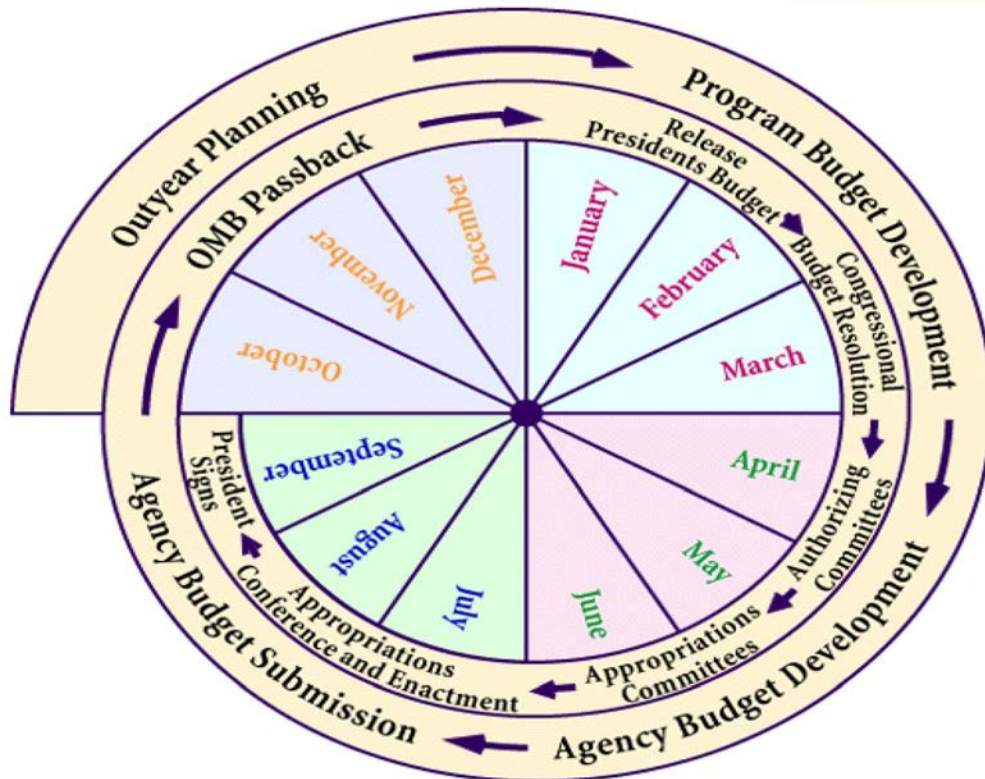
Currently, DOE and SRR meet with the regulators at least three times a month to discuss issues such as tank closures, budget issues and regulatory submittals.

SRR has continued to find innovative approaches to engage the public stakeholders as well. Using the LEAN process, SRR was able to determine a way to cut months from an approval process for closing tanks but it would require regulator assistance. In an unprecedented approach in transparency and effective communications, DOE and SRR invited the regulators (SCDHEC and USEPA) in to understand and review its process and procedure for making decisions in an effort to reduce cycle times. As a result, SCDHEC better understood the process and was able to shave four months off of a closure schedule. This approach would not have been possible had not all parties involved engaged in effective communications.

As these effective ways of communication continue to evolve, the author proposes two new models for consideration.

The federal budget process as shown on Table II is not the most transparent and does not provide for any input variables. Its timing is also such that explanation of final budget numbers is impossible to predict.

TABLE II
Federal Budget Process



Therefore, it is proposed that in order to fully understand from a stakeholder perspective the impact of shrinking budgets, regulators and DOE top management meet immediately after finalization of budgets to understand why certain allocations were or were not made. This simple plan may lead to further transparency and engender even greater trust benefits from effective communication.

The second model proposed is the establishment of a competitive pool of funding between sites to incentivize demonstrable outcomes, reduction in life cycle costs and schedules, or reduced environmental risks as defined by criteria set by DOE. A set aside of some denomination as small as \$5 million to begin, would entice sites to compete. Once achieved, the winning site would be automatically eligible for additional and/or future funding. If the site was unable to complete the activity that was awarded the competitive pool for that year or if the activity failed, the site would not be eligible to reapply for two years. The purpose of this competition would provide an additional means of communicating to the external stakeholders and the public at large that additional funds were going to where the biggest payback could be attained, furthering effective communications.

CONCLUSION

Effective communication through several different avenues addressing many stakeholders engenders trust and can allow parties to rethink normal dispute mechanisms such as litigation. Further, new models proposed may provide alternative means of meeting goals and garner support of the public and the regulator.

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