

National Science Foundation
Advisory Committee for Business and Operations
Fall 2014 Meeting

December 11-12, 2014
Room 1235

Thursday, December 11, 2014

1:00 pm **Welcome/Introductions/Recap of Recommendations**

Co-Chairs: Charlene Hayes and Greg Jackson

1:15pm **BFA/OIRM Updates**

Presenters: Marty Rubenstein (Office of Budget, Finance and Award Management), Joanne Tornow (Office of Information and Resource Management), Tony Gibson/Julia Jester (Office of Legislative and Public Affairs)

2:00 pm **ITRAK**

On October 14, 2014 the National Science Foundation (NSF) successfully implemented its financial system modernization initiative, iTRAK. There are many factors that contributed to this success, including a rigorous change management strategy. The iTRAK Project Manager (PM) will describe the approach taken to successfully implement iTRAK and present current statistics on transaction volumes, user training and user provisioning.

Change management continues to be a priority for the project team and ensuring that the NSF stakeholders successfully adapt to iTRAK is an ongoing effort. Some of the changes that the iTRAK users had to adapt to include new business processes, a new account code structure and new ways to access financial data. The PM will present a high level of the iTRAK Change Management Strategy and efforts around measuring change. The presentation will include past survey results that helped transform the communication and outreach approach. As iTRAK continues activities throughout the stabilization period of the project, communications and measuring change is more important than ever.

Committee Action/Feedback:

It would be helpful for the committee to provide feedback on the planned activities that the iTRAK Communications Team will undergo as part of stabilization period. These activities are focused on ensuring the stakeholders are successfully adapting to iTRAK. The communications team will analyze if users understand the new business processes and are using the system to successfully do their job. The iTRAK communications team will go out with a survey in January 2015 that will be used as the basis for this analysis.

Presenter: Gisele Holden

2:45 pm **Break**

3:00 pm **NSF Relocation**

Presentation will cover:

- Current schedule, including the impact of the Union impasse on the schedule and resulting potential delay costs. Explain the competing priorities which are hindering effective decision-making;
- Efforts to communicate the change in timing of the move with staff and establishing move assumptions in the face of uncertainty;
- Design: key technology infrastructure enhancements for NSF in the new HQ
- Working with the City and local economic businesses to ensure development and support is in place in time for NSF's move.

Committee Action/Feedback:

- General comments or recommendations to NSF leadership regarding the delay;
- How to ensure positive momentum for the move with staff in the face of uncertainty;
- Major move assumptions: maintaining or suspending merit review panels during some portion of the planned 3-month move process from Arlington to Alexandria – potential cost savings and move efficiency vs. continuity of key mission activity (using dual operations);
- In which areas of business community engagement should NSF invest the most time?

Presenter: Mignon Anthony

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3:30 pm

Succession Planning

Succession planning is widely regarded as an important aspect of federal workforce planning and development with the primary purpose of having continuity of leadership and operations for an agency's programs. The presentation will provide data that motivate the importance of a more active approach to succession planning for NSF as we look toward a headquarters relocation. Data will include information on workforce composition; retirement eligibility; historical loss rates; time to hire; and other items that influence overall workforce considerations, including attention to issues in particular job families and to executive-level positions. The presentation will then describe some typical approaches to succession planning; identify elements of the NSF workplace environment that promote or challenge standard approaches; and describe activities currently underway that speak to improving our succession planning efforts.

The NSF approach to meeting its mission, with its emphasis on transformative research, addressing national needs through research, and organizational excellence as a federal science agency has elements of both continuity and disruption. Bringing new ideas and directions to all aspects of NSF's work is a core element of NSF's approach to workforce and succession planning, particularly as reflected in its extensive use of rotators. Most succession planning approaches assume that there is stable leadership in place and a pool of internal candidates for opportunities beyond the entry level. This is not the situation in all parts of NSF. The core questions for Committee discussion and feedback are

- How might NSF adapt standard approaches to succession planning or create new approaches that take advantage of the dynamism of the NSF workforce, including its rotator population?
- Are there approaches to succession planning inside or outside the federal government that meld the dual needs of continuity and disruption?
- What strategies other than formal succession planning might help us to create opportunities for advancement of our staff leading to NSF retaining experienced staff through the relocation?

Presenters: Judy Sunley/Gerri Ratliff

4:15 pm

Managing Change at NSF

The agenda for this meeting includes items on iTRAK, the NSF relocation and succession planning---all items that have significant change management components associated with them. Committee discussants with experience in the change management arena and/or who have dealt recently with change management challenges will share their learnings and experiences with NSF.

Committee Action/Feedback:

Goal is to help NSF more effectively deal with change management issues, recognizing that these issues are common across many organizations. Are there best practices or tools that can be used at NSF?

Discussants: Kathy Newcomer/Doug Webster

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5:00 pm

Strategic Review Process: A Mechanism to Empower the Agency to Effect Change

In the spring of 2014 NSF designed and conducted the first round of Strategic Reviews in response to the requirement of the Government Performance and Results Act (GPRA) Modernization Act of 2010. OMB Circular A-11(270.2) specifically requires that these reviews, which are designed to assess progress on an agency's strategic objectives set forth in the agency's strategic plan, should inform strategic decision-making, budget formulation, and near-term agency actions, as well as preparation of the Annual Performance Plan and Annual Performance Report.

Although the Strategic Reviews are a GPRA requirement, OMB gave agencies the flexibility to implement the reviews in a way that is useful for their own purposes. The Strategic Review Process that we developed provides an opportunity to use data and evidence to inform planning, decision making, and improvement. OMB was impressed with NSF's approach and is pointing to our process as a model for other agencies. Key to our success is the fact that we carefully and strategically chose questions that are important to NSF senior management. The engagement of senior leaders as active participants helped to target the questions in a way that informs decision-making. OMB appreciated the focus on opportunities for improvement and there do not appear to be negative consequences to divulging challenges uncovered in the reviews.

This presentation will provide an overview of the FY 2014 process highlighting specific aspects that made the process successful. Examples of how the reviews will be used to effect change at the agency will be discussed. The next round of Strategic Reviews will begin in earnest in January of 2015. We are currently preparing for the reviews by engaging senior leaders in discussions of strategic directions and topics for the reviews. The Advisory Committees advice will help us improve the process as we move forward.

Committee Action/Feedback:

NSF is enthusiastic about the potential for Strategic Reviews to help us effect meaningful change within the agency. However, we recognize that any new process is fragile at conception. As we begin the second round of strategic reviews, we seek the AC's advice on how to institutionalize the process and make it more robust. Although it is tempting to be satisfied with our early successes, if we do not anticipate possible sources of resistance at this critical stage, those successes could be short-lived. We seek the committees input on how to minimize and manage resistance to change so that we can maintain momentum and continue to improve.

Presenter: Pam O'Neil

Discussants: Kathy Newcomer/John Palguta

5:45 pm

Adjourn

6:30 pm

Dinner

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8:30 am

Risk-Based Management

BFA seeks to implement a risk management approach as a tool to address competing work priorities. Like many governmental organizations, NSF is faced with increased requirements and limited resources, challenging our ability to meet core mission requirements. The agency is compelled to “do less with less” making a risk-based approach to managing organizational priorities an attractive solution.

NSF is one of a number of Government organizations turning to the use of Enterprise Risk Management to ensure that it has a consistent and systematic way to address major risks facing the organization, understand the potential impacts of those risks, and can make competent decisions concerning how to apply resources. Some risks may require extra emphasis and resources, while other risk areas may need to be accepted or dealt with less vigorously. Enterprise Risk Management provides a framework within which to address these issues.

BFA's interest in applying an Enterprise Risk Management approach to organizational priorities and workload challenges has been a natural progression from previous efforts made to address BFA Strategic Priorities identified during 2011 – 2012 as part of an internal management initiative. “Risk, Costs and Benefits” was one of three major working groups comprising the BFA Strategic Priorities effort. Because this working group issued recommendations regarding potential methods to better manage resources by reconsidering time and effort spent on traditional work areas, the BFA Office Head/CFO has tasked her Senior Staff with exploring a formal Enterprise Risk Management framework.

Although BFA is socializing a potential methodology for incorporating an Enterprise Risk Management structure within the organization, many open questions remain. BFA senior managers need to fully understand the value proposition, engaging in BFA's own “risk/benefits” analysis regarding how a formalized ERM approach will help the organization. As we move to obtain full buy-in from BFA senior managers, the Advisory Committee could help us with some key insights:

- Does your organization have a formal approach for identifying risks, and if so, what process and structures are in place?
- What type of investment (time across different personnel levels, funding) do you think is required to launch and then maintain a risk management process?
- In your experience, do you use dedicated resources to support your risk management approach, or do you distribute the effort across the organization?
- What measures would indicate that a risk management approach is successful?

Presenters: Jeff Lupis

Discussant: Doug Webster/Joe Thompson

9:30 am

Committee Discussion: Prepare for Meeting with Dr. Córdoba and Dr. Buckius

10:15 am

Break

10:30 am

Discussion with Dr. Córdoba and Dr. Buckius

11:30 am

Wrap-Up/Loose Ends

12:00 pm

Adjourn