

Business Operating Procedure

BOP-02.01

Approved: 11-30-12

ORGANIZATIONAL CHANGE POLICY



NATIONAL NUCLEAR SECURITY ADMINISTRATION Office of Management and Budget

AVAILABLE ONLINE AT:
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INITIATED BY:
Office of Human Capital
Management Programs

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ORGANIZATIONAL CHANGE POLICY

1. **PURPOSE.** To establish the responsibilities, authorities, and procedures for developing and implementing organizational changes and transfers of function for the National Nuclear Security Administration (NNSA).
2. **CANCELLATION.** BOP-002.1b, *National Nuclear Security Administration Organizational Change Policy*, dated 10/17/06.
3. **APPLICABILITY.** All NNSA elements.
4. **REQUIREMENTS.**
 - a. An organizational change constitutes an official legal document and becomes part of the historical record of NNSA. Therefore, managers shall develop and submit organizational change proposals in accordance with procedures, which are addressed herein and in the attached guidelines.
 - b. Managers shall consult with their respective Human Resources (HR) Strategic Business Partners (SBPs) within the Office of Human Capital Management (OHCM) when initially considering and formulating organizational change proposals.
 - c. When a function is being considered for deletion, it must be confirmed that another organization within NNSA is performing the function, the function is no longer needed to support NNSA's mission, or mandatory budgetary constraints force it to be so. When a function is to be added, it must be confirmed that no other organization within NNSA is performing the same function, or if so, it is essential to duplicate the function due to specific programmatic requirements and the function is clearly tied to mission of NNSA as specifically reflected in the goals and performance measures of NNSA's strategic plan. When a function is added or deleted, a justification must be included in the organizational change package documentation. (An organizational change package typically consists of a draft action memo, current and proposed mission and function statement, current and proposed organization charts, and an employee crosswalk listing who is moving where).
 - d. Organization changes shall not be announced or implemented until approval is granted and other pre-release clearances have been obtained. Before announcing the approved organizational change, the organizational change package, including the approved action memo, current and proposed mission and function statement, current and proposed organization charts, and employee crosswalk listing shall be forwarded to OHCM for regulatory review, to obtain concurrence from appropriate program managers, and submission to DOE's Workforce Analysis and Planning Division for implementation and issuance of new organization codes/routing symbols.

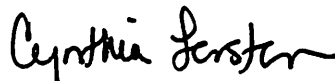
- e. All implementation actions should be initiated within 30 days after the date of action memo approval (sample memo attached with Guidelines), including the submission of updated position descriptions for affected positions, with a target of completion within 120 days after the organizations change.

5. RESPONSIBILITIES.

- a. Administrator or Principal Deputy Administrator. Approves or delegates authority to approve organizational changes and transfers of function across competitive areas and first tier components.
- b. 1st Tier Managers. Approve organizational changes within their organizations. Managers shall consult with the OHCM before approving and announcing organizational changes. The Director of OHCM should be on the requesting organization's concurrence chain as the reorganization package is being routed for approval.
- c. Associate Administrator for Infrastructure and Operations. Provides concurrence on Site Office organizational changes prior to approval.
- d. Director, Office of Human Capital Management.
 - (1) Develops policies and procedures on approving organizational change in NNSA.
 - (2) Makes authoritative determination as to when and where transfer of function exists and the potential employee impacts of an organizational change.
- e. Supervisors and Managers.
 - (1) Coordinate with OHCM SBPs.
 - (2) SBPs will involve NNSA OHCM Workforce Planning & Management (WP & M) organization design experts to further refine organizational design concepts.
 - (3) Develop organizational change proposals.
 - (4) Submit proposals that are based on organizational and/or mission needs, in keeping with good management practices and available resources.
- f. OHCM Workforce Planning and Management Division (WP & M).
 - (1) Provides advice and guidance on policies and procedures on effective organizational change development and implementation for transfer of functions across competitive areas and first tier components throughout all NNSA.

- (2) Assists clients in preparing change documentation and implementing approved changes.
 - (3) Provides a regulatory review of all organizational change packages, obtains concurrence from appropriate program managers, and submits package to the DOE's Workforce Analysis and Planning Division for implementation.
 - (4) Maintains a central repository for all organizational change packages.
- g. DOE Workforce Analysis and Planning Division. Provides advice and staff assistance on major corporate restructuring proposals, reviews proposed organization changes and advises senior DOE management regarding organizational issues and impacts; and maintains DOE organization charts, mission and function statements, and establishes organization codes and routing symbols in the Corporate Human Resource Information System (CHRIS). In this regard, the DOE Workforce Analysis and Planning Division will establish the effective date for implementation of organization changes in all supporting systems.
6. CONTACT. Director, Workforce Planning and Management Division

BY ORDER OF THE ADMINISTRATOR:



CYNTHIA LERSTEN
Associate Administrator for
Management and Budget

Attachment 1: A Guideline for Initiating, Developing, Approving, and Implementing an Organizational Change within NNSA

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A Guideline for Initiating, Developing, Approving, and Implementing an Organizational Change Within NNSA

I. ORGANIZATIONAL CHANGE APPROVAL AUTHORITY.

- a. Administrator and Principal Deputy Administrator, NNSA. Approves, or delegates authority to approve, organizational changes and transfers of function across competitive areas and first tier components.
- b. 1st Tier Managers. Approve organizational changes within their organizations. Managers shall consult with the OHCM before approving and announcing organizational changes. Concurrence is required by the Associate Administrator for Infrastructure and Operations for Site Office organizational changes prior to approval.

2. REORGANIZATION PRINCIPLES/OBJECTIVES.

- a. An organization change constitutes an official document and, therefore, becomes part of the historical record of NNSA. Therefore, managers shall develop and submit organizational change proposals in accordance with procedures addressed in these guidelines:
- b. Managers shall structure their organizations consistent with the following principles:
 - 1) Work towards creating organizations that feature a single point of accountability for a particular product or service, thus providing one organizational contact for external customers.
 - 2) Seek to eliminate overlaps and redundancies in responsibility, so that it is clear who has lead responsibility and where accountability resides.
 - 3) Enhance integration of activities and decision-making across functional lines (avoid fragmenting organizations- commonality of functions and processes should drive the structure of the organization).
 - 4) Organize to foster work processes that facilitate driving decision authority and responsibility lower in the organization (organizations shall determine if delegated authorities would reduce the number of layers that a programmatic action passes through before it reaches an authoritative decision point).

- 5) Work towards flattening the organization by reducing layers of management. For most organizations, there shall be no more than one layer of management below the Division Director level.
- 6) Properly establish supervisory and team leader positions, i.e., establish team leader positions where they are needed to operate as work leaders and not as full supervisors, and establish supervisory positions when needed to perform the full range of supervisory responsibilities.
- 7) Organize in a manner that best suits the purpose to be accomplished, regardless of the way in which other, dissimilar groups are organized (e.g., different groups will likely choose different methods through which they will achieve their overall purpose due to having different functional responsibilities, different processes and a different customer base).
- 8) Consider utilizing a project management approach, rather than creating an organizational entity, where appropriate, e.g., when an activity is of limited duration and a project lead can be assigned and supported by other organizations to ensure project success.

3. THREE STEP PROCESS FOR ORGANIZATION CHANGES.

- a. Step One- Consult with Your Respective SBP and Organization Design Expert.
 - 1) Meeting with your SBP and or organization design expert to discuss organizational design concepts topics may include:
 - (a) Missions/functions;
 - (b) Your proposed structure;
 - (c) Core processes/roles and responsibilities;
 - (d) Specific programs/projects/functions;
 - (e) Current vs. proposed structures/patterns of work
 - (f) Nature of dealings with other organizations within and outside of DOE/NNSA;
 - (g) Personnel/management issues with which the organization is contending, e.g. aging workforce, reduced/enhanced mission, etc.
 - (h) Individual assignments of work; and
 - (i) Staffing priorities.
 - 2) Discussion of organizational design ideas, concepts, preliminary thoughts and opinions, as well as an opportunity for the OHCM staff to answer any immediate questions.

- 3) Establishment of contacts for follow-up meetings to discuss issues such as individual assignments of work, delegations of authority and set-up schedule for meetings, as well as the nature and timing of deliverables.

b. Step Two- Prepare Documentation.

- 1) Prepare an action memorandum (sample Exhibit 1) approving or requesting approval of organizational and/or staffing adjustments. Organizational changes across competitive areas; across first tiers; and the creation, abolishment or reassignment of a Senior Executive will be approved by the Administrator, through the OHCM.
- 2) The organizational change package, including the approved action memo, current and proposed mission and functions, current and proposed organization charts, and crosswalk shall be forwarded to OHCM WP & M prior to announcing any changes. WP & M will provide a regulatory review, obtain concurrence from appropriate program managers, and submit the package to the Department's Office of Workforce Analysis and Planning division for implementation. The OHCM shall process employee crosswalks for organizational changes once the effective date and any new organization codes/routing symbols have been provided.
- 3) The action memo shall contain at a minimum, a description of the proposed change, and the justification for the change; expected program impact and staffing impact; management benefits and costs; and an explanation of any expected implementation problems.
- 4) A copy of the current and proposed organization charts for the affected organization, which shows authorized positions for each organizational component both before and after the proposed change.
- 5) Current and proposed mission and function statements (sample Exhibit 2) for affected organization components. Mission and functions shall be established which are clearly envisioned and articulated. A given function should typically be assigned to one organization to avoid overlap.
- 6) Staffing crosswalk (sample Exhibit 3) to identify movement of staff from one element to another of current employees and proposed vacancies. OHCM liaisons or SBPs shall indicate whether employee is being realigned or reassigned. OHCM consultants meet with managers to review the position descriptions of those employees

affected to see whether a realignment or reassignment action (change to their position description) needs to be initiated.

- 7) Provision of this organizational implementation information shall not be construed as approval of any additional staffing or Senior Executive resources, or the grade levels of positions included in the new organization. Classification determinations at the Senior Executive level are made by the Executive Review Board (ERB) and below that level by the servicing personnel office.

c. Step Three- Implement the Organization.

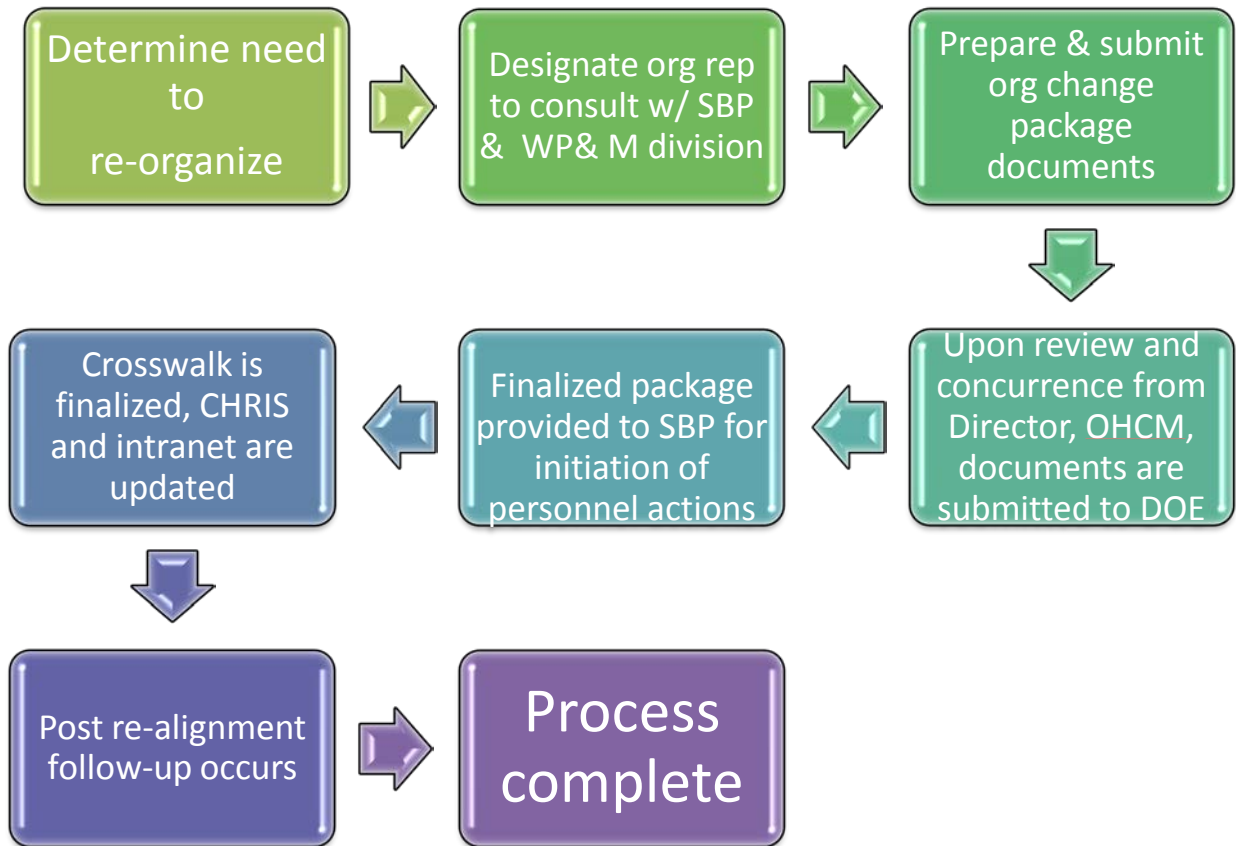
The Implementation steps will include the following:

- 1) After organizational approval has been granted, the organizational change package is submitted to the WP & M division for transmission of summary changes to the Department's Workforce Analysis and Planning Division to request new organization codes and routing symbols to reflect the new organization structure. At least two weeks prior notice is required to assure processing in a timely manner.
- 2) OHCM will issue new organizational codes and routing symbols to affected organizations.
- 3) All actions for Senior Executive Service (SES), Excepted Service level, Scientific and Technical (ST), and Senior Level (SL) employees must be sent to the ERB for approval.
- 4) All implementation actions must be initiated within 30 days after the date of approval, including the submission of updated position descriptions for affected positions, with a target of completion within 120 days after the organization change has been approved.
- 5) Organization changes shall not be announced or implemented until approval is granted and appropriate union coordination (if applicable) and other pre-release clearances have been obtained.

Exhibits:

1. Process Map
2. Sample Action Memorandum
3. Sample Mission & Function Statement
4. Sample Crosswalk

Reorganization Process Map



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SAMPLE ACTION MEMORANDUM

Date

MEMORANDUM FOR: (Approving Official Name)

THRU: (As Appropriate)

FROM: (Requesting Official)

SUBJECT: ACTION: Approve Organizational Change

ISSUE: Request Approval for Organizational and Staffing changes

DISCUSSION: (Discuss background, organizational benefits, functional and staffing changes)

POLICY IMPACT:

SENSITIVITIES:

RECOMMENDATION:

APPROVE: _____

DISAPPROVE: _____

DATE: _____

IMPLEMENTATION AND NEXT STEPS

Management will:

- Work closely with the OHCM to clearly describe changing assignments of work and to classify positions and effectuate personnel actions without undue delay. It is further understood that the approval of this reorganization request shall not constitute official approval of the personnel actions necessary to carry out the reorganization, or official approval of any adjustments to an organization's respective staffing target. It is also understood that the execution of personnel realignments, reassignments, recruitment actions, and other staffing actions will occur only after the respective managers have adequately described new and changing assignments of work, and only after SBPs have properly applied governing personnel policies and standards, approving the actions.

- Work with the OHCM to ensure that those actions subject to the Administrator's Executive Resources Board (ERB) are properly justified and documented.
- Explore all feasible means of employee communication, including holding all-hands meetings, to provide information, to explain various changes, to answer questions, and to allay unfounded employee concerns, while seeking to foster an atmosphere of trust.

The OHCM will:

- Provide continuing assistance to management to ensure that mission and functions statements, and official organization charts, are accurate.
- Validate and update position descriptions, classifying all positions as soon as practicable, but no more than 120 days following approval.
- Effectuate all personnel actions in a timely manner, but no more than 120 days following approval.
- Provide necessary assistance to managers to ensure that employee performance plans are validated, updated, and issued in a timely manner.
- Provide information to employees on their rights and entitlements, and arrange for employee counseling, as necessary.
- Prepare and submit to the Department the organizational change package necessary to obtain new organization codes in CHRIS, and routing symbols.

ORGANIZATION, AUTHORITIES, AND FUNCTIONS

Organization Title

Date

General Statement of Functions:

First Tier Organization:

Second Tier Organizations:

Third Tier Organizations:

Each organization title should be in bold and underlined, and functions for each organization should be written in paragraph format- no bullets.

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