

FY 1993  
SES PERFORMANCE PLAN

Dee Henderson, Director  
The Federal Executive Institute

1. Program Delivery. Deliver all FEI scheduled programs on time and maintain program quality as evidenced by high after-course evaluations and repeated requests from agencies for program spaces.

Timeliness: Target dates for each 4-week program as determined in FY 93 announcement as well as short programs, special topic meetings, retreats and conferences as arranged should all be met with no cancellations due to inability on FEI's part to deliver the program.

Quality: Evidence is evaluation scores which reflect customer satisfaction (6.0 and above on 7.0 scale), return of customers and request for additional space/time at the FEI.

Efficiency: Program delivery with minimal full-time faculty and the use of adjunct/part-time instructors when available.

2. Faculty. Faculty hires made for one full-time and two part-time instructors (due to loss in 1992 of a full-time faculty member and increased demand for in-house faculty to facilitate new performance assessment program module). Advertisement of vacancy announcement - January-February 1993 with closing date of February 25, 1993.

Timeliness: Target date is 2nd quarter, FY 93.

Quality: Nationwide recruitment and hiring well qualified teaching faculty with experience in adult education, executive-level programs, and knowledge of governmental operations. Commitment to Affirmative Action Program guidelines.

Efficiency: Increased use of full-time faculty will provide depth necessary for smooth delivery and appropriate representation of OPM/FEI before senior-level participants from all departments and agencies.

Part-time faculty will allow cost-effective use of instructors for seminar/workshop delivery on an ongoing basis with time for significant contributions to curriculum development.

3. Curriculum. Curriculum development includes expansion of 360° assessment (peer-subordinate-superior) to all participants in four-week program (72 executives in each of nine programs), March 1993. Increased faculty support and assistance in the interpretation and analysis of the feedback results with participants. This will help to reduce resistance and assist participants to better link the information to their work--a critical process as we move benchmarks from a learner prerogative to a mainstay of the program.

Timeliness: Full implementation in the 3rd quarter, FY 93.

Quality: Instrument was developed by a leading authority (CCL) in the field of executive development and the FEI faculty has created a "model" feedback workshop which has received endorsement by CCL as superior to their own. We will continue to develop the design and delivery to meet the highest standards of professional program quality as well as ensure customer satisfaction.

Efficiency: Scanning, scoring, printing, and delivery of feedback at the Institute will represent significant efficiencies.

4. New Programs. Design and delivery of new follow-up programs with emphasis on intensive competency work in rigorous week-long or shorter program. Pilot in summer or early autumn 1993.

5. Facility Issues. Annex building design and planning process completed by May 1993 with construction to begin October 1993. Completion September 1994.

Renovation of Old Dominion Room complete by May 1993.

Weatherization of Virginia Study complete by 1st Quarter, FY 94.

6. Program Monitoring and Evaluation. FY 93 will bring the implementation of the complete multi-year program evaluation. Implementation of this large, complex process will require administration of the various surveys and instruments, scoring and analysis, reporting, integration into overall program, development of opportunities within the curriculum for participants to work on specific areas of improvement, development and administration of action-planning, tracking the process, and evaluating the program at appropriate intervals.

Timeliness: Complete implementation of surveys and instruments will occur by the end of the 4th quarter, FY 93. Focus group activity will occur in the 1st quarter, FY 94.

Quality: Analysis of survey/instruments results will provide the most up-to-date feedback available and allow decision-making based on both quantitative/qualitative data.

Efficiency: Development, implementation and analysis of this plan has been done internally at the FEI.

7. Affirmative Action and Equal Employment Opportunity

Our goal is ongoing development and delivery of core programs with representative faculty and guest speakers. It is our belief that our faculty, those with teaching roles in our program, should mirror the larger workplace environment but also be a leader in modeling diversity. We take great pains to recruit and retain excellent faculty who also happen to be women and/or minorities. The Institute also encourages agencies to send representative groups of participants.

An analysis of the FEI's staff, faculty, and adjunct faculty personnel profile during FY 93 indicates that our Affirmative Action and EEO efforts have been successful. Fifty-nine percent of all Federal employees at the FEI are women and 9% are minorities. Forty-two percent of our adjunct faculty team leaders are women, as are 25% of our adjunct faculty seminar/workshop instructors. Our Wellness Program coordinator and assistant are women. Twenty-five percent of adjunct faculty team leaders and seminar/workshop instructors are minorities. We are going to be sensitive to the need to promote appropriate recruitment and developmental opportunities for women and minorities.

The FEI's long-standing contractual relationship with WorkSource Enterprises, a sheltered workshop sponsored by the National Institute for the Severely Handicapped, continued during FY 93. The contract calls for the provision of janitorial and housekeeping services by the workshop's physically and mentally challenged clients.

**THE FEDERAL EXECUTIVE INSTITUTE  
ORGANIZATIONAL WORKPLAN  
FY 1993**

**GOAL 1. Strengthen Federal Human Resources Development Programs**

Currently, the Federal Executive Institute is without a permanent director (5-year term) and is extremely short-handed, with only two regular full-time faculty dedicated solely to teaching.

**Objectives and Completion Dates:**

- a. **Institute Director:** Recruit and appoint a new, permanent director (5-year term).

**TARGET DATE:** Appoint new director by October 1, 1992.

**QUALITY:** Executive-level leadership through identification of highly qualified individual and innovative efforts made to meet the goals of Affirmative Action Priorities (AAP).

**EFFICIENCY:** Internal FBI/OPM resources have been used to conduct an extensive, nationwide search.

- b. **Faculty Appointments:** Recruit and appoint at least two full-time faculty and two part-time faculty. The FEI will seek to ensure full representation of affirmative action priorities through these appointments.

**TARGET DATE:** Appoint new faculty by 3rd Quarter, FY 93.

**QUALITY:** The extent to which innovative efforts are made and the goals of the AAP are met with qualified candidates. Program delivery is enhanced by full contingent of faculty representation in the programs. Range of seminar and workshop offerings in the curriculum is enhanced materially. Diversity in delivery methodologies is multiplied and supported.

**EFFICIENCY:** A more balanced and representative workforce within allocated resource levels.

**GOAL 2. Improve OPM's HRD Services Delivery**

Develop and delivery four-week residential executive development programs (as well as short programs) of the highest quality; respond to needs of federal agencies which depend upon the FEI to take the lead in innovative program design and delivery; design and implement new program modules' conduct comprehensive contemporary and long-term evaluations of programs and analysis of impact.

- a. **Program Design and Delivery:** Offer the four-week program, "Leadership for a Democratic Society" nine times a year; design program modules which reflect "best practices" in executive development.

**TARGET DATES:** Offer programs in every quarter, FY 93, as predetermined in FY 93 Program Announcement.

**QUALITY:** Maintain evaluation scores above 6.0 (on a 7.0-scale) and have demand for more spaces than available.

**EFFICIENCY:** Program design and delivery always meets deadlines, makes best use of small faculty and staff, and never calls for program cancellation.

- b. **Global Assessment and Feedback:** Offer a global assessment and feedback instrument to all participant executives who wish to take it in the "Leadership for a Democratic Society" program; modify the existing program to enrich the Leadership Development Team activity around the feedback from the instruments; provide course offerings tied to the output of that instrument for the targeted developmental improvement of the resident executives.

**TARGET DATE:** Pilot in 1st quarter, FY 93; implement in 2nd quarter, FY 93.

**QUALITY:** Allows executive participants to receive performance-based feedback which is superior to other methods of leadership/management measurement which tend to be primarily self-assessments.

**EFFICIENCY:** Allows for action planning by executives which will be transferable to their performance in the sponsoring agency. At the FEI, the scanning, administration, and feedback of the

instrument takes place on-site.

- c. **Wellness Component:** Offer a modified Wellness component in the "Leadership for a Democratic Society" program which significantly reduces the cost now incurred, but continues to present a well-rounded, fully functional experience.

**TARGET DATE:** Implement 1st quarter, FY 93.

**QUALITY:** Evaluation scores continue to fall above 6.0 (on a 7.0-scale) and participant/agency feedback confirms value to the individual and sponsoring organizations.

- d. **Multi-Year Program Evaluation:** Implement the newly developed FEI Multi-Year Program Evaluation, which seeks to measure the success of the FEI mission -- "to improve agency performance through the improved effectiveness of the key executives those agencies send to the FEI" for development. To this end, ensure that the curriculum:

- (1) Assesses each executive through a global assessment and feedback process;
- (2) Offers developmental opportunities directly related to those assessment outcomes;
- (3) Expects action planning of each executive prior to his/her departure from the FEI;
- (4) Seeks intermediate and long-term feedback on those action plan accomplishments to assure agency effectiveness is improved.

**TARGET DATE:** Pilot in 1st and 2nd quarters, FY 93; ongoing implementation in remainder of FY 93.

**QUALITY:** Well-designed evaluation plan which allows measurement of training impact on organizational effectiveness; improves the overall quality of government.

**EFFICIENCY:** Incorporation of action planning into the participants' individual development activity links executive performance to agency goals and clarifies direction.

e. **Technological Advances:** Introduction of new, and perfection of already existing, program-based technology to include:

- (1) Complete implementation of automated registration/tracking software.

**TARGET DATE:** Full use of the system potential in area of alumni tracking, 2nd quarter, FY 93.

**QUALITY:** Computer-based system allows data entry/retrieval at several points along registration "path" and allows for production of high-quality program material (i.e., class rosters, agency/home address lists, mailing lists).

**EFFICIENCY:** Decrease in amount of time necessary to organize and retrieve data on current classes as well as alumni.

- (2) Introduction of computer-based technology in the classroom. Instructor-led workshops and seminars on "Managing Information Technology" showcase Executive Information Systems, but other courses will include computer-driven case studies and simulations which serve to illustrate key concepts and allow for "groupware" work highlighting the potential of using computer technology to increase productivity and encourage teamwork and creativity.

**TARGET DATES:** Activity in every quarter of FY 93.

**QUALITY:** Only executive-level systems, software, and classroom methods which are appropriate to the senior-level participants in the FEI programs.

**EFFICIENCY:** Increased use of hardware and software that already resides at the Institute. Showcase newest technologies by importing them into the program on special occasions rather than permanently.

- (3) Revise and expand design of Work Team Development program to integrate groupware technology and use into existing format.

**GOAL 3. Manage and Improve OPM's HRD Facilities**

Assure management/internal controls - through competition of Wellness component at a reduced financial commitment, the day-to-day oversight of ARA contract and reduction in cost, when possible.

Ongoing implementation/improvement of internal systems to track budget, reduce paperwork through automation, meet federal regulations in area of contracting, train personnel involved in contract and facilities administration, participate in periodic internal/external review/audits.

Facility improvement - continuing renovations of common areas (i.e., furniture refurbishment in Alumni Lounge area); renovation of Old Dominion Room (plenary session meeting room); completion of design work on the Annex and groundbreaking.

**TARGET DATES:**

**QUALITY:**

**EFFICIENCY:**

**GOAL 4. Represent OPM and the Federal HRD Function**

Represent the Federal Executive Institute through involvement with OEMD/HRDG/OPM initiatives. Service by management and faculty on task forces, workgroups, hosting conferences for OPM on-site, involvement in external conferences, seminars, and meetings involving human resource policies and programs.

**OBJECTIVES:**

- a. Serve on task forces as requested (i.e., Executive/Management/Supervisory Curriculum Continuum).
- b. Collaborate on program design and delivery with other parts of HRDG/OPM as requested (i.e., Long-Term Development Programs, PMI Program, Management Development Centers).
- c. Advisors on program design to foreign governments as requested by OPM's Director, HRDG leadership, and OPM's OIA (e.g., Kuwait project).

## **EXECUTIVE LEADERSHIP**

### **Key Accomplishments — 1993-2000**

The Office of Personnel Management improves the performance of Government by providing leadership, program oversight, and consultative services in the selection, development, and management of Federal executives who are strong leaders with a broad corporate perspective and who are committed to public service values. Without exceptional executives and managers with the ability to design and implement strategies that maximize employee potential and foster high ethical standards, the Government will not be able to serve the American people effectively.

Two organizational components within OPM serve as the primary focal points for executive leadership: the Office of Executive Resources Management (OERM) and the Office of Executive and Management Development (OEMD). *Executive Resources Management* provides leadership, direction, and management of the Senior Executive Service and other senior executive personnel systems. *Executive Management and Development* focuses primarily on educating Federal executives in innovative management techniques and broad government policy issues, through three interagency residential training centers: the Federal Executive Institute in Charlottesville, VA, and two Management Development Centers in Shepherdstown, WV, and Denver, CO.

#### **Executive Resources Management**

There are three critical areas of accomplishment since 1993.

- **Launched comprehensive, governmentwide initiative to improve SES selection, development, and management**

In 1998, OPM launched a governmentwide initiative to improve the SES, with the goal of focusing stakeholder attention on the importance of executive leadership and the need to modify the way the Government selects, develops, and manages its senior executive cadre in preparation for the challenges and rapidly-changing demands of the 21st century. We held extensive discussions with a wide variety of stakeholders to obtain their views and ideas for improving the SES. We published a report that summarized stakeholder views and recommendations for future improvements. Together with stakeholders, we developed an action plan to implement those improvements that can be accomplished administratively, seek legislation for those that require statutory change, and further study issues on which consensus has not yet been reached. [Attachment, 1998 Status Report]

In 1999, OPM pursued a number of initiatives on which there was stakeholder consensus. Legislative proposals were developed to repeal SES recertification and to raise aggregate pay for the SES and equivalent positions from Executive Level I to the Vice President's salary level. We began several administrative initiatives to increase SES staffing flexibilities, focus performance management on accountability and results, and promote continuing learning for executives and candidates.

**Staffing Improvements.** We completed a series of administrative actions in 1999 to emphasize

the importance of leadership qualifications in SES selections, give agencies additional flexibility to recruit a talented, diverse executive cadre, and strengthen merit principles. These actions included regulatory changes to give agencies additional staffing flexibility well as process and procedural modifications to streamline the SES applications process, reduce paperwork requirements, and improve the Qualifications Review Board (QRB) certification process.

***Managing SES Performance.*** We overhauled the SES performance management regulations to promote executive excellence and accountability. The new regulations give agencies more flexibility to design systems to meet their unique missions and organizations, focus on results over process, and strengthen the links with strategic planning. The regulations also require agencies to balance organizational results, customer satisfaction, and employee perspectives when evaluating senior executive performance. In addition to systemic changes, OPM also worked with the President's Management Council to gain recognition and support for needed culture and attitude changes about performance management on the part of agency leadership and senior executives. [Attachment, OPM Director Memorandum to Agency Heads]

***Continuing Learning Initiatives.*** The SES improvement discussions resulted in a number of action items to promote the continuing learning of executives and the development of future executives. In addition to an ongoing schedule of briefings for new SES members and political appointees, OPM piloted a leadership forum designed to enable senior executives to keep abreast of national policy issues and developments and interact with other executives. Another outcome of the SES improvement discussions was a focus on voluntary mobility as a means of broadening executive experiences and perspectives. As a way to facilitate voluntary mobility, OPM developed an Internet Forum to connect executives seeking new challenges with agencies seeking executives. This tool will become operational early in 2001. OPM also initiated discussions with stakeholders on developing a governmentwide authority agencies can use to loan senior executives to private sector organizations for short periods of time for developmental purposes.

***SES Survey.*** In addition to stakeholder discussions, we surveyed the entire SES corps in 1999 to obtain information about the experience, qualifications, and perceptions of senior executives and to create a baseline for measuring whether the improvement initiatives resulting from the *SES Framework* achieve their intended results. The survey data confirmed the importance of leadership over technical qualifications and reinforced the basic program direction we charted with the SES Improvement Framework. A second survey will be conducted in 2002. [Attachment, Summary, Survey Results]

- **Redirected focus on leadership as the key, critical factor in the selection and development of senior executives.**

Executive qualifications have been the primary selection criteria for the SES since its inception in 1979. While technical job-specific qualifications are important, the essence of the SES is the ability to lead. OPM develops the executive core qualifications (i.e., ECQs) that represent the critical skills that all executives need to succeed in the SES. However, what constitutes leadership and executive skills and expertise has changed with time.

The first set of qualifications, established in 1979, remained in effect until 1994, when OPM completely overhauled them to reflect developments in executive competencies over time. OPM found that it needed to revise them again in September 1997, as a result of the rapidly-changing management environment and the need to focus increasingly on leadership in terms of the ability to drive change. The revised core qualifications and their underlying competencies resulted from extensive research into the attributes of successful executives in both the public and private sector, accomplished in collaboration with Federal agencies, private sector representatives, and public administration organizations. They reflect cutting-edge leadership competencies. Further, the research reinforced that, while technical competence is important, leadership is the essential, critical factor in executive success.

The updated ECQs were more than a change in language — they were a change from a passive approach to leadership to an active one. The emphasis changed to making things happen and getting results, rather than on managing a process. The ECQ subject areas basically remained the same, but the focus shifted from management to leadership; from efficient processes to bottom-line results. More specifically, under the revised qualifications, executives must do more than just have a strategic vision, but to lead change. They must lead and motivate people, not just manage human resources. In planning and evaluating programs, they must show results. Even though Government is *not* a business, they nevertheless must have a sharp business sense. They must move beyond using communication skills to represent the organization to using communication for team and partnership building. [Attachment, SES Executive Core Qualifications]

- **Improved Executive Resources Management**

In 1993, the President directed a 10 percent reduction in positions at grades 14, 15, and the SES to ensure that top level jobs absorbed a share of governmentwide downsizing efforts. OPM managed a 10 percent reduction in SES positions over a 2-year period, from FY 94 to FY 96, without adversely affecting the agencies' ability to meet mission-critical needs. We have maintained reduced levels since the reduction in keeping with the Administration's goal of a smaller workforce at the executive level. As a result of the reduction efforts, agencies are taking a more serious look at the way they are managing their executive resources.

At least every 2 years, agencies are required by law to examine their executive resource requirements and request allocations from OPM to meet those needs. We use the biennial allocation process to focus agencies' attention on the importance of executive resources planning and analysis, including succession planning, to meet current and future mission requirements. Beginning with the reduction effort, we directed agencies to conduct comprehensive assessments of their executive resource requirements and usage, in conjunction with their strategic plans and succession planning initiatives. As part of the assessments, agencies were asked to prioritize their resource needs; examine opportunities for redeploying existing executive talent to meet those needs, especially in areas that were scaled back or abolished; identify opportunities for restructuring; and target positions for redescription or elimination. Agencies must present a sound business argument, with detailed justification, to support consideration of any increases in executive resources. We used this approach for the FY 96-97, 98-99, and 2000-2001 biennial cycles.

**(Insert OEMD accomplishments)**

## BRIEF HISTORICAL INFORMATION

### *Executive Resources Programs*

- Senior Executive Service

The Senior Executive Service (SES) was created by the Civil Service Reform Act (CSRA) of 1978 and became operational in July 1979. CSRA envisioned an SES whose members have shared values, a broad perspective of government, and solid executive skills. Its stated purpose was to ensure that the executive management of the government is responsive to the needs, policies, and goals of the nation and is of the highest quality. The Government's senior executives would be held accountable for individual and organizational performance. To achieve this purpose, CSRA gave greater authority to agencies to manage their executive resources, and assigned OPM the responsibility for governmentwide leadership, direction, and oversight.

The SES replaced over 60 separate executive personnel authorities each covering from one to several thousand positions. These systems that had been subject to disparate rules and practices with requirements for prior approval of almost every personnel action were joined into one distinct and unified personnel system that provided for considerable agency authority and flexibility.

Since 1979, OPM's approach to executive resources management has gradually evolved from the traditional regulatory and procedure-oriented approach to one that focuses on leadership, providing expert assistance and quality services to agencies and executives, and preserving merit principles and other governmentwide interests. Our goal today is to maintain a proper balance between the agencies' need for flexibility and OPM's responsibilities to preserve the governmentwide interests of a corporate merit-based, results-oriented executive service.

- Residential Executive Development Centers

The Federal Executive Institute (FEI) and the Management Development Centers (MDCs) were established in response to the Government Employees Training Act of 1958 and Executive Order 11348 (April 20, 1967), which charged the Civil Service Commission (subsequently OPM) with administering, overseeing, coordinating, and evaluating Federal employee training programs. The Civil Service Reform Act of 1978 specified in law OPM's leadership responsibilities for executive development.

- The Federal Executive Institute was established in 1968 as an advanced study center for the development of career executives at the direction of President Johnson to improve the quality of the Government for the American people. The President said that the critical importance of our federal programs demands the highest level of talent in our career leadership. For almost 30 years, FEI has focused on developing the individual executive by creating an interagency residential learning environment with a curriculum that addresses broad perspectives basic to effective performance as a senior executive.

- The Management Development Center program began in 1963 with the opening of the first Executive Seminar Center in Kings Point, NY. Based on the success of the Kings Point Center, another was opened in Oak Ridge, TN, in 1971. Over time, the number and locations (and titles) of the Centers changed, for logistical and cost-efficiency factors as well as customer preferences, and the curriculum has changed as well. From an initial focus on public policy education, the curriculum has been expanded and strengthened to focus on management and leadership competencies. As a result, participation grew as agency customers recognized the importance of developing a corporate perspective among their managers.

### ***Organizational Alignment – Consolidation of OER Functions***

In 1995, after a careful and comprehensive review and assessment of OPM's mission, responsibilities, and functions, the OPM Director approved a redesign plan that called for a streamlined and reinvented agency stripped to its core missions, reinforced our commitment to customer service, and strengthened the agency's role as custodian of the merit system.

OPM's role in governmentwide executive policy and development was designated as one of the five core missions because it services not only our agency customers but also the President by providing executive leadership for managing the government. The Director established the Office of Executive Resources as the focal point for governmentwide leadership in executive policy and development in recognition that an integrated approach to the selection, management, and development of the Government's senior executives is crucial to government performance and transformation. The new organization consolidated executive policy and programs with the executive and management development functions of the Federal Executive Institute and the Management Development Centers. From a customer point of view, consolidating all executive resources responsibilities in one organization provided a "one-stop shop" for our customers and other stakeholders seeking information and assistance about senior executive programs and services.

By 1999, the OPM Director found that OPM leadership and our customers were increasingly dealing directly with OER's two key components (policy/program management and the residential centers) and that these components could continue the coordinated approach to executive resources without the OER Director position. The OPM Director eliminated this position and a management layer, directing that the Executive Resources Management and the Executive Development functions report directly to her.



***DRAFT FRAMEWORK FOR IMPROVING  
THE SENIOR EXECUTIVE SERVICE***

**A Status Report — December 1998**

**Prepared by the  
U. S. Office of Personnel Management**

# THE DRAFT FRAMEWORK FOR IMPROVING THE SENIOR EXECUTIVE SERVICE

A Status Report — December 1998

Last April, the Office of Personnel Management circulated the draft Framework for Improving the Senior Executive Service (SES) to stimulate discussion about the Senior Executive Service. We wanted to get our stakeholders thinking seriously about the future and whether the way we develop, select, and manage the SES cadre produces the kind of executives we need to meet the leadership challenges of the 21st century.

## What is the SES Improvement Framework?

The Framework is an outline of ideas in four broad areas: ideas for redefining and restructuring the Government's executive personnel systems; increasing staffing flexibilities; strengthening performance management with a focus on accountability and results; and enhancing executive development and continuing learning. Based on analysis of various studies and reports and extensive stakeholder consultation, the Framework is a synthesis of ideas. It attempted to capture the best thinking of a wide range of stakeholders, including agency heads, human resources managers, academicians, individual senior executives, professional associations, and other groups which are interested in good government. (A summary of key studies on the SES is attached.) The Framework was designed to stimulate further discussion. Consequently, it contained an outline of broad ideas, not detailed statutory or regulatory proposals.

## Why did we develop the Framework?

Since 1999 will mark the 20th anniversary of the establishment of the SES, this is a good time to look back and assess whether the system has lived up to its expectations — to assess what has and what hasn't worked.

But even more important, we need to focus on the future. Executives of the 21st century will face challenges that were unheard of when the SES was created 20 years ago. The technology explosion, the new performance-based government, and the changing composition and fluidity of the workforce call for a different approach to management and leadership. The changing nature of executive leadership was confirmed by research done in conjunction with OPM's 1997 revision of the Executive Core Qualifications.

In addition to focusing attention on leadership, we developed the Framework to explore whether our executive personnel systems and processes are producing the right results. Over the years, stakeholders have indicated that the SES staffing process, the performance management process, and other SES systems are not helping them select and manage a quality executive corps. Balancing the agencies' call for more flexibility with our commitment to merit system principles was also a critical consideration in crafting the ideas in the Framework.

### Who did we talk to?

Since the Framework was released, OPM has had briefings and discussions with nearly 40 different groups of stakeholders, including senior executives and candidates, the human resources community, and many others. We consulted with the Senior Executives Association, the National Academy of Public Administration, the Council for Excellence in Government, and Federal Executive Board members. Working closely with a special workgroup of the President's Management Council, we engaged the full PMC in discussions about desirable system changes, as well as their role in bringing about SES reform.

Written comments on the Framework were submitted by 11 cabinet departments, 12 agencies and agency components, 24 individual executives and other interested persons, and 9 other organizations and professional associations.

### What did they tell us?

Stakeholder views on the general idea of SES reform varied widely. Some believe the SES is operating well and no changes are needed for the future. Others indicated that the ideas outlined in the Framework were too timid; that more radical revisions are in order.

Although stakeholders expressed a wide range of views, there were many ideas that generated a positive reaction. Examples include abolishing recertification, addressing executive pay compression, and increasing agency flexibility for meeting short-term staffing needs in a way that ensures merit system protections. As indicated in the attached summary, reaction to about two-thirds of the ideas in the Framework was generally positive.

Very few of the Framework's ideas were summarily rejected. Principal among these were consolidating the annual performance appraisal and 3-year recertification processes into a 3-year performance contract, and requiring mobility. Commenters preferred to eliminate recertification and more closely link the current annual appraisal system to the demonstrated results of executives' performance.

Although almost no one thought we should require mobility or link it to pay adjustments or awards, there was general agreement that executives with broader viewpoints and experiences bring more to the table than those who have been "stovepiped." There was recognition that the Government needs to invest in the continuing learning of its executives, and that voluntary mobility is an important component of continuing learning.

There were also ideas on which there was no real consensus, either for or against. These will require more study and discussion before we can decide if, or how, to pursue them. Chief in this category was restructuring the Government's executive personnel systems into a Senior Civil Service with a senior executive corps and a senior professional corps.

Finally, many stakeholders concluded that, while some systemic improvements may be needed and may be achieved, making real change will take more than new laws and regulations. This culture change will require executives and agency leaders to rethink the way they use the current systems to manage their executive resources. Commenters believe this is especially important if we are to achieve results-based performance management.

### Where do we go from here?

We are pleased that several of the ideas captured in the Framework have already been implemented. In conjunction with the FY 99 appropriations process, Congress increased the amount of Presidential Rank Awards and gave agencies more flexibility to use SES bonuses to reward top performers. Second, OPM has revised the criteria used to evaluate nominees for the Presidential Rank Awards to place more emphasis on leadership and results.

Together with our stakeholders, OPM will pursue those ideas for which there was broad general support. Our initial focus will be on changes that can be accomplished administratively, that is by executive order, regulation, or procedural guidance. We will also push forward on legislative initiatives that have broad support. Key legislative efforts will include abolishment of the recertification process, addressing the increasing compression in the SES pay schedule, and streamlining limited appointment authorities.

In addition to administrative and legislative initiatives, OPM will continue to work with the President's Management Council and the SES community to promote the selection of dynamic new executives and the continuing growth of those already in the corps. To this end, OPM will initiate a survey to supplement the statistical data we already have on the SES and to benchmark the views and experiences of SES members.

### Conclusion

The SES Improvement Framework has generated a healthy debate about the future of the SES and prompted development of an action plan that will contribute to the development, selection, and management of the leaders of tomorrow. The kind of executive we need for the next millennium is one who can balance change and continuity — one who strives to improve customer service and program performance within the basic Government framework; one who creates a work environment that encourages bold, creative thinking and risk-taking; one who is innovative, results-oriented, and values the benefits of partnership; one whose commitment to public service transcends an individual agency mission or profession. Working together in partnership with our stakeholders, we will strive to achieve this goal.

### Attachments:

- Summary of Key Studies on the SES*
- Summary of Stakeholder Reactions*

## A GENERATION OF EXPERIENCE: PROPOSALS TO IMPROVE THE SES (A Summary of Key Studies on the SES)

The SES was created by the Civil Service Reform Act of 1978 (CSRA) and became operational in July 1979. Its creators envisioned it as the elite management corps in the Government. However, since its inception, various internal and external groups and organizations have studied the state of the SES, questioning the original CSRA vision and the degree to which the system has lived up to that vision.

### Composition of the SES

Considerable debate arose during the 1980s over whether the composition of the SES was too inclusive. Out of this debate emerged three distinct proposals to modify the composition of the SES:

- removal of noncareer appointees from the SES;
- removal of all but the topmost executives from the SES; and
- removal of scientists and engineers from the SES.

The *General Accounting Office (GAO)* studied these proposals and issued an evaluation report in 1985. According to GAO, many believed that, although positions above the GS-15 level made important contributions to the Government, it was inappropriate to convert most of them into a single personnel system since there was such a wide variety of functions and levels of responsibility. The three proposals attempted to determine whether Government was best served by a cadre of generalists and subject matter specialists within the existing SES, or whether legislation should be sought to separate them.

The first set of proposals to modify the composition of the SES emphasized the removal of noncareer appointees from the SES. Proponents maintained that including both noncareer and career appointees in the SES increased tension between the two and increased the likelihood of politicization of the executive branch. The Senior Executives Association (SEA) was the primary advocate of this proposal. In 1984, David S. Burckman, former President of the SEA, testified in hearings before the Subcommittee on Civil Service of the House Committee on Post Office and Civil Service, 98th Congress. He stated that including both noncareer and career appointees in the SES made administration of the Senior Executive Service difficult, particularly with respect to performance appraisals. To remedy this problem, the SEA recommended that noncareer appointees in the SES be removed from the SES and placed in a separate new system called the "political executive service."

The second set of proposals to modify the structure of the SES focused on removing all but the top executives from the SES. In 1983, the *President's Private Sector Survey on Cost Control (the Grace Commission)* found that the criteria used for determining admission to the SES were "too open-ended, indefinite, and broad." Moreover, surveys conducted by the Grace Commission revealed that many senior executives perceived that "there were numerous positions in the Service that should not be

there... [and that] only positions requiring a high degree of managerial ability and accountability should be included." The Grace Commission recommended that new criteria be established based on the size of the organization managed, financial and physical resources controlled, and visibility/strategic importance in order to assess whether all of the positions in the SES properly belonged there. The resulting SES, according to the Grace Commission, would be reduced by half and consist of approximately 1,000 to 3,500 senior executives.

The last set of proposals to modify the structure of the SES focused on removing scientists and technical positions from the SES. One of the proponents of this proposal was the *Federal Laboratory Review Panel* (also known as the Packard Panel) in 1983. The Packard Panel was established by the White House Science Council and chaired by David Packard, former Deputy Secretary of Defense and Chairman of the Board of the Hewlett-Packard Company. The Packard Panel examined Government and contractor-operated laboratories and concluded that the existing civil service personnel system was dysfunctional and was inappropriate, particularly with respect to the scientific, technical, and acquisition workforce. As a result, the Packard Panel recommended removing scientific and technical positions from the entire Civil Service personnel system.

Several attempts were made in response to the Packard Panel's recommendations to draft legislation that would establish an alternate personnel system for scientific and technical positions. In 1985, legislation was introduced to the 99th Congress [the Federal Science and Technology Revitalization Act of 1985 (S. 1727)] that proposed the creation of an alternative personnel management system under title 5, United States Code, for scientific and technical personnel that would provide comparable benefits (e.g., retirement, pay, benefit package, etc.) for scientific and technical positions without removing them from the Civil Service System. This proposed legislation was a first attempt to remove scientific and technical positions from the SES and other Civil Service personnel systems.

The issue of whether the Government is best served by a cadre of generalists or subject matter specialists continues to stir debate. In 1993, *The National Performance Review*, now known as the National Partnership for Reinventing Government, found that "the majority of senior executives, however, now serve in the SES because of their technical expertise, often as key advisors and managers of support staffs or as operational managers responsible for parts of line (legislative) programs, rather than as agency-level leaders and program executives. While all are important positions, this mixture of roles makes it difficult to develop and manage the SES as a resource for agency management as originally intended."

### **Mobility and Continual Learning**

Difficulty in achieving compatibility between executive talents and agency needs was a major problem noted in the debate leading to passage of the Civil Service Reform Act. To increase agencies' flexibility, the Act established a rank-in-person system that gave agencies the authority to assign senior executives to virtually any SES position in an agency, regardless of its hierarchical position within the organization. The Act also mandated the establishment of programs to develop candidates for the SES and for the continual development of executives through new learning experiences.

Perhaps no SES provision has been more controversial than the increased flexibility agency heads had

to reassign senior executives. In 1983, the *Grace Commission* stated that, "those joining this elite cadre [SES] agreed to accept reassignments to areas where they were needed and give up some of the security offered other civil servants. In return, these executives became eligible for improved pay-setting procedures and a system of awards (including bonuses) which were based on their performance." The Grace Commission found "... difficulty of convincing executives to accept positions of greater responsibility that may involve moving to a different part of the country, and incurring expenses that are generally necessary in such a move, with no increase in salary."

To facilitate the mobility of executives, a number of agencies established mandatory rotation programs for members of the SES. These rotation programs required senior executives who served in a position for a certain period of time to transfer to another assignment as a means of providing agency heads with a mechanism to optimize executive talents, as well as an opportunity for executives to broaden their perspectives and achieve career enhancement. However, a 1986 *General Accounting Office (GAO)* study of agencies' rotation programs found that the two most common reasons agency officials cited for not having a formal rotation program were that their agencies had too few SES members to make such a program practical and that the SES members were too specialized or technically oriented to move to other positions.

A 1990 survey by the *U.S. Merit Systems Protection Board (MSPB)* on how Federal departments and agencies implemented pay and reassignment flexibilities revealed that agencies tended to make intra-agency reassignments, rather than interagency transfers of senior executives. Further, agencies seldom used SES reassignments for the purpose of career enhancement or skills development. MSPB recommended that agencies make maximum use of SES reassignments to provide career enhancement, to further the goals of executive development and training, and to enhance mission accomplishment by infusing new ideas and perspectives.

Also, in a 1993 study, the *Council for Excellence in Government* found that there was a general perception that little purposeful mobility had taken place to enhance Government productivity. In addition, the report stated that the Government may be missing an important opportunity to develop more effective senior executives by not building a more formal system for transferring executives periodically.

The *National Academy of Public Administration (NAPA)* made a number of recommendations on how to facilitate mobility and succession planning in its 1992 report, "Paths to Leadership: Executive Succession Planning in the Federal Government." In one of its recommendations, NAPA stated that the structural composition of the SES should be reviewed to determine which occupations are most appropriate for development or mobility assignments.

In 1993, the *National Performance Review (NPR)*, now known as the National Partnership for Reinventing Government, recommended that voluntary mobility within and between agencies be encouraged to provide executives an opportunity to broaden their skills and perspectives and to provide agencies a mechanism to optimize executives' talents. However, NPR recognized that mobility may not be appropriate for all executives since "there are many executives whose expertise, experience, and interests are tied to a particular agency, occupation, or position."

Development of senior executive candidates and continual learning of senior executives have also been the focus of other studies. A 1989 *General Accounting Office (GAO)* survey examined the extent to which career members of the SES participated in executive training and development activities and their perceptions of the usefulness of those experiences. GAO found that most senior executives had participated in at least one training and development activity prior to or after appointment into the SES. Most perceived their experiences as moderately to very useful in helping them carry out their SES duties. According to GAO, executives in general perceived a need for training and development after appointment and more indicated a need in the managerial area rather than in the technical area.

The *National Commission on the Public Service*, also referred to as the Volcker Commission, recommended that the Office of Personnel Management (OPM) create and support a Federal executive development strategy that emphasizes leadership training and ability, supports and rewards executive excellence, and gives them the flexibility they need to manage. One method the Volcker Commission recommended for creating this executive development strategy was “[in order] to recognize the importance of management as a separate skill, the President should create a separate track within the Senior Executive Service for generalist managers.” To deal with Government specialists, the Volcker Commission recommended that OPM encourage management training of specialists before they enter supervisory or executive positions.

Another GAO report that examined the reasons the Candidate Development Programs (CDP) have not produced more SES appointees found that the CDPs had not been a major source for SES appointments primarily because candidates have not had the technical skills that SES appointing officials sought. GAO found that most agencies had not made a commitment to using CDPs as an SES source and that management did not encourage its top technical people to enter the program.

### **Performance Management**

Over the years, there has been considerable concern about how useful SES performance appraisal systems have been in enhancing an executive's performance and in dealing with poor performers. An early survey of senior executives conducted by the *U.S. Merit Systems Protection Board (MSPB)* in 1981 looked at the fairness and equity issue in SES performance management systems. MSPB found that agencies had not been willing to utilize the expedited procedures for removal that the SES performance appraisal process allowed.

This finding was recently corroborated in a 1998 GAO report that examined SES performance management at the Department of Veterans' Affairs. GAO found that VA tended to use informal, rather than formal, means to address poor or marginal performers because informal means were more effective, less adversarial, and less burdensome administratively.

It has also been reported that the SES recertification requirement is of little value and is too paper intensive. In 1992, the *Office of Personnel Management (OPM)* conducted a survey of randomly-selected Senior Executive Service appointees to get their views of the SES recertification process as it operated in its initial application in 1991. The survey revealed that 58 percent of the executives and 47 percent of the agencies felt that the recertification process was of little or no value in identifying and dealing with individuals whose performance did not reflect the excellence expected

of SES members. Most of the recertified executives who made written recommendations thought that the recertification process should be eliminated, since it resulted in additional paperwork and few decertifications and the existing performance appraisal systems were adequate. Abolishing the SES recertification process was also one of the recommendations that emanated out of the Senior Executive Service Symposium on "The Future of the Senior Executive Service" in 1995 at the Federal Executive Institute.

In June 1998, OPM surveyed a sample of senior executives, Performance Review Board Chairs, and human resources directors about the 1997 recertification cycle. Results received to date indicate overwhelming lack of support for recertification from all three groups.

### **Recruitment and Retention**

The Government's ability to recruit and retain highly qualified senior executives through nonmonetary and monetary means has been a source of contention since the SES was created. Studies and surveys by the *President's Commission on Compensation of Career Federal Executives*, the *Twentieth Century Fund Task Force on the Senior Executive Service*, the *Merit Systems Protection Board*, and the *Grace Commission* revealed that the current SES compensation system is not conducive to attracting the highest quality candidates for the SES.

In its 1989 survey of former federal executives, *MSPB* found that, "Government's ability to retain the services of these SES members will depend partly on how well the executive branch addresses the causes of SES dissatisfaction which are within its control to correct." The *Twentieth Century Fund Task Force on the Senior Executive Service* recommended in 1987 that "a wide variety of nonmonetary benefits could be developed to bolster the status of our senior civil servants. Given the importance of symbols, senior bureaucrats should receive more benefits from the ceremonial side of political life." The *Task Force* recommended that the President honor outstanding SES members at the White House and that the private sector identify and recognize excellence in Government service by SES members.

### **Conclusion**

The various studies and surveys which have examined the Senior Executive Service over the years have generally concluded that the original premise of the SES is sound. However, the reviewers point out a number of problems and shortcomings in the structuring and implementation of the system. The original vision for the Senior Executive Service was radical and forward-thinking — perhaps ahead of its time when introduced in 1978. Executives of the 21st century will face challenges that were unheard of in 1978, and we need to make sure that the senior executive system helps to develop, select, and manage executives who are equipped to meet these challenges. Revisiting some of the ideas raised in the numerous studies of the SES over the years can contribute to this effort.

## STAKEHOLDER REACTION TO DRAFT SES FRAMEWORK

This attachment divides the ideas included in the draft SES Framework into four categories: those that generated positive reaction or general consensus; ideas on which there was no general consensus and therefore need more study or discussion; ideas that were generally rejected; and ideas that didn't generate strong comment at all.

### I. Framework Ideas That Generated Positive Reaction/General Consensus

#### *Changes requiring legislation:*

- Increase agency flexibility for meeting short-term staffing needs, but in a way that addresses concerns about the potential for politicization.
- Enhance annual leave benefits for new appointees.
- Eliminate recertification and rely on strengthened performance appraisal.
- Increase Presidential Rank Award amounts and change them to a percentage of base pay.
- Delink senior executive pay from the Executive Schedule.
- Raise the aggregate limit on pay above current Executive Level I, but less than the Vice President's salary.

#### *Changes OPM can initiate with revised regulations or guidance:*

- Improve the selection process in agencies to ensure that executive qualifications are the major selection criteria and consider QRB delegation options.
- Promote increased use of succession planning as an integral part of agencies' ongoing management of their executive resources.
- Design strategies that promote accountability in dealing with performance problems in a fair but forceful manner.
- Strengthen Presidential Rank Award criteria to link with the Executive Core Qualifications and emphasize leadership and results.
- Foster the development of potential executives and continual learning for current executives to broaden perspectives and bring new insight to agency programs.
- Work with agencies to ensure that agency-developed executive and management development programs, including Candidate Development Programs, incorporate the Executive Core Qualifications and foster the identification and development of high-potential mid-level

employees.

- Facilitate voluntary mobility within government and with the private sector.
- Use communications vehicles and electronic media to emphasize the benefits of mobility, to publicize developmental opportunities, and to distribute resumes of "mobile" executives. Establish a centralized clearinghouse of developmental opportunities.

***Changes requiring Agency Head leadership:***

- Emphasize the importance of leadership in the selection, development, and management of agency executives.
- Increase the use of succession planning as an integral part of ongoing management of executive resources.
- Hold executives accountable for producing results, reward those who are successful, and remove those who are not.
- Promote continual learning among current executives and candidates.
- Encourage voluntary mobility as a means for broadening an executive's experience base and bringing new ideas to the agency.

**II. Framework Ideas That Need More Study/Discussion**

- Redefine a "Senior Executive" position.  
*There was no consensus for radical statutory change. However, there was general agreement to explore administrative options that focus attention on leadership and increase agency flexibilities for moving individuals from the SES to other senior systems.*
- Create a Senior Professional Corps.
- Preserve noncareer appointment limitations.  
*While preserving noncareer appointment limitations was not a major issue of itself, the concern about increasing noncareer appointments and circumventing limitations was often expressed in connection with increasing agency flexibilities.*
- Strengthen the "career reserved" concept. Eliminate the numerical floor and rely on application of the statutory criteria.  
*There was general support for strengthening the criteria and agreement that relying solely on numbers rather than criteria often presented problems for agencies. However, there was concern that eliminating the career reserved floor might contribute to politicization.*
- Extend SES probationary period to 2 years.

- 
- Increase performance bonus limits and eliminate bonus pools.
  - Make performance options more flexible.
  - Consider making more of base pay subject to performance considerations.

### III. Framework Ideas That Were Generally Rejected

- Replace performance appraisal and recertification with a 3-year performance agreement and annual progress reviews.  
*Commenters preferred instead to eliminate recertification and use an improved annual performance appraisal system to hold executives accountable for performance and results.*
- Change the Meritorious Rank Award to an agency-based award.
- Make mobility a requirement.  
*However, there was general support for voluntary mobility and for initiatives that would facilitate mobility and there was recognition that broadening an executive's experience base is important.*
- Require SES appointees to have experience in more than one agency or program to get a rank award or to advance in pay above ES-3.

### IV. Framework Ideas That Didn't Generate Strong Comment

- Maintain centralized allocations.
- Establish qualifications criteria for senior civil service positions.
- Continue OPM approval for noncareer-type appointments.



UNITED STATES  
OFFICE OF PERSONNEL MANAGEMENT  
WASHINGTON, DC 20415-0601

OFFICE OF THE DIRECTOR

OCT 16 2000

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM:

JANICE R. LACHANCE  
DIRECTOR

A handwritten signature in cursive script that reads "Janice R. Lachance".

SUBJECT:

Promoting Executive Excellence and Accountability

I know you share my commitment to excellence in the Senior Executive Service (SES), and I am pleased to announce a regulatory revision which promotes our goal.

The new regulations change the focus of SES performance management from process to results. They eliminate many current process requirements and give agencies more flexibility to tailor performance management systems to their unique mission requirements and organizational climates.

The regulations promote executive accountability by:

- requiring agencies to balance organizational results, customer satisfaction, and employee perspectives when evaluating senior executive performance;
- strengthening the link between performance management and strategic planning; and
- emphasizing the responsibility of agency leaders to communicate performance expectations and take action on performance assessments.

Stakeholders have told us that streamlined regulations are important. But, even more important is the commitment and involvement of agency leaders. Together with our senior executives, we must think seriously about managing performance on an ongoing basis. We have to foster an environment of positive performance management — where agency management consults with senior executives, sets performance goals and expectations in line with the agency goals and objectives, regularly assesses performance against these goals, and uses performance as a true basis for bonuses and other pay decisions, evaluating development needs, and other personnel decisions. Finally, we must support our senior executives as they lead and direct their organizations to deliver for the American people.

Agencies must develop systems to implement the new regulations by the beginning of their next appraisal cycles. By the end of the year, OPM will issue detailed instructions on the approval of new agency systems.

In the meantime, we will continue to provide technical assistance and facilitate information-sharing on innovative performance management systems and practices. On November 14, 2000, we will sponsor a 1-day conference to share the experiences of agencies who are already using balanced measures in their executive appraisal systems. Please encourage your executives, Performance Review Board members, and SES program managers to attend this conference.

Our website ([www.opm.gov/ses/news](http://www.opm.gov/ses/news)) contains details on the conference, as well as the regulations and other information on SES performance management. My staff is also available to provide technical assistance. Please contact Anne Kirby, Director of the SES Management Center, at 202-606-1610 or [SESmgmt@opm.gov](mailto:SESmgmt@opm.gov).

We look forward to working with you, your Human Resources Office, and your agency's SES members to implement the new regulations. Working together we can use these new regulations to promote a culture change — a culture change that views SES performance management as a tool for driving results, instead of an irritating, annual chore.

cc: President's Management Council  
Human Resources Directors

## **Survey of the Senior Executive Service**

**U.S. Office of Personnel Management  
Senior Executives Association**

### **Purpose of the Survey**

- To collect detailed information on the experience, qualifications, and attitudes of Senior Executives
- To use the results to shape future SES policy and program initiatives
- To create a benchmark to assess changes in the corps over time

### **The Survey Instrument**

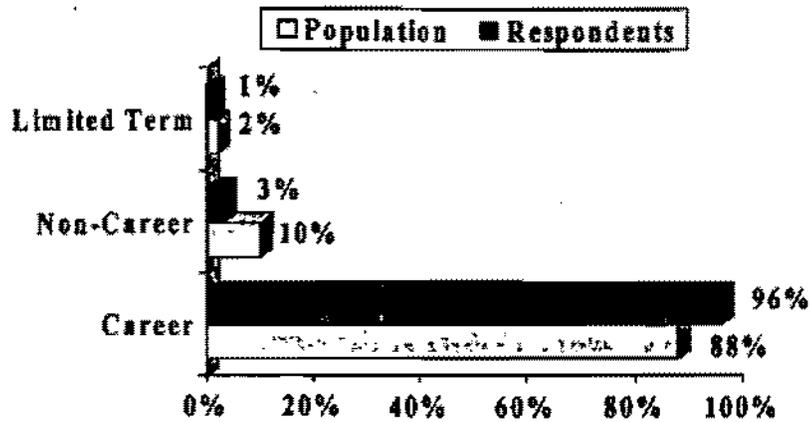
The 97-item Survey covered the following topics:

- Agency and Organizational Climate
- SES Core Qualifications and Selection Processes
- Executive Development, Continual Learning, and Mobility
- Performance Management and Compensation
- Background Information

### **The Survey Instrument**

- The survey was mailed in August 1999 to 6,538 Senior Executives Governmentwide with known addresses (86% of SES population)
- 2,521 completed surveys were returned: response rate = 40%
- Margin of error = +/-1.6%

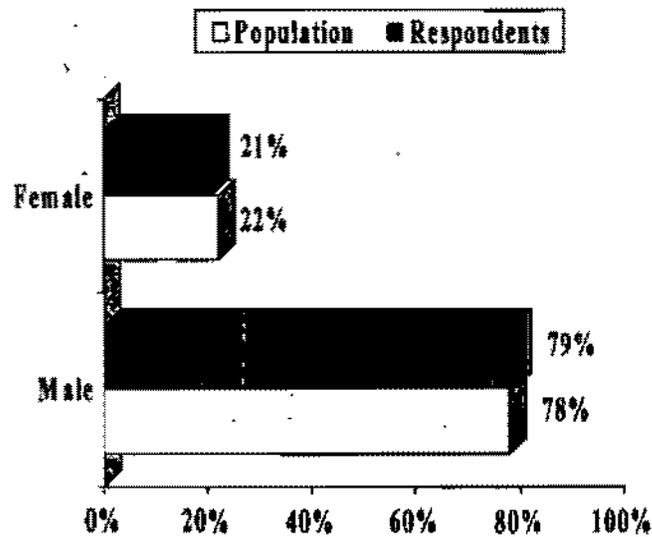
### Survey Respondents vs. SES Population: Percentage of Career and Non-Career



Item #71

5

### Gender: Survey Respondents vs. SES Population

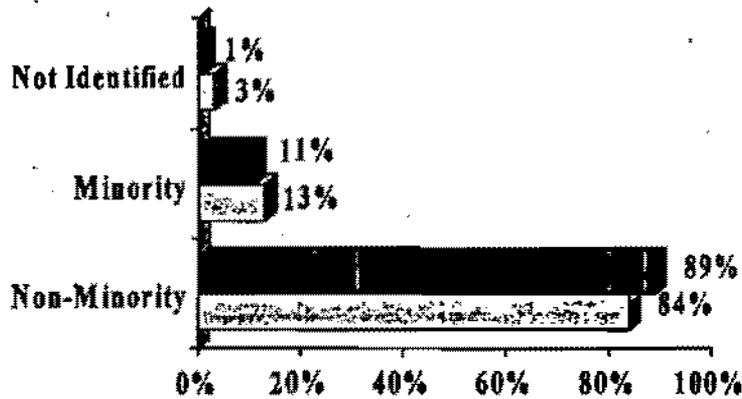


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6

## Diversity: Survey Respondents vs. SES Population

□ Population ■ Respondents

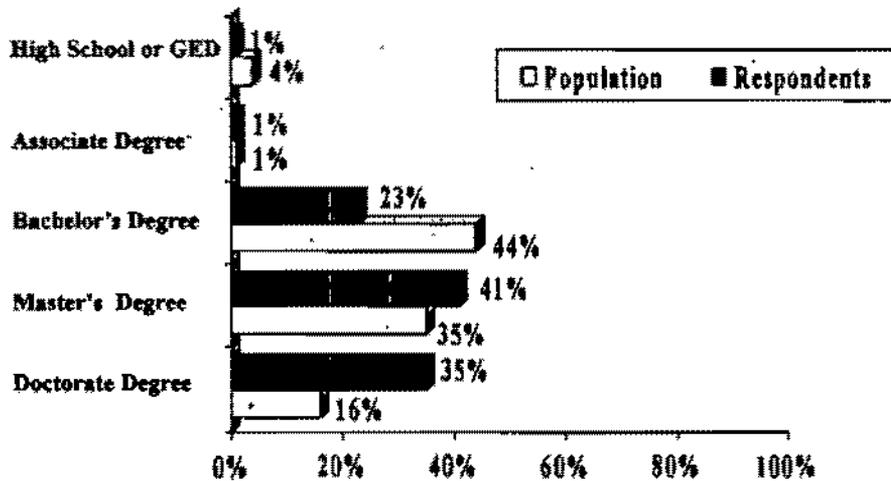


Item #73

7

## Education Level: Survey Respondents vs. SES Population

What is the highest level of education you have completed?

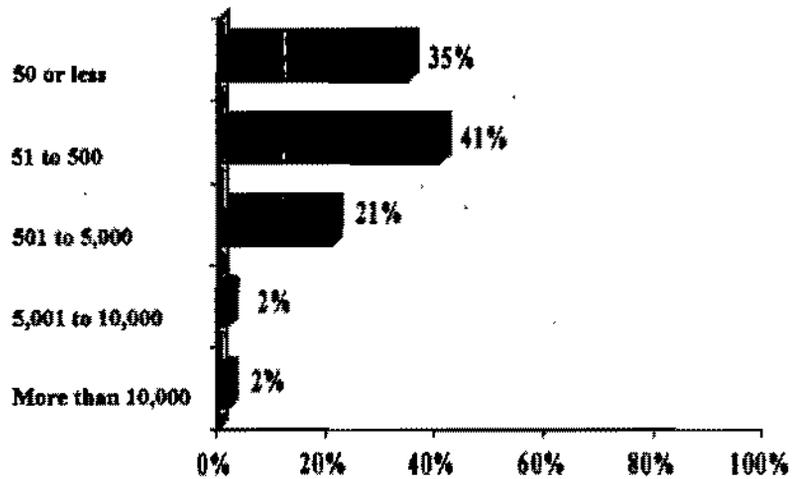


Item #77

8

## Employees in Your Organization

How many employees are in the organization that you manage?

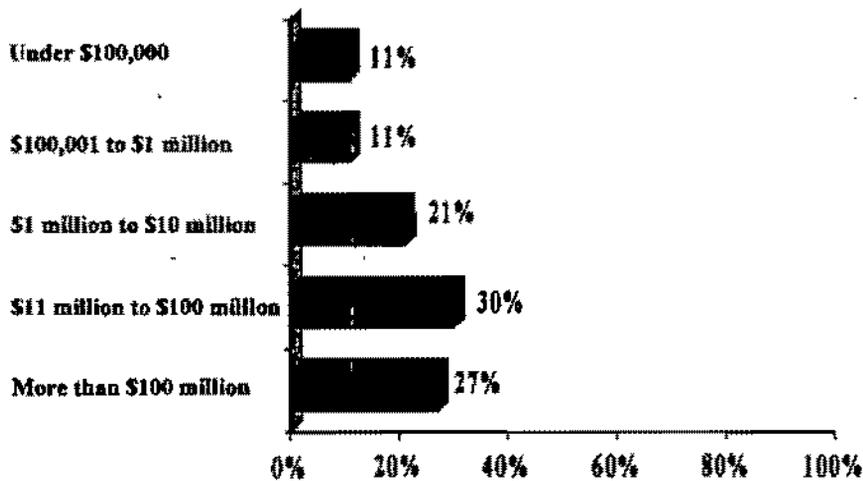


Item #91

9

## Budget Amount Under Your Control

Which of the following most closely represents the total budget amount under your control?



Item #92

10

## **Agency and Organizational Climate**

### **Agency and Organizational Climate: Summary**

- Two out of three executives report rewarding teamwork
- Three out of four report rewarding creativity and innovation, compared to about one out of three employees in the 1999 Governmentwide NPR Survey who perceived this practice
- Three out of four executives agree there is cooperation between career and non-career executives

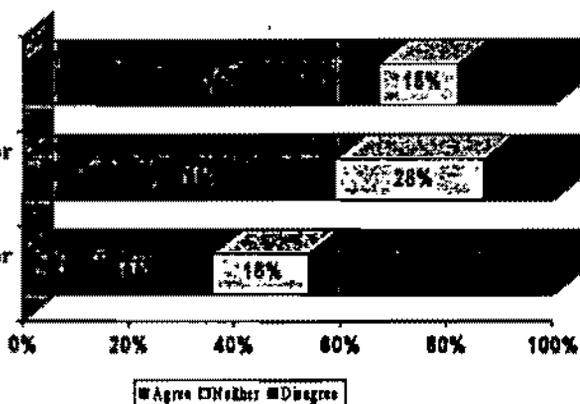
## Rewarding Teamwork

In the organization run by you or the one in which you work:  
Employees are rewarded...for working together in teams.

1999 Survey of the Senior Executive Service (N=2,460)

1999 National Partnership for Reinventing Government Survey, N=159 (SES)

1999 National Partnership for Reinventing Government Survey, N=16,783 (Non- executives)



Item #5

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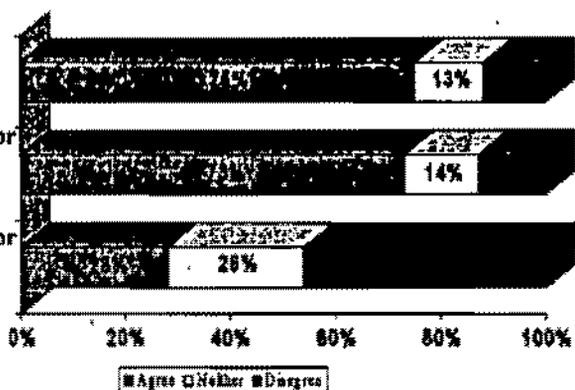
## Rewarding Creativity and Innovation

In the organization run by you or the one in which you work:  
Creativity and innovation are rewarded.

1999 Survey of the Senior Executive Service (N=2,453)

1999 National Partnership for Reinventing Government Survey, N=159 (SES)

1999 National Partnership for Reinventing Government Survey, N=16,715 (Non- executives)



Item #6

14

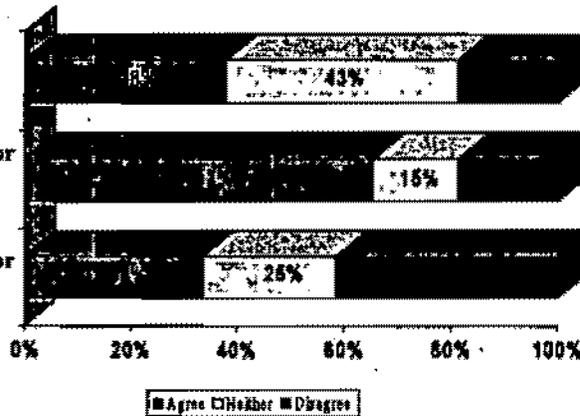
## Labor-Management Cooperation

In the organization run by you or the one in which you work:  
Management and the unions work cooperatively on mutual problems.

1999 Survey of the Senior Executive Service (N=2,521)

1999 National Partnership for Reinventing Government Survey, N=96 (SES)

1999 National Partnership for Reinventing Government Survey, N=9,515 (Non-executives)

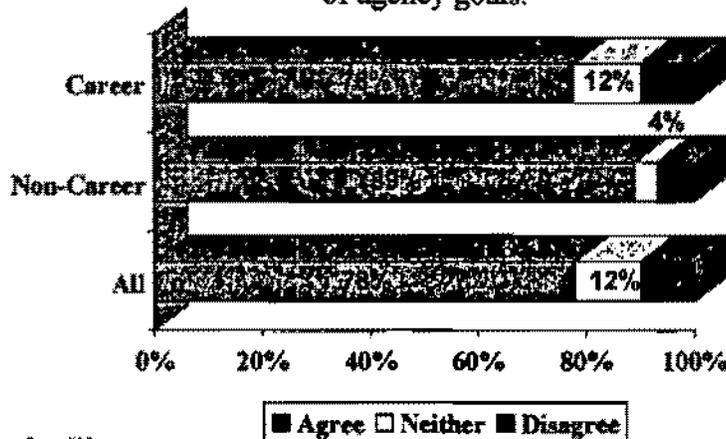


Item #7

15

## Career and Non-Career Cooperation

In my agency/Department/Bureau, senior career executives and non-career executives cooperate toward the attainment of agency goals.



Item #20

16

## **The Executive Core Qualifications and Selection Process**

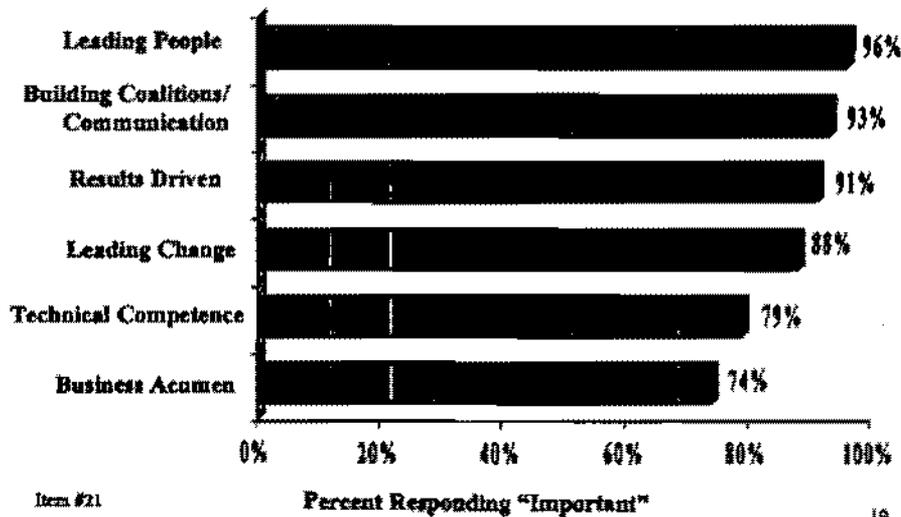
17

### **The Executive Core Qualifications and Selection Process: Summary**

- There is high agreement on the importance of the executive core qualifications (ECQs) for job performance
- About half of the respondents indicate that their agencies use the ECQs in selection

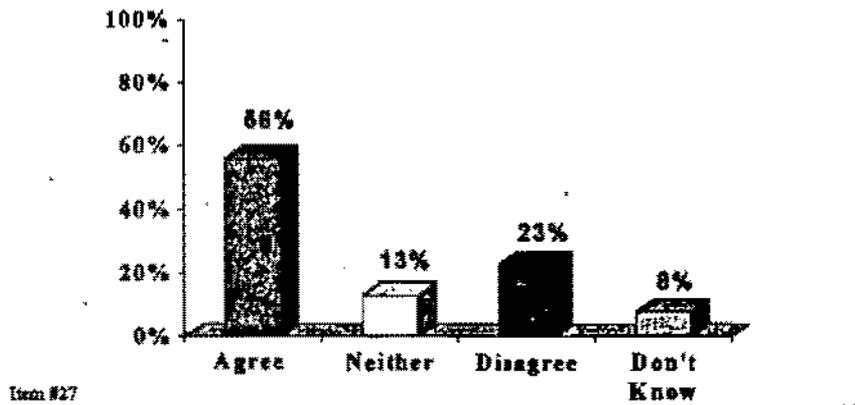
18

## Importance of Executive Core Qualifications for Job Performance

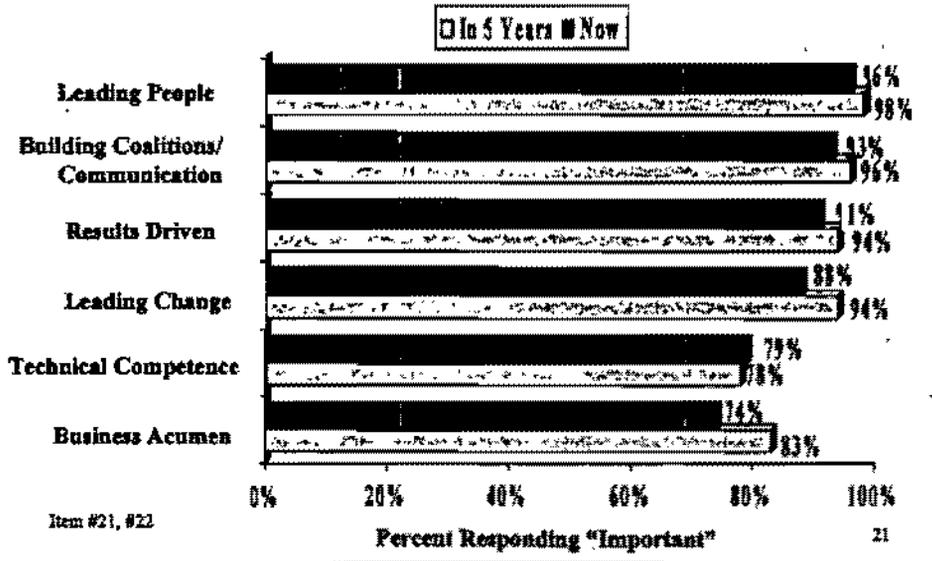


## Use of the Executive Core Qualifications for Selection in the SES

In my agency, the five Executive Core Qualifications are strongly emphasized in evaluating applicants and are a key factor in determining who is selected for the SES.

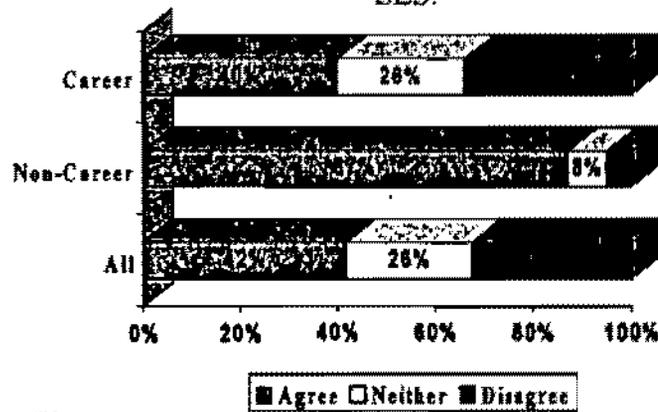


## Importance of Executive Core Qualifications Now and In the Future

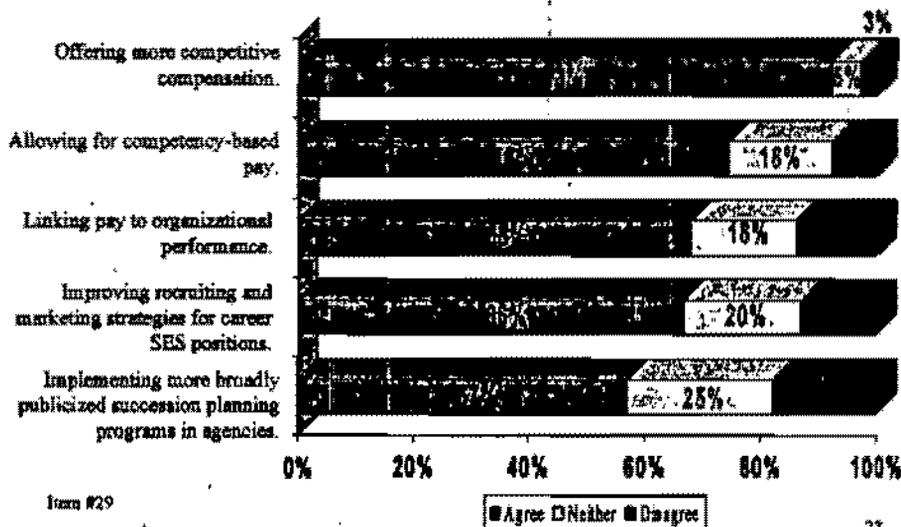


## Ways to Improve Recruitment and Retention in the SES

Recruiting more leaders from outside the Federal Government for career SES positions would improve the SES.



## Improving Recruitment and Retention in the SES

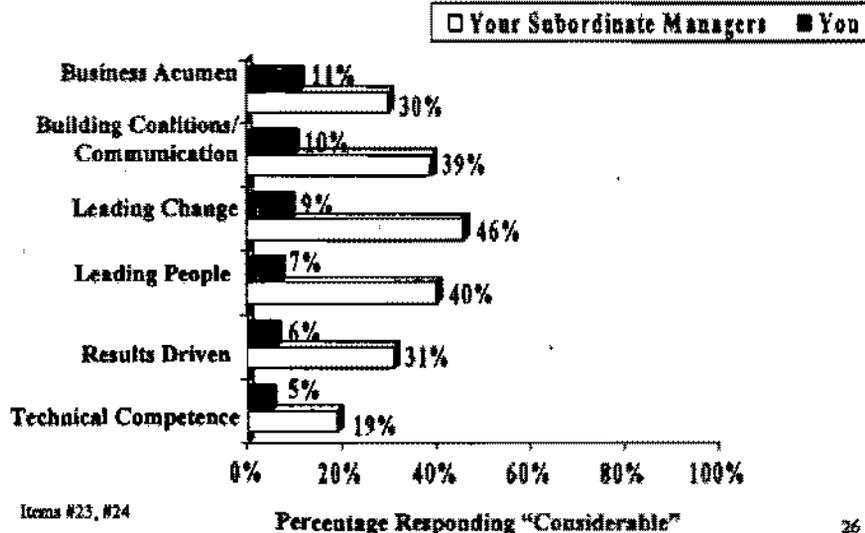


## Executive Development, Continual Learning, and Mobility

## Executive Development, Continual Learning, and Mobility: Summary

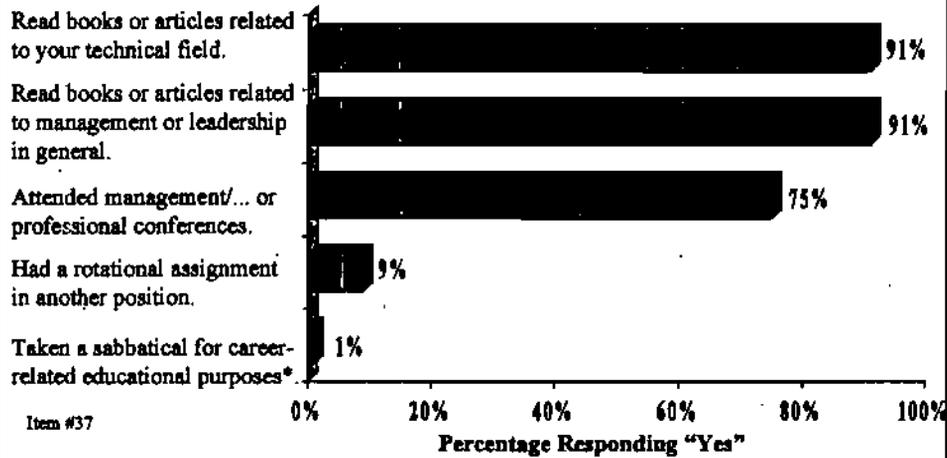
- Executives are spending time on their personal development
- Agencies need to invest more in executive succession planning: 70% of SES are eligible to retire within 5 years
- Nearly half think mobility is important, but only 9% have worked in more than one agency

## Development Needed in the Executive Core Qualifications



## Executive Development Activities and Continual Learning

Within the past year have you:



\* Note that the term "sabbatical" may have been misinterpreted to include other career development activities in addition to sabbaticals authorized under the SES regulations.

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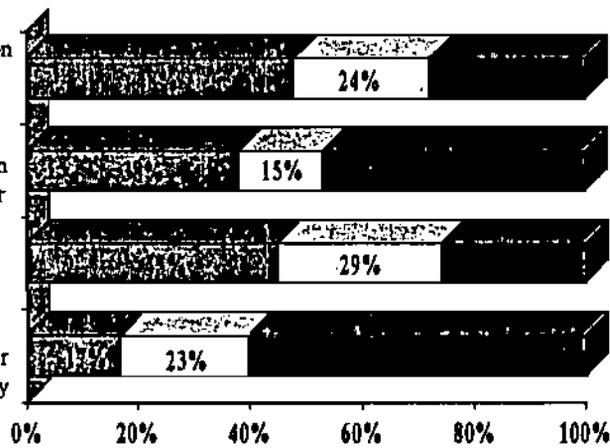
## Executive Mobility

My advancement depends upon my willingness to change positions.

If asked, I would relocate as an SES-level executive to another geographic location.

SES mobility improves job performance.

Internal reassignments of senior executives impair the continuity of agency programs.\*



\* Note that disagreement is desired response

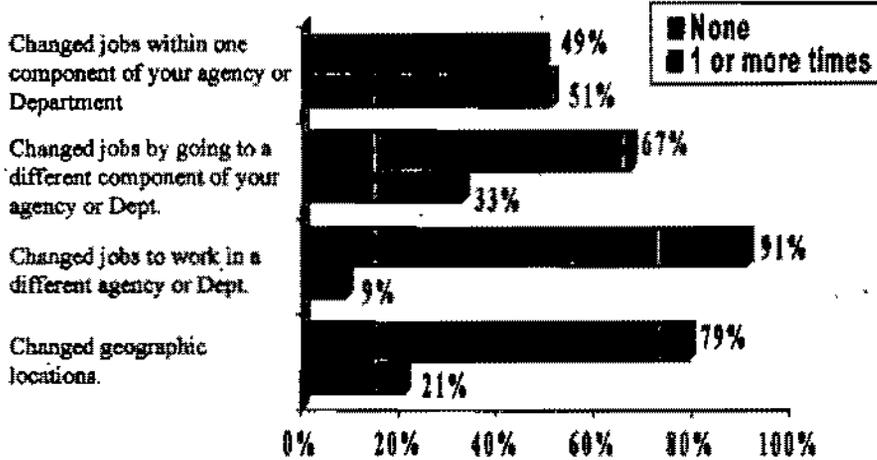
■ Agree □ Neither ■ Disagree

Items #15, #39, #40, #41

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## Executive Mobility

Since becoming a member of the SES, how many times have you:

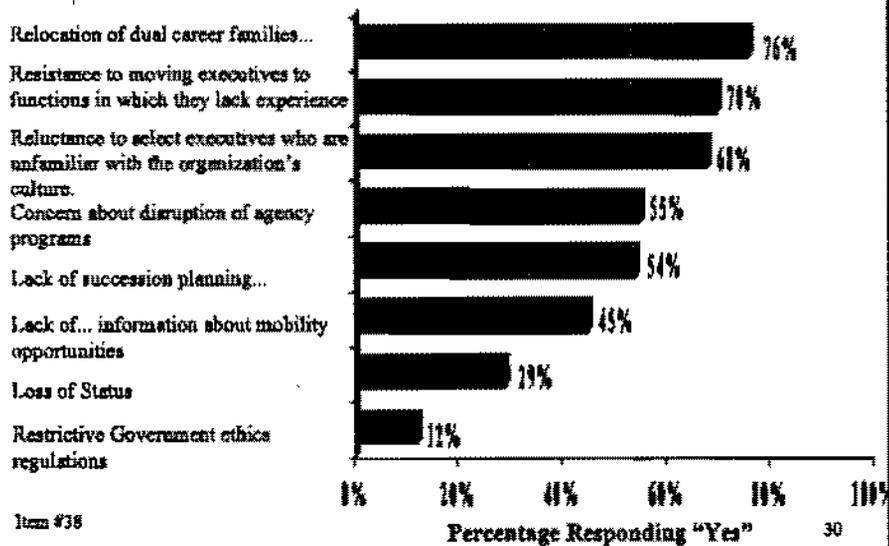


Item #30

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## Obstacles to Executive Mobility

Indicate whether the following are obstacles to executive mobility

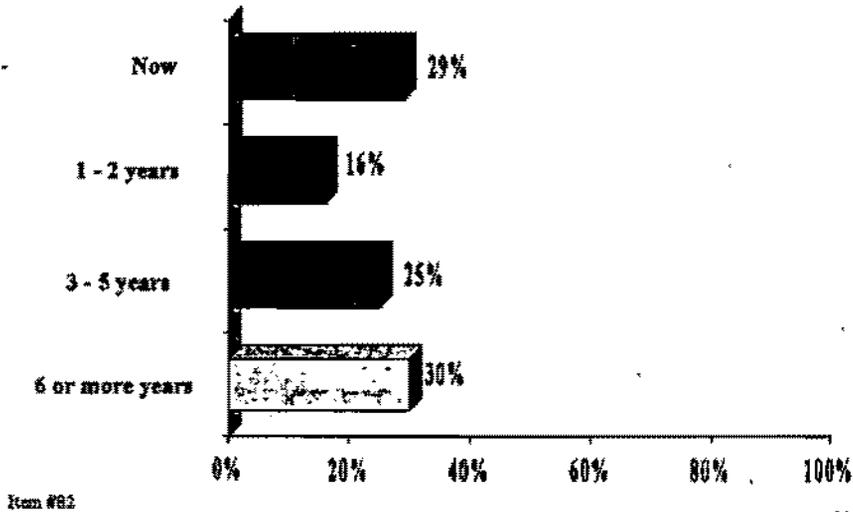


Item #38

Percentage Responding "Yes"

30

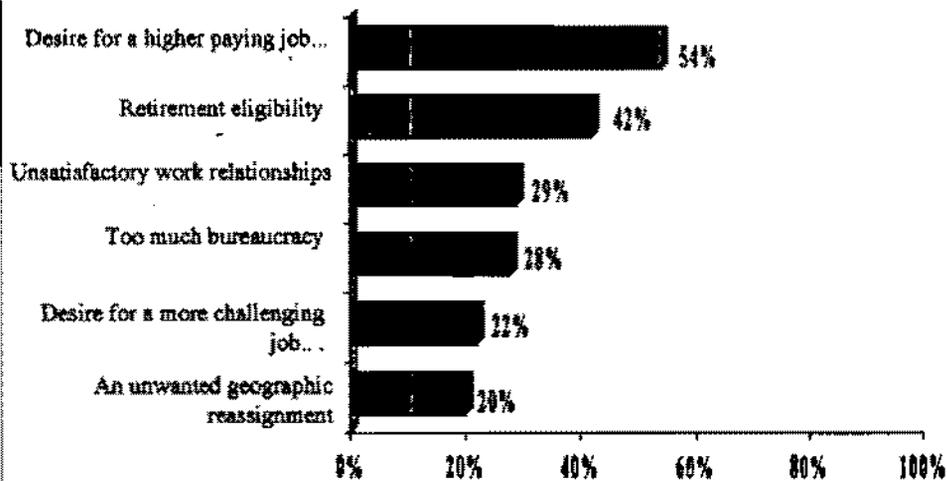
## Retirement Eligibility for Career SES



31

## Reasons for Turnover

If I were to leave the Federal Government in the next year, it would most likely be because of:



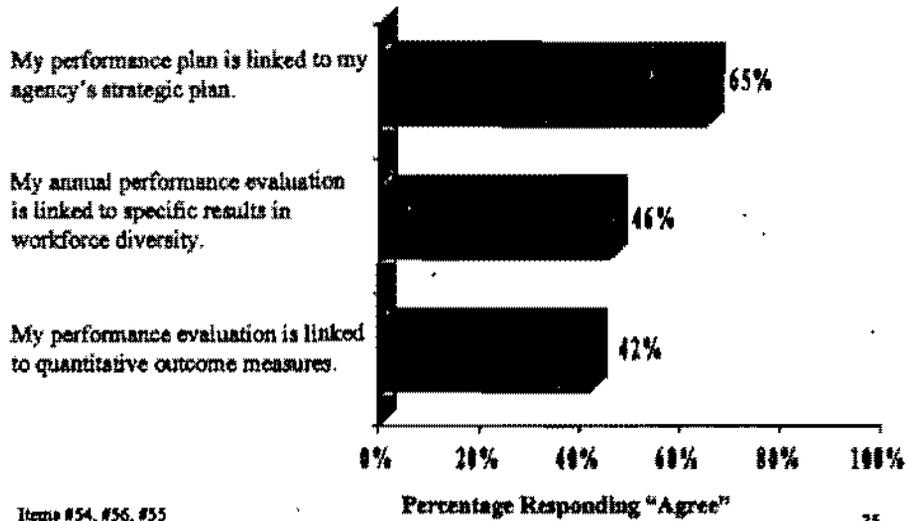
32

## **Performance Management and Compensation**

### **Performance Management and Compensation: Summary**

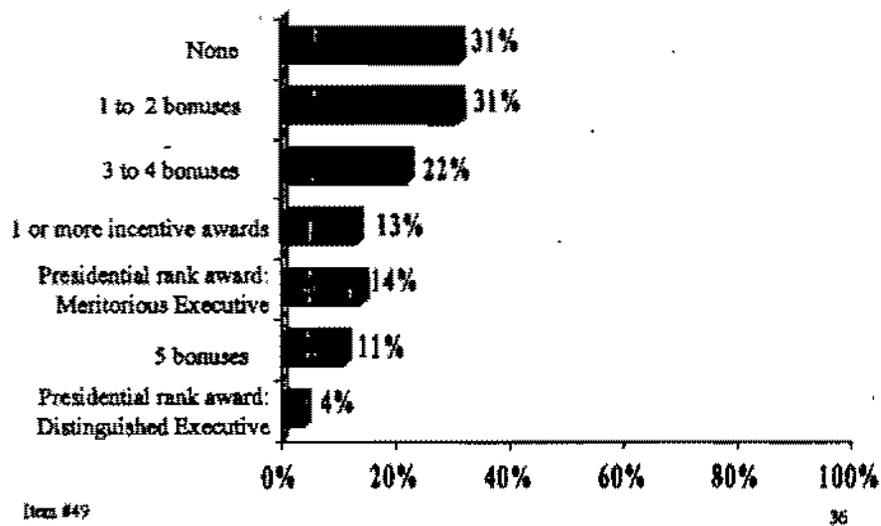
- Most executives have performance plans and receive regular feedback on their performance
- Two out of three executives report that their performance plans are linked to their agency's strategic plan
- Less than half report that their evaluation is linked to quantitative outcome measures
- Job satisfaction is high, but pay satisfaction is low

## Performance-Results Link



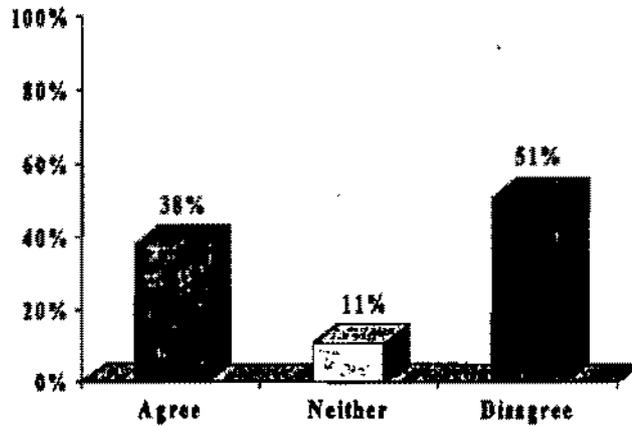
## SES Level Awards

In the past 5 years, what SES level awards have you received?



## Pay Satisfaction

All in all, I am satisfied with my pay.

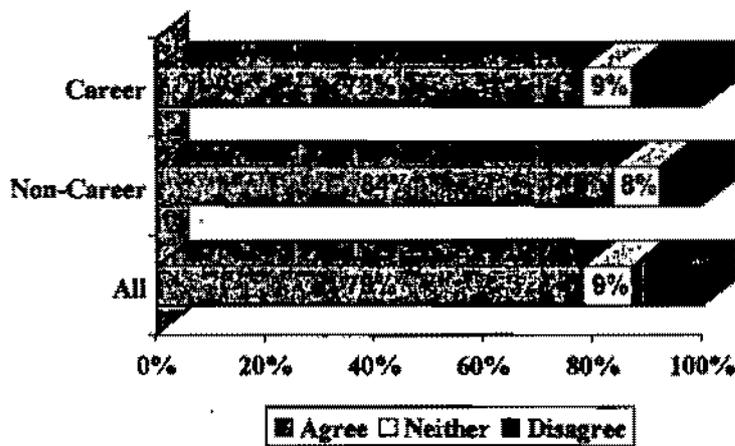


Item #51

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## Job Satisfaction: Career vs. Non-Career

All in all, I am satisfied with my job.

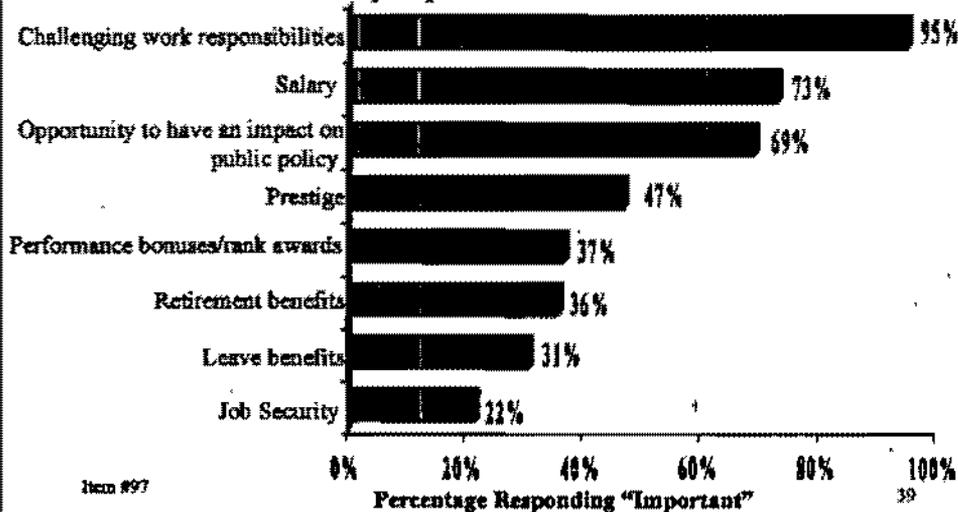


Item #14

38

## Reasons for Working for the Federal Government

How important was each of the following factors in your decision to accept a position in the SES?



## In Conclusion

The first SES Survey is complete, but our work together is not. We would like to continue to hear from members of the SES.

- OPM: 202-606-1610 or [sesdata@opm.gov](mailto:sesdata@opm.gov)
- SEA: 202-927-7000 or [seniorexec@aol.com](mailto:seniorexec@aol.com)

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# SENIOR EXECUTIVE SERVICE

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## SENIOR EXECUTIVE SERVICE Executive Core Qualifications

**T**he U.S. Office of Personnel Management (OPM) has identified five fundamental executive qualifications. The Executive Core Qualifications (ECQ's) were designed to assess *executive* experience and potential— not technical expertise. They measure whether an individual has the broad *executive* skills needed to succeed in a variety of Senior Executive Service (SES) positions.

**S**uccessful performance in the SES requires competence in each ECQ. The ECQ's are interdependent; successful executives bring all five to bear when providing service to the Nation.

**T**he basic definition for each ECQ is supplemented by Key Characteristics, which reflect possession of the executive qualification, and those Leadership Competencies which are particularly important to it. Candidates do not need to have experience in each Key Characteristic to demonstrate possession of the ECQ. Rather, candidates' overall record (professional and volunteer experience, education and training, awards, accomplishments, and potential) should indicate that they have the knowledge, skills, and abilities needed to succeed in the SES.

## ECQ 1

## LEADING CHANGE

This core qualification encompasses the ability to develop and implement an organizational vision which integrates key national and program goals, priorities, values, and other factors. Inherent to it is the ability to balance change and continuity—to continually strive to improve customer service and program performance within the basic Government framework, to create a work environment that encourages creative thinking, and to maintain focus, intensity, and persistence, even under adversity.

### Key Characteristics:

- (a) Exercising leadership and motivating managers to incorporate vision, strategic planning, and elements of quality management into the full range of the organization's activities; encouraging creative thinking and innovation; influencing others toward a spirit of service; designing and implementing new or cutting edge programs/processes.
- (b) Identifying and integrating key issues affecting the organization, including political, economic, social, technological, and administrative factors.

- (c) Understanding the roles and relationships of the components of the national policy making and implementation process, including the President, political appointees, Congress, the judiciary, state and local governments, and interest groups; formulating effective strategies to balance those interests consistent with the business of the organization.
- (d) Being open to change and new information; tolerating ambiguity; adapting behavior and work methods in response to new information, changing conditions, or unexpected obstacles; adjusting rapidly to new situations warranting attention and resolution.
- (e) Displaying a high level of initiative, effort, and commitment to public service; being proactive and achievement-oriented; being self-motivated; pursuing self-development; seeking feedback from others and opportunities to master new knowledge.
- (f) Dealing effectively with pressure; maintaining focus and intensity and remaining persistent, even under adversity; recovering quickly from setbacks.

### Leadership Competencies

Creativity & Innovation  
Continual Learning  
External Awareness  
Flexibility

Resilience  
Service Motivation  
Strategic Thinking  
Vision

## ECQ 2

## LEADING PEOPLE

This core qualification involves the ability to design and implement strategies which maximize employee potential and foster high ethical standards in meeting the organization's vision, mission, and goals.

### Key Characteristics:

- (a) Providing leadership in setting the workforce's expected performance levels commensurate with the organization's strategic objectives; inspiring, motivating, and guiding others toward goal accomplishment; empowering people by sharing power and authority.
- (b) Promoting quality through effective use of the organization's performance management system (e.g., establishing performance standards, appraising staff accomplishments using the developed standards, and taking action to reward, counsel, or remove employees, as appropriate).
- (c) Valuing cultural diversity and other differences; foster-

ing an environment where people who are culturally diverse can work together cooperatively and effectively in achieving organizational goals.

- (d) Assessing employees' unique developmental needs and providing developmental opportunities which maximize employees' capabilities and contribute to the achievement of organizational goals; developing leadership in others through coaching and mentoring.
- (e) Fostering commitment, team spirit, pride, trust, and group identity; taking steps to prevent situations that could result in unpleasant confrontations.
- (f) Resolving conflicts in a positive and constructive manner; this includes promoting labor/management partnerships and dealing effectively with employee relations matters, attending to morale and organizational climate issues, handling administrative, labor management, and EEO issues, and taking disciplinary actions when other means have not been successful.

### Leadership Competencies

Conflict Management  
Cultural Awareness

Integrity/Honesty  
Team Building

## ECQ 3

## RESULTS DRIVEN

This core qualification stresses accountability and continuous improvement. It includes the ability to make timely and effective decisions and produce results through strategic planning and the implementation and evaluation of programs and policies.

### Key Characteristics:

- (a) Understanding and appropriately applying procedures, requirements, regulations, and policies related to specialized expertise; understanding linkages between administrative competencies and mission needs; keeping current on issues, practices, and procedures in technical areas.
- (b) Stressing results by formulating strategic program plans which assess policy/program feasibility and include realistic short- and long-term goals and objectives.

- (c) Exercising good judgment in structuring and organizing work and setting priorities; balancing the interests of clients and readily readjusting priorities to respond to customer demands.
- (d) Anticipating and identifying, diagnosing, and consulting on potential or actual problem areas relating to program implementation and goal achievement; selecting from alternative courses of corrective action, and taking action from developed contingency plans.
- (e) Setting program standards; holding self and others accountable for achieving these standards; acting decisively to modify standards to promote customer service and/or the quality of programs and policies.
- (f) Identifying opportunities to develop and market new products and services within or outside of the organization; taking risks to pursue a recognized benefit or advantage.

### Leadership Competencies

Accountability  
Customer Service  
Decisiveness

Entrepreneurship  
Problem Solving  
Technical Credibility

## ECQ 4

## BUSINESS ACUMEN

This core qualification involves the ability to acquire and administer human, financial, material, and information resources in a manner which instills public trust and accomplishes the organization's mission, and to use new technology to enhance decision making.

### Key Characteristics:

- (a) Assessing current and future staffing needs based on organizational goals and budget realities. Applying merit principles to develop, select, and manage a diverse workforce.
- (b) Overseeing the allocation of financial resources; identifying cost-effective approaches; establishing and assuring the use of internal controls for financial systems.

- (c) Managing the budgetary process, including preparing and justifying a budget and operating the budget under organizational and Congressional procedures; understanding the marketing expertise necessary to ensure appropriate funding levels.
- (d) Overseeing procurement and contracting procedures and processes.
- (e) Integrating and coordinating logistical operations.
- (f) Ensuring the efficient and cost-effective development and utilization of management information systems and other technological resources that meet the organization's needs; understanding the impact of technological changes on the organization.

### Leadership Competencies

Financial Management  
Human Resources Management

Technology Management

This core qualification involves the ability to explain, advocate and express facts and ideas in a convincing manner, and negotiate with individuals and groups internally and externally. It also involves the ability to develop an expansive professional network with other organizations, and to identify the internal and external politics that impact the work of the organization.

**Key Characteristics:**

- (a) Representing and speaking for the organizational unit and its work (e.g., presenting, explaining, selling, defining, and negotiating) to those within and outside the office (e.g., agency heads and other Government executives; corporate executives; Office of Management and Budget officials; Congressional members and staff; the media; clientele and professional groups); making clear and convincing oral presentations to individuals and groups; listening effectively and clarifying information; facilitating an open exchange of ideas.
- (b) Establishing and maintaining working relationships with internal organizational units (e.g., other program areas and staff support functions); approaching each

problem situation with a clear perception of organizational and political reality; using contacts to build and strengthen internal support bases; getting understanding and support from higher level management.

- (c) Developing and enhancing alliances with external groups (e.g., other agencies or firms, state and local governments, Congress, and clientele groups); engaging in cross-functional activities; finding common ground with a widening range of stakeholders.
- (d) Working in groups and teams; conducting briefings and other meetings; gaining cooperation from others to obtain information and accomplish goals; facilitating "win-win" situations.
- (e) Considering and responding appropriately to the needs, feelings, and capabilities of different people in different situations; being tactful and treating others with respect.
- (f) Seeing that reports, memoranda, and other documents reflect the position and work of the organization in a clear, convincing, and organized manner.

**Leadership Competencies**

Influencing/Negotiating  
 Interpersonal Skills  
 Oral Communication

Partnering  
 Political Savvy  
 Written Communication



United States  
 Office of  
 Personnel  
 Management

## **Creating Strong Bonds with Federal Labor Management: Building Cooperative Labor-Management Relationships**

### **Overview: Executive Order 12871**

In its September 1993 report, *From Red Tape to Results: Creating a Government That Works Better and Costs Less*, the National Performance Review (NPR) acknowledged the lessons learned from private industry and concluded that

“traditional union-employer relations are not well-suited to handle a culture change that asks workers and managers to think first about the customer and to work hand-in-hand to improve quality.... We can only transform government if we transform the adversarial relationship that dominates federal union-management interaction into a partnership for reinvention and change.”

Based on these findings, the NPR recommended that President Clinton establish labor-management partnership as a top priority for the Administration. In response, the President issued Executive Order 12871 (*Labor-Management Partnerships*) on October 1, 1993 (See appendix of any of the several attached National Partnership Council Reports to the President.) In the preamble to the Order, the President made this powerful statement about the importance of partnership:

“The involvement of Federal Government Employees is essential to achieving the National Performance Review’s Government reform objectives. Only by changing the nature of Federal labor-management relations so that managers, employees, and employees’ elected union representatives serve as partners will it be possible to design and implement comprehensive changes necessary to reform Government. Labor-management partnerships will champion change in Federal Government agencies to transform them into organizations capable of delivering the highest quality service to the American people.”

The Order established the National Partnership Council (NPC), an advisory body comprised of labor, management, and neutrals, to promote the creation of labor-management partnerships throughout the Executive branch and to report on the activity and performance of partnerships. The Order also directed agency heads to:

1. Create labor-management partnerships by forming labor-management committees or councils at appropriate levels to help reform Government
2. Involve employees and their union representatives as full partners to identify problems and craft solutions to better serve the agency’s customers and mission
3. Provide training for line managers, first line supervisors, union representatives who are Federal employees, and other appropriate employees in consensual methods of

dispute resolution, such as alternative dispute resolution and interest-based bargaining approaches

4. Negotiate over the subjects in 5 U.S.C. Section 7106(b)(1), and instruct subordinate officials to do the same
5. Evaluate progress and improvements in organizational performance resulting from labor-management partnership

With Executive Order 12871, the President began to change the operating assumptions of labor and management in the Federal Government. Agencies and unions were challenged to move past the hostility and conflicts that all too often defined labor-management relations. The President directed labor and management to forge genuine partnerships aimed at improving the performance of Government.

### **Basic Program Results**

Many agencies found it extraordinarily difficult to quantify changes in labor-management relations and to measure the impact of those changes on the performance of large, complex organizations. Two agencies that conducted such an analysis -- the Customs Service and the Social Security Administration -- each spent close to one year developing an analytical framework, establishing baseline data, collecting labor relations information across their entire organizations, developing models that quantify the costs and benefits of partnership, and comparing agency performance before and after partnership.

At the Customs Service, a cost-benefit analysis of partnership conducted by the firm of Booz-Allen found that each \$1.00 Customs spent on partnership between 1994-1998 returned a benefit of roughly \$1.20 to the agency. Booz-Allen also found that even the intangible, non-monetary benefits of partnership helped to increase Customs' efficiency and effectiveness in meeting its mission.

The Social Security Administration estimated annual savings of \$7-8 million dollars due to a dramatic decline in unfair labor practice charges, from a high of 467 in 1990 to 167 in 1999. The agency had also seen the number of grievances decline significantly as well.

On the whole, labor-management relations in the Federal Government have improved substantially since the President signed Executive Order 12871 in 1993, although the changes have not been as deep or widespread as the President envisioned. There has been a sizable shift toward labor-management cooperation and away from the mutually destructive, adversarial relationships that were all too common in the past. Whether motivated by the Executive Order, the demand for better government service, the desire to find a smarter way to do business, or simple battle fatigue, a significant change in the government's labor-management relations climate has been under way for some time.

Evidence of that change can be seen in several places. It is evident in the overwhelming majority of agencies who identified tangible improvements in their labor-management relations as a result of partnership-building efforts. We see it in the surveys conducted by the National Partnership Council over the past five years that show strong and steady support for partnership from both labor and management. We see it in the dramatic government-wide decline in unfair labor practice charges over the past several years, from over 8,674 in 1993 to 5,686 in 1999. And we see it in the way that labor-management partnerships have cut costs, enhanced productivity, and improved the delivery of services in a variety of agencies all across government.

### **Key Initiatives**

The National Partnership Council led the President's partnership initiative. Made up of representatives of the following organizations:

US Office of Personnel Management (Chair and staff support),  
Office of Management and Budget,  
Department of Treasury,  
Department of Defense,  
Department of Labor,  
American Federation Government Employees,  
National Treasury Employees Union,  
National Federation of Federal Employees,  
Public Employees Department, AFL-CIO,  
Federal Labor Relations Authority,  
Federal Mediation and Conciliation Service,  
Federal Managers Association,  
Senior Executives Association.

The first couple of years (1994 through 1996) initiatives included providing widespread awareness of labor-management partnerships throughout the Federal government. This was achieved through the creation of the National Partnership Council Clearinghouse. Housed within OPM, the clearinghouse provided instructional material and speakers to labor and management groups aspiring to meet the President's call for partnership.

The next couple of years (1997 to 2000) moved the NPC to providing training and assistance for labor and management. This included hands on intervention and skills building seminars throughout the United States.

In 1998, the Council added a focus on analyzing the elements of and barriers to success in developing partnerships. This "Research Project," would utilize academics to develop a summary of factors on what works, what doesn't work, and why. A report is expected by the end of calendar year 2000.

In 1999, the President reaffirmed his commitment to labor-management partnerships through the issuance of a Reaffirmation Memo (October 28, 1999.) The President called

on agencies to evaluate and make strategic plans to continue their efforts.

### **Documentation**

The attached documentation contains all directives and executive orders issued during the time period of the Clinton Administration's partnership initiative. Not included are the Report to the President in accordance with the Reaffirmation Memo or the Report to the NPC on its Research Project. Neither of these two reports have been finalized.

- VHS Tape of the National Partnership Council's 1<sup>st</sup> Public Meeting, Guest Speaker Vice President Al Gore.
- January 1994, National Partnership Council Report to the President
- July 1994, Partnership Handbook
- February 1995, Report on the National Partnership Council 1994 Assessment of Partnership Activities
- September 1995, National Partnership Council Report to the President
- October 1996, National Partnership Council Report to the President
- December 1997, National Partnership Council Report to the President
- November 1998, National Partnership Council publication: Labor-Management Partnership: Skills for Success
- October 1999, Presidential Memorandum Reaffirmation of Executive Order 12871 – Labor-Management Partnerships