



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT

Washington, DC 20415

The Director

Thursday, November 13, 2003

MEMORANDUM FOR: Heads Of Executive Departments And Agencies

FROM: Kay Coles James, Director

Subject: FY 2004 Presidential Rank Award Program

I invite you to participate in the FY 2004 Presidential Rank Awards program. These prestigious awards recognize and celebrate our very best career executives and senior professionals, those leaders who consistently demonstrate strength, integrity, industry, and a relentless commitment to public service. This is an excellent opportunity to recognize those who have made significant progress in advancing the President's Management Agenda and produced results for the American people.

The President will select award recipients after a rigorous review process led by the Office of Personnel Management (OPM). Panels of private citizens are the core of this review process. These citizen panels evaluate all agency nominations. They look for senior executives and professionals who have made a difference. They seek executives who lead a citizen-centered Government, foster partnerships and community solutions, and who promote a culture of achievement throughout their workforce. They also look for senior professionals whose exceptional professional, technical, or scientific achievements have produced extraordinary results for the Nation.

We will provide your Chief Human Capital Officer detailed instructions on nominating executives for the FY 2004 Presidential Rank Awards. Nominations are due to OPM by January 31, 2004. Questions can be directed to Ms. Delores Everett in the Center for Leadership and Executive Resources Policy on (202) 606-1050 or by e-mail at dxeveret@opm.gov.

General information about Presidential Rank Awards is attached for your information. I encourage you to participate in this important recognition program.

Attachment

THE PRESIDENTIAL RANK AWARDS PROGRAM

General Information

Background

The Civil Service Reform Act of 1978 calls for senior executives to be compensated commensurate with their performance. The Act established the Presidential Rank Awards Program to recognize a select group of career members of the Senior Executive Service (SES) for exceptional performance over an extended period of time. SES Rank Award recipients are outstanding leaders. Nominees must consistently demonstrate strength, integrity, industry, and a relentless commitment to public service. Through their personal conduct and their results-oriented leadership and program management, they will have established and maintained a high degree of public confidence and trust.

There are two categories of awards. *Distinguished Executives* are recognized for sustained extraordinary accomplishment, and receive a cash award of 35 percent of their base salary. Only one percent of the career SES may receive this rank. *Meritorious Executives* are recognized for sustained accomplishment, and receive a cash award of 20 percent of their base salary. No more than five percent of career SES members may receive this award. An executive may receive the same award only once in any five-year period.

In 2001, the Rank Award statute was amended to extend eligibility for these prestigious Presidential awards to certain senior career employees who have a sustained record of exceptional professional, technical, and/or scientific achievement that is recognized on a national or international level. Beginning with awards granted in 2003, the President may confer the ranks of *Distinguished Senior Professional* and *Meritorious Senior Professional* on a select group of senior career employees in a manner similar to that for career members of the SES. Like the SES, this *Distinguished* rank is awarded for sustained extraordinary accomplishment. Only one percent of senior career employees may earn this award, which includes a cash award of 35 percent of base salary. The *Meritorious* rank is awarded for sustained accomplishment to no more than 5 percent of senior career employees, who receive a cash award of 20 percent of base salary. A senior career employee may receive the same award only once in any five-year period.

Agency's Role

The selection process for the Presidential Rank Awards is lengthy and thorough. In most Federal agencies, it begins with the supervisor's nomination to agency panels composed of senior management officials. These panels review the nominations and send their recommendations to the head of the agency. Agency heads personally certify the appropriateness of each nomination before sending them to the Office of Personnel Management (OPM).

OPM's Role

OPM administers the Presidential Rank Awards Program. OPM develops the criteria for agencies to use, makes final determinations of the eligibility of nominees, and convenes

meetings of Presidential Rank Award Review Boards who evaluate and rate the nominations. The OPM Director then recommends potential winners to the President, who makes the final selections.

Review Board's Role

Presidential Rank Award Review Boards are composed of prominent private citizens who are selected by the OPM Director from a wide variety of occupational fields. The Review Boards for the Distinguished Rank Award meet in Washington, DC. Review Boards for the Meritorious Rank Awards meet in four locations across the country. Each Board member evaluates and rates nominations based on the specific accomplishments presented in the nomination packet and makes an independent judgement on the cases presented. The sum of the individual ratings given by board members results in a score for each nominee.

Criteria for SES Rank Awards

Presidential Rank Awards are reserved for executives who have a record of extraordinary leadership achievement that is recognized throughout the agency and/or is acknowledged on a national or international level. The following criteria are used to evaluate nominees.

Leading Change: Displayed the highest high level of creativity, initiative, flexibility, and innovation to produce results that are important to the American people. (The agency shows how the nominee displayed unusual vision in leading organizations or projects which thrived over time and are consistently recognized as extraordinary.)

Leading People: Demonstrated unusual success in building and maintaining a workforce that is diverse, well-trained, highly motivated, and productive. (The agency explains how the nominee leveraged the capacities of employees and other people to build a shared vision, aligned support for that vision, and motivated and encouraged people to work collaboratively to produce significant results.)

Results Driven: Has an exceptional record of achieving important program results. (The agency provides specific examples of how the nominee improved program operations and service delivery, cut red tape, and/or produced other notable results.)

Business Acumen: Managed the program's human, financial, material, and information resources in a manner which instilled the utmost public trust and advanced the organization's mission. (The agency shows how the nominee optimized use of financial resources through cost reductions or cost avoidance; applied merit principles to develop, select, and manage a productive and diverse workforce; and/or used information technology systems to make significant program improvements.)

Building Coalitions/Communication: Showed an unusual level of cooperative effort with others, including those in Federal agencies, other government jurisdictions, and the private and non-profit sectors. (The agency demonstrates how the nominee built productive stakeholder relationships that are characterized by mutual respect and contribute to program improvement and increased customer satisfaction.)

Criteria for Senior Professional Career Employee Rank Awards

Presidential Rank Awards are reserved for career senior employees who have a record of extraordinary professional, technical, and/or scientific achievement that is recognized throughout the agency and/or is acknowledged on a national or international level. The following criteria are used to evaluate nominees.

Leading Change: Displayed the highest level of creativity, initiative, flexibility, and innovation to produce results that are important to the American people. (The agency shows how the nominee displayed extraordinary leadership in advancing and influencing the field and agency programs with a quality of work that has consistently brought national or international recognition.)

Leading People/Building Coalitions: Demonstrated unusual success in leveraging the capabilities of colleagues to foster innovative thinking and in reconciling conflicting stakeholder interests. Showed an unusual level of cooperative effort with others, including those in Federal agencies, other government jurisdictions, academia, national or international organizations, and the private and non-profit sectors. (The agency demonstrates how the nominee took the initiative to reach out to stakeholders and involve them in activities that affect them and how the nominee used ingenuity to optimize effectiveness among colleagues and/or team members to achieve the end result.)

Results Driven: Has an exceptional record of achieving important results impacting the technical or scientific field, or a major program of the agency. (The agency provides specific examples of how the nominee developed or advanced original scientific or technical contributions or scholarly research of major significance or relevance to the field. Results are substantially more than incremental improvements over current technology or thinking that have advanced or even revolutionized the scientific, technical, or professional field.)

Stature in Professional Field: Consistently recognized nationally or internationally as a leader or authority in the field or discipline. (Comparing the nominee with others in the field, the agency describes the level and nature of influence the nominee has had on others in or beyond the field or discipline; instances where the nominee is regularly sought as an advisor and consultant on scientific, technical, or professional programs and problems of fundamental interest and extraordinary difficulty which extend well beyond own field or discipline; and specific major honors or awards received or publications of works that have had a major impact in the field or discipline.)