



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

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MEMORANDUM FOR: HUMAN RESOURCES DIRECTORS

FROM: MARGARET M. WEICHERT
ACTING DIRECTOR

Subject: Federal Senior Executive Service Exit Survey Results

The U.S. Office of Personnel Management (OPM) is pleased to present the key findings of the Senior Executive Service (SES) Survey administered August 2016 through July 2017. OPM, in partnership with key stakeholders, designed the SES Exit Survey to capture valuable information regarding the circumstances under which executives leave the Federal Government. The web-based survey was hosted by OPM, and was developed to be administered to all departing SES members. This memorandum includes survey results, highlights trends in the fourth year administering the survey, and provides recommendations for agencies.

BACKGROUND

OPM designed the SES Exit Survey to capture valuable information regarding the circumstances under which senior executives leave the Federal Government and offer an opportunity for executives to provide candid feedback about their work experiences. The survey results enable Federal agencies to have increased awareness of their executives' work environments and to inform their continued efforts to successfully recruit, manage, and retain their senior leadership workforce.

METHODOLOGY

Data for the OPM SES Exit Survey were gathered via an online survey. Each agency appoints an agency-wide Point of Contact (POC) who is responsible for distributing the common survey link to departing executives. The survey link is available on an ongoing basis for an indefinite period of time. OPM has administered the survey for four years, and this collection period is referred to as "Year 4." The survey collection period spans the time period between August 2016 and the end of July 2017.

A total of 279 members of the SES who were in the process of departing their agencies responded to this survey. The response rate is difficult to calculate because OPM does not directly distribute individual surveys to departing senior executives. Based on Enterprise Human Resources Integration data and agency information, OPM calculates a 20 percent

[1] response rate.

The survey contains information related to the following topic areas:

- Future Career Plans
- Compensation
- Perceptions of the Agency
- Perceptions of the Senior Executive Service
- Succession Planning
- Stay Factors
- Reasons for Leaving
- Performance Management

The analyses presented in this memorandum include comparisons to prior iterations of the SES Exit Survey for the following years:

- Year 1: August 2013- July 2014
- Year 2: August 2014- July 2015
- Year 3: August 2015- July 2016

WHO PARTICIPATED

The 279 departing executives that responded to the survey during Year 4 represented 21 Federal agencies spanning large departments to small, independent agencies. Over half (58%) of executives worked at their agencies for more than 11 years. Twenty percent of respondents have been an SES for more than 11 years. A majority (78%) of departing SES were over the age of 50. Among respondents, 90 percent were career SES, with 71 percent of them appointed from positions within Federal service.

RESULTS

Executives continue to depart the SES at a stable rate, with half continuing to work, and for higher pay.

Departing executives were asked to provide information about their departure, as well as their future plans. The majority of respondents indicated they were retiring or resigning (73 percent), a figure which remains relatively stable compared to previous years (Year 1 at 70 percent; Year 2 at 73 percent; and Year 3 at 71 percent). 94 percent of retiring executives reported they were departing voluntarily, a data point which holds steady compared to prior years (with Year 1 at 97 percent; Year 2 at 93 percent; and Year 3 at 98 percent).

About half of departing executives indicated they would be working for pay or looking for paid employment in the near future (49%) which compares to 49 percent, 56 percent, and 45 percent

[1] The response rate calculation relies on agencies to voluntarily submit data on the number of SES who left the organization and the number of SES who were provided the Exit Survey link between August 2016 and July 2017. Any data that is not collected through the data call is filled in using EHRI separations data which covers the time period of the report.

for Years 1-3, respectively. Of respondents who stated their intent to work, 73 percent indicated they would work for their agency in the future as an employee or contractor. This is a 5 point increase from Year 3, and the highest percentage of all four years of survey data.

Departing executives who stated their intent to work in the future reported they planned to work as follows

[2] :

- In the private sector (27%)
- Self-employed (15%)
- In non-profit (13%)
- As a Government contractor (13%)
- State or local government (8%)
- Work as a reemployed annuitant for a Federal agency (4%)
- Other (21%)

Of the respondents who planned on continuing to work, 77 percent indicated they would work full time (compared to 71 percent, 78 percent, and 81 percent in Years 1-3, respectively), and 55 percent indicated they would be working for increased pay.

More than half of executives would recommend working at their agency, employment as SES.

Over half of departing executives recommend their agency as a good place to work (66%), which is an increase of 9 percentage points from Year 3. Furthermore, 66 percent of departing executives recommend employment in the SES to others, which is a 12 percentage point increase from Year 3 (54%), and Year 2 (62%).

Formal succession planning remains an area for improvement.

A majority of departing SES indicated their agencies have no formal succession planning efforts for executives (64%), and over half of departing members of the SES (56%) said their agencies made no efforts to involve them in preparing their successors. Results for these items have been relatively stable across survey administrations. Succession management is critical to mission success and creates an effective process for recognizing, developing, and retaining top leadership talent. Agencies are required to develop a comprehensive management succession program to fill agency supervisory and managerial positions (5 CFR 412.101). The exit survey results indicate agencies should focus efforts to ensure smooth transitions in leadership.

Agencies have more opportunity to engage with executives who want to remain in the SES.

As agencies explore ways to retain the members of the SES who intend to work after leaving, they should consider stay factors that are rated highly. Stay factors represent hypothetical changes in work-related circumstances that, if offered, might encourage an executive to stay in their current role. Similar to previous survey years, increase in pay (30%), verbal encouragement

[2] The total for this list of percentages does not equal 100 due to rounding.

to stay (24%), a change in duties and responsibilities (20%), and a retention incentive (20%) were the top four factors executives indicated were important stay factors.

Work environment issues were among the most common factors influencing executives' decision to leave, with some notable group trends.

The top-three factors influencing executives to leave are: political environment (37%), senior leadership (35%) and a desire to enjoy life without work commitments (32%).

Executives indicate their performance ratings are accurate reflections of performance.

Executive performance is evaluated on a pay-for-performance system where senior executives are rated annually on a combination of demonstrated leadership abilities through the five Executive Core Qualifications, as well as measurable results. A majority of departing executives (79%) indicated they were rated either “Outstanding” or “Exceeds Fully Successful” on their most recent performance appraisal. This is an increase of 2 percentage points from Year 3 data. Over two-thirds (68%) of the respondents indicated their rating was a reflection of their performance, while 10 percent disagreed. The percent of respondents indicating they disagreed with their performance rating decreased by 14 percentage points from Year 3.

CONCLUSION AND RECOMMENDATIONS

These findings highlight some of the persistent challenges facing today’s Senior Executive Service members. It is important to keep in mind that agencies have the power to influence whether SES members ultimately choose to leave the organization. By modifying the work environment and organizational culture, and acknowledging and appreciating an executive’s value to the organization, agencies may be able to persuade their high-performing senior executives to stay. Agencies should continue to seek to understand the factors that influence executives’ decision to depart the SES. To improve SES engagement, retention, performance and development, OPM recommends:

- Agencies focus on strategic talent management and succession planning (TM&SP) to effectively forecast executive resources, assess developmental needs, develop current SES members for critical positions, and create a pipeline of high-quality successors for the full range of executive positions within an organization. All effective TM&SP processes incorporate executive development that support the executive and help the organization achieve its mission, vision, and strategic goals. (See OPM’s [Guidance on Establishing an Annual Leadership Talent Management and Succession Planning Process](#) for help in implementing this process).
- Agencies prioritize the continued development of senior executives to optimize executive engagement and performance. [OPM’s Framework for the Continuing Development of Federal Senior Executives](#) provides agencies a clear, comprehensive, and flexible structure and guidance for ongoing executive development. This Framework assists senior leaders with effective agency talent management and succession planning efforts, agency instructional designers and training managers chart leadership development, and executives assess their current state of development to create a plan to strengthen specific competencies.

- Agencies consider various options to retain executives, including sabbaticals, offering a different position, and [Phased Retirement](#). Phased Retirement provides an opportunity for eligible departing executives to share critical information and mentoring with the agency and incoming executives to support continued mission success.

If you have any questions regarding the SES Exit Survey, please contact SESDevelopment@opm.gov or Elizabeth Winters (Elizabeth.Winters@opm.gov).

cc: Chief Human Capital Officers (CHCOs) and Deputy CHCOs