



UNITED STATES OFFICE OF PERSONNEL MANAGEMENT
Washington, DC 20415

The Director

Friday, November 2, 2001
MSG 2001-091a

MEMORANDUM FOR: Heads Of Executive Departments And Agencies

FROM: Kay Coles James, Director

Subject: Senior Executive Excellence and Accountability

"We are not here to mark time, but to make progress, to achieve results, and to leave a record of excellence." The President's charge to members of the Senior Executive Service (SES) on October 15th underscores the key principles of his Administration: formulate a Government that is citizen-centered, results-oriented, and market-based. Federal employees at all levels of government must work toward this goal, but top management -- agency leaders and senior executives -- have to create a climate that demands and sustains excellence. We must set the direction and then clearly and continually communicate our vision, values, and expectations for excellence. We are all accountable to the American people for producing results.

For most agencies, the annual appraisal period for SES members ended on September 30. Since the standards against which your executives' performance will be measured were established last fall, they may not reflect this Administration's priorities as articulated within your agency. Although many of you have only been confirmed recently, you can still use the appraisal process to reinforce our commitment to a results-oriented Government. You can ensure that measurable results, not anecdotes, form the basis of executive appraisals. It is completely appropriate to use this opportunity to ask as many follow-up questions as possible and to obtain documentation of results. You can direct rating officials and Performance Review Board members to be rigorous in preparing recommendations on ratings and bonuses. And, most importantly, you can personally communicate your intent to use the SES appraisal system to drive organizational excellence.

OPM records on FY 2000 performance ratings show that agencies rated 85% of their executives at the highest level their system permits. I believe most executives provide quality service to our citizens. However, these statistics suggest that agencies are not making meaningful distinctions between those who merely do what's expected and those with a consistent track-record of outstanding performance. In August, we asked your Human Resources Director to report on your agency's FY 2001 SES performance ratings and bonuses. Please ensure that your agency's report is submitted in a timely manner. OPM will closely monitor the distribution of FY 2001 ratings and bonuses, and prepare a comprehensive report to share with agencies and interested stakeholders.

As the FY 2002 appraisal period begins, you have the opportunity to ensure that your agency's performance management system is used to hold executives accountable - that it is more than a once a year check-the-block chore. Last year, OPM overhauled the requirements for managing

senior executive performance. The OPM framework emphasizes results over process, giving agencies considerable flexibility to design systems that are tailored to their organizations' unique and changing missions, cultures, and needs. It requires executive performance standards to be linked to agency goals and expectations. Most important, OPM's framework recognizes that effective performance management requires agency leadership to communicate performance expectations, expect excellence, and take action to reward outstanding performers and deal appropriately with those who do not measure up.

OPM is available to provide technical advice on system design and implementation. Please have your staff contact Anne Kirby at 202-606-1610, or makirby@opm.gov for assistance.

While OPM can help, only you and your leadership team can change the culture to ensure that your SES performance management system is used to drive results. It is important that agencies ensure that executive performance plans reflect this Administration's priorities, including the President's Management Agenda. A critical aspect of this process is establishing executive performance goals and expectations in line with agency strategic goals and objectives, regularly assess performance against these goals, and use performance as a true basis for pay, development, and other personnel decisions.

If we are going to deliver for the President and American people, executives at all levels of Government must be held accountable for achieving excellence. Your leadership and personal involvement is essential to our success.

cc: President's Management Council
Human Resources Management Council