



UNITED STATES  
OFFICE OF PERSONNEL MANAGEMENT  
WASHINGTON, DC 20415-0001

OFFICE OF THE DIRECTOR

AUG 29 2005

MEMORANDUM FOR HEADS OF DEPARTMENTS AND AGENCIES

FROM: LINDA M. SPRINGER  
Director

A handwritten signature in blue ink, appearing to be "LMS", written over the printed name of Linda M. Springer.

SUBJECT: President's Quality Award Program

It is my pleasure to announce the call for applications for the 2005 President's Quality Award (PQA) Program. Consistent with the evolution of the President's Management Agenda (PMA) initiatives, we have made some modifications to the 2005 award criteria that further emphasize demonstrated program results as the key requirement for this year's applications. Applications for this year's program will be accepted in the Office of Personnel Management until 5:00 p.m. on October 7, 2005.

The PQA program was redesigned in 2002 to recognize those organizations and projects that stand out in implementing the objectives of the PMA. Under the leadership of President George W. Bush, agencies have made significant progress in improving their management systems and work processes, and I am proud that the U.S. Office of Personnel Management has played a role in recognizing and encouraging your efforts.

In 2005, we are continuing with two important changes we made last year to strengthen the alignment between the PQA and the PMA.

These are:

1. **Providing for three separate award categories.** One to recognize specific innovative and exemplary projects and practices. Another to recognize overall agency achievement in each one of the five Governmentwide Management Initiatives outlined in the PMA. And finally, one to recognize overall agency management and how effectively the different management systems are integrated.
2. **Making the scores given under the PMA scorecards a baseline condition for submitting an application in each category.**
  - The baseline for submissions in the innovative and exemplary practices (category one) is status yellow or better

for the Governmentwide Management Initiative under which the submission is made.

- The baseline for submissions under the five Governmentwide Management Initiatives (category two) is a status green score for the initiative under which the submission is made.
- The baseline for submissions in the overall management category (category three) is status green scores in two of the five Governmentwide Management Initiatives and at least yellow in the other three.
- Those agencies that are not scored under the PMA scorecards can only submit applications under the innovative and exemplary practices category. The baseline for these submissions is that they directly and materially advance the objectives of the PMA.

As noted earlier, all award submissions must be received no later than 5:00 p.m. on October 7, 2005. Applications received after the deadline or improperly submitted will not be considered. The specific award criteria and application instructions are available electronically at [www.opm.gov/pqa](http://www.opm.gov/pqa).

Over the last three years we have seen a healthy and growing competition in all categories of awards. As we continue to see significant progress in agency implementation of the PMA, I anticipate we will also continue to see outstanding award nominations fostering a healthy competition among the agencies. I encourage you to continue this trend by submitting your agency for recognition.

This year's award ceremony will again be held at the Corcoran Gallery of Art on the evening of December 13, 2005. I look forward to seeing you there as we recognize outstanding programs and people who are doing extraordinary things to make our Government one that is results-oriented, citizen-centered and market-based.

Attachment

# ***2005 President's Quality Award Program Criteria and Application Information***

## ***PRESIDENTIAL AWARD FOR MANAGEMENT EXCELLENCE***

The Office of Personnel Management proudly announces the 2005 President's Quality Award Program. In his management agenda, President George W. Bush has focused on several Governmentwide priorities for enhancing service to the American people. This award program focuses on those priorities and recognizes the accomplishments of organizations that further the Administration's objectives. Organizations will be recognized for their ***performance*** and ***results***. They will serve as role models and benchmarks for other organizations to attain similar success – so together we will attain President Bush's vision of a Government that is citizen-centered, results-oriented, and market-based.

### ***AWARD CATEGORIES***

- ❖ Agencies that are scored under the President's Management Agenda (PMA) Scorecard and have achieved the required status score(s) can apply under all three categories. Agencies that are not scored under the PMA Scorecard can submit applications only for category one awards.

**Category One Award** - For a specific practice, falling under one of the five Governmentwide Management Initiatives, that is innovative and exemplary.

**Category Two Award** - For agency performance in one of the five Governmentwide Management Initiatives.

**Category Three Award** - For agency performance in integrating their management systems under the five Governmentwide Management Initiatives.

### ***GOVERNMENTWIDE MANAGEMENT INITIATIVES***

- ❖ The five Governmentwide Management Initiatives provide the touchstones for this program. They are:
  - Strategic Management of Human Capital;
  - Competitive Sourcing;



- Improved Financial Performance;
- Expanded Electronic Government; and
- Budget and Performance Integration.

### ***BASELINE PMA STATUS SCORE(S) REQUIREMENTS***

- ❖ An agency must meet the PMA status score(s) requirements to apply for an award in any of the categories. Scores as of June 30, 2005, will be the scores of record. Agencies that are not scored under the PMA scorecard can only apply for category one awards. The baseline requirements are:

**Category One Award** - Status yellow or better for the Governmentwide Management Initiative under which the specific practice falls. For agencies not scored under the PMA Scorecard, the baseline requirement is that the practice directly and materially forward the objectives of the PMA (to be determined during the evaluation process).

**Category Two Award** - Status green for the Governmentwide Management Initiative in which the submission is made.

**Category Three Award** - Status green in two of the Governmentwide Management Initiatives and at least yellow in the other three.

## **CRITERIA FOR MANAGEMENT EXCELLENCE**

*The criteria outlined below are aligned with, and are intended to support, the President's Management Agenda. Award submissions from Federal agencies will be evaluated based on the criteria outlined below.*

**Category One Award** - Significant achievement, falling under one of the five Management Initiatives, that is innovative and exemplary and has produced measurable results.

- (a) Describe the practice – it can be any one of a number of elements making up an agency's program under a Governmentwide initiative (see Category Two Award Criteria), and it can originate anywhere in the agency (field, headquarters, subcomponents, etc.) – and how it has been adopted, expanded, or adapted for use in other parts of the agency.
- (b) Describe how the practice is innovative and exemplary and how it differs from what was done in the past.
- (c) Describe how the practice has improved the performance of the agency.
- (d) Describe, as quantitatively as possible your results in terms of improved agency performance, effectiveness or efficiency, that can be attributed to your agency's implementation of the practice.

**Category Two Award** - Agency performance in a Governmentwide Management Initiative.

### **Strategic Management of Human Capital**

- (a) Describe your human capital strategies and how they are linked to organizational mission, vision, core values, goals, and objectives.
- (b) Describe how you are using strategic workforce planning, HR flexibilities, technology, and other tools to recruit, retain, and reward employees.
- (c) Describe how you have developed your leadership and organization's culture to support a high-performing workforce that continuously improves its productivity.
- (d) Describe your efforts in identifying the "core competencies" of the organization and how you determined the most effective and efficient way to develop and maintain those core competencies (i.e., building in-house capacity or contract for services).
- (e) Describe how your human capital strategies and initiatives are supporting your agency's work on the other four Governmentwide management initiatives.
- (f) Describe as quantitatively as possible your results in terms of improved agency performance, effectiveness or efficiency, that can be attributed to your agency's implementation of the Strategic Management of Human Capital initiative.



## **Competitive Sourcing**

- (a) Describe how you identify activities for potential competitive sourcing.
- (b) Describe how you have promoted continuous improvement within the organization to ensure you have the most efficient organization.
- (c) Describe how your senior leaders promote competition and what the results have been achieved. For instance, has the agency increased the number of bids received for competitions?
- (d) Describe how your agency regularly reviews work performed once competitive sourcing studies have been completed to ensure that performance standards are met.
- (e) Describe how your competitive sourcing initiatives are supporting your agency's work on the other four Governmentwide initiatives.
- (f) Describe as quantitatively as possible your results, in terms of improved agency performance, effectiveness or efficiency, that can be attributed to your agency's implementation of the Competitive Sourcing initiative.

## **Improved Financial Performance**

- (a) Describe your efforts to improve timeliness, usefulness, reliability of, and access to financial management data such as operating expenses, budgets, cost data, erroneous payment rates, inventory, receivables, payables, etc., that support day-to-day operations.
- (b) Describe how your financial management systems have been designed/reengineered to ensure that decision-makers have accurate, timely, and useful information.
- (c) Describe how your financial management information is used to ensure your desired outcomes and affect performance.
- (d) Describe how your improved financial performance is supporting your agency's work on the other four Governmentwide management initiatives.
- (e) Describe as quantitatively as possible your results in terms of improved agency performance, effectiveness or efficiency, that can be attributed to your agency's implementation of the Improved Financial Performance initiative.

## **Expanded Electronic Government**

- (a) Describe your e-Government initiatives that enhance your mission efficiency (i.e., electronic applications, purchases, proposals, etc.) How have these initiatives provided your customers improved access and service while reducing program costs? Provide actual cost savings to date.
- (b) Describe your web enhancements that provide convenient customer-oriented access, and provide increased access for persons with disabilities.
- (c) Describe how your organization has realized productivity improvements by implementing customer relationship management, supply chain management, enterprise resource management, or knowledge management best practices.
- (d) Describe how your e-Government initiatives are supporting your agency's work on the other four Governmentwide management initiatives.
- (e) Describe, as quantitatively as possible, your results including the earned value metrics associated with the management of your IT portfolio. What quantifiable results in

improvements in program performance, effectiveness or efficiency, can you attribute to your agency's implementation of the Expanded Electronic Government initiative.

### **Budget and Performance Integration**

- (a) How does your agency use performance data to inform budget decisions and actions to improve program performance? Cite specific examples.
- (b) What percentage of your employees is assessed based on their contribution to achievement of the organization's mission? How has this impacted overall agency performance?
- (c) Describe how your improved budget and performance integration (BPI) is supporting your agency's work on the other four Governmentwide management initiatives.
- (d) What quantifiable results in improvements in program performance, effectiveness or efficiency can you attribute to your agency's implementation of the Program Assessment Rating Tool (PART) and the Budget and Performance Integration initiative overall? Describe how these results were achieved and how they were derived from, or included by, BPI implementation (e.g., ability to estimate full cost, establishment of efficiency measures, etc.)
- (e) What improvements in program design have you achieved that resulted in quantifiable improvements in program performance? Describe how these improvements were developed and implemented, and what role information derived from the agency's BPI efforts had in making the design changes.

**Category Three Award - Agency performance in integrating its management systems.**

- (a) Describe how your management systems are integrated and how this integration has helped achieve greater results than if each initiative were undertaken independently. Cite examples.
- (b) Describe how critical management information is made available to all levels of leadership and management within the agency.
- (c) Describe how this information has been and is being used in making critical management decisions.
- (d) Describe how your agency has developed a common management culture and language to address issues relating to the planning and execution of work.
- (e) Describe, as quantitatively as possible, your results in terms of improved agency performance, effectiveness or efficiency, that can be attributed to your agency's integrated implementation of the governmentwide management initiatives in the President's Management Agenda.



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## ***EVALUATION GUIDELINES***

As applicable, we will consider the following areas when evaluating your application:

- ❖ ***Results*** - specific measurements that document success
- ❖ ***Impact*** - on the success of your mission
- ❖ ***Deployment*** – the extent of implementation
- ❖ ***Integration*** – the degree to which your process is integrated with other PMA initiatives and internal management systems
- ❖ ***Transferability*** – the degree to which your process and results have been adopted by other Federal Government organizations

## ***PERIOD OF PERFORMANCE***

The period of performance to be evaluated is from January 2001 to June 2005.

## ***APPLICATION INFORMATION***

To qualify for the Award Program, an agency submission must meet the following conditions:

### **General Eligibility**

- The submission must come from an agency that is part of the Executive Branch of the Federal Government.
- In the case of an interagency project that affects a number of agencies, the submission must come from the agency with lead responsibility.

### **Required PMA Status Score Conditions**

- As previously described, applicants must meet specified PMA status scores to be considered under different categories.

### **Future Eligibility of Previous Award Recipients**

- Previous winners of the Presidential Award for Management Excellence in the innovative and exemplary category may not submit an application for the same project again for 2 years, and only then if there has been significant change in terms of development and extension of that project. For example, the 2003 award winners may not apply again until award year 2006.

### **Agency Nomination Limitations – Category One Award**

- Applications are limited to a maximum of five applications per cabinet department and executive agency.
- The Department of Defense may submit a total of 20 applications for all their military departments and other Defense agencies.

### **Winning Applications – All Categories**

- Will be made available on request to other agencies.

## ***APPLICATION PROCEDURES***

Applications must:

- ❖ be narrative responses that clearly respond to each item (bullet) under the category for which you are applying;
- ❖ discuss your approach and breadth of deployment;
- ❖ indicate if the project (or process) has been adopted by other organizations;
- ❖ have documented results;
- ❖ be submitted in four hard copies and in electronic format on disk or CD-ROM (submitted with the hard copies);
- ❖ be submitted on 8 ½" x 11" paper, with 1-inch margins and in no less than 12-point type;
- ❖ be accompanied by a nomination form (if submitting an application under more than one category, complete a nomination form for each); and
- ❖ be accompanied by a completed "Organization Background" form no longer than two pages.

Responses are limited to:

- ❖ for Category One and Category Two - no more than 10 pages for each nomination plus a one page summary, the Nomination Form and Organization Background Form. No additional attachments or supporting documents exceeding the 10-page limit will be accepted. The page ordering for the submission should be: Nomination Form, Organizational Background Form, one page Narrative Summary, and 10-page narrative.
- ❖ for Category Three – the page limit excluding the one page Narrative Summary, Nomination Form and Organization Background, is twenty pages. The page ordering should be Nomination Form, Organizational Background form, one page Narrative Summary, and 20-page narrative. No additional attachments or supporting documents exceeding the 20-page limit will be accepted.

Nomination forms must:

- ❖ be signed to certify accuracy of submission by the highest ranking official in the project organization; and
- ❖ be signed and submitted by the head of the agency or his or her designee.

Mail applications to: Office of Personnel Management  
President's Quality Award Program  
1900 E Street NW, Room 7463  
Washington, DC 20415



Program Point of Contact is: Tony Ryan  
202-606-1181  
tony.ryan@opm.gov

### ***SELECTION AND RECOGNITION PROCESS***

- ❖ Initial application review: October – November 2005
- ❖ Notification of agencies being considered for awards: December 2005
- ❖ Awards ceremony: December 2005

### ***SUBMISSIONS ARE DUE***

- ❖ 5:00 pm October 7, 2005 for all categories
- ❖ If you are mailing your application, you must ensure its delivery by this date and time. No exceptions will be made for applications delayed by mail delivery.

### ***GENERAL TIPS***

- ❖ Be sure to use the appropriate criteria for the application being submitted.
- ❖ Be sure not to submit extra pages.
- ❖ Be sure to submit applications prior to the deadline.
- ❖ Call the OPM contact if you have questions.



## ***2005 PQA NOMINATION FORM***

**NOMINATION CATEGORY:** (Please check one only. A separate Nomination Form is required for each category nominated)

Category One Award, falling under:

- |  |   |
|--|---|
| <input type="checkbox"/> Strategic Management of Human Capital | <input type="checkbox"/> Competitive Sourcing           |
| <input type="checkbox"/> Budget and Performance Integration    | <input type="checkbox"/> Improved Financial Performance |
| <input type="checkbox"/> Expanded Electronic Government        |   |

Category Two Award for:

- |  |   |
|--|---|
| <input type="checkbox"/> Strategic Management of Human Capital | <input type="checkbox"/> Competitive Sourcing           |
| <input type="checkbox"/> Budget and Performance Integration    | <input type="checkbox"/> Improved Financial Performance |
| <input type="checkbox"/> Expanded Electronic Government        |   |

Category Three Award

**1. Name of Organization (responsible for the project/initiative/process being submitted):**

\_\_\_\_\_

**2. Name of Parent Department or Agency (i.e., Department of Labor, Department of Defense, Environmental Protection Agency, etc.):**

\_\_\_\_\_

**3. Department/Agency Point of Contact:**

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

4. **Certification by Responsible Organization:** The person most senior in the organization responsible for the project must sign below:

*I certify that, to the best of my knowledge, the information contained in this application is accurate.*

\_\_\_\_\_  
Printed name Title

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Phone Number: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

\_\_\_\_\_  
Signature Date

5. **Head of the Department/Agency:**

\_\_\_\_\_  
Printed name Title

\_\_\_\_\_  
Signature Date



**Organization Background**  
*"Tell us a Little About Yourself"*  
(Maximum of 2 pages)

**What is your mission?**

**What are your primary strategic goals and objectives?**

**Who are your primary customers?**

**What is your primary product or service?**

**How many employees do you have in your organization? (List by type of employee: i.e., Federal Government, contractor, etc.)**