

Launching the New SES Performance Agreement and Appraisal Program



October/November, 2007

Purpose

OPM regulations specify nine core requirements to certify an appraisal system

Alignment

Consultation

Results

Balance

Organizational Assessment

Oversight

Accountability

Performance Differentiation

Pay Differentiation

Areas for Improvement

- Alignment

performance expectations for executives must clearly link to the mission, program/policy objectives, annual performance plans, budget priorities or other strategic planning document.

- Results

performance expectations must include results that reflect expected outcomes and outputs, performance targets or metrics and must be observable, measurable and/or demonstrable

- Balance

performance expectations must include appropriate indicators of employee and/or customer feedback

Certification—Why is it Important?

- OPM and OMB review performance and pay data using the nine criteria to determine whether DOI systems and practices produce a sound performance culture
- If our data meets their certification criteria, highest performing executives can be paid up to level II of the Executive Schedule (\$168,000 in 2007).
- Full certification (versus provisional) would require data submission every other year (versus every year)

New System Effective 10/1/07!

- Following SES conference in April, volunteer SES and HR representatives from all Bureaus created the new Performance Agreement and Appraisal System.
- Executive Resources Board approved the new system on September 19, 2007.
- Training on new system and how to write “results-oriented, measurable” commitments will be on-going.
- New form DI-2011 is available on NBC’s forms management website now:
<http://www.doi.gov/nbc/formsmgt/fm_forms.html>

New System Effective 10/1/07! (cont'd)

- New form is 9 pages; it does not expand.
- Color-coded: yellow sections are to be completed at beginning of rating period in consultation with your supervisor; lavender is mandatory mid-year progress review held with supervisor; blue sections are completed by executive and supervisor at the end of the appraisal period.
- Two types of elements in all SES performance plans
 - a) Mandatory Department wide element
 - b) Position Specific Elements (at least two required)
- Possible total of 7 elements

New System Effective 10/1/07! (cont'd)

- Mandatory Department-wide Element
 - a) applies to all executives. Describes leadership competencies that are required for success.
 - b) written at the “fully successful” level.
 - c) additional space is provided so that Bureaus can clarify or tailor the mandatory standards to specific Bureau needs.
- Position-specific Elements are to be written at the “fully successful” level. Executive and his/her supervisor must describe commitments that are:
 - a) results-oriented
 - b) measurable
 - c) linked to a strategic goal, GPRA outcome, the President’s Management Agenda, or other organizational goal.
- All elements in the performance plan have equal weight.

New System Effective 10/1/07! (cont'd)

Effective Performance Commitments:

- Derive from strategic or organizational goals
- Describe distinct observable, measurable and demonstrable actions, objectives or results to be achieved
- Include indicators of quality, quantity, timeliness, or cost effectiveness.
- See Handout for examples of good, results- oriented performance commitments.

New System Effective 10/1/07! (cont'd)

- New performance plans due to OHR Executive Resources Division November 30, 2007
- Performing 100% review to ensure Department-wide compliance
- Electronic toolbox on Intranet will include:
 - a) handout showing how to write position-specific commitments
 - b) the new form, working draft Departmental Manual policy document,
 - c) DOI Strategic plan, Performance and Accountability Report,
 - d) suggestions are welcome from you!

New System Effective 10/1/07! (cont'd)

- At the end of the appraisal period, each element is rated on a five-level scale. Definitions for various levels of performance are on page 2 of appraisal form (this is a change from retired system)
- Summary performance levels have not changed

Exceptional
Superior
Fully Successful
Minimally Successful
Unsatisfactory

New System Effective 10/1/07! (cont'd)

Converting element ratings to Initial Summary Rating

- To receive Exceptional rating: 75% or more of the elements must be rated Exceptional with no elements rated below Superior
- To receive Superior rating: 75% or more of the elements must be rated Superior with no elements rated below Fully Successful
- To receive Fully Successful rating: All elements must be rated Fully Successful or higher
- Minimally Successful is the rating if any one element is rated Minimally Successful and no elements are rated Unsatisfactory.
- Unsatisfactory is the rating if any one element is rated Unsatisfactory.

New System Effective 10/1/07! (cont'd)

- Questions? Additional training sessions needed? Please call us!

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CLOSEOUT SES and SL/ST

October/November, 2007



FY 2007 SES Performance Recognition Eligibility

Summary Performance Rating	Possible Pay Increase/Decrease	Possible Recognition
Exceptional	<ul style="list-style-type: none"> •0% to 10% •Maximum pay level \$168,000 (EX-II)* 	<ul style="list-style-type: none"> •Time Off Award •STAR Award for a special act (\$1,000 - \$7,000) •SES Performance Bonus: 5% to 10% of pay •Bronze Secretary's Executive Leadership Award (SELA) (12% of pay) •Silver SELA (14% of pay) •Gold SELA (17% of pay)
Superior	<ul style="list-style-type: none"> •0% to 6% •Maximum pay level \$168,000 (EX-II)* 	<ul style="list-style-type: none"> •Time Off Award •STAR Award for a special act (\$1,000 - \$5,000) •SES Performance Bonus: 5% to 8% of pay •Bronze SELA (12% of pay) •Silver SELA (14% of pay)
Fully Successful	<ul style="list-style-type: none"> •0% to 4% •Maximum pay level \$168,000 (EX-II)* 	<ul style="list-style-type: none"> •Time Off Award •STAR Award for a special act (\$1,000 - \$5,000) •SES Performance Bonus: None

*Subject to increase effective January 2008

FY 2007 SL/ST Performance Recognition Eligibility

Summary Performance Rating	Possible Pay Increase	Possible Recognition
Exceptional	<ul style="list-style-type: none"> •0% to 10% increase inclusive of locality adjustment and general pay increase •Maximum total pay: \$154,600 (EX III)* 	<ul style="list-style-type: none"> •Time Off Award •STAR Award for a special act (\$1,000-\$7,000) •Cash Award for Sustained Superior Performance up to \$10,000
Superior	<ul style="list-style-type: none"> •0% to 6% increase inclusive of locality adjustment and general pay increase •Maximum total pay: \$154,600 (EX-III)* 	<ul style="list-style-type: none"> •Time Off Award •STAR Award for a special act (\$1,000-\$5,000) •Cash Award for Sustained Superior Performance up to \$8,000
Fully Successful	<ul style="list-style-type: none"> •0% to 4% increase inclusive of locality adjustment and general pay increase •Maximum total pay: \$154,600 (EX-III)* 	<ul style="list-style-type: none"> •Time Off Award •STAR Award for a special act (\$1,000-\$5,000)

*Subject to increase effective January 2008

FY 2007 SES Performance Recognition Eligibility (cont'd)

- Completed Performance Appraisal is required to recommend performance recognition.
- SES/SL/ST pay increases are tied to summary rating level (0% - 10% increase in pay).
- Number of SES/SL/ST nominated for pay increases is not capped.
- SES/SL/ST are eligible to receive a combination of performance recognitions. For example, they may receive a pay increase and a bonus.

FY 2007 Performance Recognition Eligibility (cont'd)

- Received certification in October 2007, therefore, maximum pay for SES is EX-II (currently \$168,000) and maximum aggregate compensation (salary plus bonus/award) is Vice President's salary (currently \$215,700)
- Maximum pay for SL/ST is at the EX-III level (currently \$154,600) and maximum aggregate compensation (salary plus bonus/award) for SL/ST is EX-I (currently \$186,600).

Recording Recommendations

- Bureau Head makes initial recommendation for recognition on spreadsheet
- PRBs review ratings and recommendations made at the Bureau level. PRB Chairperson completes the Performance Rating and Award Recommendation Checklist to indicate agreement with or document any recommended changes to the initial rating or recognition proposed.
- PRB Chair records panel recommendations on designated line on spreadsheet provided.

Recording Recommendations (Cont'd)

- PRB Chairs and the panel's Executive Resources representative will meet with Executive Resources Division staff to review the recommendations of the PRB panel and ensure all needed information has been provided.
- These recommendations will be provided to the Assistant Secretaries and equivalent officials for their input.

Recording Recommendations (Cont'd)

- Assistant Secretaries and equivalent officials provide their recommendations to the Executive Resources Board.
- Executive Resources Board (Deputy Secretary is Chairperson) makes final determinations.
- Results will be communicated to Assistant Secretaries and Bureau Heads
- Effective date for pay adjustments will be January 6, 2008.

Questions?

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