

INSTRUCTIONS

DoD SES Data for Performance Appraisal System Certification Charts

Please enter all required data into the attached template.

The data in this report represent compensation and awards based on the ratings for, or granted during the following appraisal period: Start: 1 October 2007 End: 30 September 2008

Data Reported also covers the following appraisal periods

1 October to 30 September

2006/2007

2005/2006

Provide separate charts to capture ST/SL professionals

- Please contact your servicing Executive Program Office if you have any questions about this template. The descriptions below explain the information to be entered within each field of the template.

Chart 1

Provide:

The Name of your Component(s) or Defense Agency

Date of Submission

Point of Contact

Chart 2- Results at a Glance

Self explanatory – Enter the appropriate information as described on the chart

Instructions for Modifying Charts and Graphs

Double click on the chart

Change data in the embedded Datasheet (this changes the shape of your chart)

Exit the Chart

Double click on each legend and hard code the information (number and %) as appropriate

DoD Senior Executive Service Pay-for-Performance Appraisals 2006-2008



Prepared by

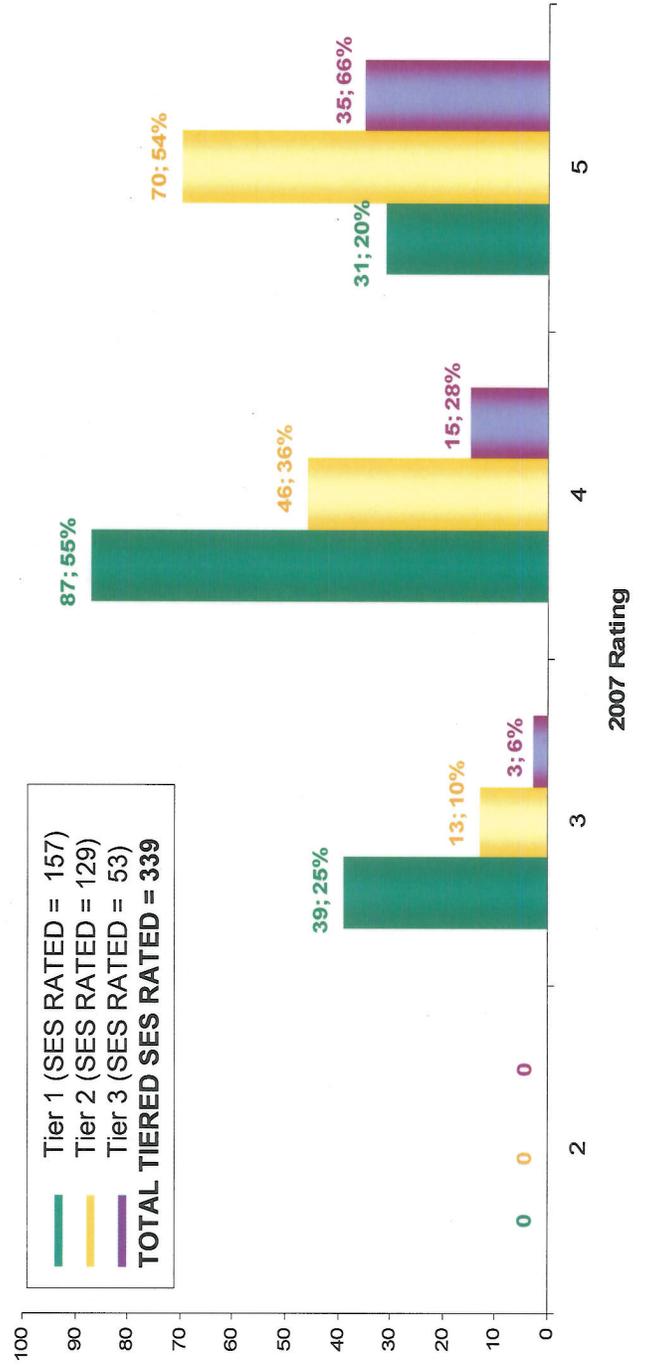
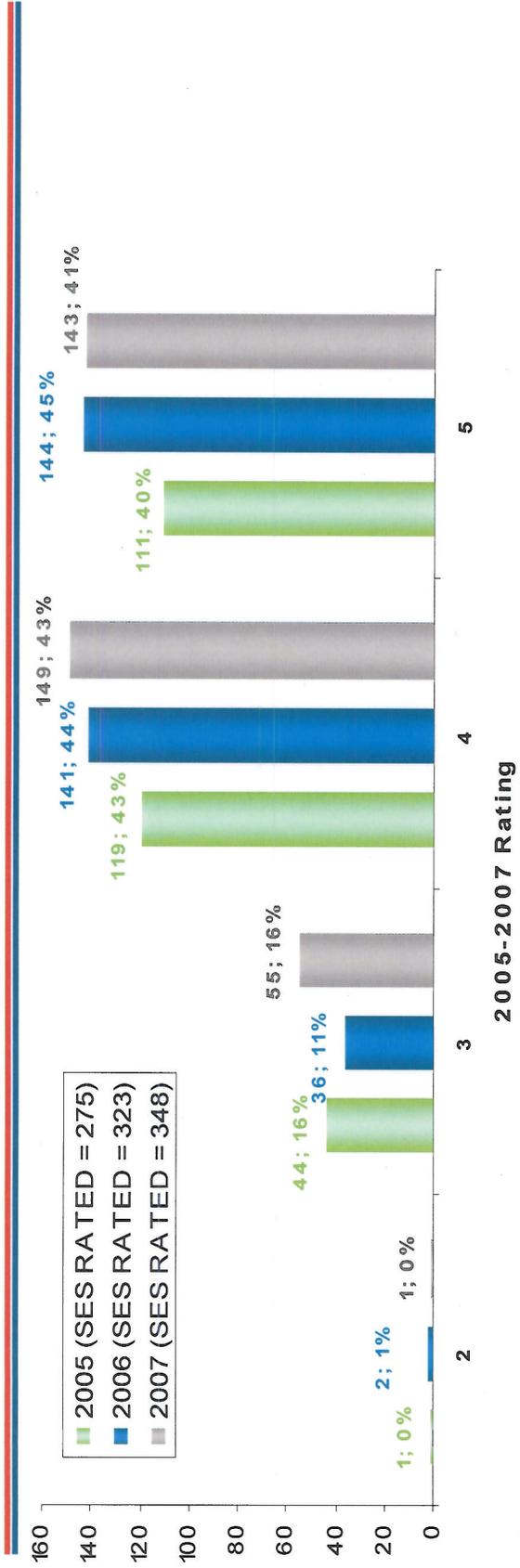
**Executive and Political Personnel
Human Resources Directorate
Washington Headquarters Services**

For additional information, please contact:

**Template-
See Instructions at 4a**

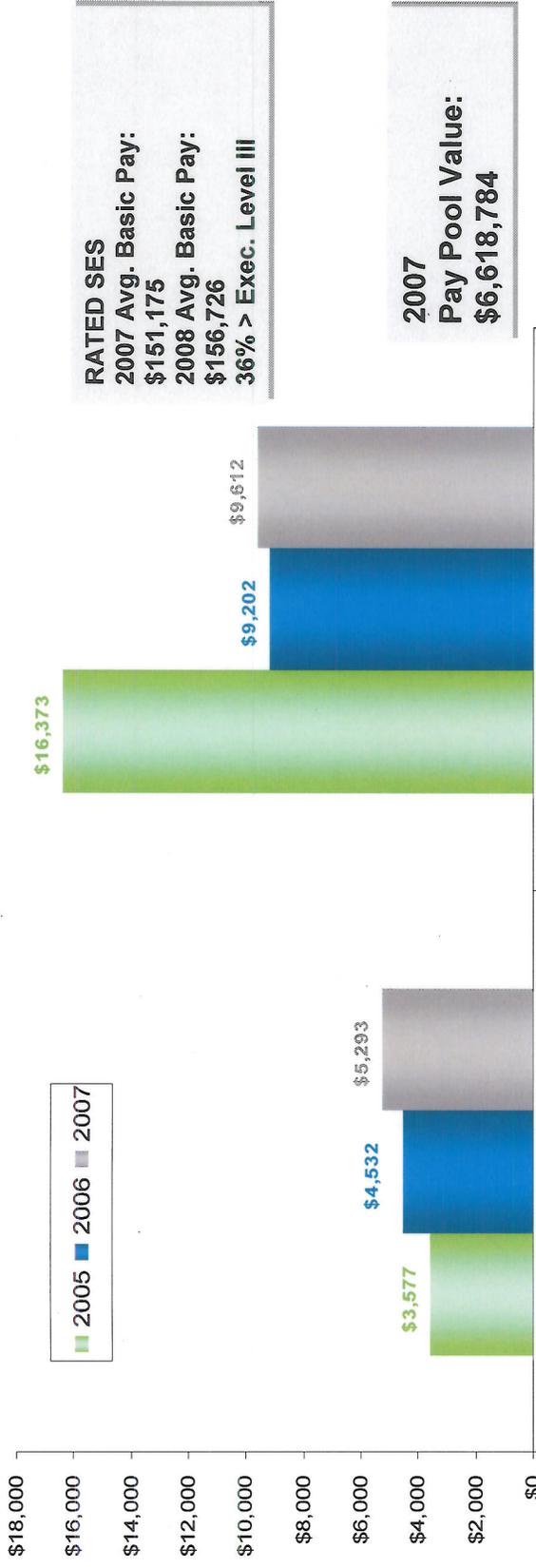


Distribution of SES Ratings (2006-2008) OSD



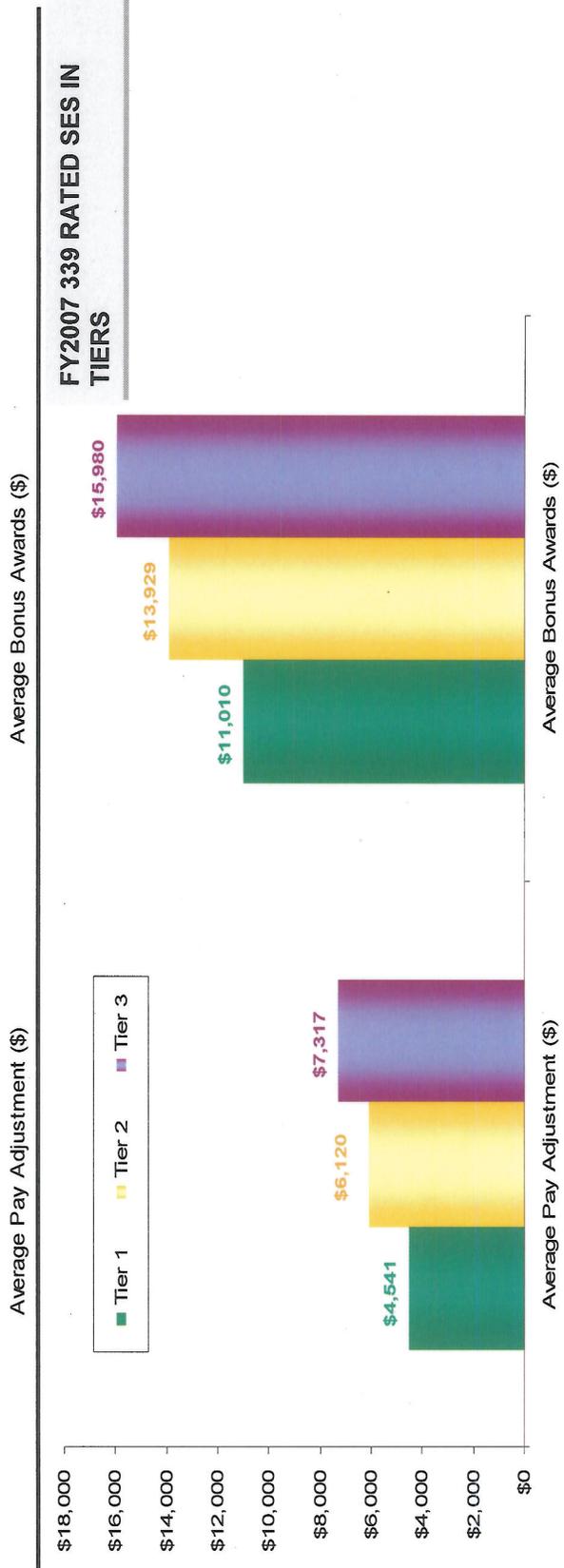


Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2007 OSD (Dollars)



RATED SES
 2007 Avg. Basic Pay: \$151,175
 2008 Avg. Basic Pay: \$156,726
 36% > Exec. Level III

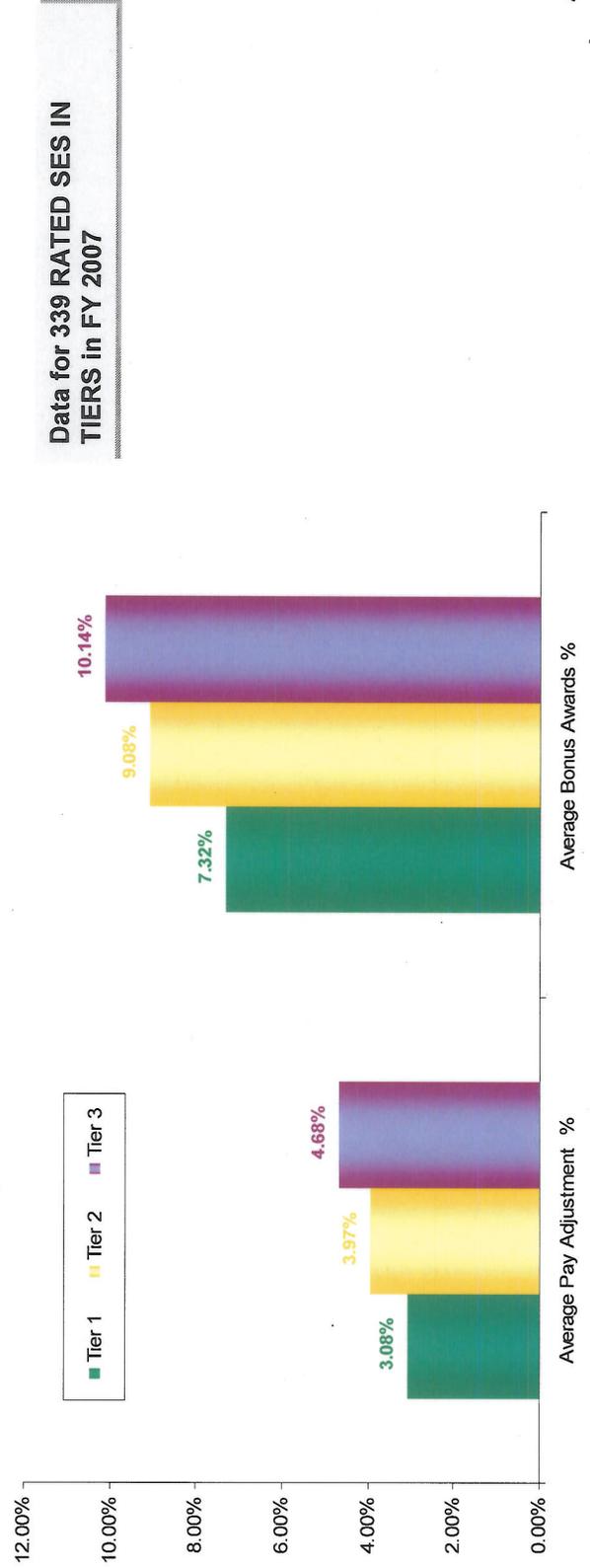
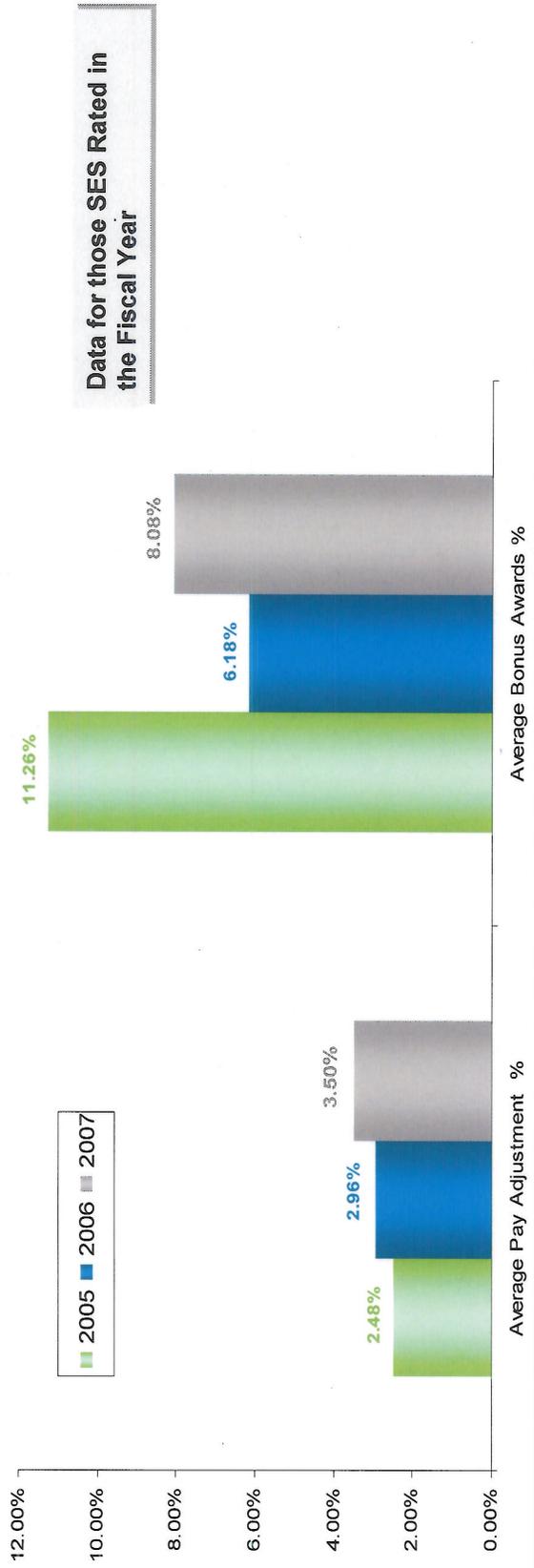
2007
Pay Pool Value:
\$6,618,784



FY2007 339 RATED SES IN TIERS



Average Performance Pay Adjustment and Average Performance Bonus Award 2005-2007 OSD (Dollars and Percent)



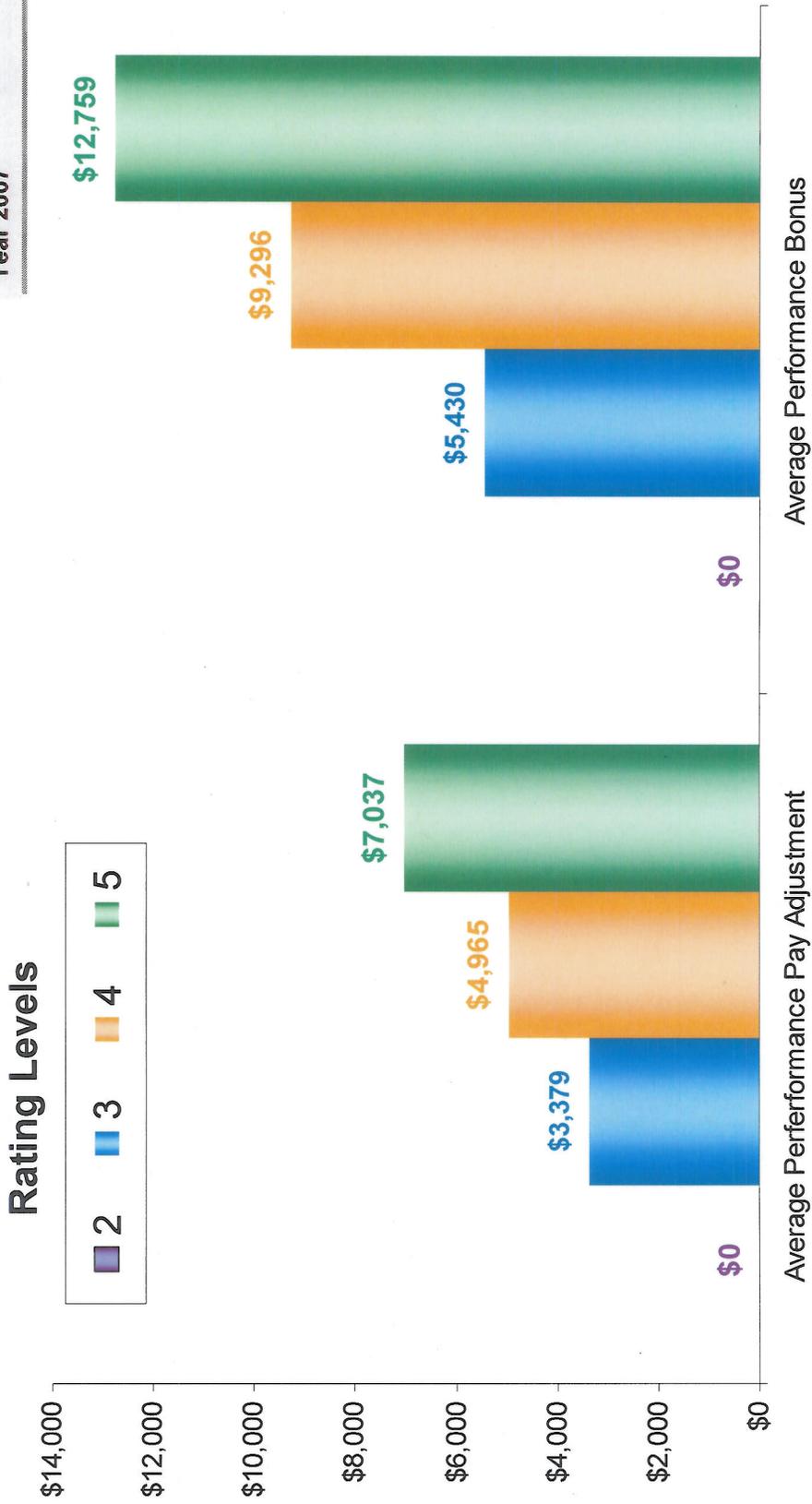


SES Average Performance Pay Adjustment and Average Performance Bonus Award

OSD

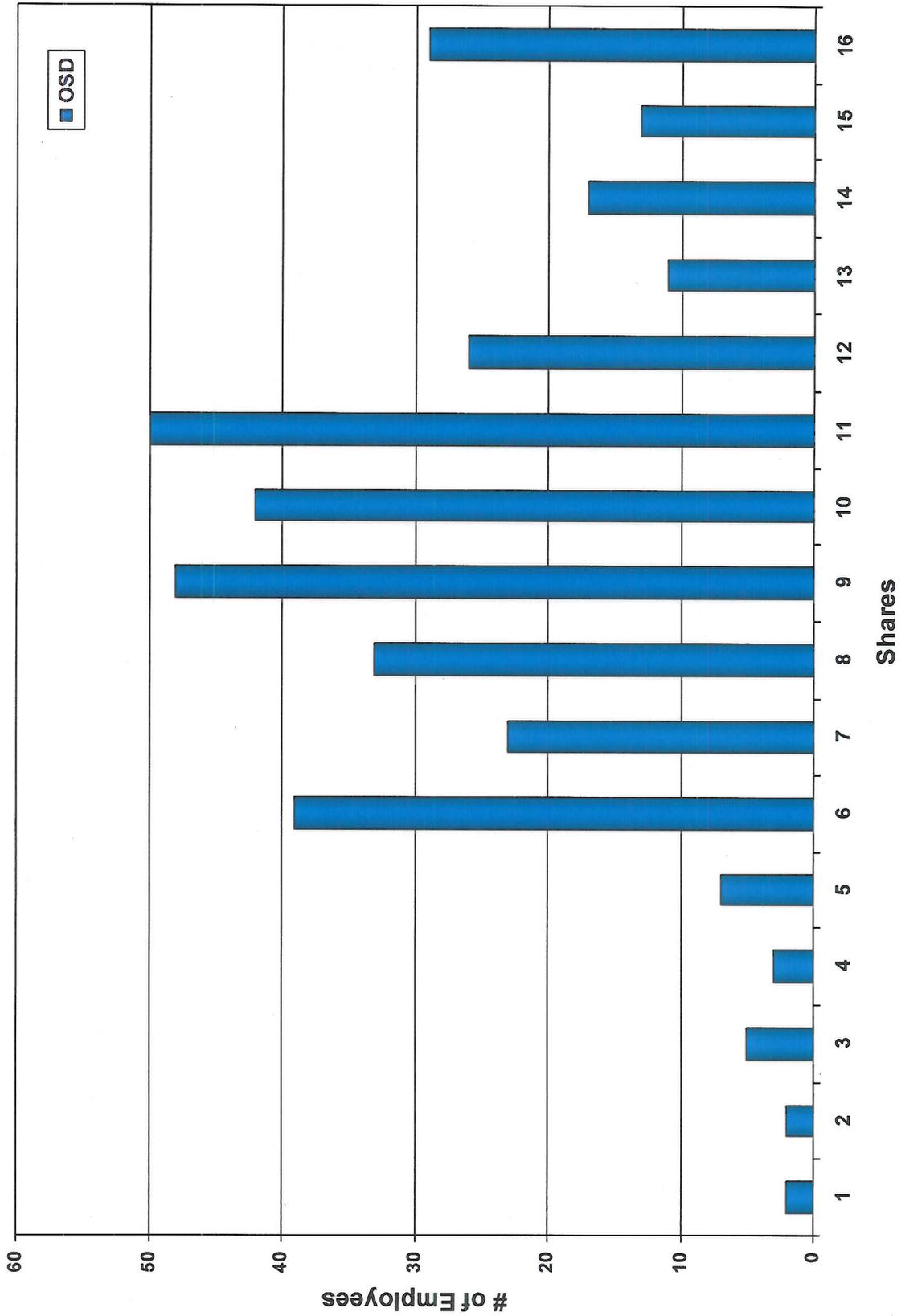
(Dollars by Rating Level)

Data for 348 RATED SES in Fiscal Year 2007





Distribution of Shares SES Ratings 2007 OSD





OSD Performance Appraisals

2007 Results at a Glance:	
Total Number of SES Leaders (career, non-career and limited term)	348
Total Salaries	Career - \$42,048,161 Non-Career - \$12,075,516 Total - \$54,123,677
Pay Pool Funding Factor (Pay Progression + PAEP + Performance Budget)	Career - 12% Non-Career - 4%
Pay Pool Value (Pay Pool Funding Factor X Total Salaries of all covered executives)	Career - \$5,045,779 Non-Career - \$ 483,020 Total - \$5,528,799
Pay Increase Payouts	Career - \$1,512,710 Non-Career - \$ 408,492 Total - \$1,921,202
Avg. Basic Pay Increase	\$5,521
Performance Bonus Payouts	\$3,515,389
Avg. Bonus Payout	\$13,020
Unspent Pay Pool	Career - .04% Non-Career - .61%
Avg. Pay Increase Payouts (as % of Total Salaries)	3.5%
Performance Bonus Payouts (as % of Total Salaries)	6.5%

DOD MODEL RATINGS - Meaningful Distinctions

Attachment 5

ALL DOD AVG includes OSD noncareers

	# of execs		Avg Salary	Avg Shares
Tier 3	172	Tier 3	\$ 162,980	11.8
Tier 2	499	Tier 2	\$ 154,318	9.5
Tier 1	726	Tier 1	\$ 149,344	8.1
Total	1397			

Tier 3

MD 1	Rating 3	Rating 4	Rating 5	MD 2	Rating 3	Rating 4	Rating 5
%	13%	55%	32%	%	25%	48%	27%
# of exec	22	95	55	# of exec	43	83	46
True SV	1.72%			True SV	1.89%		
Highest Payout	\$44,852			Highest Payout	\$49,285		
Lowest Payout	\$2,803			Lowest Payout	\$3,080		

Name	PRB	Tier	Base	Shares	Share X salary	Share Value	Payout	Payout %
Exec 1	MD 1	3	\$ 162,980	16	2607680	1.72%	\$44,852	28%
Exec 2	MD 1	3	\$ 162,980	1	162980	1.72%	\$2,803	2%
Exec 1	MD 2	3	\$ 162,980	16	2607680	1.89%	\$49,285	30%
Exec 2	MD 2	3	\$ 162,980	1	162980	1.89%	\$3,080	2%

Tier 2

MD 1	Rating 3	Rating 4	Rating 5	MD 2	Rating 3	Rating 4	Rating 5
%	13%	55%	32%	%	25%	48%	27%
# of exec	65	274	160	# of exec	125	239	135
True SV	1.27%			True SV	1.39%		
Highest Payout	\$31,357			Highest Payout	\$34,320		
Lowest Payout	\$1,960			Lowest Payout	\$2,145		

Name	PRB	Tier	Base	Shares	Share X salary	Share Value	Payout	Payout %
Exec 1	MD 1	2	\$ 154,318	16	2469088	1.27%	\$31,357	20%
Exec 2	MD 1	2	\$ 154,318	1	154318	1.27%	\$1,960	1%
Exec 1	MD 2	2	\$ 154,318	16	2469088	1.39%	\$34,320	22%
Exec 2	MD 2	2	\$ 154,318	1	154318	1.39%	\$2,145	1%

Tier 1

MD 1	Rating 3	Rating 4	Rating 5	MD 2	Rating 3	Rating 4	Rating 5
%	13%	55%	32%	%	25%	48%	27%
# of exec	94	400	232	# of exec	181	349	196
True SV	1.06%			True SV	1.16%		
Highest Payout	\$25,329			Highest Payout	\$27,718		
Lowest Payout	\$1,583			Lowest Payout	\$1,732		

Name	PRB	Tier	Base	Shares	Share X salary	Share Value	Payout	Payout %
Exec 1	MD 1	1	\$ 149,344	16	2389504	1.06%	\$25,329	17%
Exec 2	MD 1	1	\$ 149,344	1	149344	1.06%	\$1,583	1%
Exec 1	MD 2	1	\$ 149,344	16	2389504	1.16%	\$27,718	19%
Exec 2	MD 2	1	\$ 149,344	1	149344	1.16%	\$1,732	1%

MD = Meaningful Distinction

SV = Share Value

2008 Senior Executive Service Survey Results Background

- In 2004 agencies began to receive certification on their Senior Executive Service (SES) Performance Management Systems
- In May 2006 the Senior Executives Association (SEA) provided an opportunity for career SES to complete a survey regarding their experiences with and views of the pay for performance system
- A subsequent hearing with the Senate Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia – September 2006 – probed issues further
- In January 2008, OPM conducted a survey of all SES within the Federal Government to evaluate the new pay for performance system, and obtain information related to Executive Development

Highlights - Performance Results

- **Executives Are Proud of their Federal Career:**
 - Proud to be part of the SES corps (97% Federal/98% DoD)
 - Work gives them a sense of accomplishment (95% Federal/96% DoD)
 - Talents are well used (87%/Federal/88% DoD)
- **Executives Are Held Accountable for Performance Results**
 - Pay should be based on performance (93% Federal/94% DoD strongly agree/agree)
 - Held accountable for achieving results (91% Federal/90% DoD strongly agree/agree)
 - Most participated in the development of their performance plan (89% Federal/95% DoD strongly agree/agree)
- **Executives See a Mixed Picture in Effectiveness of Pay for Performance**
 - Over half (63% Federal/65% DoD) of the respondents believed discussions with their supervisors about performance are worthwhile
 - Performance appraisal is a fair reflection of my performance (67% federal vs. 70% DoD)
 - Over half (65% Federal/64% DoD) Satisfaction with recognition received for doing a good job

- Fewer than half (43% Federal/45% DoD) of respondents believe pay for performance promotes better organizational performance in their agencies
 - Only 26% Federal/23% DoD of respondents believe their agencies deal effectively with executives who perform poorly
 - Few respondents believe pay (26% Federal/25% DoD) and bonus (32% Federal/29% DoD) distinctions are meaningfully different among executives
 - The journey towards a performance-based culture varies widely among DoD Components - Executives do not believe pay for performance promotes organizational performance:
 - Federal - 44%
 - Air Force – 56%
 - Navy – 51%
 - Army – 40%
 - OSD and Defense Agencies – 36%
 - Most respondents (61% Federal/48% DoD) are satisfied with their pay
Note: This number is lower than results on a comparable question in the 2006 Federal Human Capital Survey (73%)
 - Receipt of a briefing of training on your agency’s performance management system (64% Federal vs. 56% DoD)
 - Salary increase is linked to performance rating (13% Federal vs. 20.6% DoD)
 - Pay distinctions are meaningfully different among executives (Federal 26% vs. 25% DoD)
 - Bonus amounts are meaningfully different among executives (Federal 33% vs. 29% DoD)
 - Extent performance is linked to organizational performance (11% Federal vs. 13% DoD)
- **Bottom Line – Pay For Performance (P4P)**
 - **Improve implementation processes of DoD P4P management system**
 - Develop performance plans on time and provide feedback to executives, conduct meaningful in-progress reviews
 - Link performance results and performance rating to both individual and organizational performance – Legal and OPM Certification Criteria
 - Include customer and employee perspective in achieving results and use as a basis for performance rating – OPM Certification Criteria
 - Train ALL executives annually (www.cpms.osd.mil/sespm); hold executives and supervisor accountable for training
 - Improve Communication to Executives – Value Transparency

Highlights - Executive Development

- **Survey responses confirm commonly held perception that once an individual becomes an SES member, further development may be neglected**

- Discussions with my supervisor about my development are worthwhile (50% Federal vs. 51% DoD)
- My last performance review helped me identify my strengths (53% Federal vs. 48.7 DoD)
- My last performance review helped me identify areas for improvement ((23% Federal vs. 26% DoD)
- My development needs are assessed (33% Federal vs. DoD 32%)
- 55% of Executives were satisfied with their development

Note: In a study conducted by Development Dimensions International with private sector executives, a little over 50% indicated satisfaction with development opportunities

- **Executives are open to the prospect of continual learning and many believe in the benefit of job changes**

- Over half (55% Federal/56% DoD) of executives believe job changes improve performance
- The majority (77% Federal/73% DoD) of respondents believe SES members should be able to perform successfully in a wide range of career positions
- Few executives changes jobs to work in different agencies (10% Federal/12% DoD)

- **DoD must deliberately plan to sustain the continuity of executive talent**

- Expectations of high turnover among the senior ranks in the near future (39% Federal/36% DoD) of career SES said they plan on leaving in 3 years; 60% Federal/58% DoD plan to leave in the next 5 years)

- **Bottom Line – Executive Development**

- Ensure institutionalization of the 21st Century SES Initiative (DoD Directive 1403.03, “The Career Lifecycle Management of the SES Leaders in DoD”)
 - Moves from Ad hoc lifecycle management to deliberate and systematic management
 - Requires SES culture of continuous learning
 - In consultation with supervisors and mentors, SES to be guided through a structured series of developmental and educational experiences including reassignments to more challenging positions
 - Values a diverse portfolio of experience and Joint experience/knowledge

- Requires talent management and succession planning to sustain continuity of executive leadership
- **Lead the Journey**
- It is an executive's responsibility to develop talent – identify and develop the future bench for SES positions

SES and Senior Professional
Attachment 3b
Spreadsheet
(Populated data will be disseminated the 1st week of August, 2008)

COMP	FULL NAME	TIER	APPT TYPE	NEW EMP	RATING	Additional Pay Adjustments - 12 Mo. Rule Except. (\$)	Additional Pay Adjustments - 12 Mo. Rule Except. (%)	Prior Basic Pay	Perf Pay Adjst (\$)	Perf Pay Adjst (%)	Pay Adjst to Maintain Position (if granted) (\$)	Pay Adjst to Maintain Position (%)	New Basic Pay After Adj.	Perf Bonus (\$)	Perf Bonus (%)	Cash (\$)	Cash (%)	Pres Rank (\$)
1. ARMY	DILBERT, DILBERT	3	C	X	X	\$0		\$0	\$0		\$0		\$0	\$0		\$0		
2. NAVY	DILBERT, DILBERT	3	C		5	\$0		\$0	\$0		\$0		\$0	\$0		\$0		
3. AIR FORCE	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
4. OSD	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
DCAA	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
DFAS	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
DISA	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
DLA	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
DODIG	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
DTRA	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
MDA	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		
OUSDI	DILBERT, DILBERT					\$0		\$0	\$0		\$0		\$0	\$0		\$0		

Components must populate
DCPDS Download will
populate