

MISSION-DRIVEN MOBILITY

Strengthening our government through a mobile leadership corps

FEBRUARY 2012



PARTNERSHIP FOR PUBLIC SERVICE

McKinsey & Company

The Partnership for Public Service is a nonpartisan, nonprofit organization that works to revitalize the federal government by inspiring a new generation to serve and by transforming the way government works.

McKinsey & Company is a global management consulting firm dedicated to helping the world's leading organizations address their strategic challenges. With consultants deployed in more than 50 countries around the globe, McKinsey advises on strategic, operational, organizational and technological issues. For more than eight decades, the firm's primary objective has been to serve as an organization's most trusted external adviser on critical issues facing senior management.

EXECUTIVE SUMMARY

A critical element of the U.S. government's workforce is the Senior Executive Service (SES), the cadre of career civil servants who hold the top managerial and policy positions in federal departments and agencies. Established by the Civil Service Reform Act of 1978, the SES was meant to be a corps of leaders who would periodically move within and across agencies and sectors to gain an enterprise-wide perspective. The authors of the 1978 law believed mobility among members of the SES would create seasoned managers, not technical experts, and in the process help the government build a more capable and cohesive leadership system that would better meet the nation's challenges.

More than three decades later, however, the government's original vision of SES mobility has not materialized. Today, almost half of the U.S. government's 7,100 senior executives have stayed in the same position in the same organization their entire SES career. A mere 8 percent have worked at more than one agency during their SES tenure. Even fewer have worked outside the federal government, whether in state and local government, nonprofit organizations, or the private sector.

Over the last several months, we at the Partnership for Public Service and McKinsey & Company have investigated the benefits of SES mobility, the extent to which it is used and the barriers hindering its broader adoption. We studied all forms of executive mobility—from short-term intra-agency rotations to longer-term assignments requiring geographic relocation. Our research included

interviews and focus groups with more than 90 political leaders, senior executives and government personnel from 39 federal agencies and organizations.

Here, we summarize our findings and present a set of options for increasing executive mobility across the federal government.

The benefits of mobility

One of the strongest rationales for executive mobility is the government-wide impact it can have. Recent events like Hurricane Katrina and the Gulf of Mexico oil spill have brought to the fore the need for government leaders to work together, and share information and resources across agencies and sectors. Executive mobility increases the government's ability to fulfill cross-agency missions. It also allows individual agencies to build executive managerial skills, fill vacancies strategically and infuse new thinking into the organization. Furthermore, mobility benefits the senior executives themselves: it helps them learn how to overcome new challenges, hone their leadership skills and get exposure to a broader network.

Current use of mobility

Despite its benefits, executive mobility is underutilized in the U.S. federal government. Only slightly more than half of SES members have held different managerial positions within their own agencies. Very few have gained experience working in other agencies, and even fewer have ventured outside the federal government. Initiatives designed to spur executive movement—including, notably,

joint-duty programs at the Department of Defense and in the intelligence community—have yet to make a government-wide impact. Some agencies encourage mobility among early-tenured employees through Candidate Development Programs (CDPs) and other executive feeder programs, but the quality of such efforts is uneven across agencies.

The barriers to mobility

There are hindrances to SES mobility at the federal, agency and individual levels. At the federal level, the absence of a government-wide system to facilitate mobility is the main impediment; executives have to rely on word-of-mouth to learn about SES opportunities. On an agency level, a major barrier is some agencies' strong preference for technical experts; such agencies do not relish "loaning out" their technical experts or providing rotational opportunities for executives who may not have the right technical skills. They therefore hoard talent and make little effort to integrate incoming executives. (Part of the issue may be that some technical positions are misclassified as SES roles when they truly belong in other job categories.)

At the individual level, executives' negative perceptions of mobility—many see it as punishment or as an unrewarding career move—discourage them from seeking rotational opportunities. Furthermore, the lack of adequate financial assistance for geographic relocation is a deterrent—even though many, if not most, SES job assignments do not require moving to a new city.

Options for increasing mobility

Overcoming these barriers will help the government build a first-class workforce and deliver better results. We put forward five options to increase executive movement.

- **Build mobility into SES selection criteria.** Executives who have been

mobile before entering the SES are more likely to embrace mobility once in the SES. The Office of Management and Budget (OMB) and the Office of Personnel Management (OPM) could add a mandatory criterion requiring SES candidates to demonstrate multisector, multi-agency or multifunctional experience; strictly enforce SES selection criteria instead of granting waivers that allow agencies to hire into the SES technical experts who do not have general leadership capabilities; and require regular audits of SES positions to ensure they are suitable for executives with general leadership capabilities rather than technical experts.

- **Test a variety of program designs.** Agencies should experiment with a variety of mobility program designs to find what works best for their particular needs. By testing program designs in smaller units before establishing agency-wide, permanent mobility programs, agencies can identify challenges, refine solutions, and define and track performance metrics.
- **Create incentives (and reduce disincentives) for mobility.** Agencies and executives should know how they compare with their peers when it comes to mobility. OMB and OPM could require agencies to report on their use of intra-agency and cross-agency mobility, and recognize the top "importers" and "exporters" of talent. OMB and OPM could also take steps to ensure that executives who relocate receive adequate financial assistance. OPM could make mobility an explicit selection criterion for the Presidential Rank Awards, the most prestigious awards given to SES members. Other potential incentives for mobile SES members include access to mentorship programs, sabbaticals, networking opportunities and financial rewards.
- **Invest in early-tenure mobility programs.** Agencies should integrate best practices into the designs of their CDPs and other executive feeder programs. Our research into successful CDPs in the federal

government shows that best practices include SES-level rotational assignments of at least six months, mentors for CDP participants and graduates, and mobility discussions to which employees' families are invited. OMB and OPM, as well as the agencies themselves, should conduct annual evaluations of the effectiveness of their CDPs and align CDPs with succession planning, to ensure that CDP graduates are considered a key candidate pool for SES selection.

- **Centralize management of executive mobility.** If a single entity were made responsible for executive professional development, it could take the lead in communicating and championing the original vision for the SES and coordinating agencies' mobility initiatives. One logical candidate for such an entity would be the office of the OMB deputy director for management. (OPM can fulfill many functions related to SES development, but its activities should align with the government's high-priority programmatic needs, which are within the purview of OMB and the President's Management Council.) One important initiative that OPM, for its part, could undertake is the creation and maintenance of a central database containing contact information and performance records for all SES members, as well as all SES job listings and developmental opportunities.

The original vision for the SES as a mobile corps of leaders has never come to fruition. The federal government can revive that vision—not just to be faithful to the spirit in which the SES was founded but because greater executive mobility will improve the quality of the government's leaders and, consequently, government performance. The options we put forward in this paper could constitute a promising start.

INTRODUCTION

When Congress created the SES in 1978, it envisioned a unified, government-wide leadership corps of civil servants with “shared values, a broad perspective of government, and solid executive skills.”¹ The Civil Service Reform Act of 1978, which established the SES, called for these senior executives—men and women who hold the government’s top managerial and policy positions above the General Schedule (GS) grade of 15—to be mobile resources, bringing managerial excellence to a variety of roles and, ideally, to a variety of government institutions.

The authors of the law believed mobility both within and across agencies would help create a highly capable and flexible government-wide leadership corps that would serve across presidential administrations and bring coherence to a fragmented, decentralized system. One provision of the law, for example, gave agency leaders the authority and the freedom to move senior executives into roles that would serve the agency’s best interests.

Once the law went into effect, the newly formed OPM initiated a number of programs to facilitate SES mobility but abandoned the effort by the early 1980s when other issues took precedence. Since then, neither OPM nor any other governmental entity has filled the void. As a result, the original vision for the SES has never been fulfilled. There is no centralized federal human-capital system in place for executives to learn about cross-agency open-

ings or to facilitate executives’ movement and professional growth.

This is not to say that OPM and OMB have been ignoring the federal government’s senior executive cadre. On the contrary, the two agencies recently designed and issued a model SES performance appraisal system to standardize and strengthen the management of the SES. They have also been working closely with a number of federal agencies and the PMC on improvements to the SES hiring system, orientation for new SES members, and other constructive initiatives. That said, the issue of SES mobility has yet to receive the focus and the resources it needs.

Given the complexity and multidimensional nature of the challenges that government confronts today, the sparse use of executive mobility has an adverse effect on government performance. Dealing with national security threats, for example, requires not only the involvement of the Department of Defense (DOD), the Department of State and the intelligence community but also expertise on a wide range of issues that include cybersecurity, drug trafficking, energy concerns and infectious diseases. Numerous governmental agencies must share information and resources, be aware of each other’s needs and constraints, and work together for the common good. Although there are some mechanisms in place (such as the “fusion centers” created by the Department of Homeland Security and the Department of Justice) to promote such collaboration, executive mobility can meaningfully enhance mutual understanding of cross-agency needs and facilitate the exchange of interdisciplinary expertise.

¹ Office of Personnel Management, Senior Executive Service, www.opm.gov/ses/about_ses/history.asp.

Over the past several months, the Partnership for Public Service and McKinsey studied the landscape of executive mobility in the U.S. government, specifically among members of the SES. We undertook an extensive review of articles, publications, guidelines and policies focused on executive mobility. Our research experts then categorized, reviewed and validated the information to ensure that we had collected a comprehensive data set. We also conducted interviews and focus groups with political leaders, senior executives and government personnel. In all, we interviewed more than 90 people from 39 federal agencies and organizations. (For a list of participating individuals and organizations, see Appendix A.)

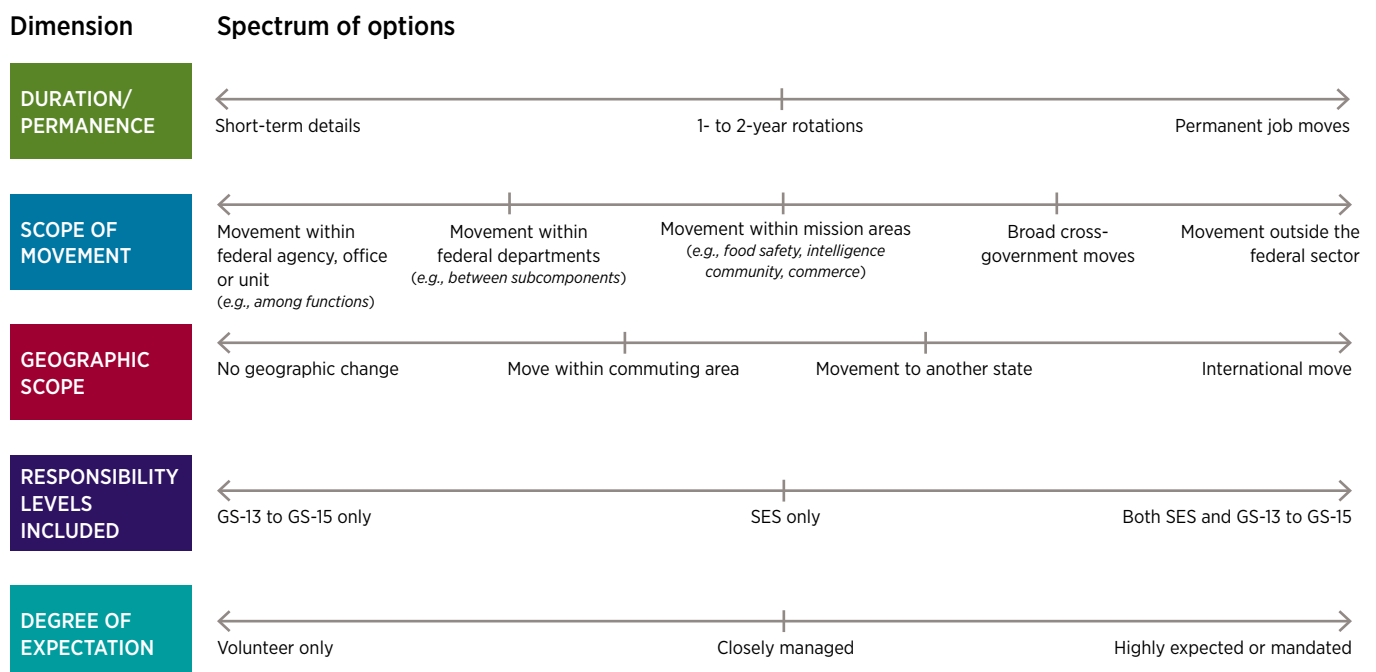
We studied SES mobility in all its forms. Contrary to what many government executives assume, mobility is not synonymous with geographic relocation. It encompasses a broad spectrum of options, including short-term rotations within the same organization or movement to a different agency located in the same city (Figure 1).

Our findings lend support to the idea that mobility generates considerable benefits for senior executives, agencies and the government as a whole, and therefore should be a key component in SES professional development. However, our research also confirms that executive mobility is significantly underutilized in the U.S. government today, in large part because agencies as well as executives perceive it as too costly and risky. In this report, we investigate the benefits of SES mobility, the extent of its use and the barriers hindering executive movement. We also propose solutions—some simple and straightforward, some more ambitious—that will allow the federal government and individual agencies to overcome those barriers.

Given the complexity and multidimensional nature of the challenges that government confronts today, the sparse use of executive mobility has an adverse effect on government performance

Contrary to what many government executives assume, **mobility is not synonymous with geographic relocation**

FIGURE 1
Senior-executive mobility design spectrum



The Senior Executive Service (SES) at a glance as of March 2011

7,784

THE TOTAL NUMBER OF SENIOR EXECUTIVES IN THE FEDERAL GOVERNMENT

CAREER SES: 7,100
NONCAREER SES: 684

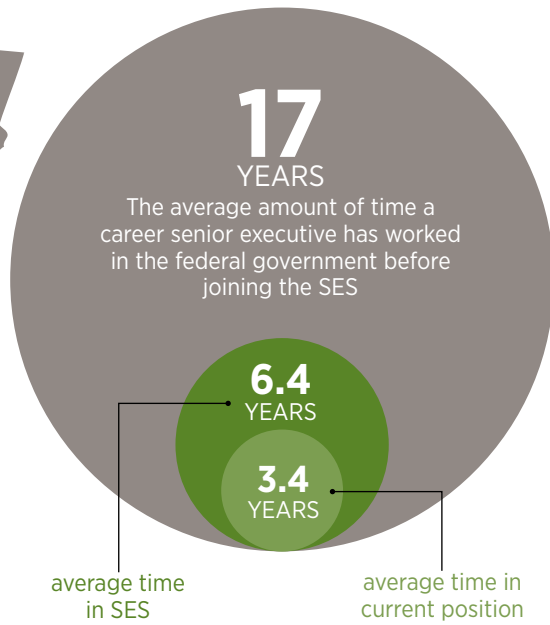
THE SES, CREATED UNDER THE CIVIL SERVICE REFORM ACT OF 1978, WAS ENVISIONED AS A MOBILE CORPS THAT WOULD BRING MANAGERIAL EXCELLENCE ACROSS GOVERNMENT AGENCIES.



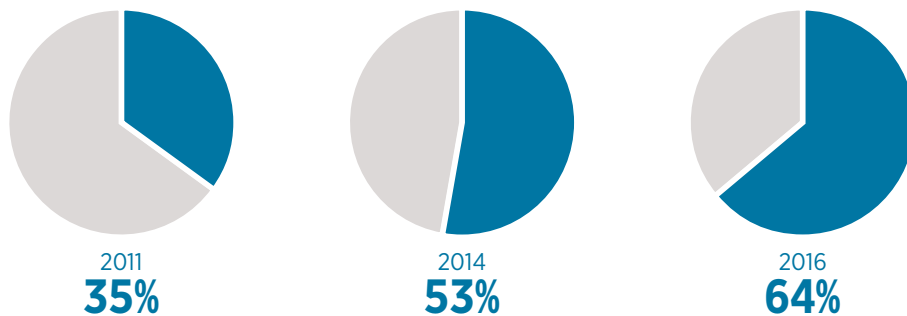
Average tenure of career senior executives



On average, career senior executives are 48 years old when hired into the SES.



Retirement eligibility of current career senior executives

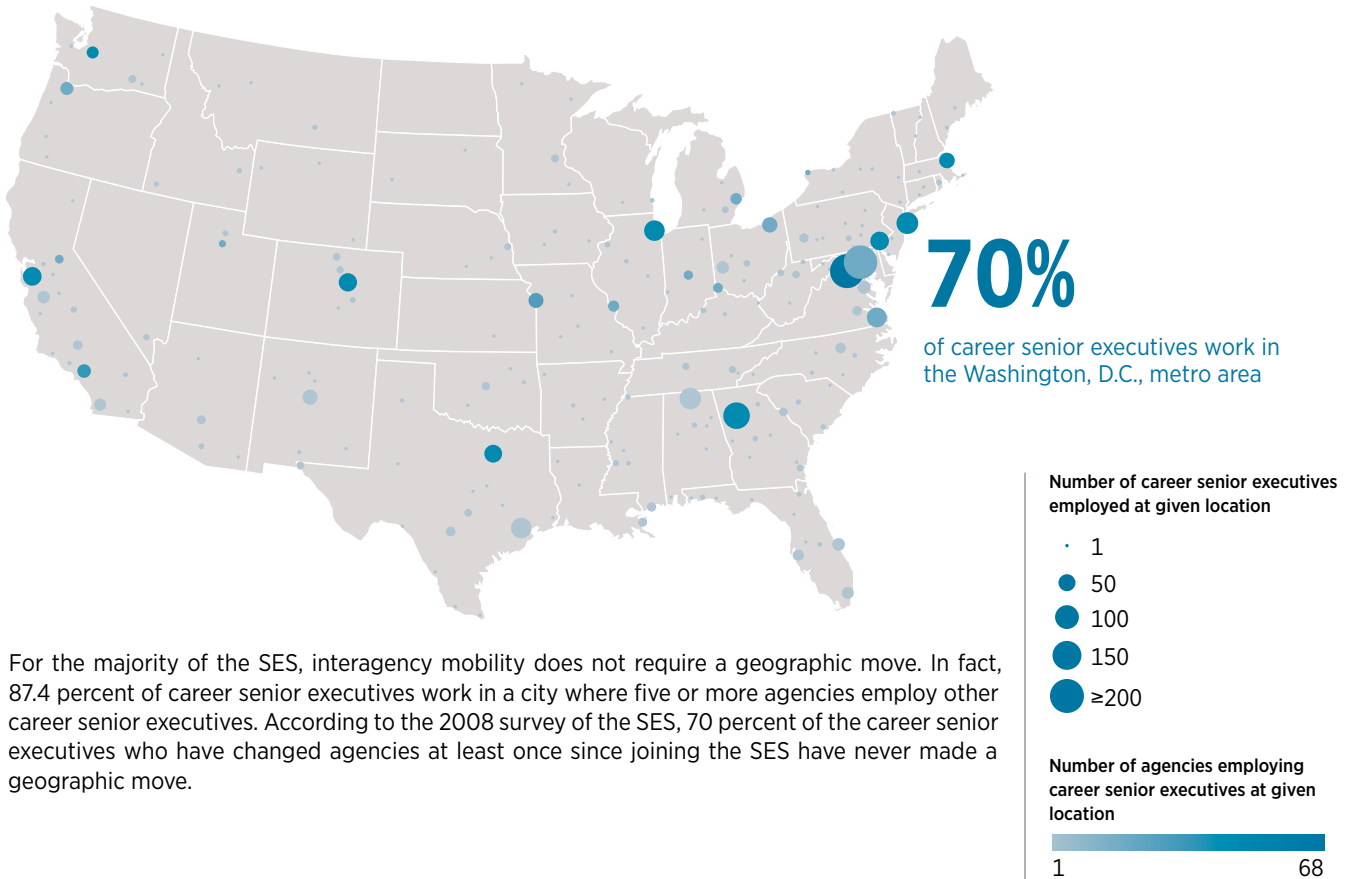


Government-wide, there is **1** senior executive to every **237** employees*, with wide disparities at the agency level.

OMB 1:6
Energy 1:34
VA 1:940

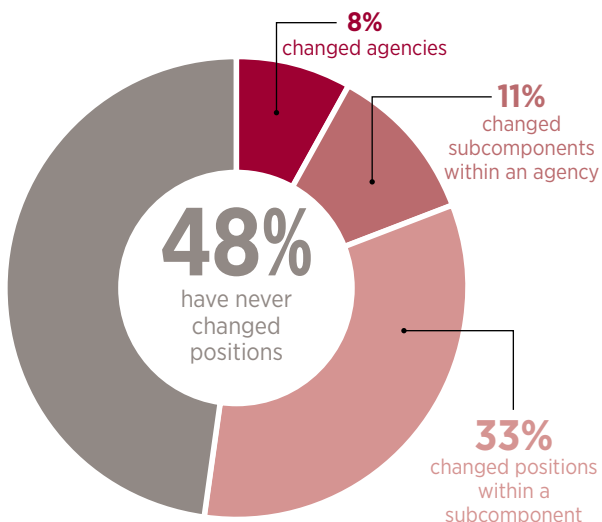
* Number includes only full-time, nonseasonal, permanent employees

Geographical distribution of career senior executives

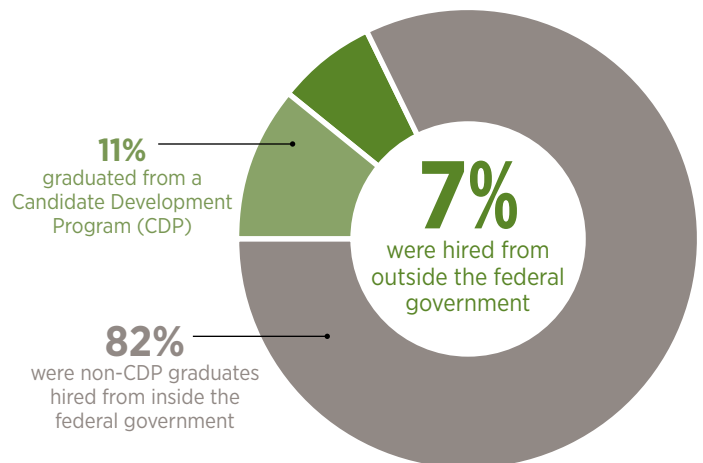


For the majority of the SES, interagency mobility does not require a geographic move. In fact, 87.4 percent of career senior executives work in a city where five or more agencies employ other career senior executives. According to the 2008 survey of the SES, 70 percent of the career senior executives who have changed agencies at least once since joining the SES have never made a geographic move.

Mobility of current career senior executives



Pipelines of talent for career senior executives



THE BENEFITS OF MOBILITY

Mobility was a central aspect of the federal government's original vision for the SES: a mobile corps of senior government executives whose broad multisector experience and managerial excellence would benefit not only individual agencies and departments but also the government as a whole. In addition, mobility holds tremendous benefits for the executives themselves—current perceptions notwithstanding.

Mobility improves the performance of agencies and the government as a whole

Perhaps one of the strongest rationales for executive mobility is the government-wide impact it can have. In recent years, the need for executives to work across agencies and sectors to fulfill critical missions has become increasingly apparent. The commission that investigated the September 11 terrorist attacks, for example, attributed many of the U.S. government's missteps to the lack of communication and collaboration among intelligence and law-enforcement agencies.² Other dev-

astating events—Hurricane Katrina in 2005 and, more recently, the earthquake in Haiti and the Gulf of Mexico oil spill—brought to the fore the need for government leaders to work together, share information and resources across agencies, and understand each other's roles and responsibilities.

That said, having executives with knowledge and experience in multiple agencies is not only crucial during crises and emergencies; it is just as essential in day-to-day coordination and problem solving, because of the interdependencies inherent in government work. The Department of Agriculture's Food Safety and Inspection Service and the Food and Drug Administration, for example, both have primary responsibility for certain aspects of food safety and thus must frequently work with each other, as well as with the 13 other agencies that have a role in food safety. Similarly, the DOD, the Department of Veterans Affairs (VA) and the Department of Health and Human Services (HHS) all play major roles in health care, and often have to interact and coordinate efforts. The same goes for the VA and the Department of Housing and Urban Development on the issue of veterans' homelessness, and the various financial regulatory agencies on issues

² National Commission on Terrorist Attacks (Thomas H. Kean, et al). The 9/11 Commission report: Final report of the National Commission on Terrorist Attacks, October 17, 2004.

concerning the country's banking industry.

The government leaders we interviewed noted that executive mobility strengthens networks among agencies and increases their ability to fulfill cross-agency missions. They observed that executives who have worked in multiple organizations tend to be driven by mission rather than personal loyalty, are less insular in their thinking and are better able to work with others to address the nation's biggest challenges.

They agreed, furthermore, that executive mobility allows individual agencies to build managerial skills, assess their bench strength, move promising individuals into critical jobs, fill open positions strategically and infuse new thinking into the organization. They also reported that executive movement diminishes territoriality within agencies.

In addition, greater executive mobility could help build a larger cadre of experienced government employees to fill the talent gaps that may arise if the many senior government employees eligible for immediate retirement actually do retire. Government-wide, 2,471 of the 7,100 career SES members, or 35 percent, are eligible to retire immediately (Appendix B). Sixty-four percent will be eligible to retire in five years. Some departments and agencies face a possible near-term leadership crisis: for example, 84 percent of career senior executives at the National Labor Relations Board are eligible for immediate retirement, as are more than half of career senior executives at the National Science Foundation and the Social Security Administration (Figure 2). Although the prospect of losing senior executives to retirement may tempt some agencies to hoard talent, the reality is that executive mobility can help fill leadership gaps by creating a bigger pool of qualified leaders from which agencies can draw.

Mobility is critical to an executive's professional growth

Leading academic researchers have found that challenging job assignments are the strongest form of leadership development. Governments and corporations alike use executive mobility as a means of enhancing an individual's leadership skills. For example, in the United Kingdom's Senior Civil Service, the equivalent of the SES, the top leadership tier of 200 career executives (permanent secretaries and directors general) is actively managed, and mobility is required for all promotional opportunities and career progression. Companies like IBM and Procter & Gamble routinely move executives every two to five years as part of their general professional-development programs.

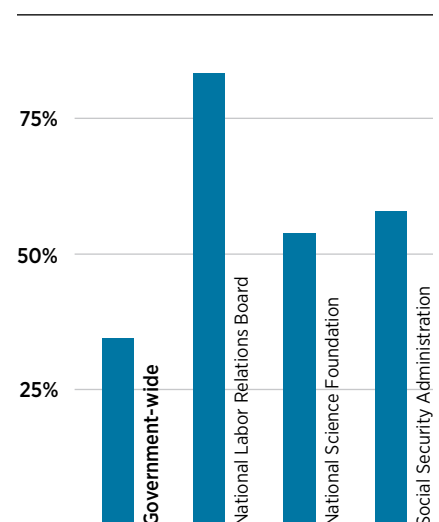
Mobility is an important vehicle for ongoing learning and professional growth. For example, when an executive who developed policies at headquarters in Washington, D.C., moved to a regional office where she had to implement the very policies she created, she gained valuable insights into the practical effects of the policies and the issues involved in their implementation—insights she would probably never have gained if she had stayed in Washington. Another executive, who moved from an agency to a White House advisory position, said the move expanded his professional networks, gave him an enterprise-wide view of government and taught him how to get complex tasks done across government.

Mobility helps senior executives learn how to overcome new challenges and hone their leadership skills. Many executives who have extensive experience with mobility told us that because of their willingness and ability to take on new roles, other leaders began to see them as versatile, quick to learn, results-driven and effective team players. Furthermore, they reported that the breadth of experience they gained

from their varied assignments, as well as their exposure to a broader network, provided greater opportunities for self-directed career advancement.

Even executives who made mandatory moves—and who initially resisted (or even resented) the idea of not being in full control of their career decisions—ultimately felt positively about the value of the experience working in another organization.

FIGURE 2
Eligibility for immediate retirement



CURRENT USE OF EXECUTIVE MOBILITY

Despite mobility's benefits—and the general agreement among government executives that mobility is indeed beneficial—the reality is that very few SES members have ever changed positions. Many of them are highly experienced with an average tenure of 17 years before entering the SES (Appendix C), but have remained largely stationary during their SES careers. When the National Commission on Public Service, led by Paul Volcker, in 2003 undertook a definitive study of the federal public service, it decried the fact that the SES “has never developed into the hoped-for corps of experienced managers that would move across agencies, deploying their skills and bringing the benefit of their experience to a broad array of management venues.”³

Today, most of the executives who have taken on different roles have done so within their agency; cross-agency movement happens very infrequently, although there are a few initiatives under way to promote it. We also found that most agencies on the forefront of executive mobility have invested in early-tenure mobility programs, instilling in their young leaders an appetite and appreciation for regular job rotations.

³ “Urgent business for America: Revitalizing the federal government,” National Commission on the Public Service, January 2003.

Movement within agencies is the most frequently used form of mobility

According to 2011 data from OPM's Central Personnel Data File, 48 percent of current career senior executives have never moved—either to a different position within their own agency or to a new organization—since becoming a senior executive (Appendix D). Our analysis of OPM's data shows that, as of March 31, 2011, only 52 percent of SES members had changed roles at least once. Forty-four percent of senior executives changed roles but did not move to another agency. The percentage of executives who have been mobile within the same organization is relatively high at several agencies, including the Nuclear Regulatory Commission (NRC), OPM, NSF, and the National Aeronautics and Space Administration (Figure 3).

Interagency movement happens infrequently: only 8 percent of senior executives on the federal payroll in March 2011 had moved from one agency to another during their SES tenure. Rotations outside the federal government are even rarer. The Intergovernmental Personnel Act—which allows federal employees to work for a state or local government, tribal government, nonprofit organization or academic institution for up to two years—has had negligible impact: less than 1 percent of all federal employees (1,145 individuals) currently take advantage of

it.⁴ Other talent-exchange initiatives, including some tied to specific functions such as IT or specific agencies such as the Government Accountability Office, have been discontinued due to limited use.

There are signs that cross-agency mobility is getting some attention in Congress and the executive branch. Sens. Joe Lieberman, I-Conn., Susan Collins, R-Me., and Daniel Akaka, D-Hawaii, and Reps. Geoff Davis, R-Ky., and John Tierney, D-Mass., introduced the Interagency Personnel Rotation Act of 2011, establishing an interagency rotation program for GS-11 to GS-15 employees in the national-security and homeland-security communities. In the executive branch, the PMC has initiated a cross-agency mobility pilot program, overseen by the OMB and OPM, for high-potential GS-13 to GS-15 employees. The pilot is a small one,

involving only 30 employees from 10 agencies.

These initiatives are positive developments, but they are focused on GS employees and do not touch the government’s senior-most executives. Few agencies are making deliberate efforts to promote inter-agency mobility specifically among SES members. In a 2008 survey of the SES conducted by OPM, 10 percent of career SES members reported they had changed agencies since joining the SES. In 2011, that number dropped to only 8 percent. The agency that had the biggest increase in the percentage of SES executives who had made cross-agency moves was the VA, which is actively working to create a mobile, less specialized SES corps and has sought to bring in talent from other agencies. Thirty percent of the VA’s 94 SES hires between 2010 and 2011 were executives from other agencies. VA Secretary Eric Shinseki has publicly stated his view that agency leaders should treat the SES as a government-wide asset, and that tenure in any one SES position should be limited to three to seven years.

A few other agencies have been actively seeking talent not just from outside their organization, but outside the federal government—including from state and local governments, nonprofit organizations and the private sector (Appendix E). The ideal percentage of hires from outside the federal government depends on an agency’s particular needs, but every agency has executive roles for which multisector experience is highly desirable—even crucial. As of March 2011, more than 15 percent of the executives at three federal agencies—the Small Business Administration, the Air Force and the Army—were hired from outside the federal government into the SES.

Two major cross-agency, joint-duty initiatives are currently under way—one at the DOD and the other

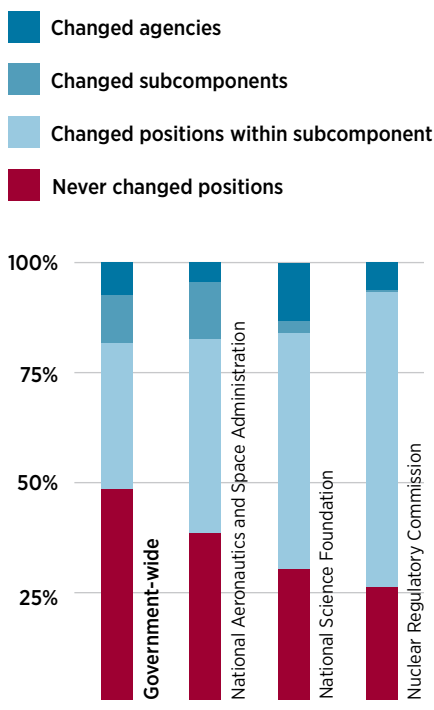
in the intelligence community (see “Joint-Duty Programs”, page 13). They represent the most significant steps toward promoting executive mobility since the inception of the SES. The lessons learned from these initiatives will inform government-wide executive mobility, since they will test whether government leaders can make the profound mind-set shift required of them: viewing executives not as agency-specific resources but as national assets.

Early-tenure mobility programs have proven effective for some agencies

Many of the executives we interviewed attested that job rotations early in their careers instilled in them expectations of mobility; it became part of their professional DNA. Some agencies are encouraging mobility in early-tenured employees. The Central Intelligence Agency, for instance, recently implemented Career GPS, a central talent-management platform that provides transparency into open positions within the agency, promotion criteria, job descriptions and learning profiles, and helps educate early-tenured employees about mobility opportunities. Job rotations have also been an integral part of the Presidential Management Fellows program, which gives outstanding graduate students two-year assignments in the federal government.

Candidate Development Programs (CDPs), training programs for employees with strong executive potential, are critical feeders into the SES. Although not a substitute for SES mobility, CDPs can be an ideal vehicle for promoting mobility if agencies design and execute them thoughtfully. However, the execution—and, consequently, the performance—of CDPs has been uneven across agencies. Only 11 percent of career SES members, as of March 2011, graduated from a CDP. Even agencies that have CDPs do not al-

FIGURE 3
Mobility of senior executives



4 According to the Office of Personnel Management, based on a 2010 Intergovernmental Personnel Act data call.

Although not a substitute for SES mobility, Candidate Development Programs can be an ideal vehicle for promoting mobility if agencies design and execute them thoughtfully

ways view CDP graduates as a ready-made pool of emerging leaders: only 47 percent of the 1,024 CDP graduates from fiscal year 2005 through 2011 were placed in SES positions, although there is wide variation among agencies (Appendix F).

Whereas some CDP participants and graduates said they had the support and attention of top agency leaders, others reported that they had no mentors or advisers and did not undergo any kind of onboarding. Several said they did not get rotated into SES-level positions, but rather were told merely to shadow executives for their rotational assignments. And others said they were expected to do two jobs at once: they had to fulfill their regular responsibilities even while on rotation to another position.

CDPs with high SES placement rates, such as those of the NRC and the Internal Revenue Service, have agency leaders who actively engage with the program and often serve as mentors to CDP participants and graduates. In the most successful CDPs, participants first undergo leadership assessments to identify the types of developmental experience they need; the assessment then informs the choice of rotational assignments. At a handful of agencies,

assignments can include private-sector rotations, which are very attractive to some CDP participants. Best-practice CDPs also offer mobility discussions in which an employee's family members can take part, onboarding programs to ease cultural transitions and rotations that last six months or longer. (We learned from CDP participants that a four-month rotation is too short; they unanimously recommended lengthening rotations to at least six months—a time frame they feel would realistically allow employees on rotation to make an impact and show results.)

Joint-Duty Programs

The Department of Defense and the Office of the Director of National Intelligence are pursuing similar strategies for integrating their respective organizations. In the process, they are providing strong incentives for employees to work in more than one agency or agency component.

Department of Defense Joint-Experience Requirement

The joint-experience requirement of the Department of Defense (DOD) was formally unveiled in 2008. For the last three years, each DOD agency has had a talent-management panel assess executives on an annual basis and assign them three readiness ratings: develop in place (continue in the same position), ready for career broadening (move laterally to another SES position) and ready to move to a higher-level SES position. The panels establish slates of 3 to 10 potential candidates for each position. Before the human resources office sends the slate to the selecting official when a position opens up, SES members across the agency are notified so they can add themselves to the slate if they are not already on it.

The DOD has also identified a new competency that will influence SES selection, in addition to the five Executive Core Qualifications. The DOD calls the new competency “enterprise perspective,” and it requires candidates to demonstrate a broad perspective on the DOD mission, an understanding of individual or organizational responsibilities in relation to DOD strategic priorities and a clear grasp of how DOD service components, stakeholders, interagency partners and customers work together. Implicit in this new competency is leadership mobility. As of January 2012, the DOD requires civilian senior executives to have held positions in more than one departmental component (Army, Navy, Air Force, or defense agency) for promotion.

The DOD talent-management system remains a work in progress. While some of the DOD’s service components have made great strides in internal talent management, DOD-level results are mixed. The Navy reported filling 80 percent of its 2010 SES vacancies via its talent-management panel slate; the Air Force reported lower numbers at 33 to 50 percent. The Office of the Secretary of Defense, a smaller support component, filled approximately 30 percent of its SES vacancies from the slate during the program’s first year.

Intelligence Community Civilian Joint-Duty Program

Following the September 11 terrorist attacks, Congress enacted the Intelligence Reform and Terrorism Prevention Act of 2004. Among other things, the legislation created the Office of the Director of National Intelligence (ODNI) and directed it to create common human resources policies and programs across the intelligence community, including a joint-duty requirement for

entering the executive ranks. Under a May 2006 directive, the director of national intelligence or his/her designee, in consultation with the relevant agency, identifies positions that require or provide joint-duty experience.

Recognizing that the demand for such positions would exceed the supply, the ODNI established a system whereby each agency nominated one or more candidates for a joint-duty rotation, and created joint-duty rotations of 12 to 36 months for employees from other intelligence agencies. The system took effect on October 1, 2010. As an incentive to agencies, ODNI allows them to replace employees on joint-duty assignments with temporary hires, without regard to established employment limits. OPM has a similar policy for the SES, but it is only used on a case-by-case basis. (Most intelligence agencies are not under the authority of Title 5 of the U.S. Code, and thus their executives are not SES members.)

Like the DOD, ODNI created a mandatory Senior Officer Core Qualification Standard, “Leading the Intelligence Enterprise”—in addition to the five government-wide Executive Core Qualifications.

Intelligence policy leaders took considerable pains to try to overcome one of the biggest barriers to mobility: individuals on temporary assignments who lose out because they are rated by their home (permanent) agency, which has little incentive to spend scarce award dollars on them. In the intelligence community, the “gaining” agency (where the employee is on rotation) determines the individual’s performance rating and bonus after consultation with the home agency. Although salary increases remain within the purview of the home agency, ODNI reviews the pay adjustments and promotion rates of individuals currently or recently on rotation to ensure they are consistent with those of their peers.

Practical impediments to mobility remain: not every candidate finds a joint-duty position, the transition experience has been inconsistent across the community and re-entry after an assignment can be difficult. Furthermore, the ODNI’s relative lack of authority means the joint-duty requirement could devolve into a box-checking exercise. There is considerable pressure from intelligence agencies to seek waivers of the joint-duty requirement or to expand the list of “joint-like” positions to allow more employees to qualify for senior-level posts.

Despite these concerns, there is evidence to suggest that joint duty is taking hold. As of early June 2011, 68 positions with the joint-duty requirement had been filled. At the Central Intelligence Agency, half the executives have acquired joint-duty experience; joint-duty positions are posted internally, a significant change in practice; and leaders continue to identify new joint-duty positions.

BARRIERS TO MOBILITY

GOVERNMENT-WIDE BARRIERS

THERE IS NO CENTRALIZED (GOVERNMENT-WIDE) SYSTEM TO FACILITATE MOBILITY

Our research uncovered a number of reasons for the sparse use of executive mobility in the federal government. Many of our interviewees cited the absence of a centralized federal system to manage executive mobility as a big impediment. No single entity oversees or is responsible for improving the quality of the government's career leadership corps and for aligning critical talent with the most critical needs. Although OPM's SES office performs a number of functions—including the management of the Qualifications Review Board, which certifies the core qualifications of SES applicants, as well as certification of CDPs and senior performance-appraisal systems—it no longer plays as large a role in promoting SES mobility as it did in the early 1980s.

While many government leaders recognize the importance of cross-agency perspectives, there is neither a system in place nor focused efforts in government to facilitate and promote cross-agency mobility. Some informal sharing takes place among like-minded agencies—for example, human-resources professionals at DOD, HHS and VA regularly exchange information about job vacancies—but time and again, we heard from interviewees that personal networks and word-of-mouth are the only ways through which executives learn about opportunities for interagency mobility assignments.

AGENCY-LEVEL BARRIERS

AGENCIES FEEL MOBILITY'S COSTS AND RISKS OUTWEIGH ITS BENEFITS

At the agency level, many of the barriers to mobility have to do with the perceived costs that agencies incur, such as the loss of strong performers and the time spent to bring new people up to speed. These perceived costs make many agencies unsure as to whether executive mobility is worth the investment, especially because the benefits (such as more capable managers, an influx of new ideas, and a stronger leadership culture) may seem abstract or may take too long to realize. Specifically, our research uncovered the following agency-level barriers:

To many agency leaders, technical expertise trumps leadership skills.

Executive mobility helps develop leadership and managerial skills, but—perhaps surprisingly—not every agency values such skills. Our research showed that some agencies' SES hiring panels focus more on applicants' technical qualifications than leadership competencies, and routinely promote technical experts into top management positions. Several interviewees told us that many agencies disproportionately give financial and nonfinancial rewards to senior executives based on technical

expertise rather than leadership or managerial competency. In one extreme case, an agency provided informal guidance that only technical experts would be rewarded through the performance-management bonus system. Although agencies are supposed to use the Scientific and Professional (ST) and Senior Level (SL) job classifications for senior career employees with strong technical but not managerial expertise, very few do so in practice. Agencies that value technical expertise more highly than general leadership skills are less likely to champion mobility: they don't want their technical experts going on rotational assignments to other agencies, and they don't want to provide rotational opportunities for incoming executives who may not have the right technical skills.

Talent hoarding is prevalent.

Agency leaders and political appointees alike are loath to lose their brightest stars to another agency, even temporarily. They fear the loss of institutional knowledge and continuity. Although they may recognize that mobility would help the agency in the medium or long term, they are reluctant to bear its nearer-

term transition costs (a challenge that private-sector leaders also confront in their mobility programs). Indeed, some leaders inordinately favor executives who have proved their loyalty to an agency or program by staying put. "Executive success becomes all about personal loyalty," one interviewee commented. "A personal tribe starts to develop and fiefdoms grow." In our research, we came across one agency that went so far as to offer an executive a bonus for staying at the agency and declining a new assignment elsewhere.

Agencies are unprepared for transitions.

Rare is the agency with a solid onboarding program for incoming executives. Most agencies do a poor job of integrating executives into their culture, in part because they are wary of newcomers and worried about potential mission failure when bringing in executives with unproven skills. In organizations that have been historically stagnant, leaders and staff are generally not prepared—and, in many ways, don't want to have to be prepared—to bring new people up to speed.

INDIVIDUAL-LEVEL BARRIERS

MANY EXECUTIVES HAVE NEGATIVE PERCEPTIONS OF MOBILITY

Individual executives' perceptions of mobility are just as much a barrier as the institutional impediments discussed earlier. If senior executives continue to have a negative and narrow view of mobility—that is, as a difficult and unrewarding career move that necessarily involves geographic relocation—no amount of structural change will motivate them to seek rotational opportunities.

Executives often see mobility as punishment, not advancement.

Unfortunately, a common perception among our interviewees is that some agencies have used mobility as a thinly disguised pretense for addressing poor performance, making partisan personnel moves or accelerating the retirement of executives. Several of our interviewees reported a lack of transparency when it comes to how agency leaders make mobility decisions: some executives were told unexpectedly that they were being transferred; others merely received a letter that named the new assignment. One executive was told that his new assignment supported his career development, but he had never discussed career development with his higher-ups, nor did he have a professional-development plan. Such incidents breed mistrust and resentment.

Mobility, especially across agencies, is generally unrewarded.

As part of our research, we analyzed the nominees and winners of the most prestigious awards given to senior executives, the Presidential Rank Awards for Distinguished Executive. Only 1 percent of career

senior executives receive the Distinguished Executive award, which represents extraordinary achievements over several years of service. We found that 38 percent of Distinguished Executive award winners in fiscal years 2008 and 2009 changed roles within their agency in the three years prior to their award (Appendix G). However, only 4 percent moved among agencies in the three years prior to their award.⁵ Among all our interviewees, only one leader reported taking mobility into account as a key nomination criterion for the Presidential Rank Award. In fact, interagency movement appears to be a detriment to recognition: almost every executive who moved into a new department reported receiving a lower performance rating than in the evaluation period preceding the move. And many executives who made cross-agency moves warned that timing is crucial: employees who move to a new agency during the last few months of a performance-rating cycle can find themselves ineligible for annual pay and bonus rewards. One executive characterized the SES performance-management and incentive system as fostering a perception of “out of sight, out of mind, out of luck.”

Executives fear marginalization.

“My agency is a small world, and I've worked with my fellow executives for years,” one interviewee candidly remarked. “If I went to another agency, I'd have to learn so

much, and I might not be of much use to that agency.” Several of our interviewees and focus-group participants said this sentiment is pervasive in the SES—and particularly among SES executives who have agency-specific technical expertise but not the general leadership competencies that would allow them to move easily into another SES role. Executives say with mobility comes the risk of being marginalized—a risk exacerbated by the fact that agencies rarely offer any onboarding assistance. In addition, re-entry into the home agency after a rotational move can be difficult. An employee's former position may no longer be available, or the home agency may not have a position that makes full use of the employee's newly developed capabilities.

There are neither consistent standards nor adequate financial assistance for geographic relocation.

Our interviewees reported inconsistent and often inadequate reimbursements and a general lack of assistance for geographic relocations. Executives may thus end up at a severe financial disadvantage. We also heard complaints that mandatory moves generally leave no room for input from the individual, regardless of the impact that the move might have on the individual's family or personal life. One executive had little choice but to leave behind his critically ill parent because of a mandatory move across the country; his request for reconsideration was denied.

⁵ Analysis of the Central Personnel Data File (now EHRI-SDM) conducted by the Office of Personnel Management.

OPTIONS FOR INCREASING EXECUTIVE MOBILITY



Build Mobility into the SES Selection Criteria



Centralize Management of Executive Mobility



Test a Variety of Program Designs



Invest in Early-Tenure Mobility Programs



Create Incentives (and Reduce Disincentives) for Executive Mobility

These barriers are not trivial, but we feel they are surmountable. We believe, furthermore, that overcoming them will help the government build a first-class workforce and become a more effective organization. Based on our interviews, focus groups, literature review and data analyses, we have identified five potential solu-

tions that represent realistic, practical steps federal agencies can take (ideally, with the support of OMB, OPM and Congress) to bring about a meaningful increase in the strategic use of executive movement—and, consequently, a marked improvement in government performance.



OPTION ONE

BUILD MOBILITY INTO THE SES SELECTION CRITERIA

Employees who have been mobile before entering the SES are more likely to embrace mobility once they are in the SES, both because they are cognizant of mobility's benefits and because their range of professional experiences makes them better equipped to fill a variety of roles. Mobility is not currently a requirement for entry into the SES. OMB and OPM could consider establishing a federal policy that adds a sixth Executive Core Qualification for SES selection—a new mandatory criterion that requires a candidate to demonstrate multisector, multi-agency or multifunctional experience. OMB and OPM could develop a phased approach for implementing this change, including educating Qualification Review Boards and agencies about the new criterion and advising agencies as to how to evaluate SES applicants' experiences against it. Agencies could then communicate mobility expectations in professional-development discussions with employees, thereby helping to create the understanding among employees of all tenure levels that mobility is a requirement for promotion.

Such a policy would meaningfully change the complexion of the SES. As discussed earlier, there is a prevalent perception that too many SES members are technical experts who don't possess general leadership capabilities and are therefore reluctant—and perhaps unqualified—to move to other SES-level positions. We believe a renewed emphasis on mobility in SES selection would result in a more flexible and capable corps of senior executives.

In addition, OPM could discontinue the Criterion C waiver, which allows agencies to hire, through an alternative process, SES applicants who lack one or more of the Executive Core Qualifications. Agencies occasionally use Criterion C waivers to place technical experts who do not have the requisite managerial or leadership capabilities in top federal career leadership positions. Twenty-two of the 932 senior executives approved through the OPM Qualifications Review Board, in the year preceding our analysis (April 2010 to March 2011), were approved using Criterion C waivers, representing 2 percent of new executives. Of course, agencies have valid needs for techni-

cal experts and should not have to jump over multiple hurdles to hire them. Eliminating the Criterion C waiver, while also increasing agency access to SL/ST allocations and ensuring parity of benefits, would help resolve this issue.

Along the same lines, OMB and OPM could create a framework for agencies to conduct regular audits of SES positions to ascertain that they are appropriate for executives with general leadership capabilities rather than technical expertise; positions should otherwise be reclassified as SL or ST slots. Because a review of all SES slots would be excessively time-consuming, the scope of the review could initially be limited to only new and vacant positions.

Legislative action could go far in institutionalizing these initiatives. Congress could, for instance, introduce and pass legislation both to institute a mandatory mobility criterion for SES selection and to require SES position audits.



OPTION TWO

TEST A VARIETY OF PROGRAM DESIGNS

Agencies should experiment with a wide variety of mobility-program designs to find what works best for their particular needs, drawing upon successful practices already in place in other government organizations. By testing different types of mobility in smaller units before establishing wider, permanent mobility programs, agencies can identify challenges, refine solutions, and define and track performance metrics. A successful mobility test could also give agency leaders firsthand experience of the benefits of executive movement, help ease their concerns about organizational instability and loss of expertise, and strengthen their commitment to overcome policy and procedural barriers. Mobility would become a cause they champion rather than a burden thrust upon them by federal mandates.

In addition, by piloting various program designs, agencies could demonstrate to government employees that mobility does not necessarily require moving one's family across the country. The types of executive movement that agencies could consider piloting include the following:

- Movement into line/staff roles or into different functional areas within an agency (for example, from finance into human resources)

- Movement within departments and subcomponents (for example, from one agency to another within the same department, or from a departmental office to an agency)
- Movement across agencies within the same geographical area (for example, from one Atlanta-based agency to another)
- Movement to a similar functional area in another agency (an IT executive at one agency, for instance, could do a rotational assignment in another agency's IT department)
- Movement within clusters of agencies with overlapping mission areas—such as food safety, emergency management, military health, or research and development
- Use of corporate-exchange opportunities

Agencies should make mobility initiatives highly visible and give recognition to participants so that others will be inspired and motivated to take part. They should systematically document and share the impact of and lessons learned from their mobility initiatives, and provide semiannual status updates to OMB and OPM for broad dissemination.

OMB and OPM, in conjunction with the PMC, could support agencies by helping to coordinate agencies' mobility initiatives; working with agency leaders to establish goals, targets and reporting requirements; and ensuring that lessons learned from the agency pilots, as well as from the joint-duty initiatives of the DOD and the intelligence community, are shared government-wide (for example, through regular roundtable discussions with participants). They could also share lessons learned from the cross-agency mobility pilot targeting GS-13 to GS-15 employees and perhaps expand those pilots to more positions (including SES-level positions) and more agencies.

Congress could also play an important role in testing and institutionalizing SES mobility initiatives. It could, for instance, pass legislation allowing all SES members to participate in existing corporate-exchange initiatives currently reserved for executives at specific agencies or departments—such as the Secretary of Defense Corporate Fellows Program, which assigns high-performing military officers to one-year stints in corporate America.



OPTION THREE

CREATE INCENTIVES (AND REDUCE DIS-INCENTIVES) FOR EXECUTIVE MOBILITY

At both the institutional and the individual level, incentives—whether monetary or nonmonetary—are crucial for effecting sustained changes in behavior. Transparency is also important: both executives' and agencies' awareness of what their peers are doing can inspire and motivate them to take action themselves.

To create transparency at the agency level, OMB and OPM, in collaboration with agency performance-improvement officers, could require agencies to provide timely reporting on their use of intra-agency and cross-agency mobility, the key challenges they face in increasing executive movement and the methods they use to incentivize mobility. Making these reports readily available to the public would promote transparency and best-practice sharing. OMB and OPM could also develop and track a federal metric to determine which agencies are the biggest “importers” and “exporters” of talent and report the results to Congress annually. Congressional action requiring such reports would help institutionalize these practices.

Agencies leading the way in executive mobility should be recognized and rewarded. One type of reward might be additional SES allocations; a similar incentive scheme has worked well in the intelligence community.

As for SES members who are on rotation or have taken new positions, they should be treated as an elite corps. OMB and OPM, for instance, could require agencies to take into account executive mobility when making performance-management pay and bonus determinations. For example, they could exempt mobile executives from the rule that requires personnel to be in place for 90 days prior to the end of a performance cycle to receive a bonus or pay adjustment. OMB and OPM could also use the performance system to drive greater executive mobility. For instance, they could issue the expectation that, beginning in 2014, at least 30 percent of agency executives receiving bonus awards should have participated in a rotational assignment during the preceding year.

OMB and OPM could also provide administrative guidance to standardize incentive packages (including bonuses, reimbursements or home purchases) for geographic moves. Mobile executives should have access to professional-development programs, sabbaticals and networking opportunities, as well as financial incentives. Federal law 5 U.S.C. 5382, after all, allows an exception to executive pay freezes for executives who have had “a change of position that results in a substantial increase in responsibility, or a promotion.”

Mobility could become an explicit selection criterion for the Presidential Rank Awards. This would provide a significant incentive, since award winners receive a lump-sum payment of 20 to 35 percent of their annual basic pay. OPM could set specific targets that tie mobility to the awards: it could require, for example, that at least 50 percent of award winners in 2014 or subsequent years be executives who have been mobile during their SES careers.

Agencies should strive to improve executives' rotational and post-rotational experiences as well—for instance, by offering coaching and onboarding programs for incoming executives, and reintegration programs for executives returning from rotations. The ODNI, for example, established a pilot program to support executives on two-year joint-duty rotations: executives on assignment work with coaches, have 360-degree feedback and participate in bimonthly leadership discussions with top federal and corporate leaders. The National Geospatial Agency (NGA) offers a three-month reintegration program during which agency leaders discuss career options with returning executives and place them in roles in which they can apply their newly gained expertise. The NGA also has a special awards program for individuals who have taken joint-duty assignments.



OPTION FOUR

INVEST IN EARLY-TENURE MOBILITY PROGRAMS

Executives typically enter the SES late in their careers. To effect lasting change in its leadership corps, the government ought to promote mobility—through CDPs and other executive feeder programs—among employees who are in earlier stages of their professional lives, thereby inculcating in them an appreciation of the benefits of mobility and forming the foundation for a stronger leadership culture across government.

When designing CDPs, agencies should integrate best practices such as those we came across in our research: SES-level rotational assignments of at least six months, onboarding programs, mentors or advisers for program participants and graduates, and mobility discussions to which employees' families are invited. Agencies should align their CDPs with their succession-planning processes to ensure that

CDP graduates are considered a key candidate pool for SES selection, and agency executives should be actively involved in advising, selecting and placing CDP participants.

Agencies should evaluate the effectiveness of their CDPs annually by reviewing placement rates, quality of participant performance, quality of rotational assignments, and leader and participant satisfaction. They could report their evaluation results annually to OMB and OPM, which in turn could conduct their own yearly evaluations and disseminate the results to the agencies themselves as well as to Congress and the public—thereby ensuring transparency, accountability and government-wide sharing of best practices.

CDPs aside, agencies should take other steps to encourage mobility in lower civil-service grades. For example, they could establish mobility agreements with new em-

ployees and advertise mobility opportunities to them; embed mobility expectations in the career paths for most of their high-level positions; or identify and create meaningful rotational opportunities, use them as a proving ground for high-potential employees and reward high performers accordingly.

In addition, Congress could help establish a close link between early-tenure mobility and SES mobility—for instance, by expanding the language in the Interagency Personnel Rotation Act to include SES members. Currently, the pending legislation creates mobility opportunities for GS-11 to GS-15 employees in national security and homeland security, and gives preference for selection to senior positions to individuals who have performed interagency rotation service.



OPTION FIVE

CENTRALIZE MANAGEMENT OF EXECUTIVE MOBILITY

Meaningful change in SES mobility will come about only if there is a designated entity responsible and accountable for senior-executive development and for matching those professionals to the areas of greatest need. Ultimately, a single office must take ownership of these issues. Among the duties that would then fall to this office would be communicating and championing the original vision for the SES, coordinating agencies' mobility initiatives and leading the implementation of the four other options outlined in this paper.

Any office put in charge of senior-executive professional development, however, will have limited impact unless it has sufficient staff to implement, monitor, refine and report on initiatives. The PMC, OPM, OMB's Performance and Personnel Branch, and the Chief Human Capital Officer Council could provide valuable assistance and support in all phases of implementing and professionalizing a centralized mobility program. In addition, Congress could

authorize and appropriate funds for these purposes.

In our view, the office of the OMB deputy director for management is one logical candidate to oversee senior-executive professional development—in large part because it has visibility into agencies' high-priority performance goals and can therefore use executive movement strategically, helping agencies align mobility opportunities with their priority goals. (OPM cannot create a culture of executive mobility on its own. It needs agency buy-in that will come only through the direction of OMB and the PMC, and through a clear message that executive mobility is vital to improving government performance.) The Executive Office of the President could consider formally bestowing on the OMB deputy director for management the responsibility of, and resources for, improving the quality of the government's leadership corps; Congress could also pass legislation accordingly.

Having the leadership and expertise in place will be a crucial step toward centralizing management of SES mobility; another is building the systems, processes and tools to do it right. One important initiative that OPM could undertake—for which Congress could also authorize and appropriate funds—would be the creation and maintenance of an expanded central SES database, to be used by all federal departments and agencies that employ SES members. We envision that such a database would contain contact information and performance records (including evaluations, resumes, skills and competencies, and awards and recognition) for all SES members. It could also serve as a central repository for all SES job listings and developmental opportunities. OPM could issue guidance that requires SES vacancy announcements to appear in the database for a specified period of time to allow executives to become aware of all executive openings.

CONCLUSION

The challenges confronting government are more complex than ever. Overcoming them will require seasoned, flexible leaders—government executives who have achieved managerial excellence and honed their leadership skills through multiagency and, in the best cases, multisector experience. Achieving long-term, large-scale change in the SES mobility landscape may well require central management by the federal govern-

ment. But even without a major structural change, agencies can begin to take steps to break through the barriers and realize the benefits of executive mobility. The options we put forward in this paper could constitute a promising start. Action today will yield significant benefits in the future—not least a stronger, more capable federal government that is better equipped to fulfill its many-faceted mission.

APPENDIX A

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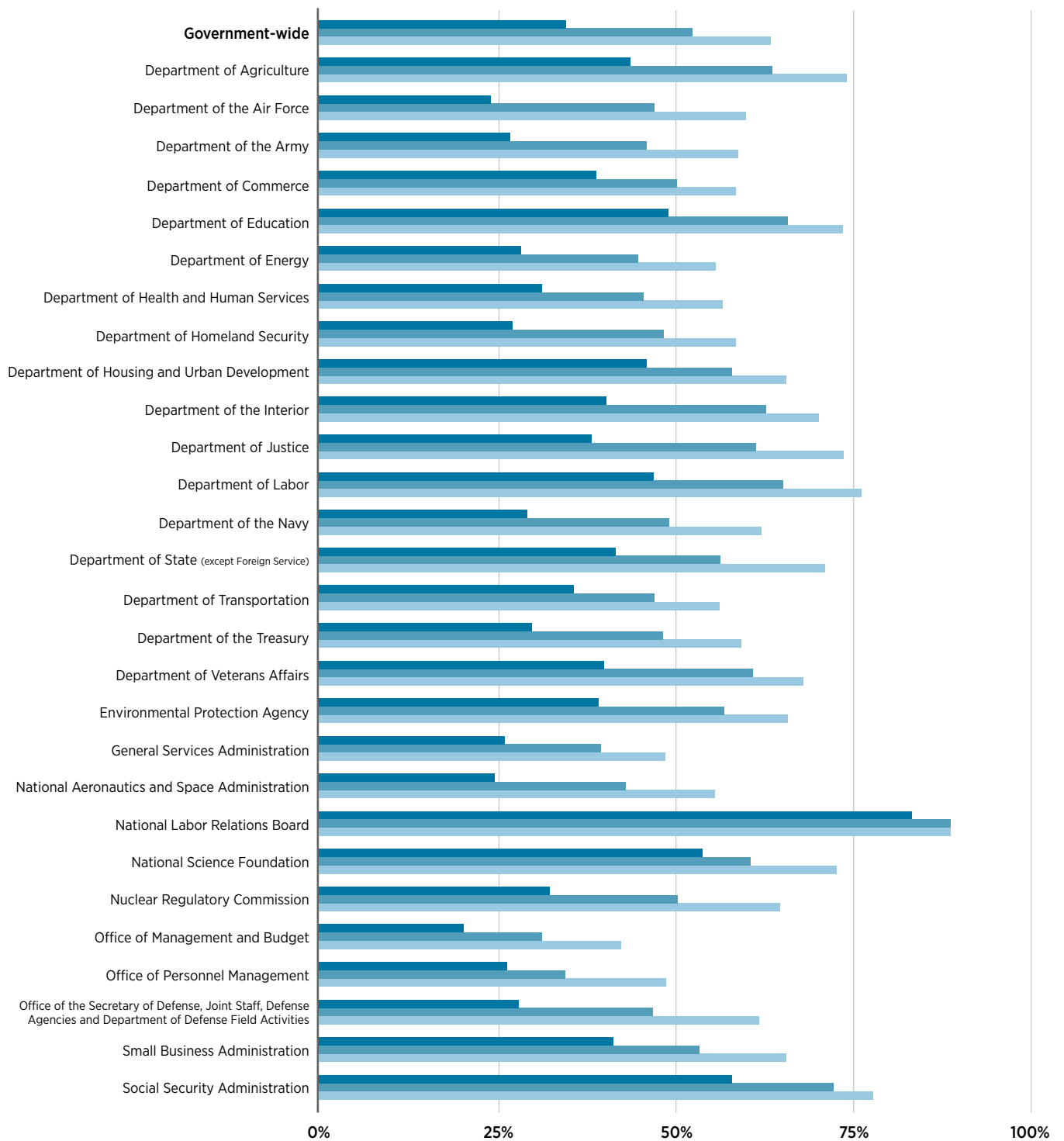
APPENDIX B

Retirement eligibility of career senior executives as of March 2011

AGENCY	CURRENTLY ELIGIBLE TO RETIRE	ELIGIBLE TO RETIRE IN 3 YEARS	ELIGIBLE TO RETIRE IN 5 YEARS	NUMBER OF CAREER SENIOR EXECUTIVES
Government-wide	35%	53%	64%	7,100
Department of Agriculture	44%	64%	74%	305
Department of the Air Force	24%	47%	60%	186
Department of the Army	27%	46%	59%	286
Department of Commerce	39%	50%	59%	335
Department of Education	49%	66%	74%	65
Department of Energy	29%	45%	56%	424
Department of Health and Human Services	31%	46%	57%	385
Department of Homeland Security	27%	49%	59%	459
Department of Housing and Urban Development	46%	58%	66%	91
Department of the Interior	41%	63%	71%	227
Department of Justice	38%	62%	74%	700
Department of Labor	47%	65%	77%	136
Department of the Navy	29%	49%	62%	340
Department of State (except Foreign Service)	42%	57%	71%	129
Department of Transportation	36%	47%	57%	184
Department of the Treasury	30%	49%	60%	443
Department of Veterans Affairs	40%	61%	68%	281
Environmental Protection Agency	39%	57%	66%	254
General Services Administration	26%	40%	49%	88
National Aeronautics and Space Administration	25%	43%	56%	432
National Labor Relations Board	84%	89%	89%	55
National Science Foundation	54%	61%	73%	74
Nuclear Regulatory Commission	33%	51%	65%	160
Office of Management and Budget	20%	32%	43%	54
Office of Personnel Management	27%	35%	49%	49
Office of the Secretary of Defense, Joint Staff, Defense Agencies and Department of Defense Field Activities	28%	47%	62%	448
Small Business Administration	42%	54%	66%	41
Social Security Administration	58%	73%	78%	146

Source: Office of Personnel Management analysis of the Central Personnel Data File (now called EHRI-SDM) for career senior executives employed at agency on March 31, 2011

■ Currently eligible to retire
 ■ Eligible to retire in 3 years
 ■ Eligible to retire in 5 years

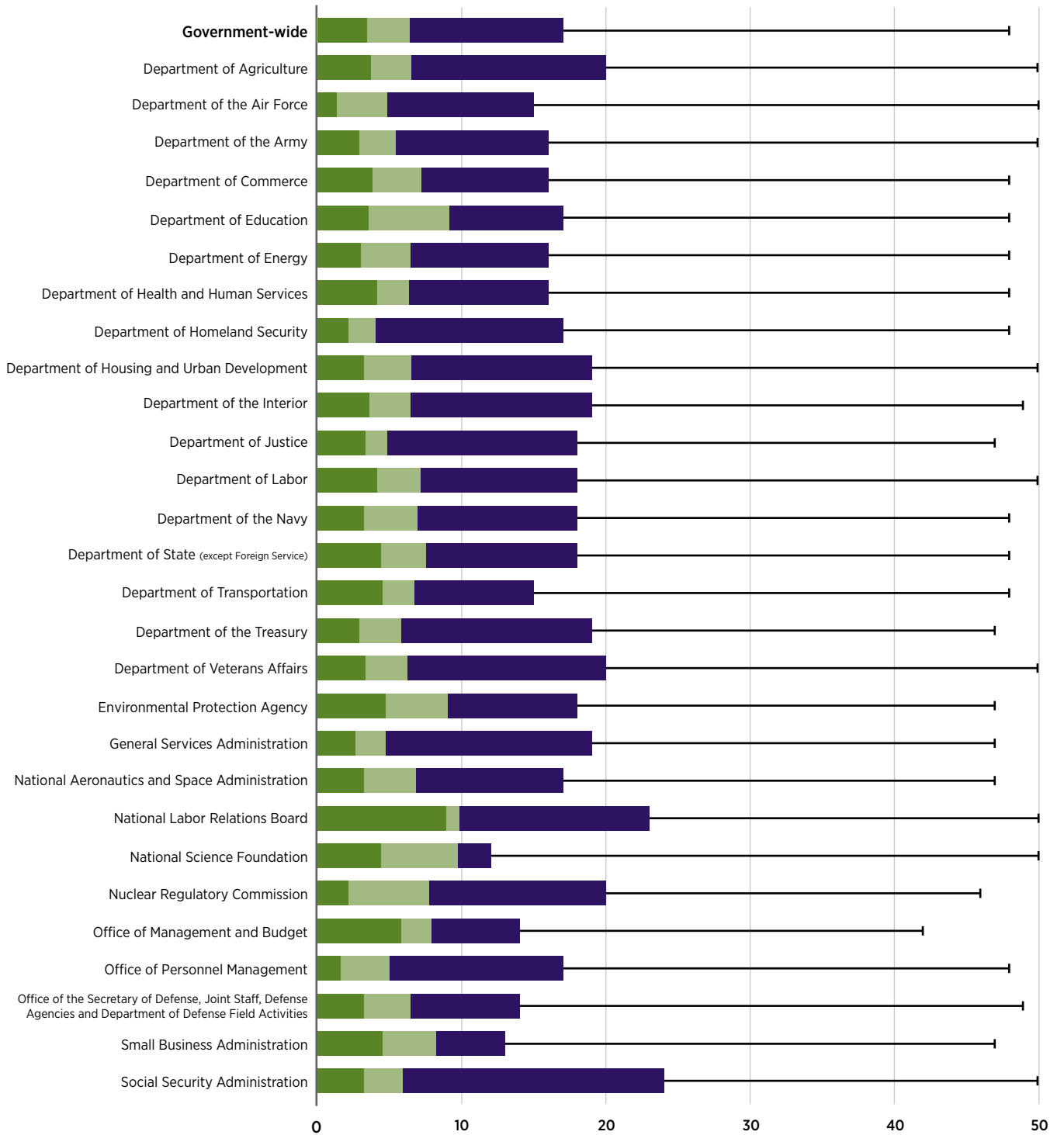
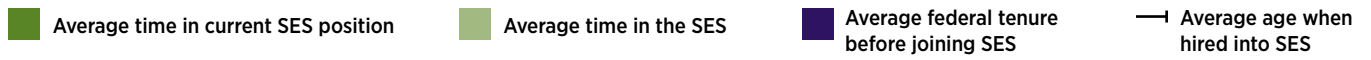


APPENDIX C

Tenures of career senior executives (in years) as of March 2011

AGENCY	NUMBER OF CAREER SENIOR EXECUTIVES	AVERAGE TIME IN CURRENT SES POSITION	AVERAGE TIME IN THE SES	AVERAGE FEDERAL TENURE BEFORE JOINING SES	AVERAGE AGE WHEN HIRED INTO SES
Government-wide	7,100	3.4	6.4	17	48
Department of Agriculture	305	3.7	6.5	20	50
Department of the Air Force	186	1.3	4.8	15	50
Department of the Army	286	2.9	5.4	16	50
Department of Commerce	335	3.8	7.2	16	48
Department of Education	65	3.5	9.1	17	48
Department of Energy	424	3.0	6.4	16	48
Department of Health and Human Services	385	4.1	6.3	16	48
Department of Homeland Security	459	2.1	4.0	17	48
Department of Housing and Urban Development	91	3.2	6.5	19	50
Department of the Interior	227	3.6	6.4	19	49
Department of Justice	700	3.3	4.8	18	47
Department of Labor	136	4.1	7.1	18	50
Department of the Navy	340	3.2	6.9	18	48
Department of State (except Foreign Service)	129	4.4	7.5	18	48
Department of Transportation	184	4.5	6.7	15	48
Department of the Treasury	443	2.9	5.8	19	47
Department of Veterans Affairs	281	3.3	6.2	20	50
Environmental Protection Agency	254	4.7	9.0	18	47
General Services Administration	88	2.6	4.7	19	47
National Aeronautics and Space Administration	432	3.2	6.8	17	47
National Labor Relations Board	55	8.9	9.8	23	50
National Science Foundation	74	4.4	9.7	12	50
Nuclear Regulatory Commission	160	2.1	7.7	20	46
Office of Management and Budget	54	5.8	7.9	14	42
Office of Personnel Management	49	1.6	5.0	17	48
Office of the Secretary of Defense, Joint Staff, Defense Agencies and Department of Defense Field Activities	448	3.2	6.4	14	49
Small Business Administration	41	4.5	8.2	13	47
Social Security Administration	146	3.2	5.9	24	50

Source: Office of Personnel Management analysis of the Central Personnel Data File (now called EHRI-SDM) for career senior executives employed at agency on March 31, 2011



APPENDIX D

Mobility of career senior executives since joining the SES as of March 2011

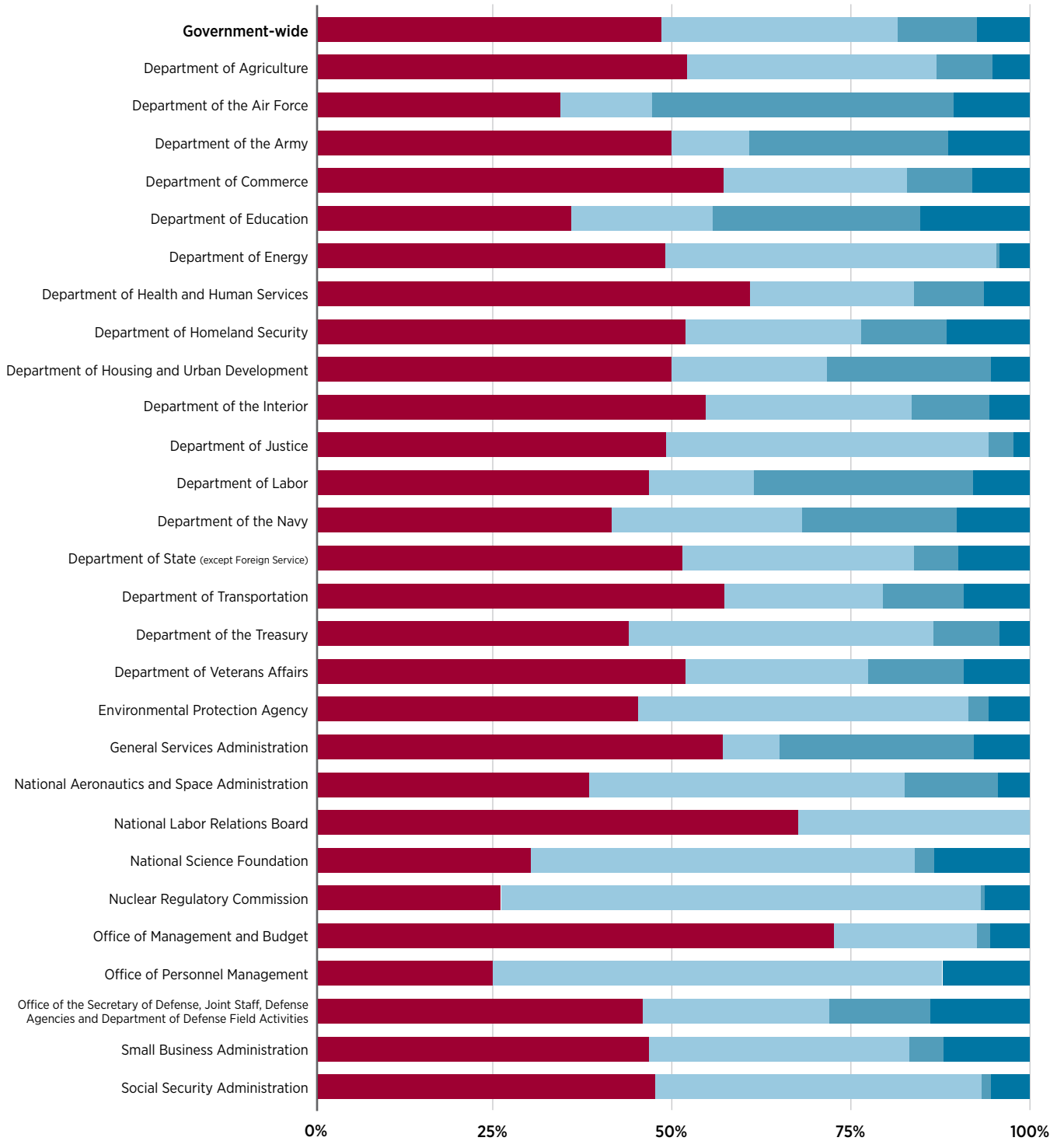
CURRENT AGENCY NAME	NEVER CHANGED POSITIONS	CHANGED POSITION WITHIN SUBCOMPONENT	CHANGED SUBCOMPONENT WITHIN AGENCY	CHANGED AGENCIES
Government-wide*	48%	33%	11%	8%
Department of Agriculture	52%	35%	8%	5%
Department of the Air Force	34%	13%	43%	11%
Department of the Army	50%	11%	28%	12%
Department of Commerce	57%	26%	9%	8%
Department of Education	35%	20%	29%	15%
Department of Energy	49%	47%	1%	4%
Department of Health and Human Services	61%	23%	10%	7%
Department of Homeland Security	51%	25%	12%	12%
Department of Housing and Urban Development	49%	22%	23%	6%
Department of the Interior	54%	29%	11%	6%
Department of Justice	49%	46%	3%	2%
Department of Labor	46%	15%	31%	8%
Department of the Navy	41%	27%	22%	10%
Department of State (except Foreign Service)	51%	33%	6%	10%
Department of Transportation	57%	22%	11%	9%
Department of the Treasury	44%	43%	9%	4%
Department of Veterans Affairs	52%	26%	14%	9%
Environmental Protection Agency	45%	46%	3%	6%
General Services Administration	57%	8%	27%	8%
National Aeronautics and Space Administration	38%	44%	13%	4%
National Labor Relations Board	67%	33%	0%	0%
National Science Foundation	30%	54%	3%	14%
Nuclear Regulatory Commission	26%	68%	1%	6%
Office of Management and Budget	72%	20%	2%	6%
Office of Personnel Management	24%	63%	0%	12%
Office of the Secretary of Defense, Joint Staff, Defense Agencies and Department of Defense Field Activities	45%	26%	14%	14%
Small Business Administration	46%	37%	5%	12%
Social Security Administration	47%	46%	1%	6%

Note: Values of less than 0.5% were rounded down to zero.

*Government-wide includes all senior executives in career appointments—while agencies with very few senior executives are not listed in this chart, executives at these agencies are included in the government-wide total.

Source: Office of Personnel Management analysis of the Central Personnel Data File (now called EHRI-SDM) for career senior executives employed at agency on March 31, 2011

■ Never changed positions
 ■ Changed positions within subcomponent
 ■ Changed subcomponents
 ■ Changed agencies



APPENDIX E

Career senior executives hired into the SES from outside the federal government, by agency as of March 2011

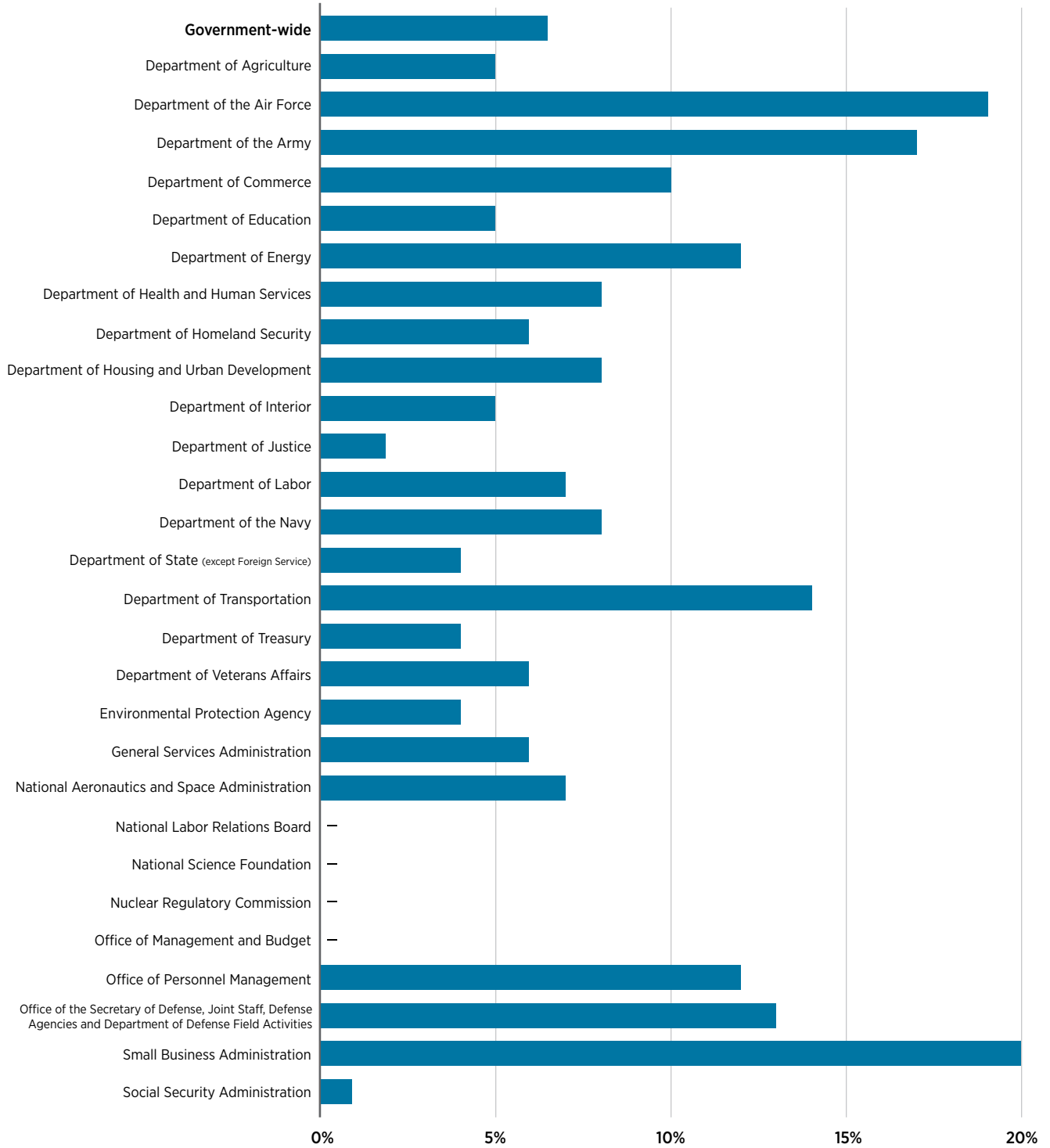
AGENCY	NUMBER OF CAREER SENIOR EXECUTIVES	PERCENTAGE OF EXTERNAL HIRES*
Government-wide	7,100	7%
Department of Agriculture	305	5%
Department of the Air Force	186	19%
Department of the Army	286	17%
Department of Commerce	335	10%
Department of Education	65	5%
Department of Energy	424	12%
Department of Health and Human Services	385	8%
Department of Homeland Security	459	6%
Department of Housing and Urban Development	91	8%
Department of the Interior	227	5%
Department of Justice	700	2%
Department of Labor	136	7%
Department of the Navy	340	8%
Department of State (except Foreign Service)	129	4%
Department of Transportation	184	14%
Department of the Treasury	443	4%
Department of Veterans Affairs	281	6%
Environmental Protection Agency	254	4%
General Services Administration	88	6%
National Aeronautics and Space Administration	432	7%
National Labor Relations Board	55	0%
National Science Foundation	74	0%
Nuclear Regulatory Commission	160	0%
Office of Management and Budget	54	0%
Office of Personnel Management	49	12%
Office of the Secretary of Defense, Joint Staff, Defense Agencies and Department of Defense Field Activities	448	13%
Small Business Administration	41	20%
Social Security Administration	146	1%

Note: Values of less than 0.5% were rounded down to zero.

*Includes the private sector and agencies that do not report their data.

Source: Office of Personnel Management analysis of the Central Personnel Data File (now called EHRI-SDM) for career senior executives employed at agency on March 31, 2011

Percentage of external hires



APPENDIX F

Placement rate of Candidate Development Program (CDP) graduates into the SES (2005–2011)

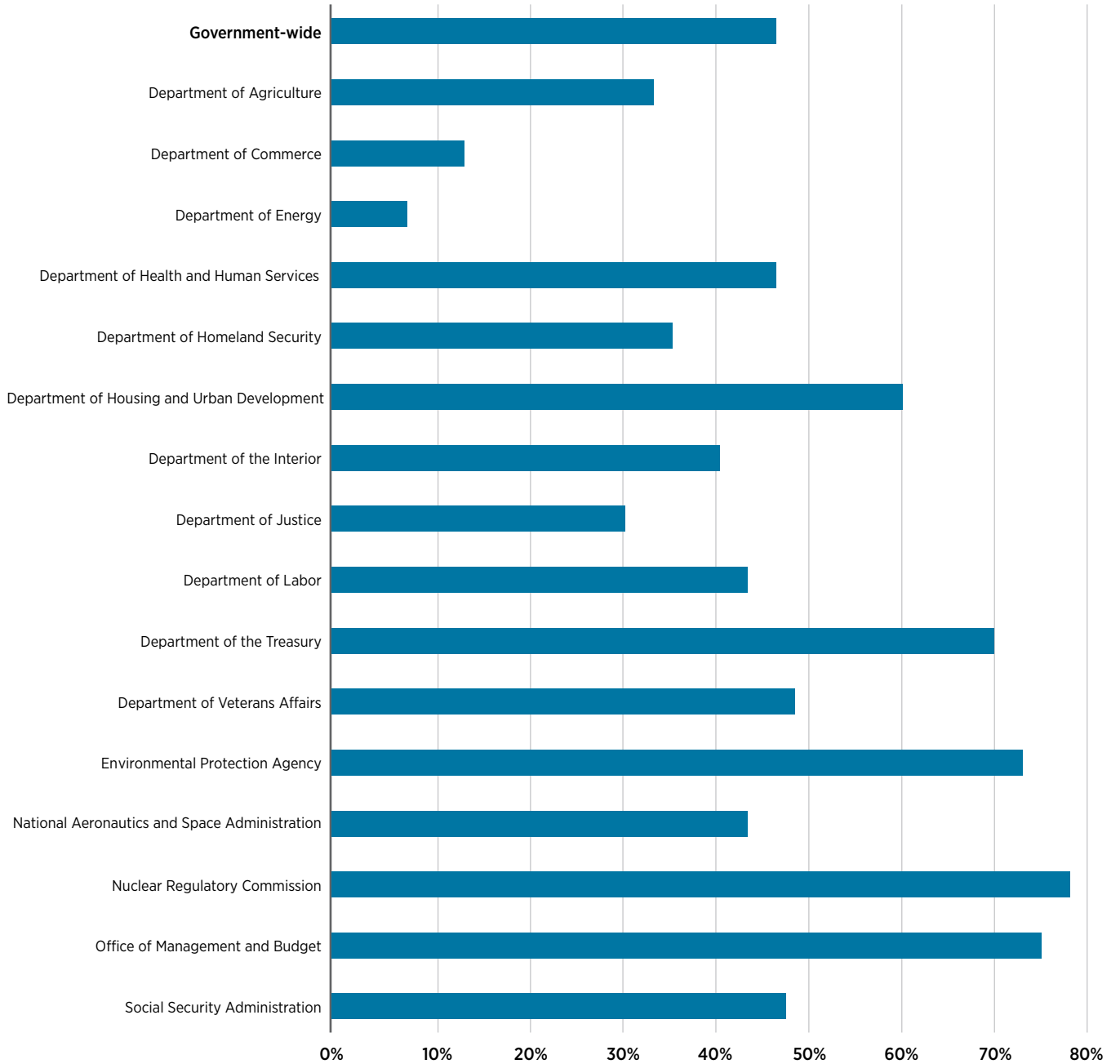
AGENCY*	NUMBER OF CDP GRADUATES FROM 2005–2011	PLACEMENT RATE INTO THE SES
Government-wide†	1,024	47%
Department of Agriculture	64	34%
Department of Commerce	63	14%
Department of Energy	24	8%
Department of Health And Human Services	45	47%
Department of Homeland Security	169	36%
Department of Housing and Urban Development	10	60%
Department of the Interior	71	41%
Department of Justice	45	31%
Department of Labor	18	44%
Department of the Treasury	145	70%
Department of Veterans Affairs	45	49%
Environmental Protection Agency	26	73%
National Aeronautics and Space Administration	82	44%
Nuclear Regulatory Commission	106	78%
Office of Management and Budget	20	75%
Social Security Administration	46	48%

* Agency does not necessarily refer to the agency that hosted the CDP but the agency that employed the graduate while he/she was participating in the CDP. In some CDPs, a participant from outside the program's agency is hired into a position at the host agency while participating in the Candidate Development Program. In other programs, however, the individual remains employed at his/her home agency.

† Government-wide includes all CDP graduates. While agencies with very few CDP graduates are not listed in this chart, executives at these agencies are included in the government-wide total.

Source: Office of Personnel Management analysis of the Central Personnel Data file and the Schedule C/Executive Database

■ Placement rate into the SES



APPENDIX G

Distinguished Presidential Rank Award* Winners in fiscal 2008 and fiscal 2009

AGENCY†	TOTAL DISTINGUISHED AWARD RECIPIENTS IN FISCAL 2008 AND FISCAL 2009	AWARD RECIPIENTS WHO CHANGED POSITIONS WITHIN AN AGENCY OR SUBCOMPONENT IN THE THREE YEARS PRIOR TO THE AWARD	AWARD RECIPIENTS WHO CHANGED AGENCIES IN THE THREE YEARS PRIOR TO THE AWARD
Government-wide‡	106	38%	4%
Department of Agriculture	2	50%	0%
Department of the Air Force	5	60%	0%
Department of the Army	11	27%	0%
Department of Commerce	7	14%	0%
Department of Energy	7	29%	14%
Department of Health and Human Services	6	0%	17%
Department of Homeland Security	4	50%	0%
Department of Interior	4	25%	0%
Department of Justice	6	83%	0%
Department of the Navy	6	83%	0%
Department of State (except Foreign Service)	10	30%	0%
Department of Transportation	2	50%	0%
Department of Treasury	4	75%	0%
Department of Veterans Affairs	7	29%	14%
Environmental Protection Agency	2	50%	0%
General Services Administration	2	0%	0%
National Science Foundation	2	50%	0%
Nuclear Regulatory Commission	3	33%	0%
Office of Management and Budget	2	0%	50%
Office of Personnel Management	1	0%	0%
Office of the Secretary of Defense, Joint Staff, Defense Agencies and Department of Defense Field Activities	6	17%	0%
Small Business Administration	1	100%	0%
Social Security Administration	1	0%	0%

*The Presidential Rank Award for Distinguished Executive is the most prestigious award given to a career senior executive, awarded annually to only 1 percent of career SES. Executives are nominated by their agency for this award, which recognizes extraordinary achievements over several years of service.

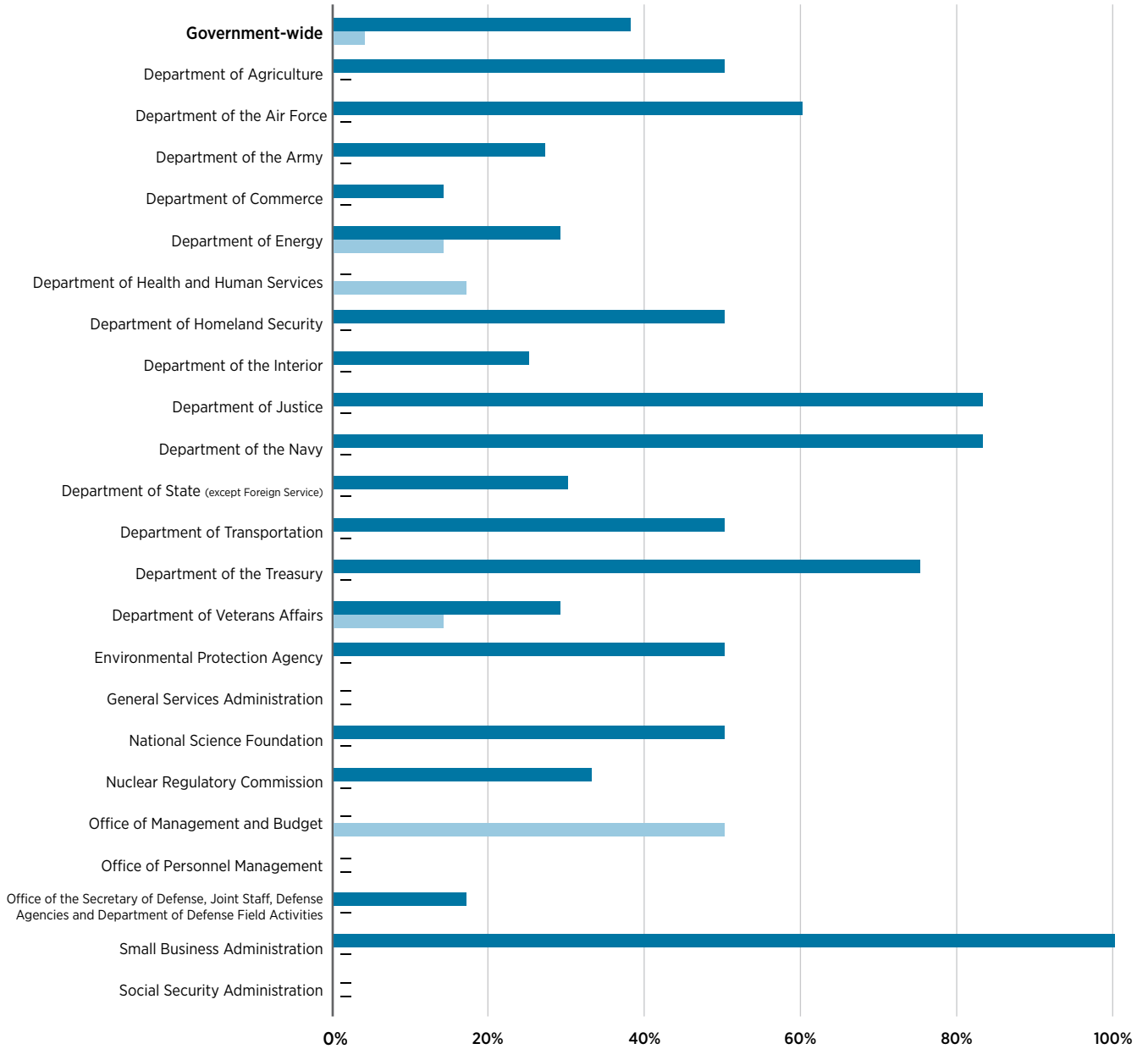
† Not all agencies are listed due to some agencies not having Distinguished Rank Award winners in fiscal 2008 or fiscal 2009.

‡ Government-wide includes Distinguished Rank Award winners from agencies not listed in chart.

Source: Office of Personnel Management analysis of the Central Personnel Data File (now called EHRI-SDM) for individuals who won the Presidential Rank Award for Distinguished Executive in fiscal 2008 and fiscal 2009

Award recipients who changed positions within an agency or subcomponent in the three years prior to the award

Award recipients who changed agencies in the three years prior to the award





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