



Highlights of [GAO-04-614](#), a report to congressional requesters

HUMAN CAPITAL

Senior Executive Performance Management Can Be Significantly Strengthened to Achieve Results

Why GAO Did This Study

Congress and the administration have established a new performance-based pay system for members of the Senior Executive Service (SES) that is designed to provide a clear and direct linkage between SES performance and pay. Also, GAO previously reported that significant opportunities exist for agencies to hold the SES accountable for improving organizational results.

GAO assessed how well selected agencies are creating linkages between SES performance and organizational success by applying nine key practices GAO previously identified for effective performance management. GAO selected the Department of Education, the Department of Health and Human Services (HHS), and the National Aeronautics and Space Administration (NASA).

What GAO Recommends

GAO makes specific recommendations to the agencies to reinforce the key practices through their SES performance management systems. NASA concurred with the recommendations, and HHS provided no comments. Education described specific actions it plans to take to revise its system, which are generally consistent with our recommendations. However, GAO disagrees that Education has already implemented or does not need to implement two of the recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-04-614.

To view the full product, including the scope and methodology, click on the link above. For more information, contact J. Christopher Mihm at (202) 512-6806 or mihmj@gao.gov.

What GAO Found

Senior executives need to lead the way to transform their agencies' cultures to be more results-oriented, customer focused, and collaborative in nature. Performance management systems can help manage and direct this process. While Education, HHS, and NASA have undertaken important and valuable efforts to link their career SES performance management systems to their organizations' success, there are opportunities to use their systems more strategically. For example, as indicated below by the executives themselves, the agencies can better use their performance management systems as a tool to manage the organization or to achieve organizational goals.

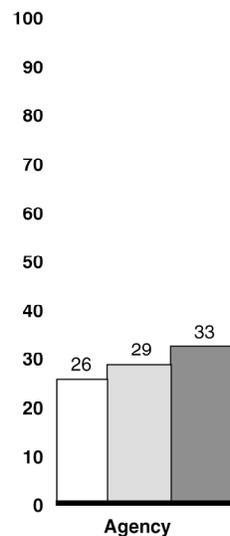
As Congress and the administration are reforming SES pay to better link pay to performance, valid, reliable, and transparent performance management systems with reasonable safeguards are critical. Information on the experiences and knowledge of these agencies should provide valuable insights to other agencies as they seek to drive internal change and achieve external results.

Percentage of Senior Executives Responding to a "Very Great" or "Great" Extent on Their Agencies' Overall Use of Their SES Performance Management Systems

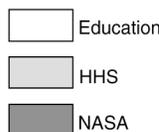
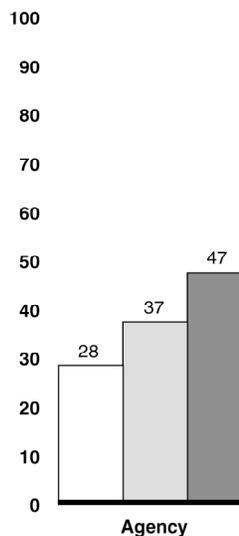
Your agency's SES performance management system is used as a tool to manage the organization.

Your agency's SES performance management system is used in achieving organizational goals.

Percentage of SES



Percentage of SES



Source: GAO.