

DRAFT

A.I.D. INCENTIVES PROJECT REPORT

DECEMBER, 1991

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INTRODUCTION

The Agency for International Development has entered the 1990s facing a dramatically altered international environment that poses many new and very exciting challenges for the Agency. If we are to maximize the role of foreign assistance as a key element of U.S. foreign policy and as a means to improve the plight of those in the developing world, our response to these challenges and opportunities must be rapid and produce clear and very visible results. However, the Agency is hampered by a chronic shortage of resources and an acknowledged need to strengthen the management practices of the Agency. Clearly, in order to meet the important challenges and opportunities of the 1990s, it is imperative that we more efficiently and effectively manage our available resources.

A.I.D. Employees - Our Most Valuable Resource

By far, the most important of our resources has and will continue to be our personnel - our human resources. Development assistance by its very nature is a people-based process. In this regard, the Agency is extremely fortunate. A.I.D. is widely recognized as possessing a highly skilled and motivated workforce with extensive overseas and developmental experience. This is a fact underscored by the Agency's leadership in international development over the last 30 years. Our diverse workforce of Foreign Service (FS), Civil Service (CS), Foreign Service National (FSN) and contract personnel represents a truly strong foundation on which to build.

However, the effectiveness of even the most motivated employees can be hindered by cumbersome processes and procedures; by outmoded systems and facilities; by lack of direction; by micro-management from within and without; or by an ill defined human resources management system that fails to produce opportunities for growth and to reward employees who contribute to the organization's objectives. The result is to limit the organizations effectiveness in producing positive results. Conversely, an organization that is characterized by a positive management climate with clear direction, a strong value system, standards and objectives; that supports and empowers the employee; and that establishes a human resources management system which encourages career development and which recognizes those who further organizational objectives, will produce

more effective and committed employees and thereby improved performance and better results. Like most organizations, A.I.D. falls somewhere between these two paradigms. Significantly, the experience of private companies that have fully embraced and invested in the latter approach have been extremely successful. Many of them are Malcolm Baldrige Award winners. Federal agencies are beginning to adopt the same principles with equally promising results. We believe that A.I.D. can profit from adopting this approach as well.

Enhancing the Management Climate

The Agency has readily acknowledged the need to improve its management practices and systems. In its Management Action Plan of May 1991, several priority management actions were established by the Administrator to address some of the more important of these problems, such as the project design and approval process, the contracting cycle and performance measurement. More importantly, the quality, dedication and proven record of the Agency's personnel and the vital role they will play in meeting the demands of the 1990s was a central theme of the plan. It stated: "The Agency now faces the challenge of linking this development momentum and matchless personnel resources to a dramatically altered foreign policy environment and new development issues." It was clearly recognized that the success of the plan and the ability of the Agency to meet the challenges it faces "rests with the staff of the Agency."

"Recharging" the Agency's Incentives System was made a priority management reform. An Incentives Project Committee, chaired by the Counselor of the Agency and staffed by FS and CS officers from throughout AID/W was established in June to determine how best to do so. The Committee was granted wide latitude in its deliberations. As a result it defined incentives in their broadest sense to include not only the more traditional awards system, but reforms in how we manage our people to perform at their peak.

The Committee members have approached the task with a great deal of enthusiasm, recognizing the unique opportunity the project presented to fundamentally change and improve the way we do business. The scope of the Project is significant. The potential impact on the Agency is enormous. It can cause a major shift in the way we do business and in the way we motivate and reward our employees. To fully implement the actions recommended will require time and resources. The recommendations of the Project are clearly only a first step in a long process. Although many of the recommendations can be implemented immediately and others within the year of their approval, the process of achieving the desired management climate will take several years, a point made clear to us by consultants and companies alike.

GOALS, OBJECTIVES AND METHODOLOGY

Goal: The overall goal of the project was to develop an incentives program that encourages and rewards performance that focuses on results; is consistent with the Agency's objectives; rewards and recognizes service excellence, quality and innovation; and identifies the parameters for managers to use in evaluating performance.

Objectives: The specific objective of the project was to develop an incentives system that:

1. Encourages and rewards desired performance;
2. Is based on clear, transparent and objective criteria;
3. Is fairly and equitably applied and administered;
4. Is predictable - everyone knows why an individual is rewarded; and
5. Promotes the idea among our personnel that they have a stake in improving Agency management and can share in the resulting rewards.

Methodology

Participation: There were two primary goals in designing the Incentives Project. The first was to involve as many Agency personnel as feasible in order to make it truly an Agency initiative and to create a participative and transparent process. The first step toward this goal was to establish the Incentives Project Committee. It was comprised of a Steering Committee to direct, coordinate and integrate the process and four subcommittees which focused on four incentive categories: Management Incentives, Formal Recognition Awards, Career Enhancement and Performance Pay Awards. The Counselor of the Agency was appointed as the Chair of the Steering Committee with the Chairs of the four Subcommittees serving as steering Committee members. A total of 34 Foreign Service and Civil Service officers, drawn from throughout AID/W and representing both the program and support sides of the Agency, participated as committee members or advisors. FA/HRDM staff served as advisors to the subcommittee.

The second step was to hear from employees throughout the Agency on all the issues. In response to various requests for their views, 76 cables and memorandums were received from 34 missions and 11 AID/W offices. Individuals, as well as employee groups (some established to respond to specific queries) presented their ideas. Further, the subcommittees conducted over 60 interviews with representatives from all levels of the Agency.

Sessions were held with diverse groups within the Agency including the Managers Network, the AID Awards Committee and the Secretarial Advisory Group. All this gave the subcommittees extremely valuable insights into what motivates our employees, what they expect of management, and what they saw as problems and possible solutions. The committee is deeply grateful to all those individuals who took their very valuable time to participate. These contributions have made this a more practical and realistic document.

Educating Ourselves: The second goal was to apprise committee members of the latest thinking in human resource management - particularly in the incentives area. To do this, some 37 companies, including all the Malcolm Baldrige Award winning companies, were contacted for information and guidance. A host of government organizations and management consultants were also brought in to discuss incentives with the committee. These included Xerox, Sibson Co., Healthy Companies, Training Resources Group (TRG), Management Systems International (MSI), Team Technologies, the U.S. Department of Education, the Federal Quality Institute, The World Bank, U.S. Office of Personnel Management, and Blessing/White. From these discussions, the committees were able to discern certain common themes to consider in developing their recommendations. A reference library of over 80 articles with an annotated bibliography was collected and assembled. Finally, facilitators from TRG and MSI were brought in to assist the subcommittees in their work.

In order to help relieve the participants of the exceptional demands placed on them by their normal full time jobs, three off-site workshop sessions were held, in addition to the many individual sessions of each committee. As the committees drafted their reports they also solicited reactions to their preliminary findings.

RECOMMENDATIONS

I. MANAGEMENT INCENTIVES: TOWARD A NEW MANAGEMENT CLIMATE

Objective: The Management Incentives subcommittee was charged with identifying obstacles to management excellence within the Agency and determining appropriate modern management techniques that could be adopted by the Agency to improve its performance and that could serve as the framework for the work of all the subcommittees.

Key Findings: The key finding from the subcommittee's survey process was that most Agency employees want to do quality work and are self motivated to do so. Although AID staff are a diverse group, they are

motivated by one unifying interest: a desire to help people. They see their greatest reward in the accomplishment of the Agency's purpose, to provide a better world for the people of developing nations. The most important career incentive expressed by almost all was to have a job that is challenging, satisfying and which permits the employee to grow. A great number of employees, however, are frustrated by obstacles such as a lack of clear direction, cumbersome procedures, outmoded systems and facilities, and a poorly defined career path that fails to provide opportunities and rewards in a transparent, predictable and equitable manner. Significantly, the subcommittee found that non-traditional incentives - especially the simple "thank-you" for a job well done - are often the most powerful and effective in gaining desired results. Recognition through formal and cash awards is still needed, but must be geared to the motivation of the employees and adjusted to fit the changing goals and objectives of the Agency. To be effective, the process must be decentralized, timely, equitable and based to an increased extent on peer and subordinate input. These findings are mirrored by the work of the other subcommittees.

A New Management Climate

Considering the above findings and based on a review of the most current management techniques, the subcommittee concluded that no single management technique is appropriate for all situations in the Agency. Instead, what is required is the creation of a new and positive management climate in A.I.D. that will more effectively harness the strong internal drive and creativity of the A.I.D. staff to obtain results that further the goals and objectives of the Agency. The recommendations which follow provide the foundation for creating the new climate, drawing from several management techniques and adopting the best practices and principles for the A.I.D. setting. Combined with implementation of the recommendations of the other three incentives subcommittees and the work of the other management reform efforts taking place in the Agency, we believe that this new climate can be created. The principles and practices that are recommended to put this climate in place, we call a quality management strategy.

Several key elements are involved in establishing this new climate. - First, all management efforts must be aimed at producing results for our clients, i.e., development impact

and thus external credibility. There are three obvious sets of clients: the countries we work with; the Executive Branch of which we are a part; and the American people as represented in Congress. - Second, Agency leaders must establish the vision, values and objectives which are understood and accepted by the Agency's staff and its clients in order to move the organization as a whole toward our statutory purpose. - Third, the Agency must install an incentives system which rewards those values and related behaviors which produce quality management. - Finally, we must continue to more broadly educate ourselves in quality management and how best to do it.

A Quality Management Strategy

The principal recommendation, which sets the stage for the creation of a new climate and for the entire incentive package, is that the Agency adopt a comprehensive quality management strategy to ensure desired development results and accountability.

The quality management strategy draws from the best thinking and experience of recent innovative approaches being used in the private and public sectors, both here and abroad. These have led to significant benefits in other agencies and companies. In A.I.D. the quality management strategy will blend the strengths of a wide range of management techniques (many of them already introduced to A.I.D. and many being applied in the Agency) and adapt them to our needs and global structure.

There are three essential facets of the recommendation.

- a program vision for the Agency's future;
- a management philosophy; and,
- a vision and a set of values which are easily understood by all Agency employees.

Vision, Values and Philosophy

The leadership of A.I.D. has the responsibility to develop a contract with its clients and its employees which establishes in clear, transparent and easily understood terms, its vision for the Agency, its management philosophy, the goals and objectives it wishes to attain and the behavior it values. This contract is essential if incentives are to be effective in motivating employees to contribute to the Agency's goals.

A Vision is more than a mission statement, it is a picture of where the Agency is heading, of the way things should be. It is stated in language that is inspiring and understandable, both to those inside the Agency and to those who have a stake in A.I.D.'s success. It must blend the aspirations of the leadership with those of the staff. The box (at right) contains a model of an Agency vision. This, or a similar statement, needs to be endorsed by the leadership team to set the program framework for the management strategy.

A VISION FOR A.I.D.

A.I.D.'s ultimate purpose is to help people improve the quality of their lives. To achieve this, A.I.D. is committed to partnership with the people in the countries we assist and with the public to enhance personal, political and economic freedom. We encourage governments to direct their efforts toward opening opportunities for people to control their own lives. We support the role of the private sector in all its manifestations to be a vital, creative force for growth and prosperity. We help families to improve their quality of life by developing their skills and increasing their access to social services.

Companions to the program vision are the Agency's management philosophy and values. Employees must be aware of the basic management philosophy under which they are expected to operate and the norms and values by which they are to conduct themselves and against which they will be measured. The statement of values and philosophy which follows is based on the subcommittee findings that our employees already possess a widely held set of values and a common understanding of many of the techniques of quality management. The statement also reflects current motivational theory. We believe that by adopting the statements, that the leadership will facilitate good management by strengthening and supporting the beliefs already held by the majority of the staff.

The A.I.D. Management Philosophy

A.I.D. recognizes and acts on the belief that our people have deeply held desires for making a difference and are self-motivated to perform in a quality way. The Agency's management systems are to be tailored to encourage everyone to take initiative, seek responsibility, and use creativity to achieve the development results wanted by the countries we help, the Congress and the Agency.

Managers at all levels in A.I.D. demonstrate a commitment to this philosophy by:

- Setting direction, articulating and communicating goals and standards, and empowering employees to use their self-motivation.
- Developing systems of action and accountability for resources and for development results that are simple, doable means of accomplishing Agency goals, and continually initiating improvements in those systems.
- Acting at all times in ways consistent with this philosophy.
- Rewarding those employees who do so.

The Values: The subcommittees have sought to identify those values and characteristics which are most highly prized by the Agency and its personnel and which will best further the goals and objectives of the Agency. To do this, the subcommittee reviewed the work of several senior management courses, reflecting the views of over 100 officers. These characteristics have been clustered into five major Agency values.

- Commitment to the Agency's goals, to teamwork, and to creativity;
- Excellence in managing for high quality results in development;
- Integrity in all aspects of our behavior;
- Caring expressed through respect for diversity, recognition for contributions to results and concern for the disadvantaged;
- Staff Development by providing learning, mentoring and growth for our most important resource -- our staff at all levels.

Factors that expand on and illustrate this statement of values are presented at Attachment A.

Key Recommendations

In order to institutionalize the Quality Management Strategy and thereby facilitate the creation of a positive management climate, the incentives subcommittee has identified four key supporting recommendations:

1. Develop and implement an Agency-wide strategic management system to ensure that systems and procedures are improved and maintained and conform to the vision, values and management philosophy.

This recommendation responds to the need for clear direction and for supportive systems. The best managers in A.I.D. are those who work with their staffs and their clients to establish a clear sense of purpose and objectives at the level of their own unit. They then adjust their program, human resources and support systems to achieve the purposes agreed upon. Many are now doing this through strategic planning and management. However, this is not a generalized practice or expectation in all bureaus, offices or missions. Nor does it appear to be clearly valued and done at the top level. There is a need to adopt a system Agency-wide. Several approaches are recommended in the subcommittee detailed report.

2. Adopt a standard for A.I.D. managers emphasizing commitment, competence and caring with illustrative behaviors.

As the Agency program vision becomes more focused and the management philosophy articulated, there must be guidance for identifying, developing and rewarding managers who consistently abide by the philosophy and values. We have developed a profile of an ideal A.I.D. manager with the understanding that no one manager will have all these qualities and that there are many good management styles. The profile and standards of the Ideal A.I.D. Manager is provided in Attachment B.

3. The Agency appoint a Management Reforms Council (possibly to evolve into a quality management council) with top-level leadership to support and monitor actions on all management systems reforms including a strategic management process.

Management reforms are occurring in many areas in A.I.D. These include the Incentives Project, the various Management Reforms Committees, the Management Control and Review Committee (MCRC) and numerous actions within the various offices and bureaus. At present, there is no body or unit which sets the tone or standards, or that coordinates and monitors the various activities to insure that they are implemented in a consistent and mutually supportive manner. Nor is there presently an organization which can serve effectively as an excellence advocate for the Agency.

The proposed Council would serve to fill this void. The Council must have top level leadership and include both senior and mid-level staff. It will also need staff support to provide information and analysis of proposed reforms and improvements within the Agency. The primary tasks and duties of the Council are more fully discussed in Attachment C.

4. Quality management will require a major multi-year investment in organizational and individual learning to provide training, consulting and coaching. This is needed to ensure that managers and their units acquire the skills necessary to implement the quality management strategy and reforms, including new approaches to career enhancement and program operations.

During 1990, a review of the Agency's management training program found that classroom training, while necessary, is not sufficient to tangibly alter management performance. A combination of learning opportunities in the workplace as well as the classroom are needed in order to secure the commitment of all employees to a new management climate and strategy, and to provide them with the skills and practice to ensure implementation of reforms within that framework. In order for this to work, several important changes are required:

- Training must be seen as a strategic investment. It is essential to achieving the Agency's vision, objectives and goals. It is directly linked to desired changes, standards, results, measures and continuous improvement.
- Executives must recognize that learning is an on-going process. Many organizations undergoing significant change require as much as 100 hours of training per employee per year - much of it in the workplace.
- Training must be linked directly to career enhancement and professional development.
- Identified learning investment funds must be protected or earmarked so that they are not vulnerable to diversion to operating expenses. A portion of these funds would be centrally administered to support Agency objectives and requirements, while another portion would be decentralized for control by unit heads to make their own improvements in skills and performance.

In a time when the Agency is straightening or cutting training funding we are calling for a conceptual paradigm shift, and perhaps a special appeal to OMB and Congress for an investment fund for management reforms that are not in direct competition with other operating expense requirements.

Additional Recommendations

Within the above framework, the Committee has made the following complementary recommendations. A complete discussion is available in the detailed report of the subcommittee.

- Give greater autonomy to managers over the use of resources/authorities including budget staffing structure, awards and other incentives.
- Provide skills and tools to managers so they may conduct regular critical and comprehensive self-appraisals of office management, operations, procedures and systems to make continuous improvements.
- Establish incentives, including skills training and rewards for effective teamwork in A.I.D.

Actions Required

Year-term (within the next three months):

1. That the leadership of the Agency develop a vision for the Agency and endorse, with any modifications, the management Philosophy and Values statements. This can be done as part of a proposed senior leadership seminar.
2. That the Administrator formally announce and endorse the Quality Management Strategy, along with the other incentives recommendations, as a major vehicle for advancing the agency's goals and objectives. This can be done through written directives materials and various speaking opportunities.

Medium-term (within the next three months to one year):

1. The Training Division design a comprehensive plan to train all Agency staff on their role in implementing the Quality Management Strategy.
2. The Training Division review its training program to implement the various elements of the Quality Management strategy including the immediate introduction of the key facets of the Quality Management Approach (Vision, Values and

Philosophy) and manager profiles into the management training program.

3. The Training Division incorporate the recommendations of the Fry Task Force into the Project Design, Project Implementation and Contracting courses.

4. The Training Division, with CDIE, develop a long-term plan to give Agency managers the skills and assistance required for them to develop strategic management plans.

5. The Administrator appoint a Management Reforms Council.

6. FA/HRDM, with the Management Reform Council and other appropriate offices develop resource estimates needed to develop and implement the full package of management reforms.

Long-term (within the next one to five years):

1. Fully implement all recommendations with on-going monitoring and evaluation to ensure continual improvement and that desired results are achieved.

II. CAREER ENHANCEMENT: ESSENTIAL COMPETENCIES FOR PROFESSIONAL ADVANCEMENT

Objective: Recognizing that among the most important incentives for any employee is increasing responsibility and authority in the organization, the Career Enhancement subcommittee was tasked with establishing essential competencies for professional advancement in A.I.D., with reviewing the performance appraisal process to reflect the competencies, and with identifying opportunities for enrichment in one's career at all levels in the A.I.D. organization.

What Exactly is Career Enhancement?: Career Enhancement has been defined for the purpose of this project as "a system aimed at helping employees to grow and improve throughout their careers in ways that produce and maintain a creative, energetic and motivated Agency workforce." Career enhancement involves more than just moving up a vertical ladder to positions of increased responsibility and promotions in rank. It also includes achieving maximum growth and satisfaction in one's current job as well as moving laterally to other jobs in the Agency and in some cases, preparing people to move to jobs outside the Agency.

Key Findings: "Career Enhancement is Good Management," so members of the Career Pathing subcommittee were told by a high level A.I.D. official during one of the interviews they carried out in order to seek reactions to their initial recommendations. "Private sector companies know from their own experience that, in order to maintain high levels of productivity, they must find ways to attract and maintain highly qualified people. One of the most effective ways is providing a challenging work environment that motivates employees to contribute their very best and permits them to grow." This same official went on to observe that "the problem with A.I.D. is that it gives relatively little value to career enhancement and most of us, because we are so committed to what we do, don't bother to object."

The above comments echo a common trend in modern management that conveys the importance of a challenging work environment and the absolute need for a well defined and understood career development process to the motivation of individuals. The validity of the statements are confirmed by the findings of the subcommittee through its survey process. Most A.I.D. employees consider having a job that is challenging, satisfying and that at the same time permits the employee to grow as the most important career incentive. The committee went on to find that while a number of individuals and offices in A.I.D. are committed to career enhancement and doing what they can to provide challenging jobs for their employees that will help them to grow, these individuals and offices are, for the most part, operating in a vacuum. They have little support from above and few systems are designed to help them in their efforts. A.I.D.'s career path system as it currently exists is beset with problems that adversely affect both its credibility and effectiveness. Career enhancement is not valued as an Agency priority, explicit criteria are lacking for professional advancement, there are insufficient resources delegated to career enhancement and there are groups with special needs and problems, including minorities and women, FSNs, technically oriented staff and secretaries.

A.I.D. can no longer afford to operate in a vacuum when it comes to career enhancement. This report, and the enthusiastic support around it from the many A.I.D. employees who were interviewed in the course of preparing it, suggest that the time has come to value career enhancement and take it seriously. A.I.D. can make a difference in development but it can only do so by establishing an environment and climate that attracts and retains the quality people that will be responsible for making this difference happen.

Five Key Principles

Through the research and survey process, the subcommittee was able to identify five key principles in career enhancement. These principles served as the basis for the subcommittee's recommendations and are essential for a clear understanding of the importance of the career enhancement process.

1. The most important career enhancement incentive for most employees in A.I.D. is having a job that is challenging, satisfying, and at the same time permits the employee to grow.
2. Career enhancement is integral to good management: it motivates the employee to be maximally productive and in so doing contributes to achieving the results the Agency requires.
3. Career enhancement can legitimately have several meanings - to achieve maximum growth and satisfaction on one's current job, to move laterally to another job at the same level on the career ladder, to grow into another job within the Agency, and (sometimes) to move into another job outside of the Agency.
4. There is no one appropriate "career path" in A.I.D.: how an individual grows in the Agency will depend in part on the individual's talents and abilities, in part on the opportunities that come the individual's way, in part on Agency priorities, and in part on the individual's own personal interests and perceived needs.
5. While the key responsibility for career enhancement rests with the employee. The employee's supervisor and the Agency are there to actively assist and support. The employee must take the initiative to influence his or her career growth.

How Career Enhancement Will Work

Essential for the success of a career enhancement system is a clear understanding of exactly what is meant by "career enhancement" and a common view throughout the Agency that attention to career enhancement is to be valued and rewarded.

Then, and in order to have an integrated career enhancement process that fosters professional growth:

- The employee must fully understand that system, how to tap it to his/her advantage to permit the employee to grow and advance within the system, and be prepared to take the lead in promoting the employee's own career enhancement.

- Supervisors must fully appreciate the key role that they play in assisting the employees they supervise to grow professionally and be prepared to serve as facilitator and coach.

- The Agency in its broadest sense must put in place/upgrade a series of systems, policies, and procedures that will assist the supervisor to help his/her employees to grow and recognize and reward the supervisor for his/her actions. At the same time the Agency must provide the employee with the environment and support systems that the employee needs in order to grow.

A fundamental premise underlying this system is that, while the Agency's needs are paramount, individual career enhancement and staff development are to be taken seriously in decisions that might affect an individual's current or future career.

Professional Development Matrices

Central to the concept of career enhancement are a set of matrices which are intended to serve as prompts to guide career development decisions. Each matrix is divided into a series of career bands. Each band includes a notion of the grade level (FS, CS, FSN) and illustrative functions of individuals in the band, a set of essential competencies that individuals can use to gauge professional growth and that selection boards can use to make decisions around promotions, and a set of experiences that will help individuals to acquire these competencies.

Two sets of career matrices have been developed so far - one for the technical and managerial track, and one for the secretarial/clerical track - both of which are provided in Attachment D. A third set of matrices around the administrative operations track will be provided later.

Key Recommendations

1. The Administrator and his senior staff should endorse career enhancement as a key Agency priority and the Administrator should charge his senior staff with formally addressing career enhancement within their units at all levels.

This recommendation reflects the requirement that career enhancement must be seen as a top priority of the leadership of the Agency and that attention to career enhancement is to be valued and rewarded. Absent this commitment, the effects of changes in systems will be limited.

2. The Agency should adopt both the career enhancement principles included in this report and the accompanying matrices as important means for assisting A.I.D. employees in their career growth.

The matrices and principles are the tools that employees and managers can use in order to assess where they or their employees are in the career structure and to identify specific skills and abilities required to move to other career levels. The absence of these tools has long been considered a major obstacle to career development and employee motivation.

3. The Administrator should provide the Director of FA/HRDM with the necessary funding and additional staff resources to implement the recommendations relating to policy, career counseling, staff recruitment, assignment, classification and training included in the Career Enhancement report.

Recommendations include: in the area of recruitment, that panels take the essential competencies included in the matrices into consideration in selecting individuals for entry into A.I.D.; in the area of assignments, that the Foreign Service assignments process be adjusted so that individual career enhancement needs are considered along with Agency needs and priorities, and that provisions be made for CS/FS exchanges, FSN details to AID/W, and CS secretarial rotations to field missions; under classification that FS, CS and FSN classification systems be reviewed and, as necessary adjusted. To ensure that they reflect the principles underlying the matrices, that appropriate standards exist, and that these standards are being applied on an equitable basis in all classification decisions; in the area of career counseling that staff be trained to accommodate to the expanded responsibilities brought about as a result of implementing the proposed career enhancement system; in the area of training that course offerings be revised and expanded to better reflect the recommendation of the Committee.

4. That the Administrator provide the Director of FA/HRDM the necessary funding and resources to prepare and implement a concrete plan of action for addressing the special needs of technicians, Foreign Service Nationals, secretaries, women and minorities - groups that currently do not receive the recognition they are due and for whom career paths in the Agency are either very limited or nonexistent.

While carrying out interviews with individuals and groups in order to obtain their feedback on the Career Enhancement subcommittee's preliminary recommendations, members of the subcommittee were struck with the repeated concern over the special needs of individuals in these groups. Although the problems and constraints differ from group to group, there is a great deal that the Agency can do to show that it values the contributions of individuals in these groups.

Actions Required

Near Term (within the next three months):

1. The Administrator and his senior staff should formally endorse Career Enhancement as a priority and the career enhancement principles and matrices as important vehicles for the implementation of the recommendations. The Administrator and his staff set the tone by promoting and rewarding career enhancement/staff development at every opportunity including identifying individuals/units that exemplify the career enhancement philosophy presented in this report as examples for others to emulate and learn from.
2. The subcommittee should complete the administrative and operations matrix.
3. Immediately incorporate the basic competencies described in the matrices into selection criteria for staff recruitment.

Medium Term (within the next three months to one year):

1. That HRDM publish and widely circulate within AID/W and to the field a pamphlet that discusses career enhancement as a priority responsibility and that provides the matrices and key principles for use by supervisors and employees alike.

2. That FA/HRDM/TD design and implement a strategy to educate the Agency workforce on career enhancement to include:

- a new course and/or other delivery modes (videotapes, self-instruction manuals) to be made available to all A.I.D. employees within the next eighteen months;
- integrate career enhancement concepts (including the matrices into all appropriate ongoing training courses (e.g., New Entry, Supervisory Skills, Management Skills, Senior Management).

3. Develop options for giving increased consideration to employee career enhancement needs in the assignment process. Include as part of this exploration a review of strategies currently used by the Department of State.

4. That the Agency find ways, at every opportunity and at every level in the Agency, to reiterate the value being given to career enhancement and to remind employees and their supervisors of the roles that each are to play in further enhancing employees' careers.

Long Term (within the next one to five years):

1. Revise the FS, GS and FSN performance management systems to reflect the recommendations made in this report. As part of this exercise:

- Fully flesh out the matrices, develop basic competencies for all grades within career bands, and prepare definitions for each of the basic competencies.
- Establish and implement procedures for making the assignment processes within the Senior Management Group (SMG) more transparent.

2. Upgrade the capability of career counselors in AID/W to operate effectively in their expanded role and establish within all field missions the capability to provide effective career counseling to Foreign Service National and Third Country National staff.

3. Initiate a CS/FS exchange program; a program to provide FSNs the opportunity to work for periods in AID/W; and a program to provide TDY opportunities overseas to GS secretaries.

4. Take concrete and visible steps to address specific constraints relating to groups that require special attention: technicians, Foreign Service Nationals secretaries, women and minorities.

III: Performance Awards: Rewarding Those Who Perform

Objective: The objectives of the Performance Award Subcommittee were to redesign the performance pay awards to better link performance and awards; to better apportion the bonus resources to maximize results; to make the process more transparent, equitable and predictable; and to better publicize the results.

Key Findings: Based on an analysis of current policies, procedures and regulations; results from the subcommittee survey process; and advice from Agency and U.S. Office of Personnel Management professionals; the subcommittee made the following key findings.

First, performance pay remains an important incentive. This is particularly true in the private sector where bonuses can be significant and are tied directly to measurable performance. In the public sector the dollar amounts are more limited and the criteria less subject to measurement. Still, they represent important motivators. However, performance pay is fraught with potential pitfalls that can lead to disaffection and low morale if not fairly and equitably administered. This will particularly prove true where the criteria or standards are unclear, the awards process is viewed as a black box exercise conducted by management, awards are perceived to favor one group or set of individuals over another and where the process is remote and untimely. Input from the field indicates that A.I.D. suffers from a number of these problems.

Second, the performance pay process in A.I.D. covers six different employee groups (SES, SFS, GM, CS, FS and FSN) each with separate regulations, pool sizes and rules of administration. This has produced uneven and often unfair application of the performance awards process.

Third, the systems are overly centralized, the process less than transparent, rewards are not made in a timely manner and are not adequately tied to performance.

In sum, A.I.D. is not presently administering a performance pay awards program that maximizes the attainment of the Agency's goals and objectives. The recommendations which follow are designed to solve some of the problems found in the A.I.D. performance awards program and to maximize its value as a motivational tool.

Key Recommendations

Participation

Recommendation: Decisions on who will receive performance awards and the amounts of such awards should include the participation of peers and subordinates as well as supervisors. This participation can be obtained by including peers and subordinates from within the same employee groups on "performance pay boards". Performance pay boards should be made up of three or five members, with the majority elected from among the peers and subordinates.

The current system has left supervisors alone to decide about pay awards. Managers have all the responsibility (and the risk) to administer the program in a fair and just manner, leaving recipients and non-recipients to support or oppose (complain about) the decisions. The change proposed here is based on the assumption that accountability is a two-way street. Both the managed and the management should participate and be held accountable. Moreover, an employee's performance affects many others in the organization, not just management. It therefore makes sense that others affected participate in the decision process. Including peers and subordinates will also reduce questions regarding fairness as the responsibility for fairness will be shared by those who participate. The exception to the recommendation is SFS and SES employees for whom award decisions are already made by a board composed of peers.

Decentralization

Recommendation: The determination of performance pay awards for overseas FS employees, the amounts of such awards and the pools should be decentralized to the field missions to further enhance the idea that award decisions are best made at the same level as performance decisions/evaluations. Where either the manager is a member of the pool or the pool has fewer than five persons, decision making will revert to the bureaus for those pools.

The FS performance awards are presently administered in AID/W. Missions make recommendations to the AAs in AID/W based on performance. The AAs, who often do not know the individuals, make the final decisions considering available funds. This process runs counter to the principle that decisions on awards should be made to the extent possible at the same level as performance decisions. The recommendation is particularly appropriate in combination with the recommendation to establish performance pay boards.

Performance Pay Standards

Recommendation: Develop and apply uniform "performance pay standards" for all employee systems. In meeting standards for performance awards, candidates should show evidence of excellence in the attainment of predetermined objectives and behavior reflecting the Agency's management philosophy and values. Evaluation reports and cycles for all employees should be as similar as possible, recognizing regulatory constraints and the somewhat different uses of the evaluations.

Performance pay must be more directly tied to performance, specifically performance that furthers the Agency's goals, objectives, and reflects the Agency's values. To insure that performance is so directed, standards must be established against which one can be measured. These standards should be structured around predetermined values and results and should to the extent possible, be the same for all employee groups (GS, GM, FS, SES, SFS and FSN). Awards determination will be based primarily on the evaluation reports, considering the employees performance in the attainment of results and behavior which reflects the established standards.

The subcommittee has also recommended that the various evaluation reports be made as similar as possible, recognizing that the evaluations must be developed to meet somewhat differing objectives. To the extent that the reports and cycles can be made more similar, the subcommittee believes the overall efficiency and effectiveness of the performance management systems will be improved.

Funding (Equity)

Recommendation: Implement a performance pay pool structure for all employee groups based on the same percentage of base pay pool members.

- Immediately implement a structure based on 1.5% of the base pay for all employee groups*, including those above the 1.5% level, and increasing those below. This is the maximum percentage now permitted for the Performance Management and Recognition System (PMRS) employee group.

- Once the statutory 1.5% performance pay pool cap for the PMRS employee group is lifted, performance pay pools for all employee groups be established based on a formulation of 3% of base pay of pool members.

* Because local compensation plans vary by mission, a goal, as approved, to require a 3% performance pay pool for FSNs will have to be approved by the Inter-Agency FSN Council.

- Abolish the Administrator's discretionary performance pay fund.

The bonus pools for the various personnel systems are currently funded at different levels, from 1% for GS/FS to 1.5% for GM and 3% for SES/SFS. This system is inequitable and the source of a great deal of discontent. With the exception of the GM system which by statute is set at 1.5% (but is under review by U.S. OPM), the Agency presently has the authority to raise all systems to 3%. However, for reasons of equity and fairness, we are recommending that until all systems can be raised to the 3% level, that all systems be set at the 1.5% level - the maximum under PMRS.

The present PMRS pool by statute is limited to 1.5%. As it now stands, of the 1.5%, only 1.3% is allocated to each pool manager. 0.2% is set aside as a discretionary pool for the Administrator to recognize PMRS employees who contribute "unusually outstanding" performance. This unduly limits available funding for PMRS staff and would result in a lower percentage of funding relative to other employee groups under the above recommendations.

Additional Recommendations

The following supplementary recommendations compliment the key recommendations made by the subcommittee. They are discussed in detail in the full subcommittee report:

Recommendation: Employees appointed under the AD and Schedule C authority should be included in the performance bonus pools of the units they are assigned to related to their positions. The pool percentage should be applied to their base pay and decisions for these persons should be made as with other members of the pools.

Recommendation: Eliminate the mandatory requirement for employees in the PMRS that any employee who receives an outstanding rating automatically receive a bonus.

Recommendation: Meritorious Salary Increases (MSIs) and Quality Step Increases (QSIs) should be treated separately from performance awards in recognition of the fact that increases are made in perpetuity "for sustained responsibility or additional skills gained", while awards can be made for events where special effort was put forth (sustained vs. exceptional situation).

Recommendation: On-the-Spot Awards are given for "special acts" and should be treated and funded from general OE funds, not from the funds set aside to pay performance bonuses.

Actions Required

Near Term (within the next three months):

1. The Administrator should approve the establishment of performance pay boards, including the participation of peers and subordinate as elected members.
2. The Administrator should approve the decentralization of the Foreign Service pools to the field.
3. The Administrator should approve, in principle, a performance pay pool structure for all employees groups based on 3.0% of the base pay of pool members. Until such time as the PMRS cap is lifted, that all pools be based on the 1.5% level.
4. Every effort should be made by A.I.D. to support the OPM initiative to reform the PMRS performance pay rules and increase the cap to 3%. This effort should include close coordination with OPM and active discussion with key members of Congress and their staff.
5. That A.I.D. allocate funds for the performance pay pool at the 3% level and on a non-discretionary basis. Estimated additional cost of increasing the percentages to 1.5% is \$269,961 and to 3.0% is \$2,568,518. Based on 1992 Federal pay increase the cost of increasing the percentages to 1.5% is \$281,299 and to 3.0% is \$2,761,597.

Medium Term (within the next three months to one year):

1. That HRDM revise the regulations and procedures to reflect the new performance pool levels, decentralization of the FS pool and use of performance pay boards - including procedures and guidance.
2. That HRDM develop "performance pay standards" to use as a measure by the performance pay boards.

Long Term (within the next one to five years):

1. That HRDM evaluate the revised policy and procedures for additional improvement.

IV. Formal Recognition Awards

Objective: The Formal Recognition Awards Subcommittee was charged with examining the present recognition awards program to determine what does and does not work, to improve the responsiveness of the program, to simplify the process and to develop new ways to promote Agency objectives.

Key Findings: Formal Recognition Awards are an integral part of the Agency's incentive system. Encouraging and rewarding performance that furthers Agency values and produces results is accomplished by a variety of means, including salary, bonus, work environment, perks, and others. The function of "recognition" awards to improve performance is the same in both private and public sectors, but restrictions on levels of bonuses and other monetary rewards in the public sector requires that recognition awards take on a more important role.

A.I.D. has long had an Honor Awards System. The 1991 Honor Award Ceremony recognized the performance of 400 individuals (of whom 231 were safe drivers and 125 were for "meritorious honor") and 15 units (236 people). Of the 415 awards one was external to A.I.D.

The key finding of the Subcommittee are that the current AID's Recognition Awards Program does not work well and is not effective as an inducement for better performance. This finding is supported by the numerous cables received from the field and input from AID/W staff. The most frequently cited criticisms are:

- It does not inspire, encourage, promote, or reward the type of values which support the Agency's objectives and would lead to excel such as integrity, commitment to development, quality management, etc.
- The existing award criteria are not transparent or predictable. For example, in 1991 125 people received Meritorious Honor awards. While these people no doubt deserved recognition, lumping them all in one category does not reflect what values or types of performance are

being encouraged. Only the awardee, the nominator and the AID/W Awards Committee know what these individuals were recognized for.

- Policies and procedures of the system are too centralized and cumbersome. There is a need to open up the nomination guidelines to include peers and subordinates and delegate more authority to the field.
- The rewards process is not responsive or timely. The entire process needs to be simplified - there are too many reviewing committees and extremely long delays for AID/W approval.
- The Agency is not fully utilizing rewards available to it, including time-off for employees, on-the-spot cash awards, and, most often mentioned, the simple "thank you for a job well done" from managers.

Key Recommendations

Recommendations: The present formal awards system should be replaced with a new system designed on the following principles:

- The awards system should be driven by the values that are espoused by the Agency.
- The awards system should meet the Incentive Project's objectives.
- Nomination and selection of awardees must include more participation by peers, subordinates and others.
- The process should be decentralized.
- The system should include more creative awards, such as time-off, On-the-Spot, preferred assignments, etc.

As discussed above, the present awards system is largely ineffective. The subcommittee is therefore recommending that a new system be established that is designed to support Agency values and objectives, to be more responsive and to overcome the transparency and predictability problem that undermines the present system. This represents a far larger job than initially envisioned for the subcommittee. Consequently, there is a great deal more work to be done. The subcommittee has, however, developed a new set of

proposed awards based on the recommendations. These awards are more targeted to specific values and objectives and include some rather unique forms of recognition designed to bolster their effect as an incentive. The proposed awards are described in Attachment E.

Actions Required

Near term (within the next 3 months):

1. That the Administrator approve the recommendation to establish a new awards system based on the stated principles:
2. That the subcommittee's proposed awards/other recommendations on the system be submitted to the field for feedback. Because of the radical changes proposed to the system, it is essential to obtain such feedback to insure the system will be accepted.
3. Based on the feedback from the field, the Subcommittee finalize the proposal including the criteria, nominating and selection procedures for the various awards and changes in the awards process.

Medium term (within the next 3 months to one year):

Based on the finalized proposal, FA/HRDM, with the assistance of the subcommittee, publishes an Awards booklet for Agency wide dissemination which, in an easy to read and use format, describes the new awards system and the nominating and selection procedures. Concurrent with the publication of the booklet, an education campaign is conducted to publicize the system. The awards will be in place for the 1992/93 cycle (nominations made December 1992).

Long term (within the next one to five years):

FA/HRDM incorporate the changes into Handbook 29 and continually review the system for improvements.

Agency for International Development
Washington, D.C. 20523

ATTACHMENTS

- A. Prized Values and Characteristics in the Agency
- B. Profiles and Standards of the "Ideal Manager"
- C. The "Management Reforms Council"
- D. Technical and Managerial/Secretarial and Clerical
Matrices
- E. Formal Recognition Rewards

ATTACHMENT A

Prized Values and Characteristics in the Agency

1. Excellence

- in leadership
- in management
- in performance
- in quality of products and results
- in efficiency of work
- in professional knowledge and skills

2. Commitment

- to Agency vision, goals and strategic objectives
- to development and progress
- to service
- to making a difference
- to improving people's lives
- to community, partnership, participation and teamwork
- to creativity, innovation and risk taking
- to beneficiaries, clients and customers
- to staff and colleagues
- to equal opportunity

3. Integrity as demonstrated by:

- ethical behavior
- accountability
- trust
- honesty
- responsibility
- reliability

4. Caring

- by showing respect for colleagues
- by using good interpersonal skills
- by providing counseling and mentoring
- by providing positive motivation and reinforcement
- by providing constructive feedback
- by providing recognition
- by recognizing dignity of the individual and diversity in the community
- by being open in communication
- by maintaining a collegial work environment
- by providing special attention and support for disadvantaged groups

5. Staff Development by providing opportunities for:

career development and advancement
professional development
skill development
teamwork and team building
women and minorities
support staff
managers to serve as trainers, mentors and facilitators

ATTACHMENT B

Profiles and Standards of the Ideal Manager

1. COMMITTED to:

Results that support Agency goals and values as indicated by:

- o Establishes results tracking systems and use of such systems to make management decisions
- o makes special efforts in pursuit of Agency goals and values
- o Achieves significant results with respect to Agency, Mission or Office strategic objectives and management priorities

Integrity as indicated by:

- o Avoids real or apparent abuses of power or office
- o Establishes internal controls and risk management systems
- o Acts in accordance with stated beliefs: Practices what he/she preaches
- o Consistently displays high character or honesty

Service to clients as indicated by:

- o demonstrated ability to identify and pursue strong working relationships with key client groups
- o Acts positively on solicited and unsolicited commentary and feedback from internal and external clients

Excellence and quality as indicated by:

- o Establishes a structured system for creating organization-wide participation in planning and implementing a continuous improvement process to meet client or stakeholder expectations
- o Review performance against prescribed standards by peers, subordinates and superiors
- o Exceptional accomplishments that reflect positively on his or her organization unit's commitment to standards of excellence beyond those normally expected of competent professionals
- o External assessments (where appropriate) of products and processes

Participation and effective teamwork as indicated by:

- o Evidences maintenance and/or improvement of teamwork within and between work units
- o Evidences establishment, maintenance and/or improvement of collaborative relationships with host country officials, other donor officials, other USG agencies, and other offices and bureaus within A.I.D. (i.e., with internal and external "clients")

Efficiency and accountability as indicated by:

- o Establishes new systems to improve efficiency or accountability
- o Returns savings to the government as a result of increased efficiency and/or accountability
- o Able and willing to report on convincingly on resources expended and results achieved

Creativity and innovation as indicated by:

- o Develops innovative programs or procedures to enhance organization efficiency, effectiveness, and/or morale
- o Actively supports staff's creativity and innovation with resources, rewards, publicity

2. **COMPETENT** in:

Program content as indicated by:

- o Acknowledged and demonstrated expertise and/or leadership in one's technical or disciplinary field (where appropriate)
- o Demonstrated conceptual grasp of cross- program linkages and strategies
- o contribution to achievement of Agency program initiatives and priorities

Adaptation to change as indicated by:

- o Shows a positive "we can make it better" approach to change that energizes colleagues and stakeholders
- o Ability to modify structures and processes to meet new external challenges, circumstances or Agency needs; and
- o Skill in attending to the impact of change on staff and understanding of human consequences and cycles of change.

Management and improvement of internal systems and processes as indicated by:

- o Maintains current self-assessments of the unit as a total system and identifies key indicators of unit effectiveness in major internal systems
- o Regularly assesses satisfaction with unit's performance among clients/collaborators (A.I.D./W offices, Embassy, host country, grantees/contractors)
- o Exercises leadership or control over the program system (strategy, plans, budgets, portfolio, project implementation, monitoring, evaluation, accountability)
- o Exercises leadership or control over the Human Resource System (staffing plans, utilizing staff skills/talents, developing and training, mentoring staff, rewards and discipline)
- o Exercises leadership or control over the Supporting/Reporting Systems (procurement, financial management, automation, administrative services)

Inspiring and motivating others as indicated by:

- o Staff is clear about on and can articulate direction, standards, expectations
- o Demonstrates ability to motivate and energize others to overcome major economic, bureaucratic, and political obstacles
- o Staff exhibits levels of energy, intensity and determination that are well above normal
- o Quantity and quality of output of the unit is consistently higher than expectations

Developing and sustaining commitment to strategic objectives as indicated by:

- o Existence of a limited number of strategic objectives for the relevant unit
- o Ability of others in the unit and in related units to articulate accurately the unit's strategic objectives
- o alignment with strategic objectives of activities, reporting procedures internal organization, and employee incentives .

Exercising influence in the external environment as indicated by:

- o Evidence of political support, bureaucratic recognition and/or resource allocation for the relevant programs, functions or organization units by key "clients" or external audiences
- o (Where appropriate) co-financing levels
- o (Where appropriate) evidence of influence on the policy and operational agendas of host country, other donor, and/or other USG agencies

4. CARING about:

The human impact of programs as indicated by:

- o Responsibility for having identified objectives, activities and indicators linking A.I.D.'s efforts directly to impact on the lives of people
- o Personal responsibility for emergency relief or ongoing development efforts with particular impact on the lives of people in need
- o Development of outreach materials making available to non-A.I.D. audiences information on the human impact of A.I.D. programs

The organization's health and diversity as indicated by:

- o Self-initiated efforts to diagnose and address organizational problems
- o Specific efforts to improve Agency or unit morale
- o Specific actions to promote or enhance ethnic or gender diversity in ways that enhance organizational or unit productivity

Individuals, their productivity and their growth as indicated by:

- o Particular attention to the career development and personal needs of colleagues and subordinates

ATTACHMENT C

The Management Reforms Council

The Agency needs to organize a Management Reforms Council (possibly to evolve into a quality management council) with top-level leadership to support and monitor action on all management and system reforms (including a strategic management process).

A Management Council for a firm or agency sets the agenda and the standards for all management toward attainment of results. Results are defined in terms of services or goods that are valued by clients - in A.I.D.'s case the people of the countries we help, the Executive Branch and the American public and its representatives. Stated in terms of A.I.D., a Management Reforms Council would set the direction, philosophy and values by which we apply the taxpayers' money to employ staff to obtain quality management.

Management reforms are occurring in many areas in A.I.D. These include the Incentives Project proposals; the Fry task forces' systems reforms for programming, projects, implementation/contracting and evaluation; and the work of the Management Controls Review Committee. Managers of major support units, such as CDIE, IRM, FM, HRDM and AS are leading changes in how they provide enabling services to the program operations of the agency. Newly formed or reestablished units such as the Policy Directorate and PRE Bureau are redefining their roles. The GAO Management Review and Presidential Management Commission are likely to mandate additional changes. At present there is no body or unit which sets the tone or standards - or provides the organizational improvement services for these efforts - so that they are implemented in a consistent manner or within a corporate philosophy of management. We also see a need for a focal point to identify those ideas and practices that are needed and those that are working - and to recognize the managers that are associated with them.

The Council must concern itself with all dimensions of the enterprise - internal and external - and since quality management requires a long-term commitment, such a Council should not be dominated by one interest or function, nor should it be dominated by a short-term, bottom-line cost-saving perspective.

The Council's principal tasks are to:

1. Guide and follow up the package of centrally administered management reforms and systems improvement programs, including related training, consulting, and evaluation of results;
2. Identify, support, and recognize/publicize pools of quality management and innovative proposals and pilots in A.I.D., as models for replication;
3. Advise on the allocation of management improvement investments to be decentralized to unit managers (see below); and
4. Reach out for information, knowledge, and feedback from sources of expertise and perspectives on the Agency's performance and potential for continuous improvement.

The Council must have top-level leadership (the Deputy Administrator or the Counselor). It will also need staff support to provide information about and analysis of management reforms and improvement within the Agency, and about developments, resources, and feedback from outside. Its first task will be to establish a combined plan and timeframe for implementing the many system and process changes now under way or proposed.

A management council for A.I.D. should include senior and mid-level people as well as senior support staff. Individuals should be assigned halftime or fulltime to this work, and should be selected on the basis of their commitment to the quality management philosophy and their links to internal (and external) constituencies much as for their rank. Their power will come from being The Management Reforms Council with top support (expressed, vocal, repeated in several forums), and being respected by colleagues and trusted as dedicated and knowledgeable (they will be trained to carry out their role).

It must be clear that they are in fact listened to by decision-makers - able to recommend things that happen, and to command resources that support the quality management agenda - training, workshops, pilot activities, innovative experiments, backing for proposals to save money or improve working conditions for productivity.

ATTACHMENT D

**Technical and Managerial
and Secretarial and Clerical Matrices**

CHART 1

TECHNICAL AND MANAGERIAL TRACK

<u>CAREER BAND</u>	<u>ILLUSTRATIVE FUNCTIONS</u>	<u>ESSENTIAL COMPETENCIES (1) (2)</u>	<u>EXPERIENCES THAT HELP BUILD COMPETENCIES</u>
<u>PROGRAMMATIC/ TECHNICAL</u> FS 06-04 GS 09-12 FSN 08-10	<u>PROJECT/MANAGER/SUPPORT OFFICER</u> - RESPONSIBLE OR PROVIDES SUPPORT FOR PROJECT DESIGN, IMPLEMENTATION AND EVALUATION - GUIDANCE TO CONTRACTORS ON IMPLEMENTATION - TECHNICAL ANALYSIS - DIRECT WORKING CONTACT WITH COUNTERPARTS	- INTERPERSONAL SKILLS - PROGRAMMATIC/TECHNICAL SKILLS - ORGANIZATIONAL EFFECTIVENESS - COMMUNICATION SKILLS - INITIATIVE - INTEGRITY - ACTION ORIENTED - GOOD JUDGEMENT - LANGUAGE COMPETENCE - KNOWLEDGE OF AID - ENVIRONMENTALLY/CULTURALLY SENSITIVE - ADAPTABILITY (COMFORTABLE WITH CHANGE) - SELF DEVELOPMENT - PROPER OFFICE DEMEANOR	- SUPERVISORY CANDIDATE POOL * - PROGRAM/PROJECT IMPLEMENTATION AND DESIGN TRAINING - SPECIALIZED TECHNICAL AND COMPUTER TRAINING - TEAM PARTICIPATION (DESIGN/EVALUATION/POLICY) - TECHNICAL CANDIDATE POOL * - PROFESSIONAL/TECHNICAL OUTREACH OPPORTUNITIES - BASIC SUPERVISORY TRAINING - TRAINING IN CULTURAL DIVERSITY * - TRAINING IN AGENCY ETHICS/ACCOUNTABILITY
<u>MID-LEVEL MANAGER</u> FS 03-02 GS 13-14 FSN 11-12	<u>FIELD: DEPUTY OFFICE CHIEF TECHNICAL LEADER</u> <u>AID/W: DEPUTY DIVISION CHIEF BRANCH CHIEF TECHNICAL LEADER</u> - INVOLVED IN STRATEGIC PLANNING - OVERSEE CAREER DEVELOPMENT STAFF - COACH/FACILITATOR TO OFFICE STAFF - RESPONSIBLE FOR PROGRAM/PROJECT DESIGN IMPLEMENTATION AND EVALUATION - EFFECTIVE WORKING RELATIONSHIPS WITH COUNTERPARTS - GUIDANCE TO CONTRACTORS ON PROGRAM DESIGN, IMPLEMENTATION AND EVALUATION - RESPONSIBLE FOR TECHNICAL QUALITY	- BASIC MANAGERIAL SKILLS - ANALYTICAL SKILLS - MOTIVATION AND STAFF DEVELOPMENT - NEGOTIATION SKILLS - ACCOUNTABLE FOR RESOURCES AND RESULTS - WORKING UNDERSTANDING OF ETHICS AND ACCOUNTABILITY	- BASIC MANAGEMENT TRAINING - CROSS FUNCTIONAL TEAM MEMBER - SPECIALIZED STUDY OPPORTUNITY - DSP TRAINING - POLICY/PROGRAM ANALYSIS - SELECTION/RECRUITMENT PANEL MEMBER - RESEARCH/SABBATICAL OPPORTUNITIES - CROSS TRAINING * - EXCURSION TOURS - ROTATE TO OTHER BUREAUS/FIELD OR AID/W - DEVELOPMENT FELLOWS PROGRAM * - DETAILS OUTSIDE THE AGENCY - ASSIGNMENT TO CENTRAL BUREAU - TRAINING IN ORGANIZATIONAL DEVELOPMENT - LONG TERM TRAINING - SHORT TERM EXECUTIVE TRAINING

(1) BASIC COMPETENCIES ARE CUMULATIVE. AS ONE IS PROMOTED IT IS ASSUMED
 (2) DEFERRED COMPETENCIES OR BASIC COMPETENCIES REMAIN TO BE FLUSHED OUT.
 * DENOTES TRAINING OPPORTUNITIES NOT YET FORMALLY ESTABLISHED.

COMPETENCIES REMAIN AND NEW ONES ARE ADDED.

CHART 1

PROFESSIONAL/TECHNICAL AND MANAGERIAL TRACK

<u>CAREER BAND</u>	<u>ILLUSTRATIVE FUNCTIONS</u>	<u>ESSENTIAL COMPETENCIES (1) (2)</u>	<u>EXPERIENCES THAT HELP BUILD COMPETENCIES</u>
<u>SENIOR MANAGER</u>	<ul style="list-style-type: none">- <u>FIELD: OFFICE CHIEF</u>- <u>AID/W: DIVISION CHIEF</u>	<ul style="list-style-type: none">- ADVANCED MANAGEMENT SKILLS- PROGRAMMATIC LEADERSHIP- STRATEGIC DEVELOPMENT VIEW- CONFLICT MANAGEMENT SKILLS- TEAM DEVELOPMENT SKILLS- ACTIVELY BUILD EXTERNAL RELATIONSHIPS	<ul style="list-style-type: none">- MENTORSHIP- INDUSTRIAL COLLEGE OF THE ARMED FORCES- ADVANCED MANAGEMENT TRAINING- CROSS FUNCTIONAL TEAM MEMBER/LEADER- EXECUTIVE CANDIDATE POOL MEMBER- SABBATICAL *- SELECTION PANEL MEMBER- IN-HOUSE MANAGEMENT TRAINER *- ROLE IN POLICY ANALYSIS- MEMBER OF MISSION MANAGEMENT ASSESSMENT TEAM- SHORT TERM ASSIGNMENTS TO HILL
FS 01 GS 15 FSN 13	<ul style="list-style-type: none">- FORMULATE AND OVERSEE IMPLEMENTATION OF STRATEGY IN SECTOR OR AREA- HELP FORMULATE INTERNAL/EXTERNAL POLICY AND CARRY OUT POLICY DIALOGUE- SET IMPLEMENTATION TARGETS AND TRACK PROGRESS- PRINCIPAL SPOKESPERSON FOR UNIT/ SECTOR/AREA- SERVE AS MENTOR FOR SECTOR/AREA/CADRE- SENIOR TECHNICAL ADVISOR		
<u>EXECUTIVE</u>	<ul style="list-style-type: none">- <u>FIELD: MISSION DIRECTOR</u>- <u>DEPUTY DIRECTOR</u>- <u>AID REPRESENTATIVE</u>- <u>AID/W: DAA</u>- <u>OFFICE CHIEF</u>	<ul style="list-style-type: none">- EXECUTIVE/POLICY LEADERSHIP- PROGRAM/POLICY FORMULATION AND INTEGRATION- STRATEGIC POLITICAL VIEW- EXTERNAL RELATIONSHIPS/REPRESENTATION- SKILLS- STEWARDSHIP OF HUMAN, PHYSICAL AND FINANCIAL RESOURCES- STAFF LEADERSHIP- RISK TAKING- LANGUAGE CAPABILITY- AREA EXPERTISE	<ul style="list-style-type: none">- CHAIR OR MEMBER OF FS/SFS SELECTION PANEL- LEAD INTERNATIONAL DELEGATION- LEAD MISSION/PROGRAM ASSESSMENT- SENIOR MANAGEMENT TRAINER *- SPECIALIZED FELLOWSHIPS- INTER-AGENCY EXCHANGE *- WAR COLLEGE/SENIOR SEMINAR
SFS SES	<ul style="list-style-type: none">- SERVES AS MENTOR- SUCCESSION PLANNING- ESTABLISH MISSION/BUREAU/OFFICE VISION, VALUES STRATEGY AND LEAD PEOPLE TO GET RESULTS- FORMULATE POLICY AND LEAD DIALOGUE- REPRESENT AID- SERVE AS LEADER WITH EXTERNAL POLICY GROUPS- ESTABLISH INTERNAL RESOURCE ALLOCATIONS/ CONTROLS/ACCOUNTABILITY- BUILD AND SUPERVISE POLICY AND PROGRAM TEAM- CREATES AND MAINTAINS CLIMATE FOR PROFESSIONAL DEVELOPMENT		

CHART 2

SECRETARIAL AND CLERICAL CAREER TRACK

CAREER BAND

ILLUSTRATIVE FUNCTIONS

ESSENTIAL COMPETENCIES (1) (2)

EXPERIENCES THAT HELP BUILD COMPETENCIES

CLERK TYPIST

GS 01-05
FSN 01-05

CLERK/TYPIST

- USES WORD PROCESSOR
- TYPES FROM HANDWRITTEN DRAFTS AND REVIEWS WORK
- FILES
- ANSWER TELEPHONES
- ACT AS RECEPTIONIST
- COPYING AND HAND-CARRYING DOCUMENTS

- TYPING AND WORD PROCESSING SKILLS
- TELEPHONE SKILLS
- RECEPTION SKILLS
- FILING SKILLS
- BASIC COMMUNICATION SKILLS
- PROPER OFFICE DEMEANOR
- INTERPERSONAL SKILLS
- COMMON SENSE
- INITIATIVE
- GOOD INTERVIEWING SKILLS

- DEVELOPMENTAL TRAINING
- OTHER TRAINING - COMMUNICATION/
WRITING SKILLS
- COMPUTER TRAINING
- AFTER HOURS TRAINING OTHER OFFICES
- ROTATIONAL ASSIGNMENTS
- BEING MENTORED
- SPECIAL ASSIGNMENTS/PROJECTS
- WORKING OVERTIME IN OTHER OFFICES
- FILLING IN IN OTHER OFFICES
- INFORMAL GATHERINGS WITH EXPERIENCED
SECRETARIES/SECRETARIAL SUPPORT GROUPS

SECRETARY

GS 06-07
FSN 06-07

SECRETARY TO OFFICE/DIVISION
CHIEF/DEPUTY

- SCHEDULES APPOINTMENTS
- GATHERS BACKGROUND MATERIALS FOR MEETINGS
- TRACKS OFFICE CORRESPONDENCE
- PROCESSES TRAVEL INCLUDING VOUCHERS
- TIME AND ATTENDANCE
- OFFICE MANAGER/GIVES GUIDANCE TO CLERICAL STAFF
- DRAFTS ROUTINE CORRESPONDENCE
- PERFORMS ADMINISTRATIVE DUTIES AS ASSIGNED

- SOUND JUDGEMENT
- BROAD ORGANIZATIONAL KNOWLEDGE
- BASIC WRITING SKILLS
- ADVANCE MICRO-COMPUTER SKILLS
- ADMINISTRATIVE SKILLS
- OFFICE MANAGEMENT SKILLS
- ABILITY TO COMMUNICATE MANAGERS
- BASIC SUPERVISORY SKILLS
- PROOFREADING/EDITING SKILLS

- SERVE ON TASKFORCE
- TDY OVERSEAS/ 70 U.N. *
- FOCUSED AFTER HOURS TRAINING
- CROSS-TRAINING *
- SERVE AS MENTOR
- UPWARD MOBILITY PROGRAM/STRIDE *

CHART 2

SECRETARIAL AND CLERICAL CAREER TRACK

<u>CAREER BAND</u>	<u>ILLUSTRATIVE FUNCTIONS</u>	<u>ESSENTIAL COMPETENCIES (1) (2)</u>	<u>EXPERIENCES THAT HELP BUILD COMPETENCIES</u>
<u>SENIOR SECRETARY</u>			
GS 08 AND ABOVE	<u>SECRETARY TO EXECUTIVE OFFICER</u> <ul style="list-style-type: none">- CONTROLS SUPERVISOR'S SCHEDULE- ARRANGES CONFERENCES AND MEETINGS- FREQUENT CONTACT WITH HIGH LEVEL OFFICIALS BY PHONE OR IN PERSON- COMPOSES CORRESPONDENCE FOR EXECUTIVE SIGNATURE- SUPPORT OF OTHER ADMINISTRATIVE SUPPORT STAFF	<ul style="list-style-type: none">- ADVANCED OFFICE MANAGEMENT- ADVANCED ORGANIZATIONAL KNOWLEDGE- ADVANCED WRITING SKILLS- NEGOTIATION SKILLS- TACT/DIPLOMACY- ANALYTICAL SKILLS- PROBLEM SOLVING SKILLS- SUPERVISORY SKILLS	<ul style="list-style-type: none">- SERVE AS MENTOR- REPRESENT SECRETARIES ON SPECIAL AGENCY TASKFORCE- REPRESENT AGENCY ON INTER-AGENCY COMMITTEE- SERVE ON OTHER RELEVANT TASKFORCES- GIVE PRESENTATIONS- OVERSEAS ROTATIONS

(1) BASIC COMPETENCIES ARE CUMULATIVE. AS ONE IS PROMOTED IT IS ASSUMED THAT PRIOR COMPETENCIES REMAIN AND NEW ONES ARE ADDED.

(2) DEFINITIONS FOR BASIC COMPETENCIES REMAIN TO BE FLUSHED OUT.

* DENOTES PROPOSED PROGRAMS/OPPORTUNITIES NOT YET FORMALLY ESTABLISHED.

ATTACHMENT E

Formal Recognition Rewards

Excellence in Management

Rationale: This award will formally recognize a Mission and an AID/W unit that best exemplify outstanding management performance in the Agency.

Criteria: Demonstration of management excellent through productivity, efficiency, and effectiveness.

Nomination: The nomination process is open on an annual basis to any Agency unit.

Description of Award: The formal award is in the form of a cup or bowl which passes from one awardee to another on an annual basis.

Leadership Award

Rationale: This award will be made to the individual who best demonstrates those characteristics associated with an outstanding leader.

Criteria: Demonstration of integrity, commitment, excellence, and the ability to effect change.

Nomination: The nomination process is open on an annual basis to any Agency employee and nominating documents will be reviewed by the Awards Committee.

Description: The formal award is a plaque and citation. Recipient's unit could receive a protected increment in operational expense budget allocation, or other rewards.

Issues: How to decentralize this one. Shouldn't each unit be allowed to reward leadership? Can this group then compete for a single Agency-wide leadership award?

Professional Excellence

Rationale: These awards will be made to the individuals who best demonstrate those characteristics associated with outstanding performance in a specific field of expertise. The fields include (but are not limited to): agriculture; education; economics; health/population/nutrition; private enterprise; program; project development; environment; food for peace; law; executive officer; procurement/contract; controller; audit; disaster coordination; security, investigation; democratic initiatives; human resource development; information resources; engineering; housing; project implementation; and safe driving.

Criteria: Demonstration of professional excellence and the ability to effect understanding, economic growth, and/or developmental change through demonstrated technical expertise.

Nomination: These awards can be made annually on an Agency-wide basis or as earned on a mission or office-wide basis. The areas of consideration parallel the current backstop areas of expertise. The Agency-wide nomination process would be channeled through an operational bureau and open to any Agency employee. Each Bureau's nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation.

Issues: This is an excellent candidate for the peer nomination/review/selection process. Can we structure this to have awardees in many units who compete for a single award, e.g., A.I.D.-wide Private Enterprise Office of the Year? Are all job categories included? Is the reward appropriate/sufficient?

Creative Service Award

Rationale: This award will be made to the individual who best demonstrates creativity in the work place.

Criteria: Demonstration of professional competence utilizing creative analysis and action to effect understanding and/or developmental change in A.I. D.'s work place.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation. In addition, the recipient will be given a one year assignment on the staff of the A.I. D. Administrator to participate in the review of Agency policy and directives.

Issues: Can this be decentralized, allowing bureaus, missions, etc. to award, then awardees compete for Agency-wide best? Peer nomination/ selection issues? Is the reward appropriate/sufficient?

Difficult Assignment Award

Rationale: This award will be made to the individual who performs best in a difficult assignment.

Criteria: Demonstration of professional competence under difficult circumstances resulting in positive developmental change.

Nomination: These awards will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Program Impact Award

Rationale: This award will be made to the individual who best guides a program or project to achieve measurable developmental results.

Criteria: Demonstration of professional competence utilizing creative leadership and management to effect developmental change in A.I.D.'s work place.

Nomination: These awards will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation. Recipient would also receive authority to program \$1.0 million to augment an additional developmental or humanitarian effort.

Human Resource Award

Rationale: This award will be made to the individual who best demonstrates a positive contribution to human resource development.

Criteria: Demonstration of professional competence utilizing creative analysis and action to effect human resource development in A.I.D.

Nomination: These awards will be made annually on an Agency-wide basis and open to any Agency employee or spouse. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation.

Supervisor of the Year Award

Rationale: This award will be made to the individual who best demonstrates the characteristics of an outstanding supervisor.

Criteria: Demonstration of those qualities associated with outstanding supervision.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be submitted and substantiated by all supervised employees and reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation. In addition, awardee will be given his/her choice of an onward assignment within one grade of current grade or rank.

Mentor of the Year Award

Rationale: This award will be made on an annual basis to the individual who best demonstrates those qualities of an excellent mentor.

Criteria: Demonstration of professional competence in the area of mentoring including guidance for new and existing employees.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation.

Equal Employment Opportunity Award

Rationale: This award will to the individual who best demonstrates the application of equal employment opportunity principles.

Criteria: Demonstration of professional integrity, commitment to equity, and the contribution to understanding in A.I.D.'s work place.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation.

Career Development Award

Rationale: This award will be made to the individual who best demonstrates those characteristics that support and nurture the career of a fellow employee.

Criteria: Demonstration of professional competence and support resulting in the positive career development of a fellow employee.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation

Volunteerism Award

Rationale: This award will be made to the individual who best demonstrates the spirit of volunteerism.

Criteria: Demonstration of unselfish consideration for the rights, hopes and welfare of others.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee or spouse. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation. Recipient would also receive authority to program \$100,000 to augment an additional or on-going humanitarian effort.

Best Idea Award

Rationale: This award will be made to the individual who suggests the best idea to improve the delivery of service in the Agency.

Criteria: Demonstration of originality, thoughtfulness, and creative analysis in improving A.I.D.'s developmental mandate.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation, as well as a cash award of \$5,000.

Agency Spokesperson Of The Year Award

Rationale: This award will be made to the individual whose actions best demonstrate the values of the Agency to a non-Agency audience.

Criteria: Demonstration of integrity, commitment, and excellence in carrying out the developmental mandate of the Agency.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be submitted by supervised employees and reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation.

Teamwork Award

Rationale: This award will be made to the individual who best demonstrates those qualities of an excellent team player.

Criteria: Demonstration of professional competence in the area of teamwork and unselfish support for one's fellow employees.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation.

Lessons Learned Award

Rationale: This award will be made to the individual who best demonstrates the ability to admit to and learn from previously unsuccessful developmental efforts.

Criteria: Demonstration of professional integrity in exploring and identifying those methodologies that do not have a direct impact on developmental change.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation. In addition, the recipient will receive a three month paid sabbatical, with a \$10,000 operational expense budget, to conduct further research in his or her area of interest.

IDI Award

Rationale: This award will be made to a second year IDI who best demonstrates the qualities and integrity of a Foreign Service Officer.

Criteria: Demonstration of professional integrity and a willingness to undertake and complete difficult developmentally related assignments with distinction.

Nomination: This award will be made annually on an Agency-wide basis and open to any Agency second year IDI employee. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation. In addition, the recipient will receive a \$2,500 cash award.

Priority Developmental Interest Award

Rationale: This award will be made to the Agency employee who best demonstrates the ability to move current A.I.D. developmental priorities to measurable action in the field.

Criteria: Demonstration of the ability to move from current developmental theory and rhetoric to measurable developmentally related action in the field.

Nomination: This award will be made annually on an Agency-wide basis. Nominating documents will be reviewed by the Awards Committee.

Description of Award: The formal award is a plaque and citation. In addition, the recipient will receive a \$5,000 cash award.

Issues: This award is "thematic" in nature. Each year senior management must decide the "theme" for that year, e.g., developing impact criteria, portfolio consolidation, new program thrusts (democracy).

o The subcommittee recommends that the award ceremony be upgraded to include two parts. The first will be an Agency-wide gathering where employees are recognized. The second will be a reception/dinner hosted by senior management for Agency-wide winners in each category.

Awardees from the field should receive business-class (at least) tickets, per diem and administrative leave to attend. Spouses may be included.

The Agency should continue the following awards:

- Award for Valor
- C. Herbert Rees Memorial Award
- Science and Technology in Development Award
- Administrator's Distinguished Career Service Award
- Outstanding Career Achievement Award
- Luther I. Replogi Award for Management Improvement
- Senior Executive Service Presidential Rank Award for Meritorious Service