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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

April 5, 1976

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

In our continuing efforts to foster improved program management throughout the Federal Government, we are constantly aware of the critical importance of effective and skilled leadership by career executives. The development of such leadership requires careful attention. The President has placed high priority on executive development in the Budget for Fiscal Year 1977. He has directed agencies "to strengthen their internal programs of executive selection and training."

While the Office of Management and Budget and the Civil Service Commission will support and assist agencies in their efforts, the responsibility for carrying out the Presidential directive is yours. Our experience has shown that the quality of executive leadership improves when bureau heads, with support from above, assume personal responsibility for executive development. You should make certain that your organization's efforts are directed toward:

- Selecting with great care and in accordance with merit principles whenever career executive vacancies occur;

- Developing the skills and abilities of incumbent executives;

- Projecting upcoming executive needs on a regular basis;

- Identifying men and women with the greatest potential for effective performance as executives;

- Providing appropriate developmental work assignments and training to high potential employees, thus establishing a reservoir of highly qualified candidates for key executive positions;

- Ensuring, through executive resources boards or similar arrangements, that those who have participated successfully in executive development programs are fully considered when executive vacancies occur.

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The last point is of critical importance. Unless executive development activities bear a clear relationship to the merit selection process, they are meaningless. One of the most wasteful aspects of some agency programs is the pattern of selecting for training those who "can be spared" but who are not likely to be selected when vacancies arise.

For the past several years, OMB has encouraged agencies to do a better job of developing incumbent and potential executives by requiring agencies to submit resource plans for executive development. These plans are carefully reviewed by OMB staff and are considered during the regular budget review process. Since executive development is a long-term investment, expenditures need to be continued, even in times of budget stringencies. Therefore, we urge that these essential programs be given priority attention in the coming year despite our current budgetary problems.

The Civil Service Commission has undertaken a number of efforts in recent years to assist agencies in developing and maintaining comprehensive executive development and selection systems. These have included working with agencies on the establishment of executive assignment boards and executive resources boards, issuing guidance on executive development and selection, and providing executive and management training through the Federal Executive Institute, the Executive Seminar Centers and regional management training facilities.

Together, the Civil Service Commission and the Office of Management and Budget have collaborated in launching the pilot Federal Executive Development Program (FEDP). FEDP is a Government-wide program designed to help prepare a group of carefully selected GS-15 and equivalent Federal employees for positions of greater responsibility. Through a combination of formal training, tailored work experiences and informal seminars, FEDP seeks to provide needed management skills and broader perspectives in public management. In this, its third year, the program is being enlarged and restructured to address agency executive needs more directly. In line with this restructuring, agencies are being given primary selection responsibility. You should ensure that the persons selected are those who are highly likely to assume executive responsibilities in your organization. It is our hope that you will make full use of the FEDP and that

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it will serve as the capstone of your agency's executive development system. More detailed information will be sent soon to your administrative officials.

In the coming year OMB and CSC will be giving increased attention to advancing overall agency executive development programs. Joseph U. Damico, Director of the Commission's Bureau of Executive Manpower and Edward F. Preston, Office of Management and Budget's Assistant Director for Executive Development and Labor Relations, and their staffs will be available to assist your organization in this effort.

By assigning high priority to executive development and selection, you can greatly strengthen the leadership capability of your agency for years to come.

Sincerely yours,

Robert E. Hampton
Chairman
U.S. Civil Service Commission

James T. Lynn
Director
Office of Management and Budget

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