



DEFENCE INSTRUCTIONS (GENERAL)

Department of Defence
CANBERRA ACT 2600

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Amendments to Defence Instruction (General) PERS 37-1 are issued pursuant to section 9A of the *Defence Act 1903*.

R.C. SMITH, AO
Secretary

P.J. COSGROVE, AC, MC
General
Chief of the Defence Force

LIST A—ISSUE NO PERS A/1/2002

Amendment

PERS 37-1
AMDT NO 5

Complete Revision

Appraisal and Development Reporting of Executive and Senior Executive Officers in the Australian Defence Force

Cancellation

DI(G) PERS 37-1 ISSUE NO PERS A/1/2001 of 30 AUG 2001 (AL4) is cancelled.

APPRAISAL AND DEVELOPMENT REPORTING OF EXECUTIVE AND SENIOR EXECUTIVE OFFICERS IN THE AUSTRALIAN DEFENCE FORCE

INTRODUCTION

1. A tri-Service Form AC 740—*Executive and Senior Executive Officer Appraisal and Development Report* is used for reporting on the current performance and employment potential of officers from the ranks of O-6 (Colonel (E)) to O-8 (Major General (E)) in the Australian Defence Force (ADF). The report is applicable to those full and part-time Regular and active Reserve officers of temporary or substantive rank who meet the requirements given in the period of observation.
2. This instruction promulgates the policy and associated procedures concerning reporting requirements for these officers.

PURPOSE OF PERFORMANCE APPRAISAL

3. The purpose of performance appraisal is to provide frank and constructive feedback to ADF executive and senior executive officers concerning their performance, developmental needs and potential, and to ultimately provide Chief of the Defence Force (CDF) and the respective Chief of Service with information to assess the officer's suitability for the more senior appointments.

RESPONSIBILITIES FOR PERFORMANCE APPRAISAL

4. The ADF performance appraisal system is comprised of policy documents and performance appraisal instruments and the administrative and information technology processes undertaken in conjunction with ADF members, their supervisors and Defence organisations. The responsibilities associated with the conduct and management of performance appraisal within the ADF are detailed in [annex A](#).

REPORT FORMAT

Form AC 740

5. Form AC 740 is a computer generated form that can be accessed through the Web Forms System. A copy of the Form AC 740 is in [annex B](#).
6. Apart from an assessment insert for O-6 officers (see [paragraph 7.](#)), Form AC 740 is a narrative report comprising:
 - a. Part 1—Objectives and Achievements;
 - b. Part 2—How Performance was Achieved;
 - c. Part 3—Desirable Development;
 - d. Part 4—Potential; and
 - e. Parts 5 and 6—Comments by Senior Reporting Officers (two-star Officers, Chief of Service, CDF as appropriate).

Assessment insert for Colonel(E)

7. In addition to Form AC 740, a rated Assessment Insert (Part 4A) is to be completed for O–6 officers only. Form AC 740–1—*Executive and Senior Officer Appraisal and Development Report—Assessment Insert for COL(E)* is also available on the Web Forms System, and a copy is in [annex C](#).

8. The assessment insert has a six-point scale for each of four performance areas plus a 10-point Overall Opinion scale. The purpose of this part of the report is to allow for finer discrimination between O–6 rank officers by using the individual performance area ratings in conjunction with the Overall Opinion rating.

Completion guidelines

9. Comprehensive guidelines for the completion of Parts 1–6 of the report are provided in [annex D](#).

REPORTING REQUIREMENTS

Report cycle

10. At the beginning of the reporting period the subject officer and the assessing officer are to develop a set of main objectives which can be varied throughout the reporting period if necessary. At the end of the reporting period, and using the agreed objectives, the assessing officer completes Parts 1 to 4 of the report (and Form AC 740–1) for O–6s. The subject officer is then given the opportunity to read the report, discuss it with the assessing officer and make representation in the event of disagreement with any part of the assessment.

11. Once Part 4 of the report has been completed and signed by the subject officer and any representation is completed, the report is staffed through the appropriate Part 5 and Part 6 Senior Reporting Officers. (Representations are directed to those officers as detailed in [paragraph 25](#) of this instruction.) The last action, which completes the report, is the acknowledgment by the subject officer of Senior Reporting Officer comments.

12. When finalised, the report is forwarded to the appropriate administrative agency in each Service as follows:

- a. Navy—Chief Staff Officer to Chief of Navy, for star rank officers/Director Naval Officers' Postings for Captain (CAPT).
- b. Army—Director Officer Career Management—Army for star rank officers and COLs.
- c. Air Force—Director-General Personnel—Air Force for star rank officers/Director Personnel Officers—Air Force for Group Captain (GPCAPT).

Assessing officer

13. For O–6 officers, the report is normally to be completed by the officer's immediate functional superior. For one-star officers, the report is to be completed by the officer's immediate functional superior or by another nominated assessing officer as directed by the Chief of Service. For two-star officers, the report is to be completed by the appropriate Group Manager or other relevant functional superior.

14. A functional superior may be an officer of another nation's Forces or a civilian. For those cases where functional command relationships may be unclear, advice should be sought from the appropriate Service administrative agency.

15. The assessing officer is to be designated at the beginning of the reporting period. This is important to ensure objectives are set early in the reporting period.

Period of observation

16. The minimum period of observation for the completion of reports on Regular officers is four months effective service for those on full-time duty and four months elapsed time for those on part-time duty.

17. For Army and Air Force Reserve officers on full-time duty the minimum period of observation is four months and for all other Reserve officers as follows:

- a. Navy full and part-time duty—after periods of annual continuous training or non-continuous training for 10 days or more;
- b. Army part-time duty—after providing efficient service in a year which fulfills the necessary undertaking to render military service for the prescribed minimum number of training days; and
- c. Air Force part-time duty—after serving a minimum of 26 days per year for Royal Australian Air Force (RAAF) Active Reserve officers (not RAAF Group (Reserve Staff Group) or RAAF Special Reserve officers).

18. The reporting date can be varied if the minimum period of observation cannot be met. The administrative agency should be consulted if there are any doubts.

Reporting dates

19. Normally only one report is required in any 12-month period as follows:

- a. one and two-star officer—raised on 01 November and submitted by 01 December;
- b. CAPT (Royal Australian Navy)—on the anniversary of posting to a ship or establishment and submitted within two months after being raised;
- c. COL—raised on 01 December and submitted by 01 February; and
- d. GPCAPT—raised on 01 October and submitted by 01 December.

20. **Posting of officers.** Each officer's work performance is to be comprehensively reported, without major gaps. However, because of the occasional 'out of sequence' movement of officers and their assessors, some flexibility will be required in reporting dates. If there is a changeover of the assessing officer, or an officer is posted during the annual reporting cycle, a decision should be made on who is better placed to complete the report. Cognisance should be given to which of the assessing officers meets the minimum period of observation within the reporting period or whether a short delay is appropriate.

21. The administrative agency may direct that a report be raised at times other than those set out in [paragraph 19](#). Administrative agencies are to keep the Director Senior Officer Management (DSOM) in the Career Management Policy Branch informed of any changes to the reporting dates for star rank level officers.

Exemptions

22. The appropriate Chief of Service or administrative agency may grant exemptions from reporting for officers in certain circumstances.

PERFORMANCE FEEDBACK AND COUNSELLING

23. The assessing officer should provide regular formal performance feedback to the officer who is to be reported upon. A performance discussion is to be part of the assessment process to ensure that the subject officer fully understands the comments and assessments concerning performance, career development and prospects. Officers are encouraged to ask their superiors about their performance or career progression at any time.

24. The assessing officer should counsel the subject officer regularly and, preferably, midway through the reporting period. Although a copy of the performance appraisal report can be used for discussion and counselling purposes, there is no requirement to formally record counselling sessions or their outcomes. This notwithstanding, sighting of the completed report is not to be the first occasion when the subject officer becomes aware of the assessing officer's performance appraisal evaluations.

REPRESENTATION

25. The appraisal and development report is an open report in that it is sighted and signed by the assessed officer after completion by the assessing officer and again after comments from the respective Chief of Service or CDF as appropriate. Should an officer wish to make representation to higher authority concerning any aspect of the report by the assessing officer, the officer is to do so within seven days of completion of Part 4 of the report or such period as is deemed necessary in the circumstances. The representation is to be in the form of a letter, through the assessing officer, to:

- a. the respective Part 5 officer for O–6s;
- b. the respective Chief of Service for one-star officers; and
- c. CDF for two-star officers.

REPORT ADMINISTRATION

Electronic completion

26. As Form AC 740 and Form AC 740–1 are available on Web Forms System, they should be completed electronically. In those cases where Web Forms System is not available, the report may be typed or neatly handwritten.

Administrative agency responsibilities

27. While the forms and procedures for reporting the job performance and employment potential of officers of O–6 and one and two-star rank are common for all three Services, the administration of the reporting system is a single-Service responsibility. The administrative agency is responsible for:

- a. nominating assessing officers for those cases where functional command relationships may be unclear; and
- b. custody and in-Service handling of completed reports.

28. For O–6 officers, once Part 5 of the report has been completed by the officer's second level superior (normally two-star) officer, it is to be forwarded to the relevant Service administrative agency. The administrative agency will then forward the report to the Chief of Service for comment and signature.

29. For one-star officers, once Part 4 of the report has been completed, it is to be forwarded to the relevant Service administrative agency. The administrative agency will then forward the report to the Chief of Service for comment and signature. The report should then be returned to the administrative agency for subsequent onforwarding to DSOM, who is to obtain CDF comments.

30. For two-star officers, the procedure to be followed depends on whether the subject officer is from a Service or non-Service Group. In either case, after Part 4 has been completed, the report is to be forwarded to the relevant Service administrative agency. For those cases where the assessing officer is within the Service Group (ie the Chief of Service), the administrative agency will then forward the report to DSOM for CDF comments. For those cases where the assessing officer is within a non-Service Group, the respective administrative agency will forward the report to the Chief of Service for comment and signature. After the Chief of Service has provided comment, the report is returned to the administrative agency for subsequent onforwarding to DSOM, who is to obtain CDF comments.

Director Senior Officer Management responsibilities

31. On behalf of CDF, DSOM will:
- a. advise the administrative agencies of assessing officers for those cases in the non-Service Groups where functional command relationships may be unclear;
 - b. advise the administrative agencies of any requirement by CDF to change the reporting period for any two-star rank officer; and
 - c. return all completed original reports to the appropriate administrative agency after consideration and comment by CDF.

Heads of Australian Defence Staff/Defence Advisers/Attaches

32. Comments on annual reports will be provided by the Vice Chief of the Defence Force (VCDF) on officers occupying the positions of Heads of Australian Defence Staff (HADS)/Defence Advisers/Attaches (DA). Once a report on HADS/DA is completed by the Head of Mission, it is to be forwarded to SPO-AOM (International Activities Management Branch). SPO-AOM will arrange for narrative comments by VCDF on a separate form, which will be attached to the report and returned to the assessed officer for sighting/signature. The report (together with VCDF comments) is then to be submitted to the relevant Service administrative agency for further processing in accordance with the procedures (as applicable) described in [paragraphs 28.](#) to 30. above.

Signature by assessed officer

33. To complete the open reporting cycle, administrative agencies are to obtain the subject officer's signature on the final page of the report after all reporting action has been completed.

Privacy handling

34. Normal privacy provisions concerning the handling of 'STAFF-IN-CONFIDENCE' material apply to the processing and handling of reports. Assessing officers are not to retain copies of any report once it has been finalised, signed by the subject officer and despatched to the appropriate administrative agency. Subject officers may copy and retain reports raised on them.

Annexes:

- A. [Responsibilities for performance appraisal within the Australian Defence Force](#)
- B. [Form AC 740—Executive and Senior Executive Officer Appraisal and Development Report](#)
- C. [Form AC 740-1—Executive and Senior Executive Officer Appraisal and Development Report—Assessment Insert for COL\(E\)](#)
- D. [Guidelines for the completion of Parts 1 to 6 of the Executive and Senior Executive Officer Appraisal and Development Report](#)

Sponsor: DGCMP

RESPONSIBILITIES FOR PERFORMANCE APPRAISAL WITHIN THE AUSTRALIAN DEFENCE FORCE

INTRODUCTION

1. In 1998, the Defence Personnel Executive was tasked by the Vice Chief of the Defence Force to develop a tri-Service performance appraisal system for all ranks from Private equivalent (E) to Major General (E) to provide a common basis for performance appraisal across the Australian Defence Force (ADF). Policy and performance appraisal instruments have been developed and promulgated for Executive and Senior Executive Officers from O6 to O8 ranks, officers from O1 to O5 ranks and for the other ranks. The relevant policy documents are:

- a. Defence Instructions (General) (DI(G)) PERS 10-5—*Officer performance appraisal reporting in the Australian Defence Force.*
- b. DI(G) PERS 10-6—*Performance appraisal reporting in the Australian Defence Force—Sailors, Soldiers and Airmen/Airwomen.*
- c. DI(G) PERS 37-1—*Appraisal and Development Reporting of Executive and Senior Executive Officers in the Australian Defence Force.*

RESPONSIBILITIES

2. The ADF performance appraisal system is comprised of policy documents and performance appraisal instruments and the administrative and information technology processes undertaken in conjunction with ADF members, their supervisors and Defence organisations. The responsibilities associated with the conduct and management of performance appraisal within the ADF are as follows:

- a. **Director-General Career Management Policy (DGCMP).** DGCMP, as the primary sponsor, is responsible for:
 - (1) developing, promulgating and reviewing policy in relation to performance appraisal in consultation with relevant organisations;
 - (2) sponsoring the suite of reports and appraisal instruments;
 - (3) providing policy support for the education and training of users of the performance appraisal system; and
 - (4) records management of completed personnel reports associated with performance appraisal, other than completed performance appraisal reports.
- b. **Career Management Agencies (CMA).** As CMA (Service-level sponsors) use performance appraisal reports in a range of personnel management processes, they are responsible for:
 - (1) processing of performance appraisal reports;
 - (2) reviewing single Service performance appraisal policy and practices, in conjunction with Service units/formations/commands/personnel policy agencies;
 - (3) supporting the conduct of performance appraisal within their respective Service through the provision of a range of education, training and awareness services;
 - (4) records management of completed performance appraisal reports; and
 - (5) nominations assessing officers for those cases where functional command relationships may be unclear.

- c. **Director-General Personnel Plans (DGPP).** DGPP through the Directorate of Strategic Personnel Planning and Research (DSPPR) is responsible for:
- (1) providing technical performance appraisal advice to and/or through DGCMP and the CMA;
 - (2) reviewing the performance appraisal system in consultation with CMA every two years or as requested by DGCMP;
 - (3) analysis of performance appraisal data at the completion of each reporting period; and
 - (4) general performance appraisal research and evaluation.
- d. **Administrative agencies.** Administrative agencies¹ are responsible for the following elements of senior officer performance appraisal administration:
- (1) nominating assessing officers for those cases where functional command relationships may be unclear; and
 - (2) custody and in-Service handling and processing of completed reports.
- e. **Directorate of Senior Officer Management (DSOM).** DSOM is responsible for the following elements of senior officer report administration:
- (1) advising the CMA of assessing officers for those cases in the non-Service groups where functional command relationships may be unclear;
 - (2) advising the CMA of any requirement by Chief of the Defence Force (CDF) to change the reporting period for any two-star rank officer; and
 - (3) returning all completed original reports to the appropriate CMA after consideration and comment by CDF.
- f. **Director-General Business Processes and Management Information (DGBPMI).** DGBPMI is responsible for the implementation, development and management of the Personnel Management Key Solution (PMKeyS) system, the Defence corporate human resource management information system. DGBPMI is responsible for recording, maintaining and providing performance appraisal data for officers of O1 to O5 ranks and for the other ranks in a form suitable for both performance appraisal processing and analysis.
- g. **Assessed member.** The assessed members are responsible, with their assessor, for the initiation of the performance appraisal cycle and subsequent conduct of initial counselling and mid-term reviews. The timely initiation of the performance appraisal report is also a shared responsibility between the assessed member and their assessor(s). The assessed member also should:
- (1) request from their assessor a clear statement of what is expected;
 - (2) seek regular feedback from their assessor; and
 - (3) if required, represent against a performance appraisal report.

1 Administrative Agencies are:

Navy—Chief Staff Officer to Chief of Navy for O7–8 officers and Director Naval Officer Postings for O6 officers.

Army—Director Officer Career Management—Army for O6–8 officers.

Air Force—Director-General Personnel—Air Force for O7–8 officers and Director Personnel Officers—Air Force for O6 officers.

- h. **Assessor.** In addition to those responsibilities detailed for the assessed member, the assessor is responsible for the timely submission of the performance appraisal report to the relevant CMA. Assessors should:
- (1) be aware of their responsibilities as an assessor,
 - (2) be familiar with the performance dimensions on which subordinates are assessed,
 - (3) meet minimum period of observation requirements as specified in relevant policy documents, and
 - (4) provide regular counselling and performance feedback to assessed members.
- i. **Senior assessors.** Senior assessors are responsible for:
- (1) being familiar with the performance dimensions on which subordinates are assessed;
 - (2) meeting minimum period of observation requirements as specified in relevant policy documents;
 - (3) providing performance feedback to assessed members;
 - (4) recording comment on the assessed member's performance;
 - (5) assessing a member's suitability for the next rank;
 - (6) dealing with representations (see Reviewing Officer below); and
 - (7) mentoring subordinate assessors.
- j. **Commanding Officer (CO).** COs are responsible for:
- (1) establishing and promulgating reporting chains so that assessors are aware of whom they are assessing and members are aware of who their assessors are,
 - (2) ensuring that assessors are aware of their responsibilities, and
 - (3) ensuring that performance appraisal documentation is completed correctly and dispatched in a timely and accurate manner.
- k. **Reviewing officer.** Reviewing officers are responsible for making determinations on representations. In undertaking this task they should:
- (1) ensure that the principles of procedural fairness are adhered to;
 - (2) consider the written material comprising the representation, and take into account the appraisal report and all the records or other evidence/information upon which the initial assessment was based, when reaching a decision;
 - (3) discount any personal knowledge of, or feeling towards, the member making the representation or the assessor;
 - (4) ensure that the decision is supported by evidence;
 - (5) ensure that the member is given a personal copy of the finding on the representation; and
 - (6) mentor subordinate assessors.

REVIEW AND EVALUATION OF THE PERFORMANCE APPRAISAL SYSTEM

3. In undertaking review and evaluation of the ADF performance appraisal system, the following principles are to be applied.
- a. **Privacy.** Performance appraisal reports are 'in-confidence' between the member, the assessor(s), the reviewing officer (where applicable), the CMA and DGCMP. When data is provided for review and evaluation by DSPPR it is not to include Service number/Employee ID, name, initials or address details. Other biographical information (eg rank, employment category, etc) may be provided if the research question posed warrants its inclusion.
 - b. **Timeliness.** The nature of performance appraisal systems dictate that they have a finite period of usefulness. A prescribed review period will help ensure the efficacy of the system by applying corrective action before the system deviates too far.
 - c. **Technical performance appraisal considerations.** The key requirements for an effective performance appraisal system are reliability, validity, and 'useability'. Factors affecting reliability include the extent to which performance dimensions are observable and measurable behaviours, the design of rating scales, instructions for use, the supervisory performance of assessors, and the training of assessors. Factors affecting validity include work-related performance dimensions, supervisory performance of assessors, and the application of the appraisal data to career management decision making. Factors affecting 'useability' include comprehension of the system and its components, ease of (physical) use, and training/education of all members. Any proposed change to the ADF performance appraisal system must result in enhanced reliability, validity and useability.
 - d. **Procedural fairness.** The aim of procedural fairness is the prevention of unlawful discrimination against individuals and groups of individuals. Procedural fairness in performance appraisal is especially important in the ADF as performance appraisal data is used in promotion decision making, with consequent implications for remuneration. The concept of procedural fairness applies equally to members, assessors, and users of performance appraisal data. Members must be able to seek a review of appraisal reports with which they disagree. Subordinates have the right to expect assessors to be able to justify the content of their appraisal report. Assessors can not be expected to provide a performance appraisal of work that either has not been observed or has not been performed. Moreover, organisations should not use appraisal data for purposes for which it was not designed (and of which the member is not aware). Any proposed change to the ADF performance appraisal system must result in enhanced procedural fairness of the system's processes.
 - e. **Legal defensibility.** Performance appraisal is classed legally as a 'test' and therefore a performance appraisal instrument must be considered to be a test instrument. Additionally, the use of appraisal data to arrive at personnel decisions implicitly assumes that the data is reliable and valid. Accordingly, performance appraisal instruments must be subjected to the same scrutiny (in terms of reliability and validity) as tests of intellectual abilities. The onus is on the organisation using a performance appraisal system to verify the reliability and validity of the instrument and appraisal data applications. To use an unverified system is to expose the ADF to legal challenge. Any proposed change to the ADF performance appraisal system must result in enhanced legal defensibility of the system.
4. An outline of the performance appraisal review and evaluation process is as follows:
- a. **Step 1.** DGCMP initiates process.
 - b. **Step 2.** Stakeholders meet to determine aim and scope of review.
 - c. **Step 3.** DSPPR prepares review and evaluation plan.
 - d. **Step 4.** CMA, DSOM and DGBPMI provide data as requested.

- e. **Step 5.** DSPPR conducts review and evaluation.
- f. **Step 6.** Stakeholders meet to discuss preliminary findings.
- g. **Step 7.** DSPPR provides final report to DGCMP.
- h. **Step 8.** DGCMP seeks stakeholder endorsement.
- i. **Step 9.** DGCMP authorises changes as necessary.

**FORM AC 740—EXECUTIVE AND SENIOR EXECUTIVE OFFICER
APPRAISAL AND DEVELOPMENT REPORT**

STAFF-IN-CONFIDENCE (*After first entry*)



Department of Defence

**Executive and Senior Executive Officer
Appraisal and Development Report**

- The object of this form is to provide information to the Chief of the Defence Force, Vice Chief of the Defence Force and Chiefs of Service on the work performance and potential of officers holding the rank of Captain (N), Colonel, Group Captain, Commodore, Brigadier, Air Commodore, Rear Admiral, Major General and Air Vice Marshal.
- The appraisal is intended to provide frank and constructive feedback to officers concerning their performance and potential, and ultimately provide the Chief of the Defence Force with data to assess the officer's suitability for the most senior appointments.
- When completed, this form is to be forwarded to the respective Administrative Authority.

Subject Officer's Details

Family Name	Given Name(s)
Rank	Appointment (<i>in full</i>)

Reporting Period

From	To
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AC 740 (I 7/98)

STAFF-IN-CONFIDENCE (*After first entry*)

STAFF-IN-CONFIDENCE (After first entry)

Part 1 - Objectives for Year and Achievement of Objectives

Objectives for the year are to be agreed by the subject and the reporting officer at the **beginning** of the reporting period. Comment at the **end** of the period on whether they were achieved, how well they were achieved, and the timeliness of their achievement.

	Objective	Achievement
1		
2		
3		
4		
5		

Part 2 - How was Performance Achieved?

Link process to achievement. Your narrative must cover, at a minimum, performance in the areas of social and political acumen, applied intelligence, personal style/approach and leadership. Appropriate descriptors from each area can be found in the accompanying notes.

Social/Political Acumen

Applied Intelligence

Leadership

Personal Style/Approach

STAFF-IN-CONFIDENCE (*After first entry*)

Part 3 - Desirable Development

All service officers require ongoing development of a professional or personal nature. Outline developmental activities that you feel would benefit the subject officer in performance of duties at current or higher rank.

Note that this section is intended for constructive comment rather than a critique of performance.

Self-development Needs

Training and Education

Development through Employment

Part 4 - Potential

Comment on the potential that the officer has shown for performance in both more difficult and higher-level appointments. Consider the difficulty of the current job performed by the subject officer, how well tasks were achieved, and the impact that their approach had on their organisation and its people. Question in particular whether the subject officer modified processes to achieve the same or better outcomes at a reduced resource cost (*human, materiel, or monetary*).

Employability

Fit of Person with Strategic/Political Environment

Promotability to Next Rank

STAFF-IN-CONFIDENCE (*After first entry*)

STAFF-IN-CONFIDENCE (After first entry)

Assessing Officer

Signature	Printed Name	Appointment	Date
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Subject Officer

I have read this report and have been given the opportunity to discuss it with my assessing officer.

I wish to make a representation Yes No

Signature	Date
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Part 5 - Chief of Service (2-star for COL(E)) Comments (When not assessing officer)

Potential for Next Rank

Potential for Two Ranks Up

Signature	Date
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Part 6 - Chief of the Defence Force (Chief of Service for COL(E)) Comments (If applicable)

Potential for Next Rank

Potential for Two Ranks Up

Signature	Date
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Subject Officer

I acknowledge the Senior Reporting Officer comments.

Signature	Date
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STAFF-IN-CONFIDENCE (*After first entry*)**Guidelines for Setting Objectives and Recording Outcomes (Part 1)**

Prepare your year's activity plan and present it to your supervisor along with a set of **five** main objectives for inclusion in your appraisal report. These will form your year's performance agreement. You may wish to:

- Review your position in the organisation and identify the areas where your efforts should be concentrated;
- Discuss concepts with your superiors and peers to ensure that they link in with organisational goals and do not duplicate work being undertaken in other areas;
- Set out a statement of the objective, performance indicators, major milestones and their estimated completion dates for each discrete area. Identify at this time any additional resources that may be required to achieve the goals. Ensure the viability of each outcome and its achievability given your resources. Revise your areas accordingly; and
- Present your plan to your supervisor and label tasks according to whether they are mandatory, optional or desirable. Discuss the priorities to be accorded to each task and review the milestones and performance indicators for achievable tasks.

Comments on achievement should cover whether the objective was met, its timeliness and whether it fell below, met or exceeded expectations. If appropriate, comment on the subject officer's resource management.

Guidelines for the Performance Narrative (Part 2)

The way in which goals are achieved is as important as the achievement of those goals. Each officer has particular strengths in his or her approach to tasks. The objective of this narrative is to clearly articulate those strengths and, if appropriate, to identify weaknesses.

A list of verbs and adjectives is given below in each of the major areas that are required to be covered in the narrative. If an officer is strong or weak in an area, give concrete examples and indicate the intensity of the individual's performance style.

Social/Political Acumen

Political, diplomatic, networker, liaising.

Applied Intelligence

Street smart, quick thinker, insightful, strategic, adaptable, good judgement, innovative, creative, reflective, knowledgeable, astute, foresight, global awareness, perceptive, visionary.

Personal Style/Approach

Organised, planner, flexible, dedicated, parsimonious, self-initiating, outcome-oriented, accountable, conscientious, high achiever, sets high standards, fair, enthusiastic, reliable, change-oriented, risk taker, risk aware, confident, copes with pressure, able to assess people and their fit in organisation, socialises easily, able to sell ideas, focussed, identifies customer/client needs, comfortable with complexity and ambiguity.

Leadership

Motivational, charismatic, catalyst, accepts responsibility for subordinates, people-oriented, facilitator, mentor, inspires respect, trusted, empowers subordinates, team builder, calming.

STAFF-IN-CONFIDENCE (*After first entry*)

AC 740 - Notes for Page 2

STAFF-IN-CONFIDENCE (*After first entry*)

Guidelines for Desirable Development (Part 3)

Categorise your written comments on desirable development into the following main areas.

- **Self-development Needs**, dealing with recommendations for the individual's self-development. Please comment on appropriate self-initiated developmental activities.
- **Training and Education**, covering more formal developmental activities that are covered either by military or civilian training and education courses.
- **Development through Employment**, highlighting postings appropriate for developmental purposes at the officer's current rank and, if applicable, at the next rank.

Guidelines for Structured Narrative on Potential (Part 4)

The previous sections have allowed consideration of what was done, how well it was done, the individual's approach to work, and any developmental activities that should desirably be undertaken. The **potential** section provides the opportunity for an integration of these factors into an assessment of the individual's potential for more difficult and higher-level appointments. The narrative is to cover the three following areas.

- **Employability**
This section should cover, at a minimum, the subject officer's suitability for:
 - specific employment streams; and
 - specific appointments.

Avoid broad generalisations such a 'the officer is suited for all types of employment'.

You may wish to comment on whether the subject officer's main management strength lies in initiating, consolidating or maintaining activities.
- **Fit of Person with Strategic/Political Environment**
Specific comment is requested on the fit of the individual to the strategic/political environment.
- **Promotability to Next Rank**
Comment on the individual's suitability for promotion to the next rank, including any caveats that you feel may apply (*eg. only suitable for promotion within a career stream or to a specific set of appointments*). For recently promoted officers, you may wish to state your inability to assess this at present.

STAFF-IN-CONFIDENCE (*After first entry*)

AC 740 - Notes for Page 3

FORM AC 740-1—EXECUTIVE AND SENIOR EXECUTIVE OFFICER APPRAISAL AND DEVELOPMENT REPORT—ASSESSMENT INSERT FOR COL(E)

STAFF-IN-CONFIDENCE *(After first entry)*

Department of Defence

Executive and Senior Executive Officer Appraisal and Development Report Assessment Insert for COL(E)

Subject Officer's Details

Service Number	Given Name(s)	Family Name
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Part 4A – Assessed Officer's Rated Performance

- Consider each performance area separately.
- Tick the box which best describes the officer's observed performance.

Social/Political Acumen Political, diplomatic, networker, liaising.	Social/Political Acumen was impeccable. Although others may do it differently, they could not do it better.	<input type="checkbox"/> Outstanding
	Demonstrated excellent social/political acumen. Used acumen to achieve superior results in terms of overall strategic objectives.	<input type="checkbox"/> Excellent
		<input type="checkbox"/> Very Good
	Demonstrated good social/political acumen. Saw the general implications of operational decisions in terms of overall strategic objectives.	<input type="checkbox"/> Good
		<input type="checkbox"/> Satisfactory
Generally had difficulty applying social/political acumen to any real effect.	<input type="checkbox"/> Disappointing	

Applied Intelligence Street smart, quick thinker, insightful, strategic, adaptable, good judgement, innovative, creative, reflective, knowledgeable, astute, foresight, global awareness, perceptive visionary.	This aspect of work performance was virtually flawless. Although others may do it differently, they could not do it better.	<input type="checkbox"/> Outstanding
	Demonstrated excellent applied intelligence. Clearly demonstrated a superior ability to analyse, distil and integrate the most complex issues.	<input type="checkbox"/> Excellent
		<input type="checkbox"/> Very Good
	Demonstrated good applied intelligence. Able to analyse, distil and integrate complex issues.	<input type="checkbox"/> Good
		<input type="checkbox"/> Satisfactory
Had difficulty analysing, distilling and integrating complex issues.	<input type="checkbox"/> Disappointing	

Leadership Motivational, charismatic, catalyst, accepts responsibility for subordinates, people-oriented, facilitator, mentor, inspires respect, trusted, empowers subordinates, team builder, calming.	Displayed impeccable leadership skills. Although others may do it differently, they could not do it better.	<input type="checkbox"/> Outstanding
	Led, inspired and motivated those around them to achieve results of the highest standard.	<input type="checkbox"/> Excellent
		<input type="checkbox"/> Very Good
	Directed, supervised and influenced those around them to achieve good results.	<input type="checkbox"/> Good
		<input type="checkbox"/> Satisfactory
The quality of leadership demonstrated resulted in a workforce that was not sufficiently productive or motivated to effectively meet assigned organisational objectives.	<input type="checkbox"/> Disappointing	

STAFF-IN-CONFIDENCE *(After first entry)*

STAFF-IN-CONFIDENCE *(After first entry)*

Service Number	Given Name(s)	Family Name
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Personal Style/Approach
 Organised, planner, flexible, dedicated, parsimonious, self-initiating, outcome-oriented, accountable, conscientious, high achiever, sets high standards, fair, enthusiastic, reliable, change-oriented, risk taker, risk aware, confident, copes with pressure, able to assess people's fit in the organisation, identifies customer/client needs, comfortable with complexity and ambiguity.

This aspect of work performance was virtually flawless. Although others may do it differently, they could not do it better.	<input type="checkbox"/> Outstanding
Personal style/approach adopted for assigned tasks was optimal. As a consequence achieved superior results for all assigned tasks.	<input type="checkbox"/> Excellent
	<input type="checkbox"/> Very Good
Personal style/approach used was effective. Achieved good results.	<input type="checkbox"/> Good
	<input type="checkbox"/> Satisfactory
Personal style/approach adopted was not always appropriate. Style adopted had consequences for task completion.	<input type="checkbox"/> Disappointing

Assessing Officer's Overall Opinion

This is an important rating which should be consistent with your entire assessment. Before selecting an overall opinion rating, **re-read your entire assessment of the officer so far**, consider his or her achievements and read the following statements which describe each rating. Having done this, select the rating which you believe best describes the officer's job performance.

Outstanding job performance with no lapses. Made an exceptional contribution. Although the job may be done differently, it could not have been done better. Demonstrated beyond doubt the ability to go to the highest Star Ranks.	<input type="checkbox"/> Outstanding
	<input type="checkbox"/> Exemplary
Superior job performance with no lapses. Made a major or significant contribution in virtually all performance areas. Clearly demonstrated the ability to go to the highest Star Ranks.	<input type="checkbox"/> Superior
	<input type="checkbox"/> Excellent
Commendable job performance. Lapses were rare and of no consequence. Made an appreciable contribution in virtually all performance areas. Job performance clearly established suitability for employment at Star Rank.	<input type="checkbox"/> Commendable
	<input type="checkbox"/> Very Good
Performed the job well but without distinction. Lapses were of a minor concern. Made a more than adequate contribution in virtually all performance areas. Job performance during the reporting period indicated that the officer should be considered for Star Rank.	<input type="checkbox"/> Good
	<input type="checkbox"/> Sound
Performed the job satisfactorily but without distinction. Made a useful contribution in virtually all performance areas. Suitability for employment at Star Rank not clearly established during reporting period.	<input type="checkbox"/> Satisfactory
A disappointing performance. Suitability for employment at Star Rank not established during reporting period.	<input type="checkbox"/> Disappointing

Assessing Officer

Signature	Printed Name	Rank	Service Number	Date
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Assessed Officer's Acknowledgement

I have sighted the Assessing Officer's ratings.

Signature	Date
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GUIDELINES FOR THE COMPLETION OF PARTS 1 TO 6 OF THE EXECUTIVE AND SENIOR EXECUTIVE OFFICER APPRAISAL AND DEVELOPMENT REPORT

INTRODUCTION

1. The structure of the Executive and Senior Executive Officer Appraisal and Development Report is such that it collects information on the individual in the following areas: what was done, how it was done, what development is needed, and what potential is shown for future employment and/or promotion.

PART 1—OBJECTIVES FOR YEAR AND ACHIEVEMENT OF OBJECTIVES

2. This part is used to record the subject officer's five main objectives for the reporting period and whether the objectives were achieved, how well they were achieved and the timeliness of the achievements.

Setting objectives

3. Objectives—also termed goals or targets—are the standards that individuals and organisations set themselves and strive to achieve. Individuals' objectives should contribute to the organisation's objectives.

4. Assessing officers must be cognisant of their own objectives before objectives are set for their subordinates. Objectives should therefore cascade down the organisation from strategic objectives at corporate/group/command level to individual objectives at lower levels.

5. Objectives should be realistic and take into consideration those resources and capabilities that may affect their achievement. Objectives should be challenging but achievable.

6. Individuals will usually know more than their superior officers as to what is achievable and factors that might be affected. The assessing officer should therefore solicit maximum input from the subject officer in the formulation of objectives and resource requirements.

7. **Activity plan.** Objectives should be developed between the subject officer and the assessing officer at the start of the reporting period. The subject officer may wish to prepare an activity plan for the year and present it to the assessing officer along with a set of five main objectives for inclusion in the appraisal report. At the same time, there should be agreement as to how these objectives will be measured so that the level of progress/achievement can be subsequently gauged. These would then form the year's performance agreement. The activity plan could be used as a vehicle to:

- a. Review the officer's position in the organisation and identify those areas where effort is to be concentrated.
- b. Discuss concepts with superiors and peers to ensure that they link in with organisational goals and do not duplicate work being undertaken in other areas.
- c. Set out a statement of the objective, performance indicators, major milestones and their estimated completion dates for each discrete area. Any additional resources that may be required to achieve the goals should be identified at this time. The viability of each outcome and its achievability given the available resources should be considered and each area revised accordingly.
- d. Label tasks according to whether they are mandatory, optional or desirable. The priorities to be accorded to each task should be discussed and the milestones and performance indicators should be reviewed for achievable tasks.

8. **Changes to objectives.** Objectives will inevitably change from time to time as organisational/higher level goals change. All individuals will need to be aware of how their own objectives have altered in line with any change to strategic/higher level goals.

9. **Review.** Because of the potential for change, objectives should be reviewed at regular intervals, re-evaluated and, if necessary, adjusted and re-prioritised.

Recording achievements

10. At the end of the reporting period, the assessing officer's comments on achievement should cover whether the objectives were met, their timeliness and whether they fell below, met or exceeded expectations. Consideration should be given to:

- a. The set (agreed) objectives in the reporting period and the degree to which these have been achieved.
- b. What supporting facts there are to confirm the level of performance actually achieved.
- c. What factors affected performance: those factors which are within the individual's control, principally the effort, skill and knowledge applied to the job, and those factors which are outside the individual's control (eg resource availability).

11. If objectives and priorities have altered during the reporting period, comments in the 'Achievement' section should reflect such changes. Normally, at least some of the objectives should have been achieved. An exception to this would be if the job underwent a fundamental shift in emphasis. In such a case, a new set of objectives would need to be constructed so as to reflect the new responsibilities.

PART 2—HOW WAS PERFORMANCE ACHIEVED?

12. This part is designed to gauge how the individual achieves output in terms of four particular performance areas and defined descriptors. This will allow assessment of whether the officer's approach is suitable for higher level responsibilities or specific appointments. If objectives are set appropriately and necessary support (eg resources) is provided, there is a good chance that objectives will be achieved.

13. The way in which goals are achieved is as important as the achievement of these goals. Each officer has particular strengths in their approach to tasks. The objective of this narrative is to clearly articulate those strengths and, if appropriate, to identify weaknesses. If an officer is strong or weak in an area, concrete examples should be given and also an indication of the intensity of the individual's performance style.

14. When completing this part of the report, assessing officers are to take into account the way in which subject officers have met their security and ethical responsibilities as directed by the Secretary and Chief of the Defence Force in June 1999.

15. Words/descriptors that may be helpful in completing the narrative for each of the four assessment areas are as follows:

- a. **Social/Political Acumen.** Political, diplomatic, networker, liaising.
- b. **Applied Intelligence.** Street smart, quick thinker, insightful, strategic, adaptable, good judgment, innovative, creative, reflective, knowledgeable, astute, foresight, global awareness, perceptive, visionary.
- c. **Leadership.** Motivational, charismatic, catalyst, accepts responsibility for subordinates, people-oriented, facilitator, mentor, inspires respect, trusted, empowers subordinates, team builder, calming.

- d. **Personal Style/Approach.** Organised, planner, flexible, dedicated, parsimonious, self-initiating, outcome-oriented, accountable, conscientious, high achiever, sets high standards, fair, enthusiastic, reliable, change-oriented, risk taker, risk aware, confident, copes with pressure, able to assess people and their fit in organisation, socialises easily, able to sell ideas, focused, identifies customer/client needs, comfortable with complexity and ambiguity, security conscious, ethical.

PART 3—DESIRABLE DEVELOPMENT

16. This part of the report records the assessing officer's comments on the subject officer's desirable development in the areas of self-development needs, training and education, and development through employment.

17. All officers require ongoing development of a professional or personal nature. Major factors affecting performance are professional skills and knowledge. A key outcome of the performance appraisal process is the identification of a development plan for the individual in order to provide extra skills and knowledge and thus prepare the officer for future additional responsibilities and promotion.

18. Recommendations by the assessing officer on desirable development should concentrate on constructive comment rather than performance critique and should be categorised as follows:

- a. **Self-development Needs**, including reference to any self-initiated education/training courses.
- b. **Training and Education**, encompassing more formal developmental activities that are covered either by military or civilian training and education courses.
- c. **Development through Employment**, highlighting postings appropriate for developmental purposes at the officer's current rank and, if applicable, at the next rank (eg specific employment/appointments for the purpose of gaining higher level joint experience).

PART 4—POTENTIAL

19. Earlier parts of the form focus the assessing officer's attention on specific aspects of performance, and any developmental activities that should desirably be undertaken.

20. This part of the report provides the opportunity for an integration of these factors into an assessment of the individual's potential for more difficult and higher-level appointments. A broad view should be taken regarding the posts that may be available because of particular professional qualifications and experience. The assessing officer's narrative should cover the following three areas:

- a. **Employability.** At a minimum, comment should be made on the officer's suitability for specific employment streams and specific appointments. Broad generalisations, such as 'the officer is suited for all types of employment', should be avoided. Assessing officers may wish to comment on whether the officer's main management strength lies in initiating, consolidating or maintaining activities. The distinction between suitability for senior field command and higher staff positions will be of value. Where the officer's employment possibilities are restricted to one or two specialist posts, then specific attention should be given to the officer's suitability for these posts.
- b. **Fit of Person with Strategic/Political Environment.** Specific comment should be made on the fit of the individual to the strategic/political environment. Mention should be made of the officer's ability to work for and with members of other Services, the Australian Public Service and external agencies.
- c. **Promotability to Next Rank.** Comment should be made on the officer's suitability for promotion to the next rank, including any caveats that may be felt to apply (eg only suitable for promotion within a career stream or to a specific set of appointments). For recently promoted officers, assessing officers may wish to state an inability to make an assessment at the present time.

PART 4A—ASSESSMENT INSERT FOR COLONEL(E)

21. In order to differentiate between officers of O-6 rank, a rated Assessment Insert (Part 4A) is also completed by the assessing officer. The four performance areas—Social/Political Acumen, Applied Intelligence, Leadership and Personal Style/Approach—used to describe how performance was achieved in Part 2 of the report, are ranked on a six-point scale in this insert.

22. The assessing officer places a tick in the box that best describes the officer's performance according to the behavioural anchors provided. In assigning a particular rating, consideration should be given to the consistency of the officer's performance throughout the reporting period. Single or occasional high (or poor) quality performances do not warrant high (or low) appraisal ratings.

23. **Overall opinion.** In addition to rating the individual performance areas, the assessing officer is to provide an overall opinion on the subject officer in accordance with the descriptive statements provided in Form AC 740-1—*Executive and Senior Executive Officer Appraisal and Development Report—Assessment Insert for COL(E)*. This is an important assessment that should be consistent with, and reflect, the entire performance appraisal. The rating selected (on a 10-point scale) should be the one that best describes the officer's overall job performance.

PART 5—CHIEF OF SERVICE (TWO-STAR FOR COLONEL(E)) COMMENTS

24. This part of the report includes provision for general comment on the officer concerned and specific comment on assessment of potential for next rank and two ranks up.

PART 6—CHIEF OF THE DEFENCE FORCE (CHIEF OF SERVICE FOR COLONEL(E)) COMMENTS

25. This part includes provision for general comment on the officer concerned and specific comment on assessment of potential for next rank and two ranks up.