



Australian Government
Australian Taxation Office

SES Performance Experience

Overview

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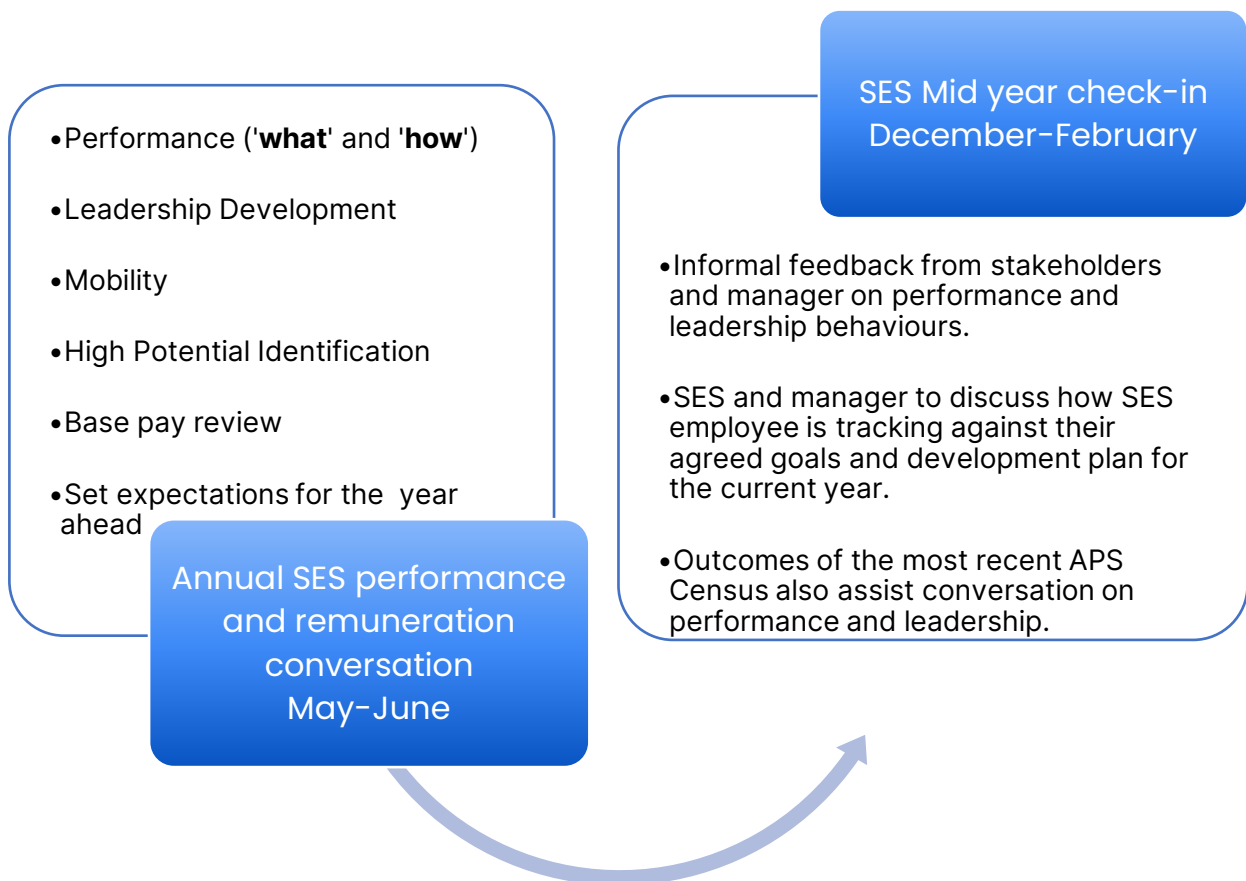
ATO SES Performance Experience

Background

The ATO's SES performance experience promotes ongoing, honest and meaningful conversations regularly between SES employees and their managers in relation to workplace performance, individual development and growth of our leadership capability.

As well as these regular conversations, there are two formal check-in points during the performance cycle:

1. Annual end-of-year check-in usually occurs during May and June each year, and
2. Mid-year check-ins take place between December and February.



End-of-year check-in

The SES Performance and remuneration process commences with the end-of-year check-ins which are held during June. During these conversations SES and their managers focus on:

- **Performance** against previously agreed expectations and career goals. This should not only include delivery of business outcomes (**'what'**) but just as importantly **'how'** they are delivering business outcomes, the impact they have on others as a leader in the APS through their alignment with the [APS Leadership capabilities](#):

- Visionary
- Influential
- Collaborative
- Enabling
- Entrepreneurial
- Delivers

and the [Secretaries' Charter of Leadership Behaviours](#):

- Be **D**ynamic
- Be **R**espectful
- Have **I**ntegrity
- **V**alue others
- **E**mpower People

- contribution above and beyond BAU activities
- feedback received at mid-year check-in
- **base pay increase** (if eligible) by assessing their claims against the base pay factors (see [Base Pay Reviews](#) below)
- their goals for the next performance cycle and confirm expectations
- future career aspirations and any **leadership development** requirements.
- placement on the APS **nine box grid**. The nine-box grid tool is used to assess SES and the EL2 feeder cohort's potential by considering the individual's ability, engagement and aspiration.

Deputy Commissioners are asked to provide the outcomes of the conversations including justification for a performance rating of 'On track' or 'Not on track' that addresses both their achievements and leadership behaviours, any base pay increase recommendations, movement considerations, leadership development requirements and the nine box grid assessments.

This information is collated and prepared to present to each Group Remuneration Committee for consideration, moderation and endorsement.

Base pay reviews

In order to be considered for a base pay increase, during their end of year check-in, eligible SES employees will need to substantiate their claims against the base pay factors: task challenge, competency, labour market pressures, and value to the ATO.

Their manager will then make an overall assessment against the factors and make a recommendation to support, or not support, an increase to the SES employee's base pay.

Guidance is provided below on the base pay factors, including across three broad areas of consideration (threshold, moderate, high); and positioning within the pay range. This information is intended to assist in identifying points of differentiation across SES and SES roles, it is indicative only and not intended to be prescriptive.

Factors

	Threshold	Moderate	High
Task Challenge	Stable, low risk, established	Growth, medium risk, progressive	Turnaround, major growth, high risk
Competency	Meets basic requirements for role Developing in role	Meets most requirements of role On par with peers	Outstanding, exceeds in most requirements of the role Considered by most as an expert
Labour market pressures	Little pressure evident Market is the APS	Some demand Challenge to attract &/or retain	High demand/at risk Significant market gap
Value to the ATO	Valuable but replaceable	Difficult to replace but no strategic impact Contribution improved the ATO's positioning or capability	Critical/strategic impact if lost Takes ATO to new levels

Positioning within the pay range

Minimum		Maximum
SES Band 1: Pay point 1	Pay points 2, 3, 4	Pay point 5
SES Band 2 & 3: Pay point 1	Pay point 2, 3	Pay point 4
Meets requirements for 'threshold'	Meets requirements for 'moderate'	Meets requirements for 'high'
Recent appointee	Target market rate for competent performer	Extensive experience, highly promotable
Still growing in competence	Need to make a pay offer sufficient for the ATO to attract/retain	Highly specialised skills scarce in labour market and critical to ATO business outcomes
Showing marginal performance	Sound contributor to own business line or Group and the ATO as a whole	Sustained high performer

Moderation

The Group Remuneration Committees discuss and moderate the performance outcomes, base pay recommendations and high potential identification of SES Band 1s across their respective Group.

Membership for Group committees consists of all substantive and long term acting (>12 months) SES Band 2s within that Group. Other acting (<12 months) SES Band 2s do not attend Group Remuneration Committee meetings unless otherwise determined by the Group Head and must provide their recommendations and commentary to a member of the Committee (usually the Chair) prior to the meeting.

The Deputy Commissioner, ATO People and the Assistant Commissioner, SES Services also attend the Remuneration Committee meetings as Corporate Moderators to provide advice and ensure consistency in moderation and outcomes across the Groups.

The ATO Remuneration Committee discusses and moderates the performance outcomes, base pay recommendations and high potential outcomes of SES Band 2s and considers the Band 1 outcomes endorsed by the Group Remuneration Committee meetings. Membership for the ATO Remuneration Committee consists of the Commissioner and all Group Heads.

Notification of outcomes

Once the Group and ATO Remuneration Committee outcomes have been finalised, the Deputy Commissioners and Group Heads are advised of the outcomes from the ATO Remuneration Committee and asked to provide feedback to any individuals who have had their outcomes moderated throughout the process. Staff approved for base pay increases are also advised. Base pay increases are payable on the first pay in September.

Underperformance

An SES employee is deemed to be not on track when they are not meeting some or all of their indicators of strong and effective performance as agreed to in their performance agreement, including the leadership behaviours and/or contributions expected from all SES.

A 'back on track' process provides additional support to improve their level of performance in their expected outcomes or leadership behaviours and/or contributions.

Back on track process

Managers have a responsibility to engage and actively manage any case of underperformance of duties by one of their employees at the earliest opportunity in an open and fair manner. Where cases of underperformance cannot be remedied informally, managers need to contact the Assistant Commissioner, SES Services (the SES Adviser) immediately to discuss the commencement of the ATO's Back on Track program. Managers will work co-operatively with the SES Adviser and the relevant Group Head throughout the duration of the Back on Track program.

At the end of the 12 week assessment period, the Group Head will be required to review and agree to the completion of the 'back on track' program. If the required performance level is not met at the end of the 12 week period, the Group Head may recommend a continuation of the program, or may recommend one of the following 'further action' outcomes:

- reassignment to a different role at level
- reduction in pay and classification
- termination of employment.

The Commissioner of Taxation will be required to review and approve any case where one of the 'further action' outcomes is recommended by the Group Head, with advice from ATO People and ATO General Counsel (if required). The Commissioner may also need to seek further approvals from the Australian Public Service Commissioner where appropriate.

Mid-Year check-ins

Mid-Year check-in conversations are held between December and February for SES and their managers.

Prior to having their check-in conversation, all SES are also asked to seek feedback from a range of people including key internal stakeholders, their manager and direct reports. Seeking feedback from others is an important way to identify an individual's leadership strengths and opportunities for growth and development.

We ask that the questions asked of feedback providers should reflect the four leadership attributes in the [ATO SES Leadership Strategy](#):

- Show up as a leader
- Impact at scale
- Enrich the work experience
- Strengthen the system

While SES are provided with some suggested questions to guide them, they can also ask additional questions if they have a particular area they would like to receive feedback on.

During these check-ins SES should:

- Discuss the feedback received from stakeholders and direct reports.
- Seek constructive and honest feedback from their manager focusing on performance against expectations and career goals, and the behaviours or actions that they may need to do more of/keep doing, and the behaviours they need to do less of or stop.
- Reassess and agree to new/amended goals if required.
- Further discuss how the outcomes of the most recent APS Census for their Branch or Business Line reflect their performance and leadership.

