



DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

MEMORANDUM FOR SENIOR PENTAGON LEADERSHIP
COMMANDERS OF THE COMBATANT COMMANDS
DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Workforce Acceleration & Recapitalization Incentive Implementation

The intent of the Workforce Acceleration and Recapitalization Initiative directed by the Secretary¹ is to develop and adopt a force structure postured to deliver unrivaled combat power in support of our national security priorities. Structural adjustments alone, however, cannot fully realize that vision. We will also need to employ the right incentives to attract and retain top civilian talent.

To achieve that outcome, I direct the DoD Component² heads to identify and reserve appropriate funding for civilian awards and bonus pools to recognize and reward truly outstanding performance. I will also support a broader utilization of bonuses to ensure the Department is best positioned to recruit and retain extraordinary civilian employees whose service is essential to our national security mission.

The success of these talent management initiatives — and the effectiveness of our entire workforce — depends enormously on supervisors throughout the Department to provide fair and objective performance assessments of the teammates they lead. As we have just completed the DoD Performance Management and Appraisal Program rating cycle, I expect supervisors and leaders at all levels to make the right decisions to ensure we make meaningful distinctions in the ratings of employees and appropriately incentivize and reward high performance.

To bolster this effort, the Under Secretary of Defense for Personnel and Readiness will provide me, within 60 days of the date of this memorandum, recommended changes to the Department's civilian personnel performance management and promotion systems that would assist in identifying and incentivizing top performers as well as proposals for additional merit-based incentives the Department could implement to supercharge our civilian workforce.

Thank you for your commitment and dedication to the DoD and our Nation. I am excited to serve with each of you as we optimize our civilian workforce and increase the lethality of the world's greatest fighting force at this critical juncture in our history.

A handwritten signature in black ink, appearing to be "L. R.", is located in the lower right quadrant of the page.

¹ Secretary of Defense Memorandum, "Initiating the Workforce Acceleration & Recapitalization Initiative."

² Directors of Defense Agencies and DoD Field Activities will submit and coordinate through their Principal Staff Assistants. Commanders of the Combatant Commands will submit and coordinate through the Chairman of the Joint Chief of Staff.