



USDA Senior Level/Scientific or Professional (SL/ST) Performance Appraisal System

Windwalker Corporation/CI International

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Objectives

- Enhance the understanding of pay-for-performance systems and OPM certification requirements
- Introduce new USDA SL/ST performance appraisal system and template
- Set the stage for effective performance management throughout USDA



Why the Performance

Management Focus – Big Picture

- USDA wants performance plans to drive behavior of all employees
- All performance plans should clearly show alignment to Department/Agency goals
- Particularly important for senior leader plans, which are the ones most closely tied to Agency goals
- OPM requires performance appraisal training with new performance systems

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Performance management can be a key contributor to culture change. Clearly defined performance expectations, accompanied by on-going performance feedback, provides an impetus to positive change. This focus requires time and effort, and, with so many other responsibilities required of senior employees, is sometimes overlooked. However, few things are more immediately impactful on an organization's results than clearly defined goals with clearly defined accountability for achieving those goals.



Why the Focus on Performance Management – Personal Level

- OPM requires certification of SL/ST performance appraisal system
- Agencies/Department without certification have lower SL/ST total pay package
- Potential direct impact on SL/ST pay
- Can impact ability to hire best available talent

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Consequences of OPM SL/ST Performance Certification Decision

Impact on Pay (effective January 2010)

Structure of the SL/ST Pay System	Minimum	Maximum
Agencies with a Certified Performance Appraisal System	\$ 119,554	\$ 179,700
Agencies without a Certified Performance Appraisal System	\$ 119,554	\$165,300

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Agencies that lack a certified SL/ST performance management system have lower limits on basic pay. This chart shows the pay ranges for basic pay in agencies that are certified and those that are not.



Value of Performance Certification

- Department is viewed by OPM/OMB to be providing appropriate focus on performance
- System is being used as a leadership tool
- Performance management system is seen as a leadership responsibility and not merely an administrative/ HR function

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Performance management is not an HR function, although it is often viewed that way. Performance management is a leadership responsibility. HR's role is to provide the appropriate tools to assist leaders at all levels of an organization to fulfill their leadership responsibilities.



Why Results-Oriented Pay for Senior Employees

- High-performing organizations recognize effective performance management systems drive change and achieve results
- Leaders are held accountable for Agency results that drive continuous improvement



Pay for Performance: Two government – wide policies

- SES covered under government-wide policy since 2004
- SL/ST since April 2009



General Features of All Senior Employee Systems

- Open range of basic pay with access to higher pay
- Minimum and maximum rate range established
- Agency plan for setting and adjusting rates of pay must reflect meaningful distinctions between performance rating levels
- OPM must certify, with OMB concurrence, agency senior employee appraisal systems before agencies can use the full pay range for performance pay adjustments



Agencies are Being Held Accountable

- Performance Management systems are reviewed by OPM every 1 or 2 years to ensure system policies and framework are appropriate
- Three Possible Outcomes of OPM review
 1. Provisional Certification
 2. Full Certification
 3. Deny Certification

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OPM reviews agencies SES and SL/ST performance management systems on a 1 or 2 year cycle to assure that agencies are continuing to follow OPM and OMB requirements. The certification process reviews policy and practice as reflected in agency performance plans and the results of performance appraisals including ratings, pay adjustments, bonuses and awards. The review is not just a paper review of policy and forms, but a review of a sample of the content of performance plans, as well as a review of the results of the performance appraisal process. Agencies that are not in full compliance can be certified provisionally must go through the review process in a year. Agencies with full certification undergo review in two years.

The major point here is that OPM oversight is a continuous process. USDA senior employees play a crucial role in assuring that USDA gets and keeps its certification.



OPM Certification Requirements

- Very specific requirements outlined in law –
5 CFR 430.404
- OPM SL/ST Performance Appraisal Assessment Tool (PAAT) must be completed and submitted to OPM along with sample performance plans



Performance Assessment Accountability Tool (PAAT)

- Must request certification via SL/ST-PAAT
- Done internally within USDA then submitted to OPM
- SL/ST supervisors and employees themselves play key role in ensuring on-going certification
- PAAT reflects how well USDA senior employees demonstrate accountability for performance
- Adherence to OPM requirements by supervisors and employees vital to continued certification

OPM requires the agency to use this tool to audit its own SL/ST appraisal system and performance plans against the required system certification criteria to ensure its system complies with the requirements.

SYSTEM ASSESSMENT TOOL

Performance Appraisal Assessment Tool for SL/ST Appraisal Systems



Performance Appraisal Assessment Tool for SL/ST Appraisal Systems

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Introduction

Agencies cover their Senior Level (SL) and Scientific or Professional (ST) employees under performance appraisal systems established in accordance with law, and regulations by the Office of Personnel Management (OPM). For agencies to be able to pay their SL/ST employees above Executive level III, up to level II, and up to the higher aggregate pay limit, agencies first must have their appraisal systems certified by OPM, with concurrence by OMB.

Agencies will use the SL/ST Performance Appraisal Assessment Tool (SL/ST-PAAT) to request OPM certification of their appraisal systems. OPM requires the agency to use this tool to evaluate its own SL/ST appraisal system and performance plans against the required system certification criteria to ensure its system complies with all the criteria. As part of each agency's certification request to OPM, agencies will complete this self-assessment tool and submit the results to OPM 6 months before the end of the certification period for review and verification. If OPM determines the agency's system meets the certification criteria and OMB concurs, OPM will certify the agency's SL/ST system for up to 24 months, when another SL/ST-PAAT must be completed.

Regulations (subpart D of part 430, title 5, Code of Federal Regulations) and OPM and OMB policy establish the following criteria for SL/ST appraisal system certification:

- **Accountability.** SL/ST appraisal systems require, and supervisory performance plans contain, a critical element that holds supervisory SL/ST employees accountable for the performance management of their subordinates and alignment of subordinate performance plans.
- **Alignment.** SL/ST appraisal systems require, and SL/ST employee performance plans contain, elements that clearly support organizational goals established in strategic plans, annual performance plans, or other organizational planning or budget documents.
- **Measurable Results.** SL/ST appraisal systems require, and SL/ST employee performance plans hold them accountable for, achieving measurable results and crediting measurable results as at least 60 percent of the summary rating.
- **Balance.** SL/ST appraisal systems require, and SL/ST employee performance plans provide for, balanced elements, so that in addition to measuring expected results, the performance plans include appropriate measures or indicators of the consideration of employee and customer/stakeholder feedback.
- **Consultation.** SL/ST appraisal systems require, and SL/ST employee performance plans indicate, SL/ST employees are involved in the development of their performance plans.
- **Organizational Assessment and Guidelines.** Agencies make appropriate organizational performance assessments; communicate results to SL/ST employees, rating officials and review boards (e.g., PRB); and the agency head or designee provides guidelines on incorporating organizational performance into the appraisal, pay, and awards process.

Performance Appraisal Assessment Tool for SL/ST Appraisal Systems

- **Oversight.** The head of the agency or designee has oversight of appraisal results, pay adjustments, and awards; ensures the system operates effectively and efficiently; and ensures appraisals, pay adjustments, and awards are based on performance.
- **Training.** The agency has trained its SL/ST employees on the design and implementation, and communicated the results, of its pay policy and performance appraisal system. This includes informing SL/ST employees of the ratings distributions and average pay adjustments and awards granted.
- **Performance Differentiation.** The appraisal system includes a summary level that reflects Outstanding (or equivalent) performance to appraise and rate performance, performance standards are established that describe and allow for differentiating levels of performance, the rating distribution indicates meaningful performance differentiations are made, and the rating distribution appropriately reflects organizational performance.
- **Pay Distinctions.** The agency grants pay adjustments and awards based on performance; demonstrates it grants higher pay adjustments and awards to top performing executives over other executives; and pay and awards decisions meet regulatory requirements.

Background of Statutory and Regulatory Language

Section 1322 of the Chief Human Capital Officers Act of 2002, added a new paragraph (d) to 5 U.S.C. 5307 establishing conditions that, if met, would permit an agency to apply a higher aggregate limitation on pay, equivalent to the rate payable to the Vice President, for certain Senior Executive Service (SES) members paid under 5 U.S.C. 5383 and employees in senior-level and scientific or professional positions (SL/ST) paid under 5 U.S.C. 5376. However, to apply this higher aggregate pay limitation, the statute requires an agency first demonstrate it has developed and applied performance appraisal systems for these employees that make meaningful distinctions based on relative performance, as certified by OPM, with OMB concurrence.

As a separate but related matter, Section 2 of the Senior Professional Performance Act of 2008 (Public Law 110-372, October 8, 2008) promotes pay for performance by enabling an agency that attains certification of a performance appraisal system covering senior level and scientific and professional employees to fix rates of basic pay for those employees at higher levels than would otherwise be available (i.e., up to the rate for EX-II when certified; up to the rate for EX-III when not certified).

OPM regulates both of these statutes. Regulations addressing the certification of agency appraisal systems, issued jointly with OMB, are at subpart D of part 430 of title 5, Code of Federal Regulations. Regulations addressing the SL/ST pay system are at subpart E of part 534 of title 5, Code of Federal Regulations.

Instructions:

Complete this assessment for the agency's SL/ST appraisal system and submit to OPM. For agencies already certified, submit requests 6 months before the end of current certification. Agencies must include a copy of the appraisal system description and certain SL/ST performance plans designated by OPM, which will be representative of the organizations covered by the system, as well as any other information requested by the SL/ST-PAAT. For agencies with SL/ST employee appraisal systems with provisional certification or for first-time requests for certification, agencies must provide with their submissions 10 percent of SL/ST performance plans, or 20 plans, whichever is more. Agencies with fewer than 20 covered SL/ST employees must submit all performance plans. For agencies with SL/ST employee appraisal systems with

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full certification, the number of plans to submit with the agency SL/ST PAAT is 10 percent of SL/ST performance plans, or 5 plans, whichever is more.

Contact OPM to determine which SL/ST performance plans to submit. OPM reserves the right to request additional plans, as needed.

A glossary of terms follows these instructions. Following the assessment questions is a scoring sheet that shows the maximum number of points that can be given for each question. The final score covers the design, implementation, and application of the system. OPM will complete the scoring sheets, review the applicable annual data submissions, obtain OMB concurrence with the certification recommendation, and certify the system, if warranted.

If you have questions as you are conducting this assessment, please contact your OPM Human Capital Officer.

Return the completed assessment to your OPM Human Capital Officer by email, or mail—

U.S. Office of Personnel Management
Division for Human Capital Leadership
and Merit System Accountability
1900 E Street, NW, Room 7439F
Washington, DC 20415



Objectives

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- **Introduce new USDA SL/ST performance appraisal system and template**
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Highlights of USDA SL/ST Performance Appraisal System

- 5-level element rating and 5-level summary rating
Civil Rights element rated pass-fail
- Plans communicated to the SL/ST within 30 days of the beginning of the appraisal period
- Appraisal Plan and Appraisal Record are one document; same document for all SL/ST
- 3 mandatory critical elements, including Civil Rights element
 - 1 additional critical element for supervisors
 - 2 optional critical elements for program and position specific elements may be included in the performance plan



Highlights of USDA SL/ST Performance Appraisal System

- Separate, critical, pass/fail Civil Rights element required for all SL/ST; specific Civil Rights goals must be included in the Mission Results critical element
- No non-critical elements
- Mission Results element will show measurable results and drive the summary rating above the fully successful level



Highlights of SL/ST Performance Management System Changes

GS Performance System	New SL/ST Performance System
3-level element rating and 5-level summary rating	5-level element rating and 5-level summary rating. Civil Rights element rated pass-fail using the fully successful and unacceptable levels
Multiple agency forms with minimal guidance	Appraisal Plan and Appraisal Record as one document
Multiple agency expectations regarding Civil Rights elements	Separate, critical, pass/fail Civil Rights element required for all SES; specific Civil Rights goals should be included in the Mission Results critical element

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Highlights of SL/ST Performance Management System Changes

GS Appraisal System	New SL/ST Performance System
Maximum of 7 performance elements	Maximum of 5 performance elements; 6 if a supervisor
Optional use of non-critical element	No non-critical elements
Measurable results identified in multiple elements	Mission Results element will show measurable results and drive the summary rating above the fully successful level

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SL/ST Mandatory Element #1: Mission Results

- Measures the employee's leadership in the development and implementation of program initiatives, including goals and objectives in the Agency Strategic, Operating, Program, and/or Business Plans
 - Includes any Civil Rights goals



SL/ST Mandatory Element #2 Professional Leadership

- Measures success in leading and managing his/her organization/program in their scientific, technical, or professional discipline where the employee is accepted/sought as an authoritative source of information internal and/or external to the Agency
 - Includes standards for incorporating customer perspective



SL/ST Mandatory Element #3 Civil Rights

- Measures an employee's contributions to civil rights through the development, implementation, and advancement of civil rights strategic goals; enforcement of civil rights laws, rules, regulations
- Includes holding subordinate supervisors accountable for achieving measureable civil rights goals and objectives in all employment, program delivery, and other administrative activity



SL/ST Mandatory Element #4: Supervision and Human Resources Management

- For Senior Employees Officially Designated as Supervisors
 - Measures leadership and management of human resources to accomplish assigned responsibilities and to achieve Departmental and Agency goals
 - Includes standards for performance management accountability and employee perspective



SL/ST Critical Elements #5 and #6

Optional

- Rating official and the SL/ST employee may add up to two program/position-specific critical elements that the employee is expected to accomplish during the appraisal period
- Performance on these critical elements will have a direct impact on overall rating. As such, the duties and responsibilities should be important to the position



New System Summary

- New system provides consistent approach throughout Department
- Places particular emphasis on “Mission Results” as differentiator of performance
 - OPM requires that measurable results account for at least 60% of the rating
 - This will derive largely from this element

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OPM regulations mandate that measurable performance requirements comprise at least 60% of the weight of an SL/ST rating. The rating derivation formula uses the “Mission Results” element rating to drive the summary rating, (unless an employee receives a Minimally Successful or Unacceptable rating in any single element. In that case, that element determines the summary rating.)

A SL/ST cannot be rated any higher than the rating of the mission results element. The results of other elements can lower a summary rating, but they cannot elevate the summary rating above the Mission Results element rating.



Crafting Performance Goals

- Primary “free space” in performance plan to craft goals is under Mission Results
- Other elements (Leadership, Supervision, Civil Rights) provide mandatory performance language
- Optional elements also need to be crafted
- How do we craft effective performance goals?



Align Organizational and Personal Goals to Mission Results

- Review the USDA, organization and program strategic goals
- Review your agency budget, the USDA GPRA annual report, OMB PART evaluation or additional agency or program measures
- Ask your supervisor to share his/her goals
- Ask yourself, “Which of these goals, objectives and organizational measures do I own, or am I personally accountable for and which of them have I delegated?”

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When creating performance requirements, assemble background information on the organizational goals and performance measures created by USDA, its agencies and your own programs. Consider both multi-year strategic plans and annual business or tactical plans. These plans will provide the basis for linking individual and organizational performance. They will also contain organizational performance measures that can be adapted for personal goals. One issue to consider is whether a single senior employee can be accountable for achieving an organizational goal. The higher in the organization that a senior employee is assigned, the more likely it is that senior employee will have the authority and resources such that his/her personal performance will determine the outcome of the agency's goals. In that scenario, it may be appropriate to simply bring the organizational goal directly into the senior employee's performance plan.

Another view of this issue is that organizational strategic goals and measures are the product of the effort of large parts of an organization. Even at the headquarters level, the most senior employees may not control all or even most of the resources that an agency will need to achieve its performance targets. In this scenario, it may be more appropriate to look at the initiatives for which the senior employee has personal responsibility, authority and resourcing to support the overall goal. The senior employee's performance standard would measure the extent to which the initiative was successful.

Ask your supervisor to share his/her goals to enable you to align yourself and your senior employees and other managers with their personal goals and performance standards. Finally, focus on goals that you are personally accountable for to make the agency a success.



Creating Performance Measures for Mission Results

- Select a USDA organizational, or program, goal for which the individual is responsible
- Develop performance measures
- There are no minimum or maximum number of measures. In general, ensure enough measures are included to adequately capture scope of required effort

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While many managers think of measurable standards as purely quantitative standards, standards can be made measurable by reference to existing quantitative requirements, e.g. “Applications will be processed within published time goals.” By referencing the published times, the rating official avoids repeating lengthy information that is well known and readily available. Qualitative standards measure performance against a reference point, which can be a set of broad principles, professional standards, and industry or agency guidelines. Some employees may produce work that is difficult to measure. This is particularly true for high level professionals such as research scientists, attorneys, and others whose output cannot be measured quantitatively, or whose work requires a long time, sometimes a span of years to reach a conclusion. In these cases, OPM’s guide to developing performance standards recommends using a workflow process, where the work is broken into discrete phases and projected accomplishments at each key phase. In a sense it is akin to a project plan where the ultimate outcome may be unknown or unpredictable, but the intervening steps are known or the unknown elements can be identified and controlled. Performance is then measured on cost, schedule and projected outcomes to the extent they are known. As the project is completed, the plan is further refined and becomes more specific and, therefore, more measurable.



Creating Balanced Measures

- OPM and USDA policy require SL/ST performance plans to be “balanced”
- Balanced Measures—
 - Originally developed by Kaplan and Norton as a performance measurement framework to supplement traditional financial measures
- Kaplan and Norton believe that organizations should develop performance measures from four perspectives
 - Financial
 - Process
 - Customer (Stakeholder)
 - Learning and Growth (Employee)

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Harvard Professors Robert Kaplan and David Norton developed their concepts in *The Balanced Scorecard*. In their book they made the case that traditional financial measures are often a lagging indicator of organizational performance. Other measures could be leading indicators of performance and provide managers with more information about the health of their organization. While some organizations use the Kaplan and Norton model as they have developed it, others modify the model to meet their needs. Federal organizations may find that other perspectives are important to the success of their agencies.

Most federal agencies are concerned with budget authority, not revenue, because the Congressional budget process controls income. These agencies are often focused primarily on assuring that spending matches budget and avoiding a budget deficiency. On the other hand, agencies and parts of agencies that are funded through working capital budgets must be concerned about income and matching expenses to income, just like any private business.

Because of the control exercised by Congress and the influence of interest groups on agency budgets and policies, stakeholder perspectives are as important as customer perspectives, even if Congress and the interest groups are not consumers of agency services, products and outputs. Many organizations have adapted the balanced scorecard to their needs and added or substituted other these and other perspectives.

OPM regulations mandate that customer and employee perspectives be included in SL/STs performance plans. But these minimum requirements do not prevent senior employees from expanding the perspectives to others as well.

The employee and customer perspectives can be obtained in a variety of ways. Agencies can use customer survey results, outreach through meetings with customers or phone calls to discuss customer feedback. Employee perspectives can be obtained for some senior employees through the results of the Federal Employee Viewpoint Survey (formerly the Federal Human Capital Survey), other surveys and meetings with employees.



Creating Effective Measures

- Alignment of senior employee performance plans to USDA, organization or program strategic plans
- Focus on measurable, outcome driven results
- Measures must include perspectives of
 - Customers
 - Employees-include them in developing initiatives; solicit and use their ideas
- Senior employee involvement and consultation in the development of performance plans is required



Employee Participation in Developing Performance Plans

SL/STs **MUST** participate in developing their own performance requirements

1. Employee and supervisor discuss and develop the performance plan together;
2. Employee provides supervisor with the draft performance plan
3. Employee comments on draft performance plan prepared by the supervisor
4. Employees who occupy similar positions prepare draft performance plan(s), with the supervisor's approval

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Ideally senior employees and rating officials should agree on the performance measures used to evaluate the senior employee's performance. But agreement is not required. The performance requirements can be developed by any of the methods shown above. The key is that the senior employee should be consulted in the process of developing the requirements. Where a rating official has a number of senior employees, they may have shared goals or objectives that cut across the organization. In that situation, the rating official may want them to collaborate on the shared performance requirements to assure consistency.

Once the requirements are developed the rating official should look at the requirements across the senior employees he/she supervises to calibrate the degree of difficulty embedded in the standards. The reality is that any group of senior employees is likely to have different approaches to setting requirements. Some may set low bars and others bars so high they may be unreachable. The rating official should be looking to set the bar for each senior employee at the same level of difficulty, and let their individual performance differentiate their accomplishments at rating time.



Organizational Assessment

- Agencies must assess organizational performance
 - Reports of the Agency's GPRA goals
 - Annual performance plans and targets
 - Program performance measures
 - Other appropriate measures
- Assessments at all levels serve as basis for individual performance evaluations
- Executives have responsibility to share data on organizational performance throughout the organization

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Guidance for USDA's Rating Officials - Assessing Individual and Organizational Performance Overview:

USDA prides itself as being a performance driven organization focusing on the achievement of results and providing a workplace environment where employees can be successful. A thriving organization is one this is based on the success of each of its employees, and vice versa. For our employees to succeed, they need to be aware of relevant performance data - the goals and individual measures that are used to track and observe performance, as well as supervisory and customer/stakeholder feedback, and the goals for their immediate organization.

Individual Performance:

As you plan performance at the start of each appraisal period, strive to directly involve your workforce in developing those measures and job specific standards for successful performance. It is vital for employees to know where they fit within their organization and that their work contributes to the organization's ability to achieve its goals and fulfill its mission. Getting employees involved in the planning process will help them understand the goals of the organization, what needs to be done, why it needs to be done, how well it should be done, and the consequences faced by the organization if not done.

Throughout the year all managers and supervisors are required to regularly assess the progress their workforce is making toward mission accomplishment and meeting organizational goals. In particular, the mid-year review is the time to meet with employees to discuss their accomplishments to date, progress toward meeting performance standards and goals, and to make adjustments in standards and goals if needed. You may also meet more frequently to recognize them for a job well done or how to achieve improvement. By aligning your staff's performance standards with the

organization's goals and objectives and regularly measuring their progress, you help to keep your employees and your organization on the road to success.

Organizational Performance:

When organizational performance is linked to the individual performance ratings and measured, an organization might find that most of its employees are rated high when the organization as a whole has failed to meet its objectives. This type of result may be evidence that managers need to do a better job of linking organizational performance to individual performance, and monitoring the goals set at the beginning of the appraisal period.

The following steps will assist in factoring in organizational performance results with the annual rating/evaluation of your employees:

Step 1. Gathering Data – Sources of Organizational Performance Data.

Gather and analyze data relative to the organization's attainment of goals, objectives, targets, and metrics. The strategic plan, unit work plan, or other planning documents are used to identify the specific goals, objectives, targets for the organization and outline the central framework for agency performance management. USDA's agencies use various systems to track and report actual performance data on a recurring basis throughout the appraisal cycle. These systems include Program Assessment Rating Tool (PART), Performance Accountability Report (PAR), Performance Accountability System (PAS), Budget and Performance Management System (BPMS), scorecards, etc. Know who in your agency is able to provide this information, for example, the Human Resources Division, Strategic Planning Division, and the Budget and Planning Division.

Meetings, reports, newsletters, charts, email, publications, and the intranet are delivery methods used to disseminate program performance information, measures, and results. Many organizations have their own internal tracking mechanisms to measure organizational performance. Senior managers should use these methods to communicate this information to subordinate employees.

Step 2. Compare work unit performance to organizational goals, operating plans, and objectives.

- a. Review work unit performance goals.
- b. Identify how well the work unit performed given the available tools, human, financial and technological resources, customer satisfaction, and support provided to meet expectations for performance.

Step 3. Compare actual employee accomplishments to organizational outcomes.

- a. Consider the employee's achievements for each results-focused performance element in relation to the organization's performance data.
- b. Rate the employee's contributions to the performance goals in the employee's performance plan.
- c. Provide the employee with feedback on specific and measurable actions that reinforce good performance and addresses poor performance.

When a results-driven Agency considers organizational performance with the annual performance appraisal of individual employees, it results in the retention of experienced and good performing staff, improved and continuous job performance, expected organizational outcomes, and provides individuals a strategic view of their performance and opportunities for meeting expectations and Agency goals.



Writing Effective Performance Goals

Many agencies use the acronym SMART to describe criteria for developing performance standards, including senior leader standards. SMART stands for

Specific
Measurable
Aligned
Realistic/Relevant
Timed



Activities vs Results

Task Description (activity):

- ▶ Focuses on the *activities or tasks completed*
- ▶ Describes “*how*” the person will do the work
- ▶ **Manager** ultimately responsible for outcome

Performance Measure (result):

- ▶ Focuses on the *results and contribution*
- ▶ Describes “*what*” the person will accomplish
- ▶ **Executive** responsible for outcome

What



How/When/How Much/How good

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Activities vs Results

- Activities are “what” we do and results are “why” we do them
- Performance measures should be focused on results not activities
- What do we get from the activity?
- How does it help achieve our organization’s goals?
- Focus on outputs and outcomes, not process and inputs

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It is important to distinguish between activities and results as expressed in performance measures. Many performance plans that we see consist of activities, statements of responsibilities or task statements often lifted from position descriptions. Activities are not specific performance measures. They do not contain the level of detail to show how the employee will be evaluated.



Common Terms

- Never
- Rarely
- Occasionally
- Frequently
- Routinely
- Consistently
- Always

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Definitions of Common Performance Standards Terms

To differentiate between levels of performance, supervisors often use qualifying words such as “frequently”, “routinely”, etc. It’s important for supervisors and senior leaders to have a common understanding of these words. Here are good working definitions for such phrases

- Does not happen, no exceptions: **Never**
- Significantly less than half the time: **Rarely**
- Less than half of the time: **Occasionally**
- A slight majority of the time: **Frequently**
- Most of the time: **Routinely**
- Essentially all the time, with rare exceptions: **Consistently**
- All of the time, no exceptions: **Always**



Employee Participation During the Performance Period

- Participate in development of performance plans
- Track accomplishments during the performance period
- Participate in mid-year progress review and the end-of-year appraisal
- Document performance accomplishments at end of cycle

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Senior employees being appraised under this system need to be actively involved. The mindset should be that everyone owns their performance plan and appraisal. No one has a more vested interest in a senior employee receiving the rating they have earned than the senior employee themselves.

BE INVOLVED!

Senior employees need to identify and record accomplishments and actively participate in each stage of the performance management process. Most leaders would describe at least part of their job as “taking care of problems before they rise to the attention of the boss” That’s just part of life, and it’s expected of senior employees. However, that means that your best work may be invisible to the person who will be evaluating you. Is that what you want? If you’re not involved in this process you may end up with a lower rating than you deserve.



Writing Accomplishment Reports

■ Challenge

■ Context

■ Action

■ Result

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When providing accomplishment reports, the senior employee should use the C-C-A-R, or challenge/context/action/result method to describe their performance. This is the same model which OPM requires for ECQ write-ups.

Performance documents in the C-C-A-R format allows the rating official to show how the executives performance met or exceeded the requirements. Here's the C-C-A-R model:

Challenge: Describe a specific challenge or goal

Context: Discuss the individuals, groups and/or environment in which the work took place

Action: What specific action were taken to address the challenge

Result: Give specific details on the results obtained. In particular, identify how the agency benefited by the actions taken.

To justify a rating at the outstanding level, for example, the actions taken by a rated employee would have to be “exemplary, the highest level of performance possible, innovative, effective, noteworthy, measurable with lasting impacts” among other factors. By applying the factors to the rating level definition for Outstanding and Superior, and using the C-C-A-R model to tell the story, the rated employee can show how his or her performance met or exceeded the requirements.



End-of-Year Rating Process

- Initial rating comes from Rating Official
- Rated employee reviews/rebuts as appropriate w/in 5 days
- Input evaluated by Reviewing Official
- Forwards, with any additional comments, to Performance Review Board (PRB). Cannot change Rating Official's rating but can make different recommendation to PRB



End-of-Year Rating Process

- PRB recommends performance based recognition including salary increases, performance awards, and rank awards
- Secretary approves final ratings
- Grievances covered under Administrative Grievance Policy
- Refer to system policy for specifics

These multiple levels of review and approval drive the need for substantive data in support of the ratings assigned. Lacking meaningful information and measures in support of the ratings could lead to an individual getting less than the rating they've earned. This is another reason why supervisors must give performance appraisals their full attention. The system requires data to be effective. The people with the greatest access to data are the people being evaluated. Collect that data thru the accomplishment report. Use other available data, particularly around organizational performance, to support the rating that has been assigned.



USDA SL/ST Performance Plan Template

- Let's turn now to an examination of the new template for USDA SL/ST
- OHRM to evaluate effectiveness of new system and performance plan template after 2010 cycle -- may request SL/ST feedback

**United States Department of Agriculture
Senior Level (SL) and Scientific or Professional (ST) Performance Plan and Appraisal Record**

Employee Name (Last, First, MI):	Position Title:	Series:	Salary:
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Agency:	Appraisal Period Dates (From/To):
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Plan Development - Consultation and Certification

Signatures below certify that the rating official has developed the performance plan in consultation with the employee and has discussed the final plan with the employee. The discussion occurs at the beginning of the performance period. The rating official provides the employee a copy of the plan.

Employee Signature:	Date:
Rating Official's Signature:	Date:
Reviewing Official's Signature:	Date:

Progress Reviews

Initials below certify the performance discussions occurring within the appraisal period. A minimum of one progress review is required.

Employee's Initials and Date:	Employee's Initials and Date:	Employee's Initials and Date:
Rating Official's Signature and Date:	Rating Official's Signature and Date:	Rating Official's Signature and Date:

Initial Rating of Record (Check One)

Rating Official: Check the initial rating level determined using the attached Element and Rating of Record Guide.

Outstanding Superior Fully Successful Minimally Successful Unacceptable

Rating Official's Signature:	Date:
Reviewing Official's Signature:	Date:

This evaluation has been discussed with me and I have been given a copy. I am aware that if I disagree with my rating and decide to submit a narrative response indicating so, it must be submitted in writing within 5 calendar days of receipt of my evaluation. Signature does not constitute agreement or disagreement with the rating.

Employee's Signature:	Date:
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Performance Review Board Recommendation (Check One)

Performance Review Board Recommendation: Indicate the rating of record recommendation resulting from the PRB.

Outstanding Superior Fully Successful Minimally Successful Unacceptable

If PRB recommended rating differs from initial rating of record, the Board must identify specific elements where there is disagreement and rationale for recommendation.

Retain Reassign Remove Bonus Distinguished Rank Award Meritorious Rank Award
 Base Salary Increase To \$_____ - Indicate Total Percentage _____%

PRB Chairperson's Signature:	Date:
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Secretary's Office or Agency Head Recommendations (More than one block may apply)

Retain Reassign Remove* Bonus* Distinguished Rank Award Meritorious Rank Award
 Base Salary Increase To \$_____ *- Indicate Total Percentage _____%

*Attach written justification for recommended actions based on appraisal, summarizing briefly managerial and program accomplishments and impact on Department or Agency.

Secretary's Office or Agency Head Signature:	Date:
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Secretary's Approval - Rating of Record

Secretary's Signature	Date	Final Rating	Salary Increase	Bonus Amount	Rank Award Type
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ELEMENT AND RATING OF RECORD GUIDE

Performance Element Rating Level Descriptions:

Element ratings are to be based on observable performance and behaviors during the appraisal period. The following five level element rating scale is to be applied to the appraisal of each individual performance element at the end of the appraisal period.

Outstanding: At the outstanding level of performance, the employee achieves and completes all critical element standards in an exemplary manner. An outstanding rating exemplifies the highest level of performance possible, and is characterized by both organizational accomplishment and personal achievement. The outstanding level is representative of the employee's influence on the organization through innovative and effective management practices and procedures, noteworthy program implementation, success in building partnerships and coalitions, demonstrative responsiveness to internal and external customers, and outstanding management of resources. The employee's performance reflects measureable and lasting improvements in organizational performance.

Superior: At the superior level of performance, the employee demonstrates consistently excellent performance, where the majority of element standards exceed the fully successful level. The employee has demonstrated more than effective performance of essential standards, has had a positive impact on mission accomplishment, and has enhanced the performance of self and others.

Fully Successful: At the fully successful level of performance, the employee meets expectations and demonstrates sound and solid performance, where all critical element standards are completed in a satisfactory manner and the employee has performed effectively. The employee has contributed to organizational goals and achieved meaningful results.

Minimally Successful: At the minimally successful level of performance, the employee only partially meets element standards for the fully successful level, and has been marginally effective. This level of performance, while demonstrating some positive contributions to the organization, shows notable deficiencies.

Unacceptable: At the unacceptable level of performance, the employee does not meet performance standards, and performance deficiencies resulted in demonstrable negative consequences for the organization. The employee is not willing or not able to perform the essential performance standards.

Assignment of Element Ratings:

Element 1	<input type="checkbox"/> Outstanding	<input type="checkbox"/> Superior	<input type="checkbox"/> Fully Successful	<input type="checkbox"/> Minimally Successful	<input type="checkbox"/> Unacceptable	
Element 2	<input type="checkbox"/> Outstanding	<input type="checkbox"/> Superior	<input type="checkbox"/> Fully Successful	<input type="checkbox"/> Minimally Successful	<input type="checkbox"/> Unacceptable	
Element 3	<input type="checkbox"/> Fully Successful	<input type="checkbox"/> Unacceptable				
Element 4	<input type="checkbox"/> Outstanding	<input type="checkbox"/> Superior	<input type="checkbox"/> Fully Successful	<input type="checkbox"/> Minimally Successful	<input type="checkbox"/> Unacceptable	
Element 5	<input type="checkbox"/> Outstanding	<input type="checkbox"/> Superior	<input type="checkbox"/> Fully Successful	<input type="checkbox"/> Minimally Successful	<input type="checkbox"/> Unacceptable	<input type="checkbox"/> N/A
Element 6	<input type="checkbox"/> Outstanding	<input type="checkbox"/> Superior	<input type="checkbox"/> Fully Successful	<input type="checkbox"/> Minimally Successful	<input type="checkbox"/> Unacceptable	<input type="checkbox"/> N/A

Converting Element Ratings to Initial Rating of Record and Rating of Record:

The employee's initial rating of record and rating of record is determined using the table below. The Mission Results element has the greatest emphasis for measureable results. After each element rating level has been determined, the supervisor will assign the initial rating of record by applying the following descriptions.

<input type="checkbox"/> <u>Outstanding</u> All performance elements rated outstanding and the Civil Rights element is rated fully successful.	<input type="checkbox"/> <u>Superior</u> Mission Results is rated superior or above and other elements are rated fully successful or above, and the Civil Rights element is rated fully successful.	<input type="checkbox"/> <u>Fully Successful</u> Mission Results and Civil Rights elements are rated fully successful and other elements are rated fully successful or above.	<input type="checkbox"/> <u>Minimally Successful</u> One or more elements rated minimally successful. No elements rated unacceptable.	<input type="checkbox"/> <u>Unacceptable</u> One or more elements rated unacceptable.
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Strategic Alignment

SL and ST employees in the U. S. Department of Agriculture are accountable for supporting the mission of the Department and their Agency in providing leadership in food, agriculture, natural resources, rural development and related issues based on sound public policy, the best available science, and efficient management. This plan identifies the critical performance elements and establishes performance standards for each element which align with the mission, goals, and organizational objectives. These critical performance elements include three mandatory Department-wide critical elements (Mission Results, Professional Leadership, Civil Rights); one mandatory critical element for supervisory positions (Supervision and Human Capital Management); and up to two additional Program/Position-specific critical elements. The Mission Results element has the greatest degree of value and drives the rating of record above the fully successful level.

The Department's Strategic Goals and Management Initiatives are stated below. Agencies may indicate their relevant Strategic Goals and Management Initiatives in the space provided below.

Departmental Strategic Goals and Management Initiatives

Strategic Goals:

1. Assist rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving.
2. Ensure our national forests and private working lands are conserved, restored, and made more resilient to climate change, while enhancing our water resources.
3. Help America promote agricultural production and biotechnology exports as America works to increase food security.
4. Ensure that all of America's children have access to safe, nutritious, and balanced meals.

Management Initiatives:

- Engage USDA employees to transform USDA into a model agency.
- Provide civil rights services to Agriculture employees and customers.
- Coordinate outreach and improve consultation and collaboration efforts to increase access to USDA programs and services.
- Leverage USDA Departmental Management to increase performance, efficiency, and alignment.
- Optimize Information Technology (IT) policy and applications.
- Optimize USDA "green" or sustainable operations.
- Enhance USDA homeland security and emergency preparedness to protect USDA employees and the public.
- Enhance the USDA Human Resources process to recruit and hire skilled, diverse individuals to meet the program needs of USDA.
- Enhance collaboration and coordination on critical issues through cross-cutting Departmentwide initiatives.

Agency Strategic Goals and Management Initiatives

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**USDA Mandatory Department-Wide Senior Level (SL) and Scientific or Professional (ST)
Critical Performance Elements and Standards**

Element 1 - Mission Results (Mandatory/Critical). This element measures the employee’s leadership in the development and implementation of program initiatives, including goals and objectives in the Agency Strategic, Operating, Program, and/or Business Plans.

Performance Standards:

This is the one mandatory critical SL/ST performance element that measures results, specifically results contributing to the mission or the organization. Performance standards in the element are expressed in terms of measureable results that directly link to and meet the organizational goals and objectives required of the employee during the appraisal period. Measureable results in this element drive the rating of record above the “Fully Successful” level.

Instructions:

In the table below, describe the applicable goal or strategy the work aligns to and the results-focused measures. The SL/ST will be accountable for accomplishing these measures during the appraisal period and will be expected to address completion of them in their annual accomplishment report. Accomplishing the results-focused performance measures described below constitute meeting the “Fully Successful” element level. There is no minimum number of performance standards. Standards are determined by the rating official in consultation with the employee.

Note: Although Element 3 is a separate, pass/fail critical element for Civil Rights, this element primarily measures compliance to civil rights laws, policies, and standards. Specific goals or targets for civil rights to include those pertaining to the mission or the workforce, i.e., diversity, inclusion or outreach, should be defined below.

Linkage (List the Goal and/or Strategy and Objective): <i>Note: The following examples show various options that reflect linkage.</i>	Performance Measures (List the specific accomplishments, outcomes, deliverables, and/or target dates):
Example 1 – USDA Goal 3 – Support Increased Economic Opportunities and Improved Quality of Life in Rural America, Objective 3.1 – Expand Economic Opportunities by using USDA Financial resources to leverage private sector resources and create opportunities for growth, OMB PART; and Agency Objectives 1.1 – Enhance capital formation and support the creation of diverse, sustainable businesses and 1.3 – Provide new opportunities for agricultural producers and rural businesses.	Complete the development and implementation of the Commercial Credit Training program by July 1, 2010, to help advance the evaluation of the financial health of borrowers.
Example 2 - USDA Goal 2, Objective 2.3 and Agency Strategic Goal 1- Supporting Productive Farms and Ranches, Objective 1.1-Improving Access to Capital.	Lending to minorities, women, and beginning farmers is increased to 37.5% of loan funds to increase available capital for these underrepresented groups in agriculture production.
Example 3 - USDA Goal 3, Agency Goal 2 – Improve the Quality of Life in Rural America, Objective 3.2-Improve the quality of life through USDA financing of quality housing, modern utilities and needed community facilities.	Increase by 30% annually, over the baseline, the amount of non-USDA dollars invested in MFH rental housing properties.
Example 4 - Agency Goal 1-Increase Economic Opportunity in Rural America, Objective 3.1-Expand economic opportunities by using USDA resources to leverage private sector resources and create opportunities for growth.	1,379,600,000 kilowatt hours of energy will be saved from renewable energy systems.
Example 5 - USDA Goal 6, Agency Goal 4-Clean Air.	Conduct Agricultural Air Quality Task Force meetings, as directed by the Chief. Compile proceedings and actions on recommendations within 30-days of meetings.
Example 6 - USDA Goal 6, Agency Goal 3-Healthy Plan and Animal Communities.	Develop and facilitate the incorporation of small-farm technology templates into the national directive system by 9/30/2010.

Example 7 – Agency Management Strategy 2-Increase efficiency of program and administrative management.	Increase by 10% the number of states that receive and select an application in all three of the major MPR transaction types (simple, complex and portfolio).
Example 8 – NP2 – Economic Recovery.	Efforts to train Job Corp students, as many as 4,800 who are low income, at risk-youth in 22 Corp Civilian Conservation Centers, in Green Industries that provide opportunities for high skilled good paying jobs are supported.
Example 9 – Agency Business Operations Goal 5 – Promote Civil Rights.	Initiate a long-term effort, by August 2010, through the schools (K-12) to improve awareness of the Agency and its mission early on through instructions and production of a key curricular focus on “Understanding Systems and Sustainability.”
Example 10 – Agency Management Initiative – Ensuring Civil Rights.	Proactively responds to customer and workforce feedback and takes appropriate actions to resolve concerns and issues within 30 days of receipt to maximize effectiveness.
Example 11 – Agency Strategic Goals 1-5	Expand research collaborations with the University of Hawaii and the Hawaii Agricultural Research Center in sustainable and biotechnological agricultural approaches. Collaborations will broaden research in these areas and offer better agricultural solutions to farmers in Hawaii and the Pacific Basin. MOUs to be signed by June 1, 2010.
Example 12 - NP Goal 108	Perform program reviews on the three food safety labs in Beltsville and propose any necessary realignment of labs by 9/30/2010. The review of programs will ensure the labs are focusing on agricultural priorities and will result in the appropriate funding and resource allocation.
Example 13 – Agency Strategic Plan Goal #1 – Enhance Economic Opportunities for Agricultural Producers.	Plan, write and submit a manuscript on the effect of protein nitrosylation by nitric oxide on crop productivity. Research will further the understanding of this protein on crop production systems and pave the way for new research in this area. Manuscript to be approved by Director prior to 9/30/2010.

Element Rating: Instructions: Assign an element rating based on the descriptions in the Element and Rating of Record Guide.

- Outstanding
- Superior
- Fully Successful
- Minimally Successful
- Unacceptable

ELEMENT 2 – Professional Leadership (Mandatory/Critical). This element measures an employee’s success in leading and managing their organization/program in their scientific, technical, or professional discipline where the employee is accepted/sought as an authoritative source of information internal and/or external to the Agency.

Performance Standards:

This is a mandatory critical SL/ST performance element. The performance standards in this element are expressed in terms of narrative expectations. Meeting the standards described below constitute meeting the “Fully Successful” element level.

Leads organizational change and incorporates vision, strategic planning and results-driven management in the full range of the organization’s activities. Addresses programmatic requirements as necessary to motivate and lead the organization. Strategies are designed and implemented to improve organizational effectiveness and efficiency, and to meet program goals. Program goals are aligned to agency strategic plans and accomplished within specified timeframes. Interest of the organization, employee and customer/stakeholder are well balanced and priorities are adjusted in response to changing demands. Meets management initiative goals as imposed by regulatory/oversight agencies (e.g. Office of Management and Budget and Office of Personnel Management), and the Department or agency.

Human, financial, material and informational resources are effectively acquired and managed to achieve performance goals. Needs assessments are based on organizational goals and budget realities, and opportunities to reduce program and administrative costs are sought. Management control systems are established and maintained to monitor activities, identify problem areas, and initiate timely corrective action.

Represents Department/Agency when appearing before or interacting with groups, articulates views clearly and skillfully while providing authoritative technical/scientific/programmatic information on important program or policy matters. As a leader in the field, establishes trust and credibility with colleagues, other agencies, private sector organizations, customers, academia, or broadly across USDA. Advances the interests of the U.S. agriculture industry and the Administration, Department, and Agency when participating and representing the Agency and USDA at relevant meetings of internal and/or external organizations.

Fosters cooperative working relationships and communications within the organization, industry organizations, interest groups, consumers and other government agencies, as applicable. Collaborates across boundaries and finds common ground, building consensus with customers/stakeholders.

Customer Perspective: Ensures a high degree of responsiveness to organizational leadership, the public, and internal and external customers. Continuously reviews and monitors organizational performance to achieve agency mission results and considers the customer’s point of view. Consults and collaborates and builds partnerships with agencies and other stakeholders, and takes decisive actions in accordance with law, regulation, and Department policy. Continuously seeks to improve business processes, sharing those efforts with other units to improve overall Department performance. Systematically listens to customers and gathers their feedback, actively seeking to identify their needs and expectations, and effectively communicating those needs and expectations to employees. Ensures employees are prompt, professional, fair and responsible to the circumstances of individual customers to the extent permitted by law and regulation.

Element Rating: *Instructions: Assign an element rating based on the descriptions in the Element and Rating of Record Guide.*

- Outstanding
- Superior
- Fully Successful
- Minimally Successful
- Unacceptable

Element 3 - Civil Rights (Mandatory/Critical). This element measures an employee’s contributions to civil rights through the development, implementation, and advancement of civil rights strategic goals; enforcement of civil rights laws, rules, regulations; and in holding subordinate supervisors accountable for achieving measureable civil rights goals and objectives in all employment, program delivery, and other administrative activity.

Performance Standards:

This is the one mandatory critical SL/ST performance element that is a pass/fail element. Being pass/fail, an employee is rated at either the “Fully Successful” level or the “Unacceptable” level. The performance standards in this element are expressed in terms of narrative expectations. Meeting the standards described below constitutes meeting the “Fully Successful” element level.

Note: This pass/fail element primarily measures compliance to civil rights laws, policies, and requirements. USDA recognizes that there may be specific program performance goals or targets to include those pertaining to mission, civil rights, equal employment opportunity workforce diversity, inclusion, outreach, etc. for which the employee is to be held accountable during the appraisal period. These specific goals and targets are appropriately measured under Element 1, Mission Results.

Applicable milestones from the USDA Civil Rights Plan and Strategic Plan are incorporated into program plans and, as required, agency or staff office strategic and annual performance plans. Applicable goals and objectives related to accountability, program delivery, outreach, workforce diversity, employment practices, resources and structure, performance, administrative activities, communications and reporting are met in accordance with Department and agency policy.

Develops and implements outreach strategies that enhance the delivery of agricultural services and assistance to underserved populations. Demonstrates an understanding of and commitment to equal employment opportunity and ensures fair and equitable program delivery.

Supervisory positions include the following standards in addition to those stated above:

Ensures subordinate supervisors exercise effective managerial, communication and interpersonal skills to supervise and develop a diverse workforce.

The importance of Civil Rights and Equal Employment is communicated to unit employees at least once during the rating cycle, and other Civil Rights and Equal Employment policies and topics are routinely discussed at staff meetings.

Completes and ensures all subordinate employees complete annual civil rights training within identified timeframes and agency and departmental requirements.

Makes good faith efforts to resolve employment complaints and workforce disputes at all times, particularly early in the process, by offering alternative dispute resolution, training, and alternative assignments; by timely response to requests for information from EEO counselors, mediators, investigators, and adjudicators; and by prompt implementation of settlement agreements.

Element Rating: *Instructions: Assign an element rating based on the descriptions in the Element and Rating of Record Guide.*

Fully Successful

Unacceptable

Element 4 – Supervision and Human Resources Management (Mandatory/Critical and required for those employees officially designated as supervisors in their position description). This element measures an employee’s leadership and management of human resources to accomplish assigned responsibilities and to achieve Departmental and Agency goals.

Performance Standards:

This is a mandatory critical SL/ST performance element for supervisory positions. The performance standards in this element are expressed in terms of narrative expectations. Meeting the standards described below constitute meeting the “Fully Successful” element level.

Creates and sustains a positive workplace that inspires others to work together cooperatively and effectively to support the organization’s mission and goals; openly addresses conflict, disagreement, and differences in perspective; and produces amicable and effective resolutions. Exhibits a leadership style that demonstrates integrity, sound judgment, flexibility and high ethical standards of public service.

Organizational goals, objectives, priorities, work assignments, and deadlines are clearly communicated to employees. Resources and priorities are adjusted to meet workload demands. Human Capital initiatives and strategies (e.g., performance management system changes, workforce and succession planning) are implemented in accordance with Departmental and Agency policy. Employees are encouraged to participate in employee surveys to assist the organization in measuring organizational health, morale, and satisfaction.

Ensures 100 percent of workforce have successfully completed required training by assigned due dates and receive required orientation and security briefings in accordance with Department/Agency policy.

Accountability: Agency strategic/performance plans, corporate priorities, and other management systems are used to ensure subordinate employee’s performance plans are linked to outcomes and to overall organizational performance goals/objectives, and focus on results achieved. Ensures all ratable employees receive a progress (mid-year) review and a rating of record during the appraisal period, and that all employees are appraised realistically against clear, measureable standards of performance and within established time frames. Ensures subordinate managers and supervisors adhere to the Agency performance management policy with regard to performance appraisal and employee recognition. Data from employee feedback is used as an indicator of general satisfaction or needed improvement with regard to the planning, developing, monitoring, rating and rewarding of performance.

Maintains a positive organizational environment that fosters diversity, inclusion, innovation, initiative, open and honest communication, and teamwork among employees and peers. Within available resources, ensures employees have the tools and training to do their jobs.

Employee Perspective: Seeks employee feedback to identify needs and expectations and considers employee perspective when making decisions affecting workforce or programs.

Element Rating: *Instructions: Assign an element rating based on the descriptions in the Element and Rating of Record Guide.*

- Outstanding
- Superior
- Fully Successful
- Minimally Successful
- Unacceptable

**USDA Optional Program/Position-Specific Senior Level (SL) and Scientific or Professional (ST)
Critical Performance Elements and Standards**

In the space below, rating officials and the SL/ST employee may add up to two program/position-specific critical elements that the employee is expected to accomplish during the appraisal period. The total number of elements assigned should not exceed six elements, including the mandatory elements stated in the performance plan. Performance standards should be described in terms of specific results(s) with metrics, in terms of clear, credible measures (e.g., quality, timeliness and/or cost-effectiveness) of performance.

Element 5 – Name of Program/Position Specific (Optional/Critical)

Definition: (Briefly define what the element measures.)

Performance Standards:

This is one of two optional critical SL/ST performance elements. It is important to note that the element is critical, which means that an employee’s “Unacceptable” performance in the element, would result in an overall “Unacceptable” rating. Therefore, if a program/position-specific element is used, the duties and responsibilities should be important to the position. The performance standards in this element are expressed in terms of narrative expectations. Meeting the standards below constitute meeting the “Fully Successful” element level.

(Indicate performance standards here.)

Element Rating: *Instructions: Assign an element rating based on the descriptions in the Element and Rating of Record Guide.*

- Outstanding
- Superior
- Fully Successful
- Minimally Successful
- Unacceptable

Element 6 – Name of Program/Position Specific (Optional/Critical)

Definition: (Briefly define what the element measures.)

Performance Standards:

This is one of two optional critical SL/ST performance elements. It is important to note that the element is critical, which means that an executive’s “Unacceptable” performance in the element, would result in an overall “Unacceptable” rating. Therefore, if a program/position-specific element is used, the duties and responsibilities should be important to the position. The performance standards in this element are expressed in terms of narrative expectations. Meeting the standards below constitute meeting the “Fully Successful” element level.

(Indicate performance standards here.)

Element Rating: *Instructions: Assign an element rating based on the descriptions in the Element and Rating of Record Guide.*

- Outstanding
- Superior
- Fully Successful
- Minimally Successful
- Unacceptable

Notes Regarding New Template:

- Employee signature in “Plan Development” section proves consultation.
- Initial summary rating is a recommendation. Once it is completed by the Rating Official, the rated employee has the opportunity to provide additional information, including a rebuttal, before it goes to the Reviewing Official. The Reviewing Official and others up the chain will see both the recommended rating and the additional information (if any) provided by the rated employee.
- Rating Official, Reviewing Official, and Performance Review Board (PRB) all provide recommended rating of record, performance awards, base salary increase, and Presidential Rank Awards.
- To receive an “Outstanding” rating, the senior employee “achieves and completes all critical element standards in an exemplary manner.” This means that ALL measures under Mission Results and other critical elements are done in an exemplary manner.
- To receive a “Superior” rating, the senior employee “demonstrates consistently excellent performance, where the majority of element standards exceed the fully successful level.” The definition of “majority” is left to the discretion of the Rating Official, but should be established at the beginning of the performance period in consultation with the rated employee.
- At the fully successful level of performance, the senior employee “meets expectations and demonstrates sound and solid performance, where all critical element standards are completed in a satisfactory manner and the employee has performed effectively.”
- At the minimally satisfactory level of performance, the senior employee “only partially meets element standards for the fully successful level, and has been marginally effective”. As with the definition of “majority” above, the Rating Official has discretion to define “marginally”, but should do so at the beginning of the period in consultation with the rated employee.

Notes Regarding New Template:

- Mission Results critical element is the key driver of the overall rating. It's impossible to get a higher overall rating than what is given for Mission Results.
- Pay particular attention to the gray "Instructions Box" for each element. Look at the examples given to understand the types of standards that are required.
- Although Civil Rights has only two levels (fully successful/ unsuccessful) it is a stand-alone critical element intended to emphasize the importance of this area. With rare exceptions, there will be additional civil rights measures in "Mission Results".
- Some agencies or program senior employees have their own priorities for goals that merit special attention. Agencies and rating officials have the latitude for adding two additional elements. USDA strongly recommends developing a Homeland Security element for senior employees who have their responsibility in their programs. Only 2 additional elements are permitted. The overall limit on elements is 5 (6 is in a supervisory role) and the existence of the additional elements will not change the rating derivation formula that uses Mission Results to drive the rating.



Objectives

- Enhance the understanding of pay-for-performance systems and OPM certification requirements
- Introduce new USDA SL/ST performance appraisal system and template
- **Set the stage for effective performance management throughout USDA**



Leadership and Performance Management

- Performance management and measures drive performance
- Senior leader emphasis on performance management can lead to increased focus and performance

June 2010

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Tools exist to provide direction and focus, support individual development and growth, and help the organization achieve its goals. Yet it's not fully used.

What signal does it send to employees that we don't have the time to let them know what we expect of them and how well they're doing? It is a significant lost opportunity.



Leadership and Performance Management

Performance Management consists of two components:

- Clear Goals
- Good Feedback

These are fundamental leadership responsibilities



Goal Setting Improves Performance

- Combining feedback with goal setting is key to success
- Hard goals that employees accept increase persistence in achieving those goals

June 2010

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Performance planning means setting goals and expectations and determining what needs to be done to reach those goals. Consider the results of studies on goal setting as reported by Edwin A. Locke of the University of Maryland:

People who kept daily records of all the food they consumed but did not set goals to reduce food intake did not alter their eating habits. Only those who set specific goals in addition to keeping records lost weight.

People who were given feedback during performance appraisals performed no better than those who received no feedback. However, when goal setting took place as a follow on to the feedback, performance improved significantly.

People who were given specific, hard goals either outperformed people who were trying to do their best or else surpassed their own previous best performance. People who were given feedback on five different dimensions of their performance had goals assigned with respect to only one. Their performance improved significantly only on that one dimension for which the goal had been set.

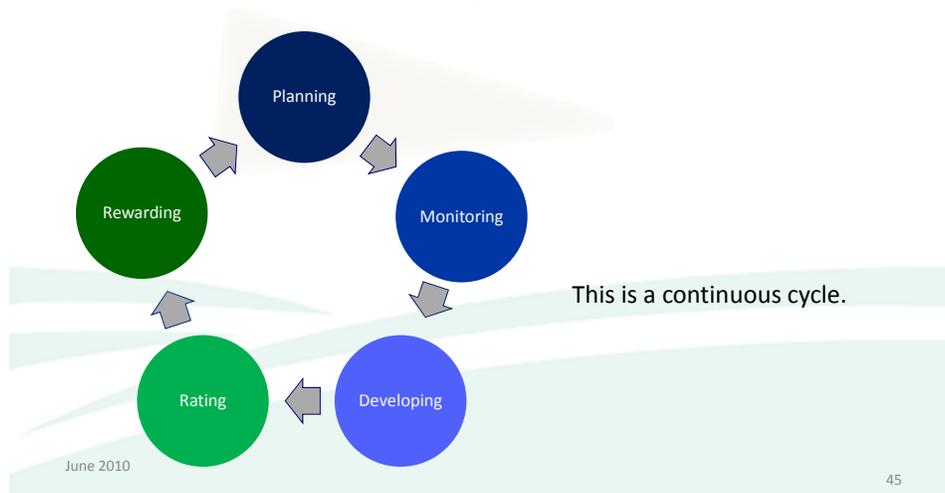
Study after study reveals that setting goals, measuring performance against those goals, providing feedback on goal achievement, and rewarding goal achievement improves performance significantly.

Goal setting improves performance through three major mechanisms:

1) Goals give people direction and focus their thoughts and actions; 2) Goals give people the ability to regulate their efforts in proportion to the difficulty level of the goal they have accepted; and 3) Hard goals that employees accept increase employee persistence at achieving the goals.



Five Stages of Performance Management



Planning-Align performance plans to organizational goals; focus on performance results; with employees in the development of their plans

Monitoring- Consistently measuring performance and providing ongoing feedback to employees on their progress toward reaching their goals. Be accountable to customers and stakeholders and place emphasis on employee satisfaction and engagement.

Developing-Increasing the capacity to perform through training, coaching, giving assignments that introduce new skills or higher levels of responsibility, improving work processes, or other methods. In an effective organization, employee development needs are evaluated and addressed.

Rating- Evaluating employee performance against the elements and standards in an employee's performance plan and assigning a summary rating of record. Ensure effective performance management is practiced within your organization, i.e. performance plans are in place, mid-year reviews and end of year ratings are completed.

Rewarding-Recognizing employees for their performance and acknowledging their contributions to the Agency's mission. A basic principle of effective management is that behavior is driven by consequences. Those consequences can and should be both formal and informal and positive and negative.



Planning Phase – Effective

- Performance plans completed in timely manner
- Specific and measurable goals
- Rated employee involved and engaged in crafting goals
- Clear understanding of how plan aligns to/supports agency goals and mission



Planning Phase – Ineffective

- Performance plans not completed
- Not measurable
- Goals don't follow SMART model
- Rated employee not involved in crafting goals
- No performance conversation about expectations and how plan aligns to/supports agency goals and mission



Monitoring Phase – Effective

- Provide real time, on-going performance feedback
- Progress against goals tracked
- Changing circumstances noted and incorporated into plan
- Regular supervisor/employee conversations on progress and setbacks
- Mid-year reviews completed on time



Monitoring Phase – Ineffective

- Little or no performance feedback
- No mechanism to measure progress against goals
- Changing circumstances ignored
- No on-going performance conversations – no mid-year review



Developing Phase – Effective

- Individual development plan created and followed
- Focused on increasing capacity of employee to perform
- Opportunities/new assignments given to increase skills
- Training/coaching/mentoring emphasized

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Developing Phase – Ineffective

- Little thought given to increasing capacity
- Over-emphasis on here and now/short range view
- May get the job done this year, but future effectiveness will be limited.
- Can create discontent amongst top performers

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Rating Phase – Effective

- Input sought from rated employee
- Evaluation done against requirements and in consideration of organizational assessment
- Able to differentiate levels of performance
- Sufficient data provided to support the rating
- Appraisals done consistent with agency/department direction
- Rating communicated clearly to employee with focus on performance against goals

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Rating Phase – Ineffective

- Appraisal done with little supporting documentation
- Not evaluated against established requirements
- “Drive-by” appraisal conversation with rated employee
- Untimely
- Not used as leadership tool to drive desired behavior

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Rewarding Phase – Effective

- Acknowledges contribution to Agency mission
- Shows positive consequences of focus on accomplishing performance requirements
- Rating of record completed on time, thus providing access to awards/etc



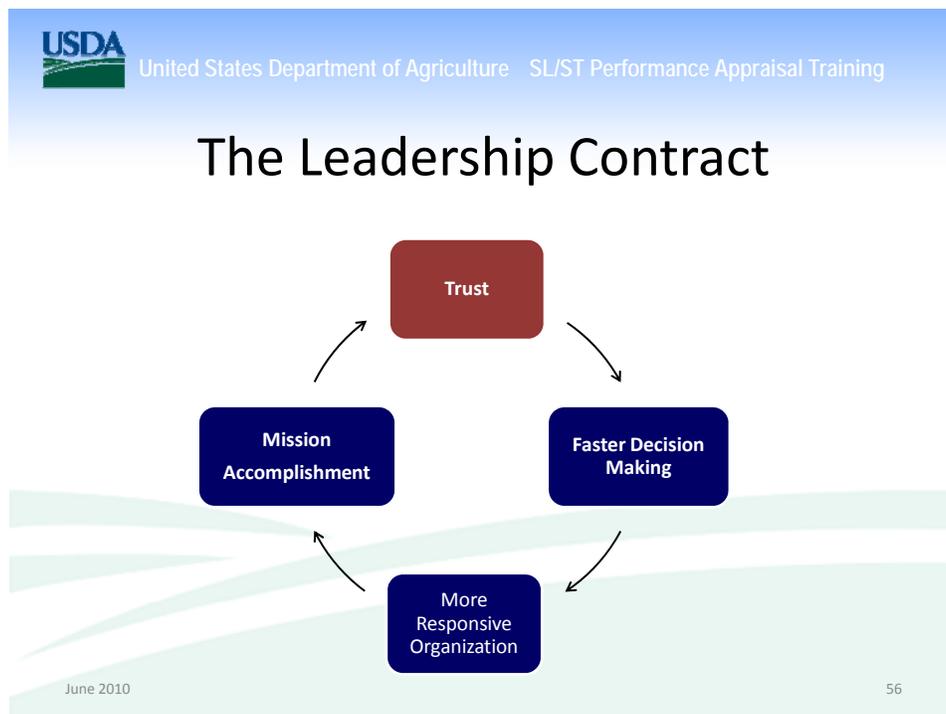
Rewarding Phase – Ineffective

- No apparent connection between rewards and performance requirements
- Rating of record not completed/completed late
- Employees who do not receive rating of record can be rendered ineligible for some rewards/recognition
- Significant negative impact on morale

The Leadership Contract

- Leaders trust that subordinates understand and will work hard to achieve organizational goals and meet performance plans
- Subordinates trust they'll be supported when exercising initiative in pursuing those goals

When this contract is in place, the following upward spiral can be achieved:



Performance Management, done well, is the tool by which the leadership contract is put in place. Involving senior leaders in the creation of performance plans, having on-going performance conversations throughout the period, and creating a communicative, collaborative approach to performance management is the key to success – improved organizational performance.



Workshop Closing

If you have questions about the new SL/ST performance appraisal system, please contact the following members of the Office of Human Resources Management:

- Helene Saylor Helene.Saylor@dm.usda.gov (202) 260-4378; or
- Anita Adkins Anita.Adkins@dm.usda.gov
(202) 720-8080
- Alberto Vega Alberto.Vega@dm.usda.gov
(202) 720-8335