

APPENDIX B

PAY FOR PERFORMANCE MANAGEMENT - PERFORMANCE EVALUATION

1. SETTING/IDENTIFYING OBJECTIVES, ELEMENTS and WEIGHTS:

a. Performance Objectives - Employees and supervisors will jointly develop performance objectives. These objectives will be based on and reflect the types of duties and responsibilities expected at the respective payband.

(1) The performance objectives, representing joint efforts between employees and their supervisory rating chains, should be in place within 30 days after the beginning of each rating period.

(2) Objectives may be modified during the rating period as necessary to reflect significant changes.

(3) Performance objectives are recorded on USAMRMC Form 70-R-E at Appendix E and become effective on the date the senior rater initials the form.

b. Performance Elements - Performance elements are generic attributes of job performance, such as technical competence, that an employee exhibits in performing job responsibilities and associated performance objectives. Each performance element is assigned a weight, in multiples of five, within a prescribed range. The total weight of all performance elements in a performance plan is 100 points. The supervisor, following a discussion with the employee assigns each element some portion of the 100 points in accordance with its importance for mission attainment. As a general rule, essentially identical positions will have the same critical elements and the same weights. These weights will be developed along with employee performance objectives and recorded on the reverse side of USAMRMC Form 70-R-E at Appendix E. All employees will be rated against at least the five generic performance elements listed (1)-(5) below. All of these elements are critical. In case of disagreements, the decision of the rater will prevail. Only those employees whose duties require manager/leader responsibilities will be rated on critical element (6). Supervisors will be rated against an additional critical performance element, listed at (7) below:

(1) **Technical Competence** - Exhibits and maintains current technical knowledge, skills, and abilities to produce timely, quality work with the appropriate level of supervision. Makes technically sound decisions and recommendations that add value to mission priorities and needs. For appropriate career paths, seeks and accepts developmental and/or special assignments. Adaptive to technological change. (Weight range: 15 to 50)

(2) **Working Relationships** - Accepts personal responsibility for assigned tasks. Considerate of others' views and open to compromise on areas of difference, if allowed by technology, scope, budget, and direction. Exercises tact and diplomacy and maintains effective relationships, particularly in immediate work environment and team situations. Always willing to give assistance. Shows appropriate respect and courtesy. (Weight range: 5 to 15)

(3) **Communications** - Provides or exchanges oral/written ideas and information in a manner that is timely, accurate and cogent. Listens effectively so that resultant actions show understanding of what was said. Coordinates so that all relevant individuals and functions are included in, and informed of, decisions and actions. (Weight range: 5 to 15)

(4) **Resource Management** - Meets schedules and deadlines, accomplishes work in order of priority; generates and accepts ideas and methods for increasing work efficiency; effectively utilizes and properly controls available resources; supports organizational resource development and conservation goals. (Weight range: 15 to 50)

(5) **Customer Relations** - Demonstrates care for customers through respectful, courteous, reliable and conscientious actions. Seeks and develops solid working relationships with customers to identify their needs, quantifies those needs, and develops practical solutions. Keeps customer informed and prevents surprises. Within the scope of job responsibility, seeks out and develops new programs and reimbursable customer work. (Weight range: 10 to 50)

(6) **Management/Leadership** - Actively furthers the mission of the organization. As appropriate, participates in the development and implementation of strategic and operational plans of the organization. Develops and implements tactical plans. Exercises leadership skills within the environment. Mentors junior personnel in career development, technical competence, and interpersonal skills. Exercises due responsibility to oversee technical acquisition/organizational positions assigned to them. (Weight range: 0 to 50)

(7) **Supervision/EEO** - Works toward recruiting, developing motivating, and retaining quality team members; takes timely/appropriate actions, applies EEO/merit principles; communication mission and organizational goals; by example, creates a positive safe, and challenging work environment; distributes work and empowers team members. (Weight range: 15 to 50)

c. Mid-Year Review - A mid-year review between a supervisor and an employee will be held to determine whether objectives are being met and whether performance objectives should be modified to reflect changes in planning, workload, and resource allocation. Additional reviews may be held as deemed necessary by the supervisor. The weights assigned to performance elements may be changed, as necessary. If the supervisor determines that an employee is not performing at an acceptable level on one or more elements, the supervisor must notify the employee and document the problem(s). The feedback will be provided at any time during the rating cycle. Verification that the mid-year review has taken place is documented by the rater and ratee by initialing on the reverse side of USAMRMC Form 70-R-E at Appendix E.

d. Performance Appraisals

(1) A performance appraisal is scheduled for the final weeks of the annual performance cycle, although an individual performance appraisal may be conducted at any time after 60 days on approved objectives. The performance appraisal process brings supervisors and employees together for formal discussions on performance and results in (1) written appraisals, (2) performance ratings, (3) performance pay increases and/or bonuses, (4) cash awards, and (5) other individual performance-related actions, as appropriate. A performance appraisal will consist of two meetings held between employee and supervisor: the performance review meeting and the evaluation feedback meeting.

(2) Employees will provide information (list of accomplishments) to the supervisor for consideration prior to the performance review meeting. Supervisors will consider the employee's input and may also consider input from any other appropriate sources (i.e., co-workers, contractors, etc.).

e. Performance Review Meeting between Employee and Supervisor - The purpose of the review meeting is to discuss job performance and accomplishments. Supervisors will not assign performance scores or performance ratings at this meeting. The supervisor notifies the employee of the review meeting in time to allow the employee to prepare a list of accomplishments. Employees will be given an opportunity at the meeting to give a personal performance assessment and describe accomplishments. The supervisor and employee will discuss job performance and accomplishments in relation to the performance elements, objectives, and planned activities.

(1) Based on information collected at performance review meeting, the rater designates a rating for each performance element. Selection of the weighted points to assign to an employee's performance is assisted by use of the benchmark performance standards provided in Appendix F. A performance appraisal with overall performance rating assigned will be completed and recorded on the USAMRMC Form 71-R-E at Appendix E after the performance review meeting.

(2) The overall score is the sum of individual element scores. Employees will receive an assigned rating of "A", "B", "C" or "F" depending upon the quality of goal attainment. These summary ratings are representative of the Pattern E in Summary Level Chart found in CFR 430.208(d)(1). This rating will become the rating of record, and

(a) Employees rated "B" or higher will be eligible to receive performance-based pay increases and/or bonuses; and

(b) Retention years credit for RIF will be received by employees rated "A," "B," or "C."

(c) Employees rated "F" will not receive the General Increase, retention years credit for RIF, or be eligible to receive performance-based pay increases and/or bonuses.

A rating of "A" will be assigned for cumulative scores 85 to 100 points, "B" for cumulative scores of 70 through 84, "C" for cumulative scores of 50 through 69. An overall rating of "F" indicates failure to perform at the 50 percent level of any one of the assigned weighted elements. (In such a case, even though the cumulative score may exceed 49, the employee will nonetheless receive an overall rating of "F". NOTE: An "F" constitutes an unacceptable rating).

SUMMARY LEVEL

	1	2	3	4	5
OPM Pattern E	X		X	X	X
MRMC Plan	F		C	B	A
Point Range	0-49 points or a score of less than 50% on any element		50-69 points	70-84 points	85-100 points

f. Evaluation Feedback Meeting between Employee and Supervisor - In this meeting between employee and supervisor, the supervisor informs the employee of management's appraisal of the employee's performance, the employee's performance score and alpha rating. During this second meeting, the supervisor and employee will discuss and document performance objectives for the next rating period.

g. Minimum Rating Period - The minimum rating period is 60 days. Employees cannot be rated until they perform under approved performance objectives and weighted performance elements for a minimum of 60 days.

h. Annual Rating Periods

(1) The rating period for the first year of the demonstration project extends from 7 June 1998 through 30 June 1999. All other rating periods extend over a 12-month period, beginning 1 July and ending 30 June of the subsequent year.

(2) Interns are appraised in accordance with this plan. Mid-year in the rating cycle for each year of their internship, they will be given a special performance appraisal for the purpose of determining their eligibility for a pay adjustment/ promotion in accordance with their Intern Plan.

(3) Employees who move into a different position within the demonstration project with less than 60 days prior to the end of the rating period will be rated at the time of their move based upon their performance in the old position. Employees who leave their positions to accept other Federal positions after completing at least 60 days under approved objectives and performance elements will receive special appraisals to provide their gaining supervisors.

(4) Newly hired employees with less than 60 days from the end of the rating period will not be rated that year but will receive the full amount of any General Increase and locality payment. Neither will a percentage of their base pay be put into the pay pool for that year.

(5) Raters who leave their position will prepare special ratings for all employees under their supervision who have been under approved objectives and performance elements for at least 60 days. The rater will prepare an annual rating when the employee has been covered by approved objectives for 60 days and 59 days or less remain in the current rating cycle.

(6) Senior raters who leave their position will pass the appraisal to the next senior rater, who will re-initial the plan. Closeouts are only required as described in (5) above.

i. Official Rating Chain - Each employee will have an identified rating chain consisting of at least a rater and a senior rater.

j. Special Requirements

(1) Ratings for Temporary Promotions and Details. Temporary promotions and details for 60 days or more require performance objectives and weighted performance elements and normally are documented by special appraisals. Information provided in the special appraisal should be considered in preparing the annual appraisal. Employees detailed or promoted for more than 60 days to a non-PDP activity will be placed on performance objectives using the PDP prescribed forms.

(a) The exception to preparing a special rating involves temporary promotions which are ongoing at the end of the employee's annual rating period. A temporarily promoted employee officially occupies the position to which promoted. Therefore, if the employee's scheduled annual rating period ends while on a temporary promotion which has lasted at least 60 days and the employee has performed under approved performance objectives and weighted performance elements for at least 60 days, the supervisor of the position to which the employee was temporarily promoted prepares the annual appraisal. Employees temporarily promoted for more than 60 days at the time of annual appraisal, will have their performance payout generated from the paypool to which officially assigned (promoted).

(b) Conversely, an employee who is detailed continues to occupy the position from which detailed for official purposes. Thus, the supervisor of the detailed position prepares a special appraisal if the employee's annual rating period ends during the detail. The supervisor for the position from which the employee is detailed may either attach the special appraisal to the annual appraisal he/she prepares or, if the detail lasted for most of the rating period, adopt the special appraisal as the annual appraisal. Employees detailed for more than 60 days at the time of the annual appraisal, will have their performance payout generated from the paypool to which officially assigned (not the paypool to which detailed).

(2) Long-Term Training - Long-term training (LTT) falls into two categories: classroom and developmental (on the job) training:

(a) LTT Developmental Assignments should be treated as any other temporary assignment that continues for 120 days or more. Performance objectives and weighted performance elements are established and the employee receives a special or an annual rating upon completion.

(b) LTT Classroom. If the training covers most or all of the rating period, two options exist:

- Render a rating for the classroom LTT. The supervisor and employee establish written performance objectives and weighted performance elements for the classroom LTT, based upon study objectives either developed locally or set forth by the education institution, the employee may be rated for the school period. Such ratings should be carefully rendered to meet current evaluation requirements, especially since the rating chain will have no opportunity to observe the individual's performance and must depend on information provided by the educational institution.

- Render a rating as soon as the employee returns to the position and completes 60 days under performance objectives and weighted performance elements. The employee receives an annual rating based on performance during the extended minimum rating period.

(3) Reconsideration Process - Employees who are dissatisfied with their performance appraisals and cannot resolve the problem informally may request formal reconsideration. The formal request for reconsideration should be submitted in the form of a grievance, first to the rater, then to the senior rater, then to the Commander/Director, and finally to the PMB, if necessary. Other existing grievance and appeal procedures may be used as necessary.

(4) Performance Which Fails to Meet Expectations - The MRMC demo plan has a two-step process to deal with poor performers. This process may lead to involuntary separations if the employee is determined to be performing below the 50 percent level for one or more elements.

The process will begin with the recognition that an employee's performance is unacceptable (any element that would be rated less than the 50 percent level of its assigned benchmark weight). The two steps are as follows:

(a) Performance Improvement Plan (PIP) - when the employee is determined to be performing below the 50 percent level for any element, the supervisor and employee will develop a structured PIP that will be monitored for a reasonable period of time. If the employee fails to improve during this period under the structured plan, the activity may consider a change in assignment or reduction in pay as opposed to removal if the mission, organizational structure and available resources warrant such action. The employee will be given notice of proposed appropriate action.

- When a PIP ends prior to the end of the annual performance cycle and the employee's performance improves to the 50 percent or above level in all assigned level elements, the employee is appraised again at the end of the annual performance cycle.

- When, in conjunction with the completion of the PIP, the employee attains an annual rating of "C" or higher, they will receive the annual general increase and RIF retention years credit will be earned. In addition, employees attaining an annual rating of "B" or higher will also be eligible for an increase to base pay and/or bonuses.

- When a PIP ends after the end of the annual performance cycle and the employee's performance has improved to the 50 percent or above level in all assigned elements, employment continues but no retroactive annual general increase, performance bonus, or RIF retention years credit is granted for that performance cycle period.

- Employees who receive an "F" rating who are on a performance improvement plan at the time pay determinations are made do not receive performance payouts or the general increase. This action may result in a base salary that is identified in a lower payband. This occurs because the minimum rates of basic pay in a payband increase as the result of general increase (5 U.S.C. 5303). This situation, (a reduction in band level with no reduction in pay) will not be considered an adverse action, nor will payband retention provisions apply.

NOTE: Performance-based adverse actions may be taken under 5 U.S.C., Chapter 75, or Chapter 43. Actions taken under Chapter 75 do not require a PIP.

(b) Separation - If employees are separated, they will have due process recourse as a former employee.

- A decision to remove an employee for unacceptable performance may be based only on those instances of unacceptable performance that occurred during the opportunity period, or within a one-year period, ending on the date of the notice of the proposed removal action. The notice of decision will specify the instances of unacceptable performance on which the action is based and will be given to the employee at or before the time the action will be effective.

- All relevant documentation concerning an action taken for unacceptable performance will be made available for review by the affected employee and/or designated representative. At a minimum, the documentation will consist of a copy of the notice of proposed action; the employee's written reply, if provided, or a summary if the employee makes an oral reply. Additionally, the record will contain the written notice of decision and the reasons thereof, along with any supporting material including documentation regarding the opportunity afforded the employee to demonstrate improved performance. An employee who sustains performance at a level at least equal to a level C rating for one year, will have all relevant documentation removed from the record.

(5) Inability to Rate - When annual ratings cannot be prepared at the end of the scheduled rating period (e.g. extended LWOP, military leave), rating periods are extended for the time necessary to meet the minimum 60-day requirement, at which time the annual ratings are prepared. If a rating cannot be accomplished by use of the 60-day extension, no rating will be given for the current rating cycle.