

PERFORMANCE APPRAISAL	
KEY ELEMENTS	SUGGESTED PERFORMANCE INDICATORS
<p><i>The agency has a performance appraisal system that:</i></p> <ul style="list-style-type: none"> • Aligns employee performance plans with organizational goals • Focuses employees on achieving results • Requires employee performance plans to include clear performance elements (expectations) with measurable standards of performance 	<p><u>Effectiveness Indicators</u></p> <ul style="list-style-type: none"> • Work units have documented performance goals and objectives linked to the agency strategic plan and performance plan. • Performance elements (expectations) for employees are: <ul style="list-style-type: none"> – Aligned with organizational goals – Clear, specific, and understandable – Reasonable and attainable – Measurable, observable, or verifiable, and results oriented – Communicated in a timely fashion – Key in fostering continual improvement in productivity. <p><u>Compliance Indicators</u></p> <ul style="list-style-type: none"> • Agency managers plan and communicate performance elements (expectations) and standards linked with strategic planning initiatives in accordance with the Executive Performance and Accountability Interim Rule (5 CFR 430 and 1330) or applicable agency directives. • In accordance with 5 CFR 430 subparts b and c, performance plans must: <ul style="list-style-type: none"> – Be issued at the beginning of the appraisal period – Include at least one critical element – For SES, must include balanced measures of business results, employee, and customer perspectives.

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	<ul style="list-style-type: none"> • Senior employee ratings (as well as subordinate employees' expectations and ratings for those with supervisory responsibilities) appropriately reflect the employee's performance elements (performance expectations), relevant program performance measures, and any other relevant factors in accordance with the Executive Performance and Accountability Interim Rule (5 CFR 430 or applicable agency directives and 1330). • As stated in 5 CFR 430 or applicable agency directives, the agency has established employee performance plans, including, but not limited to, critical elements and performance standards.
<ul style="list-style-type: none"> • Makes meaningful distinctions in levels of performance 	<p><u>Effectiveness Indicators</u></p> <ul style="list-style-type: none"> • The agency performance appraisal system for senior executive and senior professional employees provides for meaningful distinctions based on relative performance. These systems include multiple levels against which to appraise employees. The rating levels identified are appropriate to the employees covered by the system (e.g., four or five levels for systems certified by the Office of Personnel Management (OPM) covering Senior Executive Service (SES) employees. • Agency performance appraisal systems <i>for other than</i> senior executive and senior professional employees provide for adequately distinguishing between levels of performance (i.e., include multiple performance levels against which to appraise employees, with at least one summary rating level above "Fully Successful"). A review of performance plans indicates performance standards are clear and understandable and are an effective tool

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	<p>for distinguishing between levels of performance.</p> <ul style="list-style-type: none"> • A high number of outstanding performance ratings or large cash awards is supported by achievement of strategic goals and objectives and/or program goals as reflected in the agency's annual performance report. <p><u>Compliance Indicators</u></p> <ul style="list-style-type: none"> • Performance information is used to adjust pay or reward, reassign, develop, and remove senior executives or make other personnel decisions in accordance with 5 CFR 430.304; and for all other employees in accordance with 5 CFR 430 or applicable agency directives. • To satisfy the requirements of the Executive Performance and Accountability Interim Rule (5 CFR 430 and 1330 or applicable agency directives), the agency's certified performance appraisal system for senior employees provides for performance differentiation so its annual ratings, pay adjustments, and awards result in meaningful distinctions based on relative performance.
<ul style="list-style-type: none"> • Provides a process for dealing with poor performance 	<p><u>Effectiveness Indicators</u></p> <ul style="list-style-type: none"> • Policies and procedures, including delegation of authority, for addressing poor performance have been developed and communicated to supervisors. • Analysis is performed to identify the cause of any organizational or individual performance shortfalls, and appropriate performance improvement strategies are identified and implemented.

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	<p><u>Compliance Indicators</u></p> <ul style="list-style-type: none"> • Managers and supervisors receive training in the appropriate use of performance improvement strategies (e.g., coaching, mentoring, training, reassignment, providing effective feedback) in accordance with the Federal Workforce Flexibility Act. • Supervisors affirmatively assist, evaluate, and, if appropriate, separate probationary employees during their probation period in accordance with 5 CFR 315. • Managers and supervisors take appropriate action (e.g., downgrade, within-grade increase denial, reassignment, removal) in cases of minimally successful or unsatisfactory performance where performance improvement strategies are not successful, in accordance with 5 CFR 432, 752, and 531.
<ul style="list-style-type: none"> • Involves employees in the development of their performance plans • Requires employees receive feedback on their performance 	<p><u>Effectiveness Indicator</u></p> <ul style="list-style-type: none"> • The agency performance appraisal system encourages employee participation in establishing performance plans. <p><u>Compliance Indicators</u></p> <ul style="list-style-type: none"> • Employees are covered by recorded performance plans, which are communicated to employees at the beginning of each appraisal period. Plans include critical elements and performance standards, in accordance with 5 CFR 430 or applicable agency directives. • Employee performance is monitored by the supervisor and discussed with the employee on an ongoing basis during the designated appraisal period, with one or more progress reviews conducted and documented, in accordance with 5 CFR 430 or applicable agency directives.

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	<ul style="list-style-type: none"> • Employees are given ratings of record at the end of each appraisal period and/or at other appropriate times during the appraisal period in accordance with 5 CFR 430 or applicable agency directives. • The agency encourages employee participation in establishing performance plans as stated in 5 CFR 430.206 or applicable agency directives.
<ul style="list-style-type: none"> • Provides for training to executives, managers, and supervisors to ensure they have the knowledge, skills, and abilities to effectively manage performance • Holds executives, managers, and supervisors accountable in their performance plans for the rigorous appraisal of their subordinates 	<p><u>Effectiveness Indicators</u></p> <ul style="list-style-type: none"> • Performance elements (performance expectations) for senior executives, managers, and supervisors are: <ul style="list-style-type: none"> – Aligned with organizational goals – Clear, specific, and understandable – Reasonable and attainable – Measurable, observable, or verifiable, and results oriented – Balanced between expected results and other indicators such as leadership behaviors and employee and stakeholder feedback – Communicated in a timely fashion – Key in fostering continual improvement in productivity. • All supervisors, managers, and executives receive training on performance management and coaching/feedback techniques. • Sources of data (e.g., Federal Human Capital Survey, upward feedback, multi-rater assessment) indicate supervisors, managers, and executives demonstrate effective performance management and coaching/feedback skills.

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	<ul style="list-style-type: none"> • Reviews of performance plans for all levels of the agency indicate supervisors, managers, and executives are held accountable for the performance management of their subordinates. <p><u>Compliance Indicator</u></p> <ul style="list-style-type: none"> • The agency has established and implemented a specific training program for managers in accordance with the Federal Workforce Flexibility Act that provides training on actions, options, and strategies a manager may use in: <ul style="list-style-type: none"> – Communicating with employees whose performance is unacceptable – Mentoring employees and improving employee performance and productivity.
<ul style="list-style-type: none"> • Establishes a process for periodically evaluating the effectiveness of the appraisal system so the agency can use the evaluation data to improve the system. 	<p><u>Effectiveness Indicators</u></p> <ul style="list-style-type: none"> • The agency regularly tracks performance and reports results. • Survey results and/or interviews indicate employees understand their performance elements (performance expectations), consider them to be fair, and understand how their efforts contribute to mission accomplishment. • Workforce survey results indicate employees perceive a linkage between high performance and recognition and awards. Employees also believe creativity and innovation are rewarded and their own performance evaluations properly reflect their level of performance. • Statistical data related to actions for poor performance (including separations for performance, number of removals and downgrades, and number of denials of within-grade increases) indicate these remedies are being used appropriately. • Statistical data for performance ratings and awards, in the context of an empirical review of

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	<p>the performance decision-making process, show appropriate distribution and meaningful distinctions.</p> <p><u>Compliance Indicator</u></p> <ul style="list-style-type: none"> • The agency's performance appraisal system(s) and program(s) are evaluated in accordance with 5 CFR 430 or applicable agency directives.