CHAPTER I

PERFORMANCE MANAGEMENT SYSTEM FOR MANAGERS AND SUPERVISORS

1. OBJECTIVE. To establish requirements and responsibilities for the administration and operation of a performance management system for managers and supervisors including performance appraisals, performance-related recognition and other actions related to performance management.

2. APPLICABILITY.

   a. DOE Elements. This system applies to all Department of Energy (DOE) and National Nuclear Security Administration (NNSA) managers and supervisors as indicated below:

      (1) employees who meet the General Schedule Supervisory Guide (GSSG) definition of manager and supervisor and who are grade or salary levels below Senior Executive Service; or

      (2) employees who meet the General Schedule Supervisory Guide (GSSG) definition of manager and supervisor and who are appointed to the excepted service at Pay Band V and below (i.e., EJ, EK, and EN appointments); or

      (3) at the discretion of individual Elements, those employees who meet the DOE application of the term "limited" supervisor."

   b. Exclusions.

      (1) Any DOE/NNSA employee who does not meet the GSSG definition of "supervisor," or, if determined by the Element, the DOE application of the term "limited supervisor."

      (2) Contractors. This chapter does not apply to DOE contractors or contract employees.

      (3) Bargaining unit employees as defined by Title 5, United States Code, section 7103.

3. GENERAL PROGRAM REQUIREMENTS.

a. Each DOE Element shall establish a Performance Management System for Managers and Supervisors that, in addition to the requirements listed in DOE O 331.1B., EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM:

(1) ensures managerial accountability for the accomplishment of organizational goals and strategic plans.

(2) results in performance ratings that can clearly identify managers and supervisors who significantly exceed performance expectations as well as managers and supervisors who need assistance and/or corrective action as a result of overall performance that is below the Meets Expectations level.

(3) rewards managers and supervisors that significantly exceed performance expectations with monetary recognition commensurate with their performance ratings.

(4) conforms to the requirements of this chapter, including Appendix, and DOE O 331.1B unless superceded by this chapter.

b. Elements that have received approval of their performance management programs in response to the requirements of DOE O 331.1B and that conform to the requirements of this chapter, including its appendices, may proceed with their program without further approval. Elements that wish to be granted exceptions to specific requirements must submit performance management program plans to the Director of Human Resources (or for NNSA Elements, the Administrator or his/her designee) for approval prior to the implementation of any new or revised performance management program. The request for exception must delineate specifically how the program plans would meet the policy objectives of items 3.a.(1) - (3) of this chapter.

4. PERFORMANCE APPRAISAL PLAN REQUIREMENTS

a. Performance appraisal plans:

All managerial and supervisory performance appraisal plans will:

(1) contain a maximum of two elements, both of which are critical elements: one critical element that addresses individual performance on key programmatic accomplishments and corresponding sub-elements; and one critical element that addresses clusters of managerial attributes that each employee should demonstrate.

(2) specify four performance levels to be used in assessing performance on the two critical elements. The following terms, Significantly Exceeds

Expectations, Meets Expectations, Needs Improvement, and Fails to Meet Expectations will be used throughout this chapter. Local terminology may be substituted but the performance levels described must be equivalent to these terms.

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(3) contain four summary levels. The following terms, Significantly Exceeds Expectations, Meets Expectations, Needs Improvement, and Fails to Meet Expectations will be used throughout this chapter. Elements may modify this terminology but the levels that they represent must conform to the requirements of Title 5, Code of Federal Regulations, section 430.208, Pattern F.

(4) have performance standards established at the Meets Expectations level for both critical elements.

(5) be reviewed by one level higher than the rating official.

(6) be recorded on the form attached as an Appendix to this chapter.

b. Critical Elements.

All managerial and supervisory performance plans will be comprised of two critical elements, addressing the subjects of Program Accomplishments and Management. The titles of critical elements may differ according to local parameters.

(1) Critical Element I: Program Accomplishments - This element will:

(a) be directly linked to the supervisor's organizational strategic plan and, as appropriate, the performance plan of the supervisor's rating and reviewing officials.

(b) consist of between two and five critical sub-elements, each sub-element describing a specific and measurable activity and/or work product.

(c) have sub-elements weighted equally.

(d) have the standard of performance for all sub-elements written at the Meets Expectations level.

(2) Critical Element II: Management - This element contains the personal behavioral attributes, grouped into five critical clusters, that contribute to successful performance as a supervisor or manager. The relevant attribute clusters are listed in the Supervisory/Managerial Performance Plan form in the Appendix.

(a) All clusters are to be used to the maximum extent.

(b) All clusters are to be weighted equally. The standard for performance at the Meets Expectations level is provided in the Appendix.

5. PERFORMANCE RATING REQUIREMENTS

a. The performance period will commence on the first day of each fiscal year and will end on the last day of each fiscal year.

b. Within 15 days of the end of the performance period, managers and supervisors will be rated in accordance with the instructions in Appendix B.

c. Performance ratings will be signed by a reviewing official at least one organizational level higher than the rating official.

6. PERFORMANCE AWARDS

a. Eligibility for Performance Awards:

(1) All supervisors and managers earning a summary performance rating of Significantly Exceeds Expectations must be paid a performance award.

(2) The granting of performance awards to managers and supervisors earning a summary performance rating of Meets Expectations is at the discretion of the Head of the Departmental Element or designated official. If a Departmental Element wishes to provide performance awards to some, but not all, managers and supervisors with summary ratings of Meets Expectations, the Element must establish a ranking of all supervisors and managers with Meets Expectations ratings and grant awards according to ranking. This requirement does not apply if a Departmental Element wishes to grant performance awards to all supervisors and managers with summary ratings of Meets Expectations.

(3) Managers and supervisors earning summary performance ratings of Needs Improvement or Fails To Meet Expectations are not eligible for performance awards.

(4) Managers and supervisors who have not been covered by this managerial/supervisory performance plan for the minimum appraisal period of 90 calendar days during the annual appraisal period are not eligible for performance awards.

b. Amounts of Performance Awards.

(1) A manager or supervisor earning a summary rating of Significantly Exceeds Expectations is entitled to a performance award of the higher amount of: 5% of base pay or an award twice the highest amount of a manager or supervisor who was rated Meets Expectations and is receiving an award within the Departmental Element.

(2) Elements have the discretion to pay up to 10% of base pay or $7,500, whichever is less, to managers or supervisors who are rated Significantly Exceeds Expectations.

7. RESPONSIBILITIES.

a. Director of Human Resources Management. Approves exceptions to the requirements for managerial and supervisory performance management program plans contained in this chapter for all Elements other than NNSA.

b. NNSA Administrator or Designee. Approves exceptions to the requirements for managerial and supervisory performance management program plans contained in this chapter for NNSA Elements.

c. Heads of Departmental Elements . Request exceptions to the responsible official named in 6. a. or b. above.

8. CONTACT. Questions concerning this chapter should be addressed to the Office of Personnel Policy, Programs and Assistance at (202) 586-8513.