



Performance Management Overview Fact Sheet August 2009

This Performance Management Overview Fact Sheet provides an overview of the three phases of the DCIPS performance management cycle. For more information on performance management and other DCIPS subjects, please visit the DCIPS web site at <http://dcips.dtic.mil>. You are encouraged to consult with your servicing Human Resources office for supplemental Component or local guidance.

General

DCIPS performance management has one primary purpose: to achieve organizational results and mission objectives through the effective management of individual and organizational performance. The DCIPS performance management system promotes a performance culture in which the performance and contributions of the workforce are recognized and rewarded more

accurately and fully. Performance is an ongoing process comprised of three phases – performance planning, managing performance throughout the evaluation period, and evaluating performance at the end of the performance evaluation period.



Performance Planning Phase

During the planning phase, generally October of each year, rating officials, with input from employees, develop performance plans. These plans include measurable performance objectives that describe **what** the employee is expected to achieve during the evaluation period. These objectives, combined with six standard performance elements that describe expectations regarding **how** the employee will achieve these results during the evaluation period, make up the performance plan.

In addition, individual development plans (IDPs) are created that identify the training and learning activities that employees and rating officials agree to focus on during the evaluation period to develop and enhance knowledge, skills, and abilities. The IDP is flexible and can be updated during the evaluation period in accordance with component policy.

Performance plans must be approved within 30 days of the beginning of the performance evaluation period or within 30 days of a new employee joining an organization.

Managing Performance Phase

Employees and rating officials work together to monitor performance. Frequent, ongoing communication ensures that the performance plan accurately reflects the major performance expectations, that there is a shared understanding about what is working, and that areas requiring additional or alternative attention are identified.

Along with ongoing monitoring activities, **a Mid-point Performance Review is required.** Typically, a Mid-point Performance Review occurs midway through the evaluation period. During this activity, employees and rating officials should have a conversation regarding the employee's performance to date, document the conversation, and make adjustments to the performance plan, if necessary. This discussion is conducted ideally through a face-to-face meeting, however, email, phone conversation, or other medium may be used when necessary. If performance objectives are changed, employees must have at least 90 days to accomplish the new performance objectives.

Evaluating Performance Phase

The evaluation phase begins with employees writing a Self-Report of Accomplishments. The report is completed within 15 days following the end of the evaluation period and submitted to rating officials. Organizations may set an earlier due date for a Self-Report of Accomplishments but if they do so, a method to account for performance in the final days of the evaluation period must be established.

Rating officials use the Self-Report of Accomplishments as one of the inputs for evaluating and rating performance.

Performance is rated as follows:

- First, employees are rated on what was accomplished. Performance against each objective is rated on a 5-point scale ranging from 1 (Unacceptable) to 5 (Outstanding).
- Second, the average of the performance objective ratings is calculated to produce the overall performance objective rating.
- Third, each performance element is rated using the 1 to 5 scale.
- Fourth, the average of the performance element ratings is calculated to produce the overall performance element rating.
- Finally, the evaluation of record is calculated by averaging the overall performance objective rating and the overall performance element rating. For the first evaluation period under DCIPS performance management, the weighting of performance objectives is 50 percent and the weighting of Performance Elements is 50 percent. This will change in the second evaluation period (2010) to a 60 percent weighting of performance objectives and a 40 percent weighting of performance elements to maintain alignment with revised ODNI policy.

The evaluation of record is reviewed by a higher level reviewing official (“reviewer”) to ensure accuracy of performance management within the subordinate organizations and units for which they are responsible.

Performance evaluations are then forwarded to a Performance Management (PM) Performance Review Authority (PRA) for final review to ensure the consistency of DCIPS performance management practices, and compliance with merit systems principles. The PM PRA’s review must be accomplished within 45 days of the end of the evaluation period. The evaluation is not final, and therefore not discussed with the employee, until after the PM PRA’s review is complete. Once the evaluation of record is finalized by the PM PRA, it is communicated to the employee, ideally through a face-to-face meeting, however, email, phone conversation, or other medium may be used when necessary. The final evaluation of record serves as primary performance input during the pay pool process.

Prohibition of Forced Distribution of Ratings

The DCIPS Performance Management Instruction (DoDI 1400.25-V2011) expressly prohibits forced, or predetermined, distribution of ratings. Forced distribution occurs when managers or supervisors assign performance ratings based on a pre-determined ratings distribution by percent of the population or number of employees. In forced distribution rating systems, employees’ rankings are forced into a predetermined (or expected) distribution, rather than through the evaluation of individual employee job performance assessed against rating criteria. An example of forced distribution is grouping employees into multiple segments, e.g., the top 20 percent, the middle 70 percent, and the bottom 10 percent, and assigning ratings based on those relative groupings.

Rating Official and Employee Responsibilities

Throughout the DCIPS performance management lifecycle, rating officials and employees have important roles. The chart below summarizes their responsibilities.

Performance Management Phases	Roles and Responsibilities	
	Rating Officials	Employees
Plan	<ul style="list-style-type: none"> ▪ Establish performance plans, including performance objectives. ▪ Communicate appropriate work behavior. ▪ Establish individual development plans (IDPs) including determining developmental needs. 	<ul style="list-style-type: none"> ▪ Participate in establishing the performance plan and setting performance objectives. ▪ Assess developmental needs and communicate these needs to the rating official.
Manage	<ul style="list-style-type: none"> ▪ Document observed employee accomplishments. ▪ Provide feedback and engage in ongoing meaningful dialogue. 	<ul style="list-style-type: none"> ▪ Perform to expectations. ▪ Monitor and document performance. ▪ Solicit feedback from rating official to remove performance obstacles.

	<ul style="list-style-type: none"> ▪ Conduct the required Mid-point Review. 	<ul style="list-style-type: none"> ▪ Participate in the required Mid-point Review.
Evaluate	<ul style="list-style-type: none"> ▪ Review employee's Self-Report of Accomplishment. ▪ Evaluate employee's performance and rate performance against objectives and elements. ▪ Forward ratings to reviewing official to finalize the evaluation of record. ▪ Discuss final evaluation of record with the employee after approval by the Performance Management PRA. 	<ul style="list-style-type: none"> ▪ Write the Self-Report of Accomplishments. ▪ Discuss the final evaluation of record and approaches to improve or increase performance with the rating official

Frequently Asked Questions

Q: When does the DCIPS performance evaluation period occur?

A: The standard performance evaluation period is 1 October through 30 September of each year.

Q: How are performance objectives established?

A: Employees are encouraged to propose their performance objectives and have an open dialogue with their rating officials as part of the performance planning process. Rating officials consider the draft performance objectives and discussions when setting the final objectives. The performance plan and individual development plan (IDP) are final when the rating official receives approval from the reviewing official and communicates the information to the employee. Performance elements, standards or work objectives cannot be grieved or appealed.

Q: Can Components develop a standard objective for employees in similar positions?

A: Components are encouraged to use objectives that are tailored to the unique responsibilities and assignments of individual employees and that provide the specific objectives that each is expected to accomplish. Employees and rating officials are encouraged to use *iSuccess*, an on-line application tool, to help develop effective performance objectives. *iSuccess* is a self-paced, interactive course that uses a step-by-step approach, as well as a “virtual coach” and “virtual employees” to teach employees how to write SMART performance objectives and self-assessments. *iSuccess* is available on the DCIPS web site (<http://dcips.dtic.mil>).

Q: Can I receive a rating of “Outstanding” even if my rating official does not rate me as a 5 on each performance objective and each performance element?

A: Yes. The overall rating is an average of the performance objective rating and the performance evaluation rating. An overall rating of 4.6 or higher results in an Evaluation of Record of “Outstanding.”

Q: What is the impact of an “Unacceptable” rating?

A: If an employee receives a rating of "1" on any performance objective, the overall evaluation of record is a rating of "Unacceptable." However, the rating official should complete the evaluation to document the employee's performance for the record. There is no entitlement to an annual increase (the DCIPS “floor”), local market supplement, performance-based base salary increase, or bonus if the overall evaluation of record is Unacceptable.

A rating of “1” on a performance element is averaged with all other performance elements to determine the rating for performance elements.

Q: How is feedback at the end of the year handled?

A: Feedback is an essential element in the DCIPS performance management process and helps make employees aware of how their performance is being evaluated. Meaningful dialogue throughout the evaluation period is encouraged and the required Mid-Point Performance Review is an excellent opportunity to reinforce employee strengths and correct weaknesses. After the appraisal has been approved by the reviewing official and Performance Management (PM) Performance Review Authority (PRA), the rating official discusses the final evaluation of record and performance for the year with the employee. The rating official should be prepared to discuss the employee's accomplishments, as well as any areas that may be deficient or need attention, and use their own written narrative to explain the logic behind the rating.

Q: Who provides oversight to the performance management process?

A: The Performance Management (PM) Performance Review Authority (PRA). Typically the PM PRA is a senior executive, senior employee, or board of executives within the chain of command of the employee. The PM PRA reviews and approves ratings at the end of the evaluation period for consistency across the organization.

Q: Why is forced distribution prohibited?

A; The DCIPS performance management system is designed to achieve organizational results and mission objectives through the effective management of individual and organizational performance. As such, individual performance is rated against performance objectives and performance elements established for each employee. Each employee's performance is rated by comparing the performance objectives and performance elements with what was accomplished. As part of the evaluation process, employee performance is not compared with other employees' performance; rather it is measured against a common set of standards to determine the appropriate rating for each performance objective and element. Forced distribution of ratings is expressly prohibited because it violates this performance management philosophy and is inconsistent with the underlying merit systems principles on which DCIPS is based.

Q: Once I move to the DCIPS pay-for-performance system, will I continue to be eligible for special act, on-the-spot, and time off awards?

A: Under DCIPS, the pay pool process serves as the primary mechanism for recognizing and rewarding employee performance. However, DCIPS policy on awards does provide for honorary and limited monetary awards outside of the pay pool process.