# PERFORMANCE PLANNING & EVALUATION PROGRAM (PEP)

**GUIDELINES & INSTRUCTIONS**

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| **STATEMENT OF PURPOSE** |

The PEP is intended to facilitate communication between employees and supervisors regarding expectations and job performance. The process offers employees and supervisors an opportunity to acknowledge the successes achieved over the year, and to openly discuss areas for enhancement and improvement. In cases of poor performance it is meant to compliment the disciplinary process by providing a means to assist employees to improve.

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| **OVERVIEW OF THE PEP PROGRAM** |

The PEP process involves three distinct phases, requiring employees and their supervisors to meet *at least* two times a year, based on the employee’s State entry-on-duty (EOD) date. The meetings occur at the:

**Beginning-of-cycle**, at which the employee and supervisor meet to discuss the employee’s status (*i.e.*, skilled or professional service, management service, executive service, special appointee, or political special appointee), review the Position Description form (MS-22 or PD) for accuracy, make changes to it if necessary, and talk about performance expectations for the coming year;

**Mid-cycle**, during which the supervisor and employee discuss the employee’s performance during the first six months of the PEP Cycle; and

**End-of-cycle**, during which the employee and supervisor review the employee’s performance for the entire rating year, determine whether there will be any specific tasks in addition to or outside of the normal duties to be performed during the next rating cycle, plan for necessary training, and generally review any comments contained on the rating instrument. The Beginning-of-cycle meeting and End-of-Cycle meeting may coincide after the first year of employment.

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| **THE POSITION DESCRIPTION FORM (MS-22)** |

One key to a successful PEP process is an accurate, detailed job description, which includes written position-specific performance standards that are:

Observable

Measurable

Objective

These position-specific performance standards should place the employee on notice as to what is required to be rated “Outstanding”, “Satisfactory”, and “Unsatisfactory”. Performance Standards should be reviewed in light of Part IV., Performance Standards, of the *Instructions for Completing Position Description* to ensure that they conform to the requirements.

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| **THE PEP INSTRUMENT** |

The PEP rating instrument contains an automatic tabulation feature, reducing the time spent calculating scores and decreasing the opportunity for errors.

The PEP instrument contains a field for noting the PEP Cycle. The supervisor should enter the beginning and ending dates of that PEP cycle.

The PEP Cycle will begin on either January 1 or July 1, depending on the employee’s State EOD date, and end one year later. For employees with an EOD date between January 1 and June 30, the PEP Cycle will begin on January 1. For those whose EOD date is between July 1 and December 31, the PEP Cycle will begin on July 1.

All employees will be evaluated twice annually during two common evaluation periods in June and December. Employees whose PEP Cycles begin on January 1 will receive their Mid-Cycle evaluation during the month of June, and will receive their End-of-Cycle rating during the month of December. Employees whose PEP Cycles begin on July 1 will receive their Mid-Cycle evaluation during the month of December, and will receive their End-of-Cycle rating during the month of June.

The PEP instrument also contains a field for noting the fiscal year (FY). The FY is determined by using the date on which the end-of-cycle rating occurs (*e.g.*, if the end-of-cycle is due between January 1 and June 30, 2010, the FY for the PEP is 2010; if the end-of-cycle is due between July 1 and December 31, 2010, the FY for the PEP is 2011).

Check boxes are provided to indicate the employee’s status as: Executive Service; Management Service; Special Appointment; or, Political Special Appointment. If the employee is employed in any of these capacities, the applicable status should be checked. The same status designation should be checked in the spaces provided over the employee’s signature to ensure that the employee is aware of the employee’s “at will” employment status.

There are three (3) versions of the form: one for supervisory employees; one for management employees; and, one for non-supervisory employees.

Each PEP instrument contains two rating areas: the first is used to rate the employee on how s/he has performed the specific job duties; the second is used to rate the employee on a uniform set of Behavioral Elements.

The behavioral elements for supervisors and managers are:

Work ethic

Teamwork

Communication

Customer service

Initiatives

Work performance

Supervision

Non-supervisory employees are rated on all of these elements **except** Supervision.

Each employee must be rated on both the Specific Job Duties and the Behavioral Elements sections of the PEP instrument at each End-of-Cycle rating and whenever the complete form is used for a Mid-Cycle evaluation.

The PEP instrument also contains a place to indicate tasks to be achieved during the next PEP Cycle, training recommendations, and comments by the supervisor and employee.

The scoring system includes three (3) ratings: Outstanding, Satisfactory, and Unsatisfactory. Numerical values have been assigned to three ratings so that an overall numerical average can be obtained; however, raters must keep in mind that the actual ratings are Outstanding, Satisfactory, and Unsatisfactory. As a result, assigned ratings with decimal portions, such as 1.7 or 2.5, are not allowed and are invalid. The following chart explains the numerical values and their meaning:

Numerical

Rating Rating Value Explanation

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| Outstanding | 3 | Exceptional performance. Achievements are clearly superior to the level of performance required for the job. |
| Satisfactory | 2 | Met the required and expected results for the job. Good performance, which is expected of a fully experienced or competent employee. |
| Unsatisfactory | 1 | Performance is unacceptable and shows no significant progress or improvement. Improvement is critical. |

Two added features at the end of the PEP instrument are an acknowledgment section just above the employee’s signature for employees in at-will positions similar to the check boxes at the beginning of the form, and a supervisor’s attestation of adherence to the Code of Fair Employment Practices.

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| **THE RATING PROCESS** |

**Beginning-of-Cycle Evaluation**

The employee’s first **beginning-of-cycle** meeting should take place as soon as possible after the employee begins working in a new position. This meeting provides an opportunity for the supervisor to notify the employee of his or her employment status, and to review with the employee his or her job duties, as described in the Position Description. During subsequent beginning-of-cycle meetings, the supervisor and employee will review the PD to ensure that it accurately reflects the employee’s actual duties, and to make any necessary changes. During this meeting, the employee and supervisor will also discuss performance expectations for the coming year. The supervisor should document in a working file the date that this meeting occurs.

**Mid-Cycle Evaluation**

The employee’s **mid-cycle** evaluation must occur during the next evaluation period. At that time, the supervisor and employee should meet to discuss the employee’s performance during the first half of the PEP Cycle. The primary goal of this meeting is to provide feedback on the employee’s performance and suggestions for improvement in areas where improvement might be needed.

If, in the supervisor’s opinion, the employee’s overall performance during this time has been Satisfactory or better, the supervisor need not complete a full evaluation using the PEP Instrument, but need only document in writing (*i.e.*: e-mail or memo to the employee with a copy to the personnel file) that the mid-cycle meeting occurred, and how the supervisor would rate the employee’s work during this time. Since this is a written document, the rating must be either: Outstanding or Satisfactory. The individual responsible for entering the rating into Workday can then enter the appropriate numerical equivalent. If this method is used, the supervisor need not complete the entire PEP instrument.

However, if, in the supervisor’s opinion, the employee’s performance overall, or on any individual Job Duty or Behavioral Element, was less than Satisfactory during this time, the supervisor shall complete the entire PEP Instrument, noting the rating for each Performance Standard and Behavioral Element, and explaining the reasons for any ratings other than Satisfactory in each category. During the discussion with the employee, particular attention should be paid to those areas of the employee’s performance that could be improved or are unsatisfactory. A performance improvement plan should be created to address areas of deficiency.

No disciplinary action is attached to the mid-cycle rating itself, and the mid-cycle rating is therefore not grievable; however, if the employee disagrees with the supervisor’s mid-cycle rating, the employee may, within five (5) days of receipt of the mid-cycle evaluation, submit to the employee’s appointing authority a written response to the rating, which shall be attached to the written mid-cycle evaluation. If for good cause the employee requests an extension within the first five (5) days, the supervisor may extend the response period for up to fifteen (15) days from the employee’s receipt of the mid-cycle evaluation.

**End-of-Cycle Evaluation**

The employee’s **end-of-cycle** evaluation must take place during the next evaluation period. The employee may, but is not required to, complete a self-assessment prior to the evaluation meeting for use in discussing the employee’s performance. If the employee completes a self-assessment, it should be discussed along with the supervisor’s assessment of the employee’s performance during the meeting. The supervisor must complete a full PEP instrument for each employee’s end-of-cycle evaluation, and submit it to the Agency’s personnel office once finalized. The Agency personnel office must report the final rating to DBM via Workday.

When evaluating the employee’s Performance of Job Duties, the supervisor may first assess the employee’s overall work quality; that is, taking into account the employee’s work in the area of each of the Job Duties, which are the Performance Standards outlined in the Position Description, how would the supervisor rate the employee’s work overall? If that rating is Satisfactory or Outstanding, and there are no Job Duties in which the employee’s work is less than Satisfactory, the supervisor need only enter that rating in the space for “Overall Work Quality.” The rating must be: Outstanding (3) or Satisfactory (2). No decimal or fractional numbers may be used. In such cases, no further ratings should be made in the “Performance of Job Duties” section, but the supervisor should still enter a descriptive title for each of the Performance Standards in the Job Duties spaces provided to make clear what elements are being rated. The supervisor should then proceed with rating the employee in the Behavioral Elements.

If, however, after taking into account the employee’s work in the area of each of the Performance Standards outlined in the Position Description, the supervisor would rate the employee’s overall work quality as below Satisfactory, or if the supervisor believes that the employee’s rating on any individual Job Duty would be Unsatisfactory, the supervisor should **not** enter a rating into the “Overall Work Quality” space. Instead, the supervisor should rate the employee on each of the position-specific Performance Standards in the PD by entering a descriptive title for each in the spaces provided for Job Duties below the “Overall Work Quality” space and assigning a rating for each in the column titled “End Cycle Rating.” If the employee has not performed work on a given Performance Standard for that rating period, the space should be left blank, and an explanation should be included in the Supervisor’s Comments. The supervisor should then proceed to rate the employee on the Behavioral Elements in the same manner.

The supervisor should also consider whether the employee will be required to perform any specific tasks in the next rating period that are in addition to or outside of the normal duties of the position. Any such tasks should be entered into the *Tasks to be Achieved* box. If there are no such tasks, the supervisor should write “None” in the box.

If the supervisor determines that based on the employee’s strengths and weaknesses training is needed for the next rating period, recommendations should be entered into the *Training Recommendations* box.

The *Supervisor’s Comments* box should be used by the supervisor to provide additional comments on the employee’s performance. In the event that the employee is rated Unsatisfactory or Outstanding on any individual Performance Standard or Behavioral Element, that Standard or Element must be noted in the Supervisor’s Comments along with a satisfactory explanation of why that rating is warranted. If additional space is needed, the supervisor should write “See attached” in the *Supervisor’s Comments* box and attach an additional sheet to continue the comments.

If the employee wishes, s/he may also make comments on the evaluation. These may be entered in the *Employee’s Comments* box, or “See attached” may be entered, and the employee’s comments in a separate document may be attached.

The employee and supervisor should sign and date the evaluation form in the appropriate section for either the Mid-Cycle or End-of-Cycle evaluation. If the employee is employed in one of the listed service categories, the applicable category should be checked.

Before submitting the finished evaluation, the supervisor should use the *Checklist for Completing and Reviewing PEPs,* which is available on the DBM website, to make sure that all of the required elements of the PEP have been properly completed. Once the review is complete, the supervisor should submit the completed PEP to the designated agency PEP coordinator.

At the rater’s discretion, an end-of-cycle evaluation of a supervisor or manager with more than five (5) assigned employees may include the results of an anonymous survey of those employees. Employees of supervisors with less than five (5) assigned employees shall be able to express their opinions and/or concerns regarding their supervisor by using the form designated for this purpose.

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| **COMMON RATING ERRORS** |

When formulating your ratings, keep in mind some common errors that raters make:

*Halo effect* – This occurs when the rater allows one or more positive aspects of an employee’s performance to influence the overall evaluation so that the employee’s ratings in each category generally are unjustifiably inflated.

*Horn effect* – When a rater allows a negative aspect of an employee’s performance to influence the overall evaluation so that the employee’s ratings in each category generally are underrated, the horn effect has impacted the rating process.

*Restriction of range* – This error occurs when the rater fails to use the entire range of scores on the rating scale. For example, the rater may consistently give “Outstanding” ratings regardless of actual performance (this is known as a “leniency” restriction of range error). A “severity” restriction of range error may occur when a rater commonly rates employees as needing improvement because of unrealistic standards. Another restriction of range error, known as a “central tendency” error, may occur when a rater gives all employees an average rating, due to a fear of singling out an outstanding or poor performer.

*Contrast error* – When the rater compares employees to one another, instead of applying the performance standards to the employee, a contrast error has occurred.

*Frame of reference error* – This error occurs when the rater compares the employee’s performance to the supervisor’s own personal standards for the job, instead of applying the actual performance standards to the employee.

*First impression error* – The rater permits an initial favorable or unfavorable judgment about the employee to color the rater’s perception about the employee’s performance, creating a first impression rating error.

*Recency error* – The supervisor evaluates the employee’s performance based on events that are close in time to the rating, rather than conducting an assessment that takes into account the events that occurred throughout the PEP Cycle.

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| **MONITORING PERFORMANCE AND GIVING FEEDBACK** |

The formal PEP process is not the only means for addressing performance deficiencies. The performance evaluation process is meant to provide employees with specific times for feedback as to their performance and guidance in improving it, but poor work performance should also be addressed as soon as it is noticed, both with feedback and assistance and through appropriate progressive discipline.

Deficiencies in performance should **not** be allowed to linger until the next formal PEP evaluation period. Instead, the supervisor should strive to provide periodic feedback and assistance to the employee **throughout** the rating cycle. This will increase the likelihood that the employee will be able to improve to a Satisfactory level prior to the conclusion of the PEP Cycle. If the employee’s performance shows no improvement, or remains inadequate after improvement, it should also be addressed through appropriate progressive discipline. In general, a rating of Unsatisfactory on an individual or overall rating should be supported by a history of appropriate progressive discipline imposed during the rating period. In no event should an employee’s performance-related problems be a “surprise” to the employee, either at the mid-cycle or end-of-cycle meetings.

All feedback and assistance should be documented, as appropriate, in written form to the employee or, at a minimum, in the supervisor’s working file. Communication, both oral and written, should be handled in a manner that emphasizes the positive, whenever possible.

Feedback should be given as close in time as possible to the relevant event, and should include disciplinary action when appropriate. In order to be effective, the feedback should identify the specific action or behavior that you are recognizing or trying to change and the means for improvement. The more detailed the feedback, the more likely that it will be effective.

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| **CONSEQUENCES OF POOR PERFORMANCE** |

Discipline for performance-related reasons may be imposed after the appointing authority or designee has:

Investigated the employee’s performance (including

reviewing the employee’s most recent PEPs);

Notified the employee of the deficiency in writing

of the specific instances of unacceptable

performance including the position-specific

performance standards or behavioral elements

involved in each specific instance of unacceptable

performance; and

Provided a description of the efforts made by the

employer to assist the employee in improving

performance.

The appointing authority or designee must meet with the employee to hear the employee’s explanation unless the employee is unwilling or unable to meet, and, after determining the appropriate discipline, give the employee written notice of the action being taken, the effective date of the action, and the employee’s appeal rights.

Remember: the appropriate time frames for imposing disciplinary action must be followed.

**Overall “Unsatisfactory” End-of-Cycle Rating**

If an employee is given an overall “Unsatisfactory” rating on an end-of-cycle appraisal, the employee’s supervisor shall inform the employee that the employee has 180 days to improve to the level of “Satisfactory.”

If an employee is rated overall “Unsatisfactory” on the end-of-cycle rating, the supervisor and employee must complete a Performance Improvement Plan to:

(1) identify the aspects of the employee’s performance

which are unacceptable (whether it is a **position-**

**specific performance element or a behavioral**

**element**);

(2) describe what the employer will do to assist the

employee and a description of what the employee

must do to improve during the 180-day

improvement period; and

(3) provide the date upon which the employer and

employee will meet to evaluate the employee’s

performance at the close of the 180-day

improvement period.

Remember to “check in” with the employee throughout this period, providing feedback on performance. Ideally, the supervisor should set a schedule for periodic meetings with the employee. Most importantly, the supervisor **must** meet with the employee 90 days into this 180-day improvement period. This is an opportunity to assess where the employee is in the process of improvement and to document deficiencies.

***Failure to meet standards at the end of the 180-day period shall result in the employee’s termination from State service***.

REMEMBER: TERMINATION DUE TO A FAILURE TO MEET STANDARDS AT THE END OF THE 180-DAY PERIOD MUST BE IMPOSED WITHIN 30 DAYS OF THE END OF THE 180-DAY PERIOD; THAT IS, WITHIN 210 DAYS OF THE ISSUANCE OF THE END-OF-CYCLE RATING THAT BEGAN THE 180-DAY PERIOD.

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| **AGENCY TRACKING AND REVIEW OF COMPLETED PERFORMANCE REVIEWS** |

Once the supervisor has completed the PEP, it must be reported to the appropriate person at the agency to process and log the overall rating into Workday.

All Executive Branch agencies are required to use the SPS to record performance evaluations and track evaluation activity. Agency Human Resources divisions should use the instructions in the SPS Help Center to run reports as needed to track completion rates of currently due performance evaluations, and take steps as necessary to ensure completion in a timely manner.

All performance evaluations should be reviewed by an agency HR professional to ensure that they have been properly completed and all requirements of the process have been met by the supervisor. A checklist has been developed for this purpose, which is available on the DBM website. The checklist should be used by supervisors to self-check their completed performance evaluations prior to submission. The HR professional responsible for reviewing submitted performance evaluations should also use the checklist to track their review and note any corrections that must be made by the supervisor.

Agencies shall ensure that their supervisors and managers are trained on the PEP process. Training is available online on the Hub and may be assigned to supervisors. Agencies may supplement the online training with in-person training. Agencies that wish to provide in-person training should contact DBM for PEP training materials and train-the-trainer sessions. Agencies that wish to modify the materials provided by DBM, or to develop their own PEP training materials, must have the materials evaluated and approved by DBM prior to use.

Agencies that provide in-person training shall use the Hub to record the training provided, including: the dates training was offered; and, which employees attended each training session. Agencies with access to reports in the Hub should run the report on *PEP Training Completion Status* at appropriate times to determine which supervisors require training, and provide training before the supervisor must complete the next PEP rating. DBM will complete periodic audits of PEP training completion, and will follow up with those agencies that are not ensuring that their supervisors and managers have completed their PEP training.