

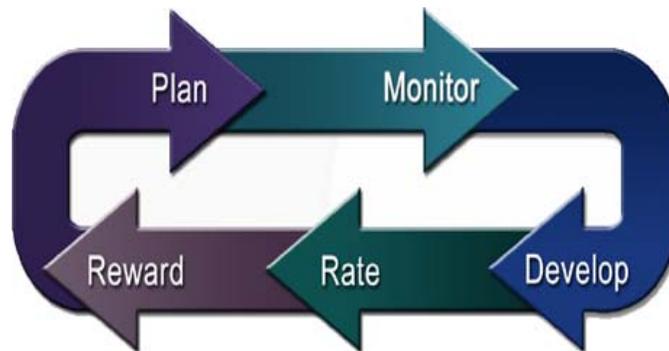


National Security Personnel System Performance Management Overview Fact Sheet October 2006

This Fact Sheet provides an overview of the five phases of the performance management system. For more information on performance management and other NSPS subjects, please visit the NSPS web site at <http://www.cpms.osd.mil/nsps>.

General

The NSPS 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 five phases – plan, monitor, develop, rate, and reward.



Plan Phase

During the plan phase of NSPS, supervisors, with input from employees, develop performance plans. These plans describe **what** the employee is expected to achieve (measurable job objectives) and **how** the employee will achieve these results (contributing factors) during the appraisal cycle.

Monitor Phase

Employees and supervisors work together to monitor performance. Frequent, ongoing communication ensures that there is a shared understanding about what is working and what is not, and that the performance plan accurately reflects the major performance expectations.

Along with ongoing monitoring activities, there is one required event – **an interim review**. Typically, an interim review occurs midway through the performance cycle. During this activity, employees and supervisors should have a conversation regarding the employee's performance to date, document the conversation, and make adjustments to the plans, if necessary.

Develop Phase

Developing performance is integrated into the performance management process. Along with meaningful performance-related discussions that help reinforce employee strengths and correct weaknesses, discussing developmental opportunities occurs during the develop phase.

Professional or technical development opportunities further enhance an employee's contribution to the organization's mission and assist with achieving career goals. Developmental opportunities may include training, mentoring, and coaching.

Rate Phase

Employee performance is rated based on two factors:

- First, the employee is rated on what was accomplished. Each job objective is rated between 1 and 5 using the "measuring stick" of the NSPS performance indicator appropriate to an employee's pay schedule and pay band.
- Second, the rating official determines how the contributing factors overall influenced the performance of the associated job objective and indicates whether it increases the job objective rating by a factor of 1, decreases the rating by a factor of 1, or has no effect (0).

Combining the job objective rating and contributing factor assessment (expressed as +1, 0, or -1) results in an adjusted rating for each job objective. The adjusted rating of each job objective is averaged to determine the recommended rating of record.

Reward Phase

During the reward phase, supervisors, based on the recommended rating of record, are responsible for recommending the following:

- Number of shares
- Payout distribution

This information is provided to pay pool panels responsible for reviewing the recommended ratings of record, share assignments, and payout distributions and making final determinations.

When the pay pool process is completed, supervisors are informed of the final rating and payout decisions. In turn, supervisors meet with employees to discuss the results.

The following table provides the share range and eligibility based on the rating of record.

Rewarding Performance

Rating of Record	Share Range	Eligible to receive.....
5 – Role Model	5 – 6	Base salary increase, bonus, or combination
4 – Exceeds expectations	3 – 4	Base salary increase, bonus, or combination
3 – Valued performer	1 – 2	Base salary increase, bonus, or combination
2 – Fair	0	No performance-based payout
1 – Unacceptable	0	No performance-based payout

Utilizing Automated Tools

To support supervisors and employees during the performance management phase of NSPS, the Department of Defense developed a set of online tools. The first of these tools - the **Performance Appraisal Application** - is now available to employees *who have already converted to NSPS*.

The Performance Appraisal Application facilitates the NSPS performance management and appraisal process for managers, supervisors, and employees – from establishing performance plans to assigning the recommended rating. The application also supports the mission of NSPS by providing an online venue for regular communication, where supervisors and employees can exchange ideas about work performance, document areas of growth, and share ideas before job objectives and work plans are finalized.

Employees *who have not yet converted to NSPS* may not access and utilize the Performance Appraisal Application at this time. However, everyone may view a web demonstration of the Performance Appraisal Application or read about how the new application works to assist the NSPS workforce.

To access the web demonstration, please visit our web site at <http://www.cpms.osd.mil/nsps>.

Employees who have already converted to NSPS and would like to access the Performance Appraisal Application should contact their servicing human resources office for assistance.

Manager/Supervisor and Employee Responsibilities

Throughout the NSPS performance management lifecycle, supervisors and employees have important roles. The chart below summarizes their responsibilities under each of the five phases.

Performance Management Phases	Functions	
	Manager/Supervisor	Employee
Plan	<p>Sets expectations, job objectives, and associated contributing factors.</p> <p>Communicates appropriate work behavior.</p> <p>Determines developmental needs.</p>	<p>Participates in establishing the performance plan and setting job objectives and contributing factors.</p> <p>Assesses developmental needs and communicates these needs to manager/supervisor.</p>
Monitor	<p>Documents observed employee accomplishments.</p> <p>Provides feedback, engages in ongoing meaningful dialogue, and conducts at least one interim review.</p>	<p>Performs to expectations.</p> <p>Monitors and documents performance.</p> <p>Solicits feedback and advises manager/supervisor of performance obstacles.</p> <p>Participates in interim review(s).</p>
Develop	<p>Works to improve employee performance through training, mentoring, and coaching.</p> <p>Determines if employee has appropriate tools to do the job; addresses shortfalls.</p>	<p>Continues to identify developmental needs and opportunities.</p> <p>Participates in developmental activities. Focuses on developing skills and abilities.</p>
Rate	<p>Evaluates employee performance and completes performance appraisal.</p> <p>Submits recommended rating and proposed number of shares and payout distribution to the pay pool manager.</p>	<p>Completes and submits self-assessment</p> <p>Discusses performance with manager/supervisor.</p> <p>Suggests improvements to increase performance.</p>
Reward	<p>Communicates final rating of record, number of shares, and payout distribution to employee.</p>	<p>Understands the link between demonstrated performance, its value to the organization, and compensation received.</p>