

PERFORMANCE MANAGEMENT SYSTEMS

- 1. REASON FOR ISSUE:** To revise Department of Veterans Affairs (VA) procedures regarding the performance management system.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** This handbook contains mandatory VA procedures on performance management. The pages in this issuance replace the corresponding page numbers in VA Handbook 5013. Revised text is contained in [brackets]. These changes will be incorporated into the electronic version of VA Handbook 5013 that is maintained on the [Office of Human Resources Management Web site](#). This revision changes the performance appraisal form for Veterans Benefits Administration non-executive directors from VA Form 3482d to VA Form 0750.
- 3. RESPONSIBLE OFFICE:** The Employee Relations and Performance Management Service (051), Office of the Deputy Assistant Secretary for Human Resources Management.
- 4. RELATED DIRECTIVE:** VA Directive 5013, Performance Management Systems.
- 5. RESCISSIONS:** None

CERTIFIED BY:

**BY DIRECTION OF THE SECRETARY
OF VETERANS AFFAIRS:**

/s/
LaVerne H. Council
Assistant Secretary for Information and Technology
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b. **Extension of Appraisal Period.** If a non-executive director was initially appointed to his or her position after July 2, the appraisal period will be extended to December 31. The appraisal period may also be extended under the special circumstances described in paragraph 8c.

c. **Performance Appraisal Forms.** VA Form [0750], Non-executive Directors-- Performance Appraisal Program, will be used to document the performance plan approved for each employee and the appraisal and rating recommended by the rater and reviewing official (if applicable). VA Form [0750] will be used to document the final rating of record authorized by the approval official.

d. **Calendar Days.** Unless otherwise specified, references to "days" in this appendix refer to calendar days.

5. PERFORMANCE PLAN**a. Basic Requirements**

(1) At or before the beginning of the appraisal period, the elements and standards of each employee's performance plan will be communicated to the employee. The rater is responsible for communicating proposed elements and standards; consulting with the employee, and if appropriate, the higher level supervisory official, on the plan's content; and providing a written performance plan to the employee within 30 days of the beginning of the appraisal period.

(2) The performance plan will be based on the duties and responsibilities established for the position and will reflect responsibility for accomplishment of agency goals and objectives. The performance plan will include:

(a) Every position will have at least one element designated as a critical element and one designated as a non-critical element.

(b) The individual and organizational performance standards or results to be achieved for each element. Performance standards must be written at the fully successful level of achievement. The absence of written standards for the exceptional or unacceptable achievement levels shall not preclude assignment of those levels. To the extent possible, these performance standards should be stated in objective and measurable terms.

b. Work Plan Approach

(1) The performance plans for all non-executive directors whose positions include significant managerial responsibilities will include a performance element, "Work Plan Accomplishment," or a similar element.

(2) The work plan will identify high priority goals and projects to be individually tracked during the appraisal period.

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e. **Employee Participation.** Raters may ask non-executive directors to submit proposed performance plans before the beginning of the appraisal period. When this is done, the supervisor will review the proposed plan, discuss any changes or modifications, and provide a written copy of the approved performance plan.

f. **Continuing Review of Performance Plan.** The performance plan should be reviewed by both the employee and the rater during the appraisal period. Changes in program emphasis or other developments that would make the standards inappropriate for the current situation may necessitate changes to the plan. The rater will document in writing any revisions or deletions to the performance plan and communicate them to the employee. Normally, performance plans will not be changed within 90 days of the end of the appraisal period.

6. PROGRESS REVIEW

a. The rater shall hold a progress review for each employee at least once during the appraisal period. At a minimum, an employee shall be informed of his or her level of performance by comparison with the elements and performance standards established for his/her position. The progress review should also be used as an opportunity to review employee performance plans. Additional informal communication about an employee's progress in meeting performance standards is encouraged and may be conducted as appropriate.

b. Employees whose performance is unacceptable in one or more critical elements must be notified in writing and be given a reasonable opportunity to improve their performance to the fully successful level.

c. Employees who improve their performance to the fully successful level during the opportunity period must sustain fully successful performance in the critical element(s) on which they were provided an opportunity to improve for one year from the beginning of the opportunity period. A performance-based adverse action may be proposed without the benefit of an additional opportunity to improve should their performance again become unacceptable in one or more of the critical elements during the 1-year period.

7. THE RATING PROCESS**a. General Requirements**

(1) A rating is the written record of the appraisal of each critical and non-critical element and the assignment of a summary rating level by the rater. Ratings will be documented on VA Form [0750] or its electronic equivalent. The original appraisal form will be kept in the employee's Employee Performance Folder and a copy will be provided to the employee.

(2) In accordance with paragraph 8, ratings are generally prepared at the end of the appraisal period. Ratings are also required under the following circumstances:

(a) If the non-executive director is reassigned to another position in VA or transferred to a new agency after serving in a covered position for more than 90 days during the appraisal period.

(b) If the employee was detailed to another position in VA for 120 days or longer.

(c) If the employee's immediate supervisor is reassigned to another VA position within 90 days of the end of the appraisal period.

(3) In the above circumstances, a rating will be prepared by the employee's immediate supervisor within 30 calendar days from the date of the reassignment, termination of detail or supervisory change. If the change occurs after September 15, within 15 days of the end of the appraisal period.

(4) When an employee was detailed to another position in VA or served in another position on an acting basis for less than 120 days, preparation of a written rating is strongly encouraged but not required.

(5) Non-executive directors may be asked to prepare or they may voluntarily submit a self-assessment of their performance as measured against the approved performance plan. Self-assessments should be submitted to the rater within 7 days of the end of the appraisal period.

(6) All ratings prepared during the appraisal period will be considered by the rater in deriving the employee's rating of record.

b. Appraising Performance

(1) The rater will assess the employee's accomplishment of each established performance standard, consider the impact of the individual standards on overall performance of the element and assign one achievement level for each element. An achievement level must be assigned for each critical and non-critical element of the performance plan unless the employee has had insufficient opportunity to demonstrate performance in the element. If an achievement level other than fully successful is assigned, actual accomplishments supporting that level must be documented in the portion of VA Form [0750] provided for this purpose. When an achievement level of fully successful is assigned, documentation of performance accomplishments is not required.

(2) Based on the achievement levels assigned, the rater will assign one of the five summary rating levels described in paragraph 2 "1" of this appendix.

8. ASSIGNMENT OF A RATING

a. **Coverage.** All VBA non-executive directors will be rated at the end of the appraisal period.

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b. **Standard Procedures for Assigning Rating.** In accordance with paragraph 7, the rater will prepare a written rating for each non-executive director who was supervised for at least 90 days prior to the end of the appraisal period.

c. **Special Circumstances**

(1) **Rater Leaves or Changes Positions.** Before a rater leaves or changes positions, he or she will prepare a performance rating for those employees he or she would normally rate using a copy of VA Form [0750]. The VA Form [0750] will be shared with the employee and forwarded to the servicing human resources management office or higher level management official within the organization.

(2) **Supervisor for Less Than 90 Days.** As long as sufficient information is available on which to appraise an employee's performance that covers a 90-day minimum period, there is no requirement for a rater to occupy his or her position for a specific length of time. However, if a performance rating is not available or is not sufficiently developed to permit appraisal, the appraisal period will be extended to provide for performance under the rater for the minimum appraisal period.

9. APPROVAL OF FINAL RATING BY APPROVAL OFFICIAL. The approval official either concurs with the recommended rating, or after discussion with other officials familiar with the employee's performance, assigns a different rating. If a different rating is assigned, the basis for the rating change will be documented on VA Form [0750].

10. REWARDING PERFORMANCE

a. Performance awards that are solely based on an employee's rating of record are not authorized in connection with this appraisal program.

b. Employees may be appropriately rewarded for their efforts and accomplishments as individuals or as group or team members with other forms of monetary and non-monetary recognition discussed in VA Handbook 5017, Employee Recognition and Awards.

c. Eligibility for quality step increases will be determined by the rating of record and performance-related criteria in the VA Handbook 5017.

11. GRIEVANCE PROCEDURE. [A] non-executive director who is dissatisfied with an assignment performance rating may grieve the rating and/or elements at issue using this procedure.

a. **Informal Grievance Procedure**

(1) Consistent with the principle that grievances should be resolved at the lowest level possible, an employee who is dissatisfied with an assigned performance rating may grieve the rating and/or elements at issue to the Approval Official (if used), otherwise to the Rater, within 15 calendar days after receipt of the rating. The employee and employee representative, if any, will be provided the opportunity to explain the grievance.