PERFORMANCE MANAGEMENT SYSTEMS

1. REASON FOR ISSUE: To revise Department of Veterans Affairs (VA) procedures regarding performance management systems.

2. SUMMARY OF CONTENTS/MAJOR CHANGES: This handbook contains VA policy 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. Significant changes include:

   a. Provides for employees subject to the proficiency rating system to submit self assessments of their performance.

   b. Clarifies that proficiency ratings must be completed and provided to employees no later than 60 calendar days after the end of the rating period.

   c. Inserts a reference to paragraph dealing with performance counseling sessions.

3. RESPONSIBLE OFFICE: Employee Relations and Performance Management Service (051), Office of the Deputy Assistant Secretary for Human Resources Management.


5. RESCISSIONS: None

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

/s/ Roger W. Baker
Assistant Secretary for
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c. **Proficiency Ratings**

(1) The employee will be rated on elements which provide for consideration of proficiency and performance in terms of pertinent personal, professional, administrative and supervisory attributes, characteristics, skills, and service to the public as applied to the duties and responsibilities of the assignment. The employee will be informed in advance which elements will be considered in the rating process. [The employee may submit a self assessment to his/her supervisor prior to the end of the rating period.]

(2) Proficiency ratings will be assigned to an employee based on an objective appraisal of overall competency in the performance of duties and responsibilities. Normally, the overall evaluation should reflect an average of the rated categories and the narrative summary. In some instances, one or more rated categories which are critical to successful performance may form the basis for the overall ratings because their significance outweighs that of other categories rated, or the aggregate of other categories. For example, when an unacceptable level of performance has been demonstrated in one or more rated categories in which satisfactory performance is essential, an overall rating of unsatisfactory may be assigned.

(3) For a nurse, proficiency ratings will be used to summarize how the employee meets the criteria in the Nurse Qualification Standard and the appropriate functional statement. *(NOTE: Per the Nursing Commission recommendations, nurses who are not supervised by another nurse must have their evaluations reviewed by the Nurse Executive or his/her designee.)*

(4) The five adjective ratings defined below will be used:

(a) **Unsatisfactory.** The employee has not met reasonable expectations of performance.

(b) **Low Satisfactory.** The employee usually met reasonable expectations, but performance was sometimes marginal.

(c) **Satisfactory.** The employee fully met and sometimes exceeded expectations.

(d) **High Satisfactory.** The employee usually exceeded reasonable expectations by a substantial margin.

(e) **Outstanding.** The employee consistently exceeded reasonable expectations to an exceptional degree.

d. **Annual Rating Dates**

(1) Rating periods for all but physicians and dentists will be the one year period beginning on the anniversary date of grade (or date of advancement to a higher level for nurses in Nurse I grade). Physicians and dentists will be rated on a fiscal year basis. Ratings must be completed [and provided to employees] no later than 60 [calendar] days after the end of the rating period.

(2) The Human Resources Management Office will send the Proficiency Report form to rating officials at least 110 days prior to the due date for occupations that are on the anniversary date of grade proficiency rating cycle.
(4) Network directors will conduct counseling conferences for heads of independent outpatient clinics.

(5) For VACO employees, counseling will be conducted by appropriate supervisory officials.

c. Nature of the Conference

(1) The counseling conference will be informal and confidential. The employee will be informed, orally or in writing, of the manner in which assignments are being performed. Duties and responsibilities which are essential to successful performance will be highlighted by the supervisor.

(2) Supervisors will commend strong performance, discuss objectively any weaknesses, and furnish suggestions and advice for improvement.

(3) Supervisors will indicate in subsequent annual or special reports when the employee’s performance improves in areas previously cited as weaknesses.

(4) [If a counseling session is needed due to low/minimally satisfactory or unsatisfactory performance, see subparagraph e below].

d. Satisfactory or Better Performance. The rating official will discuss with the employees their satisfactory rating as soon as possible after the approving official has returned the approved reports.

NOTE: The employee will complete Section F of VA Form 10-2623 or VA Form 10-2623a to indicate that the contents of the Proficiency Report have been discussed. If the employee refuses, the rating official will make a notation to this effect and sign and date it. The employee will be given a copy of the Proficiency Report form containing the approved proficiency rating.

e. Low/Minimally Satisfactory or Unsatisfactory Performance

(1) At any time during the appraisal period when performance problems are observed which may be expected to result in a low/minimally satisfactory or unsatisfactory annual proficiency rating, the rating official will hold a counseling conference with the employee sufficiently in advance of the due date of the annual report to inform the employee of the deficiencies, give the employee a reasonable opportunity to correct identified deficiencies and demonstrate satisfactory performance, as follows:

(a) For a permanent employee appointed under 38 U.S.C. 7401(1) who has completed the probationary period and for whom a low/minimally satisfactory or unsatisfactory annual or special proficiency rating is to serve as a basis for a performance-based action, the documented counseling requirements in subparagraphs (2) through (4) of this paragraph must be met unless the