



USDA Service Center Agencies  
Farm Service Agency  
Natural Resources Conservation Service  
Rural Development

A large, stylized black outline of a tractor frame, with a front wheel on the left and a rear wheel on the right. The interior of the frame is white, providing a background for the title text.

# Performance Management Handbook

[Supplement to SSBD 4140-01]

## Forward

This handbook is intended for employees, supervisors, and managers of the Service Center Agencies: Farm Service Agency, Natural Resources Conservation Service, Rural Housing Service, Rural Business Cooperative Service, and Rural Utilities Service. Most of the materials in this handbook are taken from the performance management program policy published in Support Services Bureau Directive (SSBD) 4140-01. It should be considered a supplement to, not a substitute for, the performance management program policy.

The 8-step method discussed in Appendices B and C was developed by staff of the U.S. Office of Personnel Management (OPM) for use in interagency training sessions. The Department of Veterans Administration (VA) saw this as an easy-to-use method and found that it was applicable to many different operational environments. Material in Appendix D concerning the use of additional performance elements was obtained from OPM. The handbook was compiled and edited by the administrative convergence workteam on performance management and employee recognition.

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Readers should find the format of this handbook easy to follow and the material should be self-explanatory. We hope that you find this handbook helpful in your performance management activities.

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## The Guiding Principles of Performance Management

- **Provide a program for ongoing communication between employee and supervisor** by focusing on feedback and employee development rather than on the rating.
- **Reduce paperwork** by providing standardized core elements.
- **Provide flexibility** by allowing for unique, job specific performance elements.
- **Provide a local option to implement additional elements** for developmental purposes, measuring team/group performance, and accomplishment of organizational goals. These will not be used in the employee's overall rating.
- **Foster “Team USDA”** by supporting and defining service center concepts and cooperative efforts and encouraging the use of an element that rates individual contributions to the team.
- **Provide a program that focuses on results**, organizational goals, and strategic plans,
- **Provide a program that is technically strong**, and defensible before third parties and meets all legal and regulatory requirements.
- **Place more emphasis on accomplishments**, not ratings, in the awards process.
- **Encourage employee involvement** throughout the entire process.
- **Provide an avenue for the employee to identify training needed.**
- **Provide a more user-friendly program** by providing standardized elements.

# Introduction to Performance Management

## General Information

### *What is Performance Management?*

Performance management is a management function which includes the processes of planning, monitoring, developing, appraising, and rewarding performance.

### *What is the purpose of the Service Center Agencies' Performance Management Program?*

The purpose is to improve individual and organizational performance, program effectiveness, and accountability by focusing on results, service quality, and customer satisfaction, and by aligning standards and elements with organizational goals and strategic plans.

### *Who is covered by the Program?*

This program covers **ALL** non-SES employees, who are reasonably expected to be employed for greater than 90 days, in Rural Development, Natural Resources Conservation Service, and Farm Service Agency, including FSA County employees. Schedule C employees are covered by this program but are not afforded any rights as established by 5 United States Code (USC) 4303.

### *What are the legal authorities that govern Performance Management?*

This program complies with the USDA Performance Management System established on June 12, 1996; Chapter 43 of Title 5 of the U.S. Code; and Part 430, Title 5, Code of Federal Regulations (CFR).

## Responsibilities

### *What are the responsibilities of employees?*

**Employees** are responsible for:

- Communicating with the supervisor throughout the appraisal period.
  - Participating in the development of work plans and measurable performance standards.
  - Assuring that they have a clear understanding of their rating official's expectations and requesting clarification when necessary.
  - Assisting in identifying training needs to enhance performance.
  - Managing performance to achieve expectations and bringing to the rating official's attention circumstances that may affect achievement of standards.
  - Participating in discussions of individual performance.
- 
- Actively listening and considering feedback with an open

mind.

- Providing input on accomplishments.
- Improving those aspects of performance identified as needing improvement.

***What are the responsibilities of the Rating Official?***

**Rating officials** are responsible for:

- Informing employees of the overall mission, objectives, goals, plans, and activities of the agency and work unit and the employee's related duties and responsibilities.
- Providing feedback to the employee through ongoing communication and actively listening and considering feedback from the employee and customers.
- Providing the employee the opportunity to participate in the development of performance work plans.
- Providing employees with written performance work plans which identify the critical performance elements related to their specific duties, responsibilities, and expected levels of performance.
- Conducting and documenting at least one formal progress review around the midpoint of the appraisal period and additional reviews as necessary.
- Completing performance ratings which include evaluating and documenting employees' actual accomplishments and determining summary levels.
- Recommending personnel actions and/or training, as necessary, based on the employee's level of performance in relation to the performance standards and elements.
- Addressing concerns at the lowest possible level.

***What are the responsibilities of the Reviewing Official?***

**Reviewing Officials** are responsible for:

- Reviewing and concurring in "results not achieved" ratings.
- Resolving differences between employees and rating officials concerning ratings and adjusting ratings when necessary.
- Assisting in resolving concerns at the lowest possible level.

***What are the responsibilities of the Servicing Human Resources Offices?***

**Servicing Human Resources Offices** are responsible for:

- Providing technical and operational support and advice to the rating officials to help them administer the performance management program in a manner consistent with applicable laws, rules, and regulations;
- Ensuring that performance work plans and ratings of record are maintained in the Servicing Human Resources Office in

accordance with the requirements in 5 CFR Parts 293 and 297.

- Providing training on the performance management program and their responsibilities.
- Assisting in resolving concerns at the lowest possible level.

***What are the responsibilities of the Human Resource Directors?***

**Human Resource Directors** are responsible for:

- Setting policy and for providing overall technical guidance and direction of the program.
- Assisting in resolving concerns at the lowest possible level.

***What are the responsibilities of the Agency Heads?***

**Agency Heads** are responsible for:

- Tailoring Departmental policy to meet the individual needs of the Agency.
- Assisting in resolving concerns at the lowest possible level.

***What are the responsibilities of the Department?***

The **Department of Agriculture** is responsible for:

- Developing Departmental policy that complies with all legal authorities.
- Monitoring and evaluating agencies' performance management programs.
- Providing advice/assistance to agencies in administering their programs.
- Assisting in resolving concerns at the lowest possible level.

***What are the responsibilities of the Union Officials?***

**Union Officials** are responsible for:

- Assisting management and employees to ensure that the program is administered consistent with negotiated labor-management agreements.
- Assisting in resolving concerns at the lowest possible level.

## **Guidance and Procedures**

### **Developing Performance Plans**

***When should new performance plans be established?***

Standards should be established:

- Within 30 days of appointment.
- If employee is reassigned/promoted to a new position.
- If an employee is being detailed to a different area for more than the minimal appraisal period.
- Within 30 days of the beginning of an appraisal period.
- If the duties of the position are substantially changed during the established appraisal period.

***What is a performance work***

*A performance work plan* is a written document that identifies

***plan?***

*critical* elements of an employee's position and the standards by which they will be rated.

***What is a critical element?***

A *critical element* is a work assignment or responsibility of such importance that unacceptable performance on the element would result in a determination that the employee's overall performance is at the unacceptable, or "Results Not Achieved," level.

Non-critical duties are not included in performance plans.

***What is the difference between an element and a standard?***

An *element* is a component of a position consisting of one or more duties and responsibilities which contribute toward accomplishing the goals and objectives of the organization.

A *standard* is a management-approved expression of the performance threshold(s), requirement(s), or expectations(s) that must be met to be appraised at a particular level of performance. It may include, but is not limited to, quality, quantity, cost-efficiency, timeliness, and manner of performance.

***How is the plan developed?***

Communication between the rating official and the employee is essential in developing performance work plans. Rating officials and employees should work together to jointly clarify how competencies apply within the work environment so that there is a common understanding about the expectations for performance. In addition, there should be a discussion of the goals of the individual work unit and the employee's involvement, or contribution, to unit goals for the upcoming year.

Elements should be based on organizational goals, strategic plans, position descriptions, and internal and external customer needs. The standards should focus on results, service quality, and customer satisfaction.

The employee and rating official sign and date the plan indicating that it has been discussed and that the employee has had the opportunity to obtain a clear understanding of expectations.

***What methods could be used to assist in developing work plans***

Appendix B, *Quick Reference for Developing Employee Performance Plans That Link to Organizational Goals*,



***that reflect organizational goals and strategic plans?***

provides an 8-step method which can be used to incorporate organizational goals and objectives.

***What is the established format?***

Performance plans are developed on SCA Form 4140, Performance Work Plan. (See Appendix A.) This form provides a description of the element and the results expected. The form also has a place for employees and rating officials to provide further clarification of performance expectations, if needed. The employee and rating official may also provide written comments during the progress review, if desired. The form also contains discussion topics for use in planning performance and conducting progress reviews.

***How many elements are required in a performance plan?***

Employees may have a minimum of two, but no more than five, rating elements in their performance plans.

***What types of elements may be included in a performance plan?***

*Only critical elements may be included in the performance plan.* All employees must have at least one job specific performance element. This may include supervision, individual contributions to team accomplishments, execution of duties, etc., or an element may be specifically written for this purpose in the blank numbered blocks provided at the end of the standardized elements.

A *mandatory* Equal Opportunity/Civil Rights (EO/CR) element is required as a stand-alone element for all supervisory and managerial officials (Element 9). Employees who are not supervisors must also have an EO/CR standard; this has been incorporated into Element 10.

***What is an additional performance element?***

*Additional performance elements* provide agencies another tool for communicating performance expectations important to the organization. In essence, they are dimensions or aspects of overall performance that the agency wishes to communicate and appraise, but which will not be used in assigning a summary level. Such additional elements may include objectives, goals, program plans, work plans, and other methods of expressing expected performance. Further information on additional elements and examples are provided in Appendix D.

***If additional performance elements are not attached to the performance plan, what purpose***

Additional performance elements communicate a fuller picture of the performance that is expected and encourage dialogue between supervisors, employees, and peers that otherwise

*do they serve?*

might not have taken place. They provide a tool for monitoring and tracking team and/or group performance and individual expectations toward accomplishing organizational goals.

*What is the established format for additional elements?*

Additional elements are to be provided separately in a format best suited for the element and are not attached to the performance plan. A simple form is provided in Appendix D.

*What if there is disagreement with the content of the performance plan?*

The rating official and the employee should attempt to resolve the disagreement informally. If an agreement cannot be reached, the rating official's decision prevails.

*What are the alternatives if a performance plan is not received within the specified timeframe?*

If an employee does not receive a performance plan within the specified timeframe, they should contact their rating official to inquire of the status and request a meeting to jointly develop the standards. If standards are still not established, the employee should seek assistance from the rating official's supervisor or their Servicing Human Resources Office. Bargaining unit employees may also seek the assistance of their exclusive representative.

*What if an employee refuses to sign a Performance Plan?*

If the employee refuses to sign the performance work plan, the supervisor should note this in the employee's signature block, along with the date the plan was discussed and implemented. Lack of the employee's signature does not negate implementation of the plan.

*Can performance plans be grieved?*

By law, the contents of a performance plan cannot be grieved.

*Who retains the performance plan?*

Throughout the appraisal period, the rating official will maintain the original copy of the performance plan. The employee will be provided with a copy.

## **Monitoring and Appraising Performance**

*How will performance be monitored and appraised?*

The employee and Rating Official will meet periodically throughout the appraisal period to provide feedback relating to performance. This will be accomplished through progress review(s), performance ratings, and ongoing communication. The methods for monitoring performance, i.e., supervisory review, complaints received, etc., should be discussed with the employee prior to implementation of the performance plan.

*What is the appraisal period?*

*Appraisal period* refers to the period of time during which an

employee's performance will be reviewed and a rating of record will be prepared. The appraisal period generally begins on October 1 of each year and ends on September 30 of the following year.

***What is the minimum appraisal period?***

The *minimum appraisal period* is the 90-calendar-day period of time, or such other period of time as established in local negotiated labor-management agreements, during which an employee must have operated under a performance work plan and for which the employee may receive a performance rating.

***What is a Progress Review?***

A *progress review* is a joint discussion between the rating official and the employee regarding specific strengths and weaknesses in relation to the employee's performance work plan, as well as any areas of performance which are central to the employee's position. Open dialog between the employee and the rating official is crucial. A progress review does not involve the issuance of a rating of record.

***How often are Progress Reviews held?***

Progress reviews are conducted *at least once* during a full appraisal period. Normally, these required reviews will be accomplished during the midpoint of the appraisal period.

***Who is responsible for initiating Progress Reviews?***

Rating officials are responsible for initiating communication with the employee about actual performance and ensuring progress reviews are held.

***What should an employee do if a Progress review is not received?***

If a progress review is not conducted, the employee should contact their rating official to inquire of the status. If progress reviews are still not held, the employee should seek assistance from the second level supervisor. Bargaining unit employees may also seek the assistance from their exclusive representative.

***How are Progress Reviews documented?***

The Rating Official is encouraged to make written comments concerning the employee's performance on SCA Form 4140. The purpose of the written comments is to provide for a more formal identification of the employee's performance in relation to the performance work plan. The employee is also encouraged to provide written comments on the form at this time. Both the employee and the Rating Official *must* initial the appropriate blocks to indicate the discussions were held.

***What is a Rating of Record?***

A *rating of record* is the final rating issued at the end of the appraisal period. It becomes a part of the employee's performance file (EPF) maintained in the Servicing Human Resources Office. A rating of "Results Achieved" or "Results Not Achieved" is assigned to each element at this time, as well

as the overall summary rating.

***When is a Rating of Record given?***

Normally, the rating of record is issued annually for the appraisal period ending September 30. Employees who have not served under established standards for the minimum appraisal period must have the timeframe extended to meet this requirement. Once the minimum appraisal period has been completed, a rating of record must be issued.

***Are ratings of record given at the completion of details and temporary promotions?***

No; however, the rating official to whom the employee was detailed will document the employee's accomplishments and forward the information to the employee's permanent supervisor to be considered when completing the annual performance rating of record.

***Are ratings of record given when there is a change in positions and/or supervisors?***

No; however, each individual who supervised the employee for 90 days or more during the appraisal period should discuss the performance with the employee, prepare feedback comments, and forward them to the current rating official.

***Are ratings of record given when there is a reassignment or promotion but no change of supervisor?***

No; however, the supervisor should prepare written documentation of the employee's performance under the previous position and this information will be considered in the employee's annual rating of record.

***What is the difference between a rating of "Results Achieved" and "Results Not Achieved?"***

An overall summary level of "Results Achieved" means that the employee has met the performance expectations for each element. "Results Not Achieved" means that the employee has not met performance expectations for one or more element(s) and constitutes unacceptable performance.

***How are Ratings of Record documented?***

The rating official places a checkmark in the "Achieved" or "Not Achieved" column on SCA Form 4140 indicating the individual element rating for only those elements selected to be a part of the performance work plan.

"Results Achieved" performance requires no written comments and requires only the signatures of the rating official and the employee. No higher level review is required.

"Results Not Achieved" performance requires written comments to be attached to the performance work plan and must be signed by the rating official and the reviewing official prior to presenting to the employee for signature.

***What if the employee refuses to***

The employee's signature only indicates receipt of the rating; it

***sign the rating of record?***

does not represent agreement with the rating. If the employee refuses to sign the rating of record, the rating official should note this in the appropriate block and indicate the date the rating was issued.

***What if performance improvement is needed?***

If improvement is needed at any time during the appraisal period, the rating official should discuss and consider reasonable means by which to assist the employee in improving. Such means may include training, closer supervision, revision of assignments, coaching, or placing the employee under an official opportunity-to-improve period (OTI). This may also be referred to as a performance improvement period (PIP), opportunity period, or improvement period.

It is the responsibility of the Rating Official to contact the Servicing Human Resources Office to determine the appropriate course of action.

***When is an OTI necessary?***

An OTI is necessary as soon as it is determined that one or more element(s) is found to be at the “Results Not Achieved” level. This determination can be made at any time during the appraisal cycle; it is not necessary to wait until the actual rating of record is completed. The Rating Official and employee, with the technical assistance of the Servicing Human Resources Office, will then jointly complete SCA Form 4140-A, Opportunity to Improve (see Appendix E).

***What is the purpose of an OTI?***

An OTI provides the employee a reasonable opportunity to improve performance to the acceptable level.

Components of the plan consist of:

- the length of time it is in effect,
- the element(s) which is/are unacceptable,
- the specific deficiencies,
- the required improvement(s) to raise performance,
- the support/assistance to be provided, and
- the frequency of follow-up reviews.

***What is the duration of an OTI?***

The OTI (SCA Form 4140-A) states the length of time for which it is in effect, which must be a minimum of 60 days. The duration will be determined by considering the type of position for which the OTI is being prepared, the types of improvement needed, the amount of reasonable time necessary to demonstrate the acceptable performance, and applicable negotiated labor-management agreements.

***What will happen at the end of the OTI period?***

A final review will be conducted and will state whether performance meets or does not meet expectations. If it does not meet expectations, then the rating official must provide written comments supporting this determination. The rating official will contact the Servicing Human Resources Office to determine further action necessary.

***What happens if performance is at the acceptable level at the close of the OTI?***

At the end of the OTI if performance is at the “results achieved” level, the employee must sustain acceptable performance in the element(s) which resulted in the OTI for one year from the commencement date. Should performance later reach an unacceptable level in the same element(s), a performance-based adverse action, or other alternative action, may be proposed without the benefit of an additional improvement period.

***What if performance remains unacceptable?***

If an employee’s performance remains unacceptable at the conclusion of the improvement period, the employee shall be reassigned, reduced in grade, or removed.

### **Linkage to Other Actions**

***What impact does a Rating of Record have on within-grade increases (WGI’s) and promotions?***

No employee shall receive a WGI or promotion unless the most recent rating of record is “Results Achieved.” A “Results Achieved” rating is not the only criteria for promotion.

***Will employees still have the opportunity to receive recognition based on performance?***

Yes; employees will be eligible for quality step increases and other forms of recognition based on outstanding accomplishments. Procedures and criteria for nominating and approving performance-based recognition are covered in the Employee Recognition Policy. SSBD 4130-01.

***Will employees still receive service credit and retention standing for reduction-in-force (RIF) purposes?***

Yes; ratings will continue to be used to establish service credit and retention standing for RIF purposes. To provide adequate time to properly determine an employee's retention standing prior to a RIF, a general or specific RIF notice will specify the date after which no new rating of record will be given that could be used to determine retention standing and will address how service credit will be applied. Employees should pay particular attention to these notices.

**Appendices:**

**Appendix A: Performance Work Plan**

**Appendix B: Quick Reference for Developing Employee Performance Plans That Link to Organizational Goals**

**Appendix C: Developing Performance Plans**

**Appendix D: The Additional Element**

**Appendix E: Opportunity to Improve**