

For: RMA Employees

RMA's Performance Management Program

Approved by: Acting Administrator, Risk Management Agency



1 Overview

A Background

It is RMA's policy to maintain a performance management program for improving individual and organizational effectiveness in accomplishing RMA's mission and goals. Beginning with the FY 2008 appraisal period, RMA implemented a performance management program that builds on RMA's former program, and develops and maintains a results-oriented performance culture in RMA. The RMA program aligns with the key implementing system of the Human Capital Framework results-oriented performance culture. According to the Office of Personnel Management (OPM), a performance management program **must** effectively differentiate between high and low performance and develop employee performance plans that are aligned with and support organizational goals.

B Purpose

This notice:

- announces RMA's FY 2016 performance management program
- implements new computation for performance appraisal rating
- provides procedure for completing FY 2015 performance reviews
- provides a FY 2016 check to ensure that proper performance plans are completed.

C Labor-Management Obligations

Where exclusive representation exists, bargaining may be requested to the extent allowed by applicable statutes. Where contract language already addresses these policies and procedures for bargaining unit employees, contract language prevails.

D Authorities

RMA's performance management program is based on 5 U.S.C. 43, 5 CFR Part 430, and DR 4040-430.

Disposal Date	Distribution
November 1, 2016 9-8-15	All RMA employees

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1 Overview (Continued)

E Coverage

RMA's performance management program applies to all RMA employees nationwide, **except** for individuals:

- in the Senior Executive Service (SES) and Senior-Level (SL) employees
- for which employment is **not** reasonably expected to exceed the minimum appraisal period (90 calendar days) in a consecutive 12-month period

Note: Temporary intermittent employees would only be subject to the performance management program if they actually work a continuous 90-calendar day period regardless of the length of their appointment.

- excluded from coverage by statute or by OPM regulation.

F Effective Date

RMA's FY 2016 performance management program is effective October 1, 2015.

G Action

All supervisors shall ensure that all employees' applicable AD-435 comply with the provisions of this notice. Any changes needed to bring an employee's AD-435 into compliance with this notice shall be completed no later than **October 30, 2015**. Beginning this year, AD-435A and AD435B were to be replaced by AD-435E for nonsupervisory employees and AD-435S for supervisory employees. However, because AD-435E and AD-435S have **not** been loaded into EmpowHR, AD-435A and AD435B are allowed for an additional year.

2 Responsibilities

A Administrator's Responsibilities

The Administrator is responsible for the following:

- monitoring program compliance with applicable laws and regulations, Department policies, and collective bargaining agreements
- ensuring program compliance with policy and program direction and administration
- developing and communicating RMA's organizational goals, initiatives and priorities to all levels to assist supervisors and managers in developing employee performance plans.

2 Responsibilities (Continued)

B Rating Official Responsibilities

Rating officials are responsible for the following:

- determining and communicating the appropriate RMA and USDA mission, goals, objectives, priorities, and relative performance measures and results to employees
- communicating performance expectations clearly and holding employees accountable by establishing individual performance plans and creating a performance culture and environment that promotes a high performing work unit
- the full performance cycle, including communicating performance expectations clearly; ensuring that employees understand what is expected and holding employees accountable; monitoring performance during the appraisal period and providing regular and recurring performance feedback to employees; developing employees; making meaningful distinctions for assigned ratings based on performance; fostering, recognizing, and rewarding excellent performance; and taking appropriate action to address performance **not** meeting expectations
- engaging employees in the process of establishing and documenting AD-435A's, providing a copy of AD-435A at the beginning of each appraisal period, no later than 30 calendar days after the beginning of each appraisal period or assignment of an employee to a position, or when performance plans are revised during the appraisal period
- ensuring that each employee's performance plans have at least 1 critical element that is linked to strategic, organizational goals, objectives, and/or initiatives of RMA and USDA
- conducting 1 or more progress reviews according to this notice
- preparing interim and final performance ratings in a timely manner, ensuring equity and consistency in consideration for awards and other recognition for employees based on noteworthy performance
- addressing poor performance and performance problems according to this notice and program directives.

2 Responsibilities (Continued)

C Reviewing Official Responsibilities

Reviewing officials are responsible for the following:

- managing individual and organizational performance and creating a work culture and environment that promotes a high-performing work unit
- implementing the principles, policies, procedures, and requirements of the performance management program within their span of control
- ensuring that rating officials carry out their performance management responsibilities and assessing the rating official's performance in fulfilling these responsibilities
- reviewing and approving performance plans and ratings of their subordinate rating officials for consistency, fairness, objectivity, and completeness, and to ensure that ratings are consistent with the organization's performance
- ensuring equity and consistency in consideration for awards within their organization
- resolving disagreements between the rating officials and employees.

Note: In all discussions, the reviewing official shall make the final decision.

D Employee Responsibilities

Employees are responsible for the following:

- actively participating in discussions and documenting their performance plans with their rating official for developing performance elements, standards, and measures; progress reviews; and summary ratings including providing input to their rating official on their accomplishments toward achieving their performance expectations
- ensuring that there is a clear understanding of performance expectations and how their performance relates to the mission, goals, objectives, and/or priorities of the organization, and requesting clarification if necessary
- continuously improving performance, support team endeavors, develop professionally, and perform at their full potential
- identifying work problems and cooperating with rating officials to resolve them
- seeking performance feedback from their rating official and, as appropriate, from internal and external customers
- diligence in employee responsibilities and conduct requirements.

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2 Responsibilities (Continued)

E Farm Service Agency (FSA) Human Resources Division (HRD) Director's Responsibilities

FSA's HRD director is responsible for the following:

- overseeing the performance management program and its results
- periodically evaluating the effectiveness and efficiency of the performance management program.

F Servicing Personnel Office (SPO) Responsibilities

SPO's are responsible for the following:

- providing technical and operational support and advice to the rating and reviewing officials in administering the performance management program in a manner consistent with applicable laws, rules, regulations, and the Service Level Agreement between RMA and FSA
- ensuring that performance plans and ratings of record are maintained in SPO according to 5 CFR Parts 293 and 297
- providing training and information on the performance management program to all employees.

3 Establishing Performance Plans

A Appraisal Period and Documentation

The appraisal period starts October 1 of each year and ends September 30 of the following year.

Performance plans should be:

- established within 30 calendar days of the start of the appraisal period or of an employee's assignment to a position
- reviewed and amended, if necessary, each time a work assignment changes significantly, up to 90 calendar days before the end of the appraisal period.

Employees **must** be informed of and participate in changes made to their performance plans.

Note: AD-435A and AD-435B are available from the FFAS Employee Forms Online website at

<http://fsaintranet.sc.egov.usda.gov/dps/services/downloadhandler.ashx?fileid=632>.

3 Establishing Performance Plans (Continued)

B Employee Participation

Employee participation is **required** in establishing or revising performance plans. This can be accomplished by whatever method works best for the parties concerned.

Example: Supervisor could ask the employee to develop a draft AD-435A for discussion or supervisor could develop a draft AD-435A for discussion. If there are differences between the employee and supervisor draft plans, the final decision shall be made by the reviewing official.

4 Elements

A Basis

Elements are based on the requirements of the employee's position. Applicable sources for developing elements include position descriptions, work plans, organizational goals and objectives, and any other source that assigns or fixes responsibility for accomplishing work.

B Number of Elements

Supervisors shall establish at least 4, but no more than 7, performance elements. Supervisors have 3 mandatory critical elements (see subparagraphs C and D). See Exhibit 1 for a list of elements from which the 4 to 7 elements can be selected. Other job specific elements may be created, if necessary, in addition to elements listed in Exhibit 1.

C Critical and Noncritical Elements

Supervisors shall determine what elements shall be critical and noncritical. Critical elements cover duties that are essential to the successful performance of the position. Elements aligned with RMA's mission and goals, and for supervisors and managers, the elements titled, "Supervisory Equal Employment Opportunity, Civil Rights, and Diversity and Inclusion" (EEO/CR), "Customer Service", and "Supervision" **must** be critical. At least 1 additional element **must** be noncritical. On the summary rating:

- critical elements will be scored as 4 or 2 points, as applicable (subparagraph 15 B)
- noncritical elements will be scored as 1 point.

D Required Elements

The following **critical** elements in Exhibit 1 are **mandatory** for all supervisors and managers:

- "Supervision"
- "Customer Service"
- "Equal Employment Opportunity, Civil Rights, and Diversity and Inclusion".

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4 Elements (Continued)

E EEO/CR and Diversity and Inclusion for Nonsupervisors and Supervisors

Separate “Equal Employment Opportunity, Civil Rights, and Diversity and Inclusion” **critical** elements (Exhibit 1) are **required** for both nonsupervisors and supervisors. The following EEO/CR, and diversity and inclusion language **must** be built into the element description, as follows:

Note: Requirements are contained in the memorandum from Assistant Secretary for Administration, with the subject, “Guidance on Civil Rights Element in Performance Plans”, dated December 9, 2009.

- nonsupervisory “Equal Employment Opportunity, Civil Rights, and Diversity and Inclusion” element:

“Performs assignments in manner that demonstrates fairness, cooperation, and respect toward employees and customers. Fosters an inclusive workplace where diversity and individual differences are valued. Leverages diversity to achieve the vision and mission of the organization. Supports and maintains an environment that is free of unlawful discrimination and reprisal.”

- supervisory “Equal Opportunity, Civil Rights, and Diversity and Inclusion” element:

“Fosters an inclusive workplace where diversity and individual differences are valued and leveraged to achieve the vision and mission of the organization through both personal leadership and appropriate managerial action. Performs in a nondiscriminatory manner that demonstrates behaviors that conform to equal employment opportunity and civil rights laws, regulations, and policies, including fairness, cooperation, and respect towards employees and customers.”

Note: The “Equal Opportunity, Civil Rights, and Diversity and Inclusion” elements **must** be critical and as a minimum, include the following standard:

- “Support and participate in Special Emphasis Program (SEP) observance at USDA or Agency level. Attend 3 different equal employment opportunity and civil rights (EEO/CR) activities during the rating period. Attendance at multiple observances of the same SEP will count only as one EEO/CR observance.
- Comply with EEO investigators and EEO Commission Orders, when requested.
- Completes annual CR training on the required due date as established by the office of the Assistant Secretary for Civil Rights, or the Agency.”

5 Standards

A Basics

For each element selected, there **must** be at least 3 written standards for measuring performance of the element. Standards **must** be observable, measurable, and attainable by the employee. Standards should be written at the “Meets Fully Successful” level in performance plans. However, rating officials should be prepared to explain performance at the “Does Not Meet Fully Successful” and “Exceeds Fully Successful” levels. Do **not** include phrases like “other duties as assigned”.

B New Employee Engagement Standard

Note: See memorandum from USDA Chief Human Capital Officer with the subject, “Adding Employee Engagement Standards to the Performance Plan of Supervisors and Managers”, dated April 2, 2014.

The following language should be included in the “Supervision” standards in every non-SES supervisor’s and manager’s performance “Supervision” element:

“Actively creates an environment that promotes staff engagement, integration, and collaboration. Based on employee feedback and the data collected with the most recent Federal Employee Viewpoint Survey, identifies both strengths and challenges related to employee engagement, development, and satisfaction. Works proactively and inclusively with staff members to develop and implement strategies to maintain areas of strength and improve engagement and satisfaction in the organizational unit. Promotes open, candid, and ongoing dialog with and among staff to develop more comprehensive and innovative insights to manage obstacles to engagement.”

C Performance Management Standard

Note: See memorandum from Director, Office of Human Resources Management (OHRM) with the subject, “New Hiring and Performance Accountability Measures”, dated October 6, 2010.

All employees with the “Supervision” element shall have the following standards in the “Supervision” element.

“The supervisor establishes subordinate employee performance plans within established timeframes that align with Agency and Departmental goals and objectives and communicates to employees how their work supports the Agency mission and strategic plan and/or initiatives. Employee performance plans contain clear, results-focused measures, and the supervisor provides accurate and timely feedback to determine progress and success in meeting expectations as follows.”

5 Standards (Continued)

C Performance Management Standard (Continued)

- “Performance plans, progress reviews, and appraisals of subordinate employees are completed by the due dates established by the Department or Agency. Performance plans for each employee **must** include at least 1 critical element that is traceable to the Agency’s goals and objectives (e.g., Mission Results critical performance element).
- Ongoing feedback and coaching as demonstrated through performance feedback sessions is provided as evidenced by 100 percent of employees receiving at least 1 feedback session of AD-435A at the midpoint (April) of the rating period.
- Ensures that:
 - appropriate action is taken to address performance problems in a manner that supports organizational goals and objectives
 - subordinate managers and supervisors adhere to the Agency performance management policy for performance appraisal and employee recognition.”

Performance and employee feedback data is used as an indicator of compliance and general satisfaction or needed improvement for planning, developing, monitoring, rating, and rewarding performance. AD-435A shall be in place within 30 calendar days of the beginning of the appraisal period. Mid-year reviews are conducted according to Agency guidelines. Ratings are accurate and issued within 30 calendar days of the end of the appraisal period.

D Workforce Recruitment, Hiring, Retention, and Succession Planning

Note: See memorandum from Director, OHRM with the subject, “New Hiring and Performance Accountability Measures”, dated October 6, 2010.

All employees with the “Supervision” element shall have the following standards in the “Supervision” element.

- For supervisors with hiring authority, “**Recruitment and Hiring.**
 - Recruits and selects new employees based on organizational goals, budget considerations, and staffing needs. When filling a position, the supervisor engages and collaborates with HRD to ensure that skills required for the job are identified, posting of the job vacancy is accurate, and assists in identifying contacts for diverse locations or organizations for recruiting purposes. Participates as needed with HRD in the proper screening of applications and appropriate categorization of applicants based on qualifications.”

5 Standards (Continued)

D Workforce Recruitment, Hiring, Retention, and Succession Planning (Continued)

- “Uses flexible hiring authorities when possible in filling a vacancy (e.g., targeted disabilities, student employment, direct hire, appointing veterans, etc.) to ensure diversity in recruitment and hiring.”
- For all supervisors, **“Retention and Succession Planning.**
- Successfully transitions new hires into the position by promptly providing an orientation into the workforce and establishing performance elements and standards. Supervisor provides ongoing feedback and coaching, and makes appropriate usage of the probationary period to assess the new hires’ ability to perform in the position.
- Implements retention strategies that focus on key internal processes (e.g., work environment, employee orientation, executing Individual Development Plans for all employees, subject to bargaining obligations, coaching, development, and mentoring, etc.) that promote employee growth, supports the health of the workforce, and drive the future success of the organization’s people and infrastructure.
- Assesses current workforce plans to ensure they are up-to-date in order to meet Program/Agency goals and objectives. Works with senior management officials and HR to comply with the workforce planning process as described in the Department’s position management policy.”

E Cultural Transformation (CT) Standard

Note: See memorandum from Director, OHRM with the subject, “New Cultural Transformation Performance Measures”, dated August 8, 2011.

All performance plans for supervisors and managers shall contain the following CT standard under the “Supervision” or appropriate mission results element.

“Supports the Secretary’s initiative for Cultural Transformation by continually examining program delivery and surveying the workforce and/or stakeholders and/or customers. Creates an environment of inclusion, exceptional performance, effective leadership, and works to eliminate any barriers to operational and service excellence. Examines workforce and workplace processes and flexibilities and implements improvements where needed.

Supports the Secretary’s initiative for USDA Diversity Recruitment Roadmap by expanding on mission-specific activities and timelines to ensure diversity recruitment program success and leadership accountability.”

5 Standards (Continued)

F Employee and Customer Perspective Standards

All performance plans for supervisors and managers **must** take into consideration employee and customer perspective. To have supervisory performance plans that align with organizational goals and executive plans, these measures of business results, customer perspective, and employee perspective should also be included, at the appropriate level, in supervisory performance plans. Nonsupervisory plans **must** incorporate customer perspective in at least 1 element. The following 4 standards are suggested.

- For supervisor's "Supervision" or other appropriate element, the following standard is suggested.

"Seeks employee feedback to identify needs and expectations and considers employee perspective when making decisions affecting employees to develop a well-informed staff who are effective and efficient implementers of management decisions.

Feedback from staff indicates that they understand the Agency's direction, the goals and their role in achieving these goals; understand what is expected of them; were involved in developing their performance plans; understand how well they are performing and where they need to improve; have performance plans that accurately reflect their performance measures; have the necessary tools and resources to accomplish their work; where they do **not** have what they need, they understand why; have the skills and knowledge they need to do their jobs, or a plan to obtain them; and are acknowledged and appreciated for good performance."

- For supervisor's and nonsupervisor's "Customer Service" element the following standard is suggested:

"Internal and external stakeholder needs and expectations are considered in making decisions, devising solutions, and resolving conflicts. Internal and external stakeholder needs and expectations consistent with corporate priorities are included in plans and commitments and are monitored for success in achieving satisfactory results.

Feedback from customers indicates satisfaction with the quality of service delivered, including that the service was provided in a collaborative manner and met the customers' needs, and the quantity and quality of information delivered, including that the information provided increased the customers' understanding of the Agency's programs."

5 Standards (Continued)

G Health and Safety Standard

All performance plans shall contain a following health and safety standard under the “Customer Service” element.

- For **supervisors**, the following standard is suggested.

“Adheres to Safety and Occupational Health practices and procedures to promote and maintain a safe and healthful work environment for all employees. On report of an unsafe and/or unhealthful condition, notifies appropriate office within 48 hours, and follows up and/or takes appropriate action until the condition is resolved.”

- For **nonsupervisors**, the following standard is suggested.

“Demonstrates a basic understanding of the Agency’s Safety and Health Program. Complies with safety and health rules and regulations that apply to all employees. Ensures all reports of unsafe and/or unhealthful conditions are reported to the supervisor or designated official within 48 hours”.

H Personally Identifiable Information (PII) Standard

All performance plans shall contain the following PII standard under the “Customer Service” element.

- For **supervisors**, the following standard is required.

“Demonstrates an understanding of the Privacy Act and applies the Privacy Act correctly when exercising controls and safeguards to preserve the integrity and confidentiality of materials containing Personally Identifiable Information (PII). Ensures that PII is protected at all times, including when being transferred, according to Agency policy. Reports any violations to appropriate Agency officials (security officer, privacy officer) immediately on becoming aware of a problem. Sends detailed status update to Agency officials within 1 hour of initial notification.”

- For **nonsupervisors**, the following standard is required.

“Demonstrates an understanding of the Privacy Act and applies the Privacy Act correctly when exercising controls and safeguards to preserve the integrity and confidentiality of materials containing Personally Identifiable Information (PII). Ensures that PII is protected at all times, including when being transferred, according to Agency policy. Reports any violations to the supervisor immediately on becoming aware of a problem.”

6 Cascading Alignment and Performance

A Organizational and Individual Performance Alignment

Organizational and individual performance alignment is an ongoing process, and offices **must** continue this process. Supervisors **must** develop performance plans for their employees that include at least 1 critical element with 3 standards that identify clear and measurable tasks and results that are aligned to organizational goals. Supervisors and employees may align more than 1 element, where possible. Alignment should be clear and transparent so that employees can see how their performance supports and is an integral part of organizational goal achievement.

Merely including a generic statement in performance plans that employees support organizational goals is **not** adequate for communicating organizational and individual alignment. Simply restating organizational goals without including the metrics for determining performance against those goals is **not** adequate. It should be possible to map the responsibility for specific organizational goals through the performance plans of the chain of responsibility (SES member, to manager, to supervisor) to the front-line employee.

In preparing performance plans, supervisors shall:

- ensure that all employees are aware of USDA's and RMA's current Strategic Plan, functional area strategic plans as applicable, USDA and RMA operational priorities and goals and objectives contained in the FY 2016 Annual Performance Plan, division annual work plans, and other appropriate organizational documents.

Notes: RMA's Strategic Plan can be found at
<http://www.rma.usda.gov/aboutrma/what/2015-18strategicplan.pdf>.

USDA's Strategic Plan can be found at
<http://www.ocfo.usda.gov/usdasp/usdasp.htm>.

- communicate how organizational goals are linked and cascaded to individual performance, and how the employee's accomplishments support organizational goals within their organizations through:
 - performance reviews
 - staff meetings
 - individual and/or team meetings
 - internal correspondence
- develop performance plans that include requisite critical elements with a minimum of 3 standards that identify clear and measurable (quality, quantity, cost, and/or timely) tasks and results that are aligned to organizational goals for each individual, as appropriate.

6 Cascading Alignment and Performance (Continued)

A Organizational and Individual Performance Alignment (Continued)

AD-435A **must** include at least 1 mission results-oriented critical element (for example, “Mission Results”, “Mission Support”, “Execution of Duties”, “Program Management”, or other appropriately assigned performance element) linked to the strategic and/or annual goals and objectives of the organization.

Aligned elements and standards may be preceded by the following paragraph, modified as applicable, based on the part of the strategic plan the alignment standard is addressing (elements may be aligned with RMA goals and objectives or directly with Department goals and objectives), according to either of the following.

- “The following results-focused measures align with USDA Strategic Goal [#__], “[*title of goal*],” Strategic Objective (#__), “[*title of objective*]” in the USDA Strategic Plan, and with RMA Strategic Goal [#__], “[*title of goal*]”. Strategic Objective (#__), “[*title of objective*]” in the RMA Strategic Plan:”
- The language in the element can explain with which **organizational goal or objective** the element aligns.

Example: “In order for the Agency to achieve its goal of completing X during FY 2015, the employee **must** complete an average of Y each month, with Y meeting the requirements outlined in the Agency’s Standard Operating Procedures.”

B Results

Each performance element **must** include language that holds the employee accountable for achieving expected results. This **must** be shown by explaining the results gained by the employee achieving their standards.

Example: “Expanded 15 county crop programs in areas where none existed. **The result is** an increase in the number and efficiency of risk management opportunities through county crop program expansion and an improvement to customer service overall.”

Note: Results **must** be appropriate to the employee’s level of responsibility.

C Balanced Credible Measures

All performance plans **must** include balanced, credible measures, so that in addition to measuring expected results, performance plans include the following:

- quality, quantity, timeliness, and/or cost-effectiveness
- indicators of competencies.

6 Cascading Alignment and Performance (Continued)

C Balanced Credible Measures (Continued)

To be credible, performance expectations **must** be:

- based on job analysis
- clear, specific, and understandable
- reasonable and attainable
- measurable, observable, or verifiable
- communicated in a timely manner
- foster continual improvement in productivity.

Note: See OPM’s “A Handbook for Measuring Employee Performance” that is available at http://www.opm.gov/policy-data-oversight/performance-management/measuring/employee_performance_handbook.pdf.

7 Individual Development Plans (IDP’s)

A Short- and Long-Term Goals

As part of the performance planning process, employees are encouraged to discuss their short- and long-term learning and developmental goals with their supervisor and develop an IDP.

B Rating Official Approval

IDP’s contain elective training, education, and developmental activities, in which employees may engage, to acquire the competencies for meeting IDP goals. Rating officials retain sole discretion to determine the extent of implementation for IDP and will do so after considering operational requirements and budgetary limitations.

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8 Responsibilities for Processing AD-435A’s and AD-435B’s

A Rating Official Responsibilities

Rating officials shall process AD-435A’s and AD-435B’s according to the following.

Note: AD-435A’s and AD-435B’s **must** be completed in EmpowHR.

Step	Action
1	Establish AD-435A’s and AD-435B’s through discussion with the employee. Complete the proposed AD-435A and AD-435B’s in EmpowHR. For each element selected, there must be at least 3 standards for each element.
2	Review AD-435A and AD-435B’s for accuracy.
3	Obtain reviewing official’s approval of AD-435A and AD-435B’s.
4	<p>Have employee review the approved AD-435A and AD-435B’s.</p> <p>After discussing each element and standard with the employee, request that the employee acknowledge and sign AD-435A and AD-435B’s in EmpowHR.</p> <p>Note: Rating officials should attempt to resolve concerns employees may have about their AD-435A and AD-435B’s. If employees refuse to accept their AD-435A, advise employees that they will:</p> <ul style="list-style-type: none"> • still be placed under the approved AD-435A • be held accountable for the elements and standards described in the approved AD-435A.
5	<p>If employees refuse to acknowledge and sign AD-435A, annotate AD-435A as follows.</p> <p align="center">“AD-435A was presented to, and discussed with employee. The employee refused to acknowledge and sign AD-435A.”</p>
6	Print a copy of AD-435A in EmpowHR as a backup.

B Reviewing Official Responsibilities

Reviewing officials shall process AD-435A’s and AD-435B’s according to the following.

Step	Action
1	<p>Review employee elements and standards, as submitted by the rating official, to ensure that AD-435A’s and AD-435B’s:</p> <ul style="list-style-type: none"> • conform with USDA and RMA policy and guidelines • are consistent with other AD-435A’s, as applicable, in the work unit.
2	Approve and sign AD-435A’s and AD-435B’s. The date will be recorded in EmpowHR.

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8 Responsibilities for Processing AD-435A's and AD-435B's (Continued)

C Employee Responsibilities

Employees shall process AD-435A and AD-435B's according to the following.

Step	Action
1	Participate in drafting and/or discussing AD-435A and AD-435B's with rating official.
2	Review and discuss the approved AD-435A and AD-435B's elements and standards for clarification.
3	Acknowledge and sign AD-435A and AD-435B's. The employee's signature certifies that: <ul style="list-style-type: none">• a discussion took place with the supervisor about AD-435A and AD-435B's• the employee has seen a copy and has access to AD-435A and AD-435B's in EmpowHR• the employee has viewed the standards of performance and conduct and all questions were answered to their satisfaction. <p>Note: If the employee refuses to sign AD-435A the employee will still be held accountable for the elements and standards contained in AD-435A's and AD-435B's.</p>

9 Performance Reviews

A Mandatory Performance Reviews

The rating official shall do **all** the following:

- conduct at least 1 performance review of AD-435 A during the 12-month appraisal period between the 5th and 8th month, normally at the midpoint (April) of the performance period
- inform the employee of their level of performance as it relates to their performance elements and standards
- within 30 calendar days of the performance review, document on the employee's AD-435A in EmpowHR that the performance review took place.

9 Performance Reviews (Continued)

B Periodic Optional Performance Reviews

Even though only a mid-year performance review of AD-435A is required, it is in the best interests of the rating official and employee to periodically hold performance discussions. A supervisor or an employee may request a meeting for this review. Periodic performance reviews with the employee will:

- provide regular feedback
- keep the channels of communication open
- assist in identifying performance strengths and improving weaknesses
- help avoid an unexpected performance rating at the end of the appraisal period.

10 Documenting Performance

A Rating of Record

The Rating of Record is documented on AD-435 that is issued at the end of the appraisal period and becomes part of the employee's performance file. Rating officials and reviewing officials **must**:

- rate appropriately against the standards in the employee's AD-435
- make appropriate distinctions in levels of performance.

The rating shall be based only on actual employee accomplishments. Presumptive ratings (that is, ratings that are **not** based on actual accomplishments) are **prohibited**. Rating officials and reviewing officials will be held accountable for rating appropriately against the standards in the employee's AD-435, and making appropriate distinctions in levels of performance consistent with the organization's performance.

Artificial targets, such as quotas, for performance should **never** be used to evaluate employee performance. AD-435 **must** be based on the individual accomplishments of the employee being evaluated and rated.

B Reduction-In-Force (RIF)

For Federal employees, annual Ratings of Record are used to establish service credit and retention standing in the event of RIF's.

10 Documenting Performance (Continued)

C Minimum Appraisal Period

To rate an employee:

- AD-435A **must** have been established within the required timeframe
- the employee **must** be under AD-435A for at least 90 calendar days.

Note: If it has **not** been 90 calendar days by the end of the appraisal period, the period may be extended to allow a rating to be given. If no AD-435A has been put into place by the end of the appraisal period, no rating can be given.

D Obtaining and Completing AD-435

Rating officials shall complete AD-435 according to the instructions on AD-435 that is available through either of the following:

- Microsoft Word version from the FFAS Employee Forms Online web site at <http://fsaintranet.sc.egov.usda.gov/dps/services/downloadhandler.ashx?fileid=632>
- EmpowHR at <https://www.empowhr.gov/HRISP/signon.html>.

E Appraising Elements

The rating official will evaluate each performance element and determine which of the following 3 rating levels is most appropriate when comparing the employee's performance with the "Meets Fully Successful" performance standard established for that element.

- "**Exceeds Fully Successful**" describes performance that exceeds the "Meets Fully Successful" standard for the element being evaluated. Employees performing at this level may display initiative, ownership, and/or unusual independence.
- "**Meets Fully Successful**" describes performance of the solid, effective employee whose work meets normal expectations in terms of quality, quantity, and timelines, as outlined in the "Meets Fully Successful" standard.
- "**Does Not Meet Fully Successful**" describes performance that has failed to fulfill the basic expectation for the work.

Note: With assistance from SPO, the rating official **must** prepare a comprehensive written statement describing the employee's deficiencies for all elements rated at the "Does Not Meet Fully Successful" level. Early identification and correction of poor performance is strongly recommended.

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10 Documenting Performance (Continued)

F Summary Ratings

A 5-level summary rating system summarizes the employee's overall performance and is calculated using the description on AD-435. Following are the 5 summary levels.

- “**Outstanding**”, all appraisal units are rated “Exceeds Fully Successful”.
- “**Superior**”, more appraisal units are rated “Exceeds Fully Successful” than are rated “Meets Fully Successful”, and **no** elements are rated “Does Not Meet Fully Successful”.
- “Meets Fully Successful”, as many or more appraisal units are rated “Meets Fully Successful” than are rated “Exceeds Fully Successful”.
- “**Marginal**” (minimally satisfactory), more appraisal units are rated “Does Not Meet Fully Successful” than are rated “Exceeds Fully Successful”.

Note: If a **critical element** is rated “Does Not Meet Fully Successful,” then the summary rating is automatically “Unacceptable”.

- “**Unacceptable**”, 1 or more critical elements are rated “Does Not Meet Fully Successful”.

Note: If the “Unacceptable” level occurs, the rating official shall contact their SPO for guidance.

G Due Date

FY 2016 AD-435's and associated AD-435A's and AD-435B's shall be completed and distributed and/or accessible in EmpowHR:

- by **October 30, 2015**
- according to subparagraph 12 A.

11 Reviewing Performance

A Rating Official Action

Rating officials shall review the performance of their employees by:

- comparing the employee's performance of each element with the standards established on AD-435A
- checking the appropriate rating level for each element
- obtaining interim ratings from the employee's prior supervisors, if necessary
- reviewing and signing AD-435.

Note: Supervisory employees detailed from their positions of record before the end of the appraisal period shall:

- provide input to the incoming supervisor of record about an employee's performance
- include a recommended rating for each performance element.

B Accountability for AD-435's

Rating officials shall ensure that AD-435's:

- contain all elements
- designate critical and noncritical elements
- are properly assigned, that is 2 points for critical elements and 1 point for noncritical elements
- performance management training that is completed is documented
- totals are added correctly
- summary rating is properly designated
- item 17 has been checked "Yes" or "No" by employee
- contain the required approvals and signatures
- required approval and signature stamps are entered, that is certified, in EmpowHR.

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11 Reviewing Performance (Continued)

C Providing Additional Information

Rating officials shall provide additional documentation to substantiate the rating for each element for each rating level given (such as “Exceeds Fully Successful”, “Meets Fully Successful”, and “Does Not Meet Fully Successful”) by completing AD-435A and AD-435B, item 10.

Note: If more space is needed than is provided on AD-435A and AD-435B, additional documentation may be provided and attached to the rating.

D Completing AD-435’s

Rating officials shall complete AD-435’s according to the following.

Note: AD-435’s **must** be completed in EmpowHR.

Step	Action
1	Complete AD-435 by transferring the performance elements and appropriate rating level information from AD-435A and AD-435B.
2	Obtain the reviewing official’s approval on AD-435.
3	Discuss the approved rating and basis for the rating with the employee.
4	Ensure availability of AD-435, AD-435A, and AD-435B according to subparagraph 12 A.

E Reviewing Officials’ Action

Reviewing officials shall:

- discuss performance and rating of employees with rating officials
- change ratings, if appropriate
- approve and sign AD-435, item 21, certifying approval of original or revised ratings
- return rating to the rating official for distribution according to subparagraph 12 A.

F Employee Action

Employees shall:

- complete AD-435, item 17
- acknowledge and sign AD-435, item 18.

Note: If the employee refuses to acknowledge and sign the rating, rating officials:

- shall indicate the refusal on AD-435, item 18
- forward the rating to the appropriate SPO according to subparagraph 12 A.

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12 Distributing AD-435's and Requirements for Multiple AD-435's

A Distributing AD-435's

AD-435, AD-435A, and AD-435B shall be completed in EmpowHR by **October 30, 2015**. Supervisors shall distribute the completed AD-435 according to the following.

Note: AD-435's **must** be completed in EmpowHR.

Step	Action
1	Complete AD-435, AD-435A, and AD-435B's in EmpowHR by October 30, 2015 .
2	Ensure that the employee has access to their AD-435, AD-435A, and AD-435B's in EmpowHR.
3	Retain backup copies of AD-435, AD-435A, and AD-435B's for the supervisor's files as needed.

B Requirements for Multiple AD-435's

The following table provides instructions for AD-435A's for employees detailed or temporarily promoted.

IF the employee...	THEN...
is detailed or has a temporary promotion to other positions in RMA or USDA for 60 calendar days or more	AD-435A and AD-435B's shall be established. The supervisor responsible for the detail or temporary promotion shall prepare AD-435A and AD-435B and communicate establishment in writing to the employee within 30 calendar days of the start of the assignment. At the end of the assignment, an interim rating shall be prepared detailing the employee's accomplishments, and forwarded to the supervisor of record. This shall be considered in deriving the employee's annual Rating of Record. Note: When employees are detailed outside USDA, the employing agency must make a reasonable effort to obtain information on the employee's accomplishments from the outside organization.
is detailed or has a temporary promotion to another position in RMA or USDA for 60 calendar days or less	AD-435A and AD-435B's are not required. However, a narrative document shall be prepared detailing the employee's accomplishments and forwarded to the supervisor of record. This shall be considered in deriving the employee's annual Rating of Record. Note: When employees are detailed outside USDA, the employing Agency must make a reasonable effort to obtain information on the employee's accomplishments from the outside organization.

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12 Distributing AD-435's and Requirements for Multiple AD-435's (Continued)

B Requirements for Multiple AD-435's (Continued)

IF the employee...	THEN...
has a change in supervisors during the appraisal period including while on detail	each supervisor of 60 calendar days or more shall prepare an interim rating detailing the employee's accomplishments and forward it to the supervisor of record. This shall be considered in deriving the employee's annual Rating of Record.
has position changes during the appraisal period and has served for 60 calendar days or more in the position	the supervisor shall prepare an interim rating detailing the employee's accomplishments. This shall be considered in deriving the employee's annual Rating of Record.
has a transfer of rating (moves to another Agency or Department) and has served for 60 calendar days or more in the position	the supervisor shall prepare an interim rating detailing the employee's accomplishments. This shall be sent to the gaining organization to be considered in deriving the employee's annual Rating of Record.

13 Monitoring Performance

A Marginal Performance

If the employee's summary rating is "Marginal", the rating official **must** contact their SPO for guidance. The rating official shall:

- assist the employee in improving less than "Meets Fully Successful" performance in a noncritical element
- inform the employee **as soon as** the less than "Meets Fully Successful" performance is **apparent** and give the employee a chance to demonstrate "Meets Fully Successful" performance
- assist the employee by:
 - providing adequate resources to include training as needed
 - providing closer supervisory review of work
 - holding discussions and providing correction of work products
 - advising the employee when he or she has achieved "Meets Fully Successful" performance.

Note: A "Marginal" rating will result in the denial of a within-grade increase.

13 Monitoring Performance (Continued)

B Unacceptable Performance

Note: Rating officials **must** comply with DR 4040-430, Section 9 g “Addressing Performance Problems”.

If the employee’s summary rating is “Unacceptable,” the rating official **must** contact their SPO for guidance. Rating officials shall:

- assist the employee in improving less than “Meets Fully Successful” performance in a critical element
- inform the employee in writing **as soon as** the less than “Meets Fully Successful” performance is **apparent** and give them a reasonable opportunity to demonstrate “Meets Fully Successful” performance through a Performance Improvement Plan (PIP).

PIP’s:

- provide formal notice to the employee that their performance is unacceptable and provide the employee the opportunity to demonstrate “Meets Fully Successful” performance
- may include activities such as developmental assignments, structured employee assistance or counseling, formal or on-the-job training, and mentoring.

Comprehensive records **must** be kept of the assistance offered and results achieved under PIP. Rating officials should provide the following:

- notification of the critical elements in which performance is unacceptable
- specific examples of the unacceptable performance
- performance requirements or standards that **must** be attained to demonstrate “Meets Fully Successful” performance
- an opportunity period, **must** be at least 60 calendar days, to demonstrate “Meets Fully Successful” performance on the elements at issue
- notice that the employee **must** improve to the “Meets Fully Successful” level by the conclusion of the opportunity period and **must** sustain that level of performance for at least 1 year from the start of PIP.

13 Monitoring Performance (Continued)

B Unacceptable Performance (Continued)

If an employee has performed satisfactorily for 1 year from the beginning of an opportunity period and the employee's performance again falls below the "Meets Fully Successful" level in any critical element, the rating official **must** afford the employee an additional opportunity to demonstrate performance that attains the "Meets Fully Successful" level before determining whether to propose a reassignment, reduction in grade, or removal action.

A proposed action may be based on instances of unacceptable performance that occur within a 1-year period, ending on the date of the notice of proposed action.

An "Unacceptable" rating will result in the denial of within-grade increase.

C Prior Administrative Actions

Administrative actions initiated against employees whose performance is "Unacceptable" under 5 U.S.C. 752 or 4303 involving a performance management program in existence before the effective date of this program, shall continue to be processed consistent with that pre-established set of procedures and requirements.

14 Performance

A Organizational Performance Assessment

Organizational unit performance will be assessed and communicated throughout the organization. Rating officials will be provided guidance on how unit performance should be considered when deciding ratings and awards.

B Performance Management Program Training

Required training courses for both supervisory and nonsupervisory employees shall be automatically assigned by HRD in AgLearn to each employee's lists of courses at the start of the performance management cycle. **All** supervisors, managers, and employees **must** understand and implement the performance management program.

Supervisors and managers **must** receive formal performance management training as follows:

- within the first 3 months of assuming the supervisory role
- **before** preparing or reviewing ratings of record for subordinate employees
- **not** less than every 2 performance years for the remainder of their supervisory tenure.

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14 Performance (Continued)

B Performance Management Program Training (Continued)

Nonsupervisory employees **must** receive performance management training within the first 3 months of employment, and **not** less than every 2 performance years thereafter.

All training **must** be recorded in AgLearn.

C Performance Management Accountability

According to paragraphs 5 and 10, managers and supervisors will be held accountable for the performance management of their subordinates and **must** communicate with their employees continuously from the beginning to the end of the rating cycle, **not** just at certain times within the rating cycle. At the end of the rating cycle, managers and supervisors **must** accurately rate their employee's performance. **Corrective action** may be taken against supervisors who fail to address performance deficiencies.

Supervisors' failure to meet the performance management requirements and compliance deadlines established by OHRM or RMA, as follows in this subparagraph, shall, at a minimum, **preclude an element rating of "Exceeds Fully Successful"** and failure to meet the requirements in the performance management category altogether shall result in an element rating of "Does Not Meet Fully Successful".

Required Data Reporting. During the performance cycle, RMA is **required** to attain and report to the Department, 100 percent completion rates on the following for eligible RMA employees. All supervisors and/or reviewers shall ensure:

- reporting of 100 percent completion of all FY 2015 AD-435's by **October 30, 2015**
- reporting of 100 percent completion of all FY 2015 AD-435A's by **October 30, 2015**
- that AD-435A's are provided to the employee, as demonstrated by employee signature or EmpowHR date stamp, at the beginning of the rating period or **within 30 calendar days**
- reporting of 100 percent completion of all FY 2016 mid-year progress reviews of AD-435A's by **April 30, 2016**.

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15 Key Performance Management Program Modification in FY 2016

A Key Modification

The following key modification to the performance management program will be implemented during the FY 2016 performance cycle

“New computation of performance appraisal rating (introduction of a 4-point appraisal element).”

RMA’s Performance Management program is based on guidance issued by DR 4040-430 that may be viewed in its entirety at http://www.ocio.usda.gov/sites/default/files/docs/2012/DR-4040-430_Performance_Mgmt_Final_2013_09_30.pdf.

B New Computation of Performance Appraisal Rating

The following appraisal units **must** be assigned on AD-435:

- “Mission Results” critical element, 4 appraisal units
- execution of duties, 4 appraisal units
- “Supervision” critical element, if applicable, 4 appraisal units
- other critical elements, 2 appraisal units
- noncritical elements, 1 appraisal unit,

Note: Only the 4 point appraisal unit values will be displayed to the viewer in EmpowHR; however, the 1 and 2 point values, when selected, are present and will be correctly calculated on completion of the appraisal.

16 Evaluation and Additional Information

A Performance Management Program Evaluation

The performance management program will be evaluated for its effectiveness on an annual basis within 90 calendar days of the end of each appraisal period.

This evaluation will include such issues as the correlation between the:

- performance management program and any improvement of organizational performance
- employee and managerial satisfaction with the performance management program.

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16 Evaluation and Additional Information (Continued)

B Additional Information

If there are any policy related questions about this notice, contact Michael Braswell by telephone at 202-401-0392. If there are any questions about rating employees, supervisors may contact the appropriate SPO according to the following.

IF any RMA Office for...	THEN contact HRD at...
performance management processing	<ul style="list-style-type: none">• 202-205-9057• TTY at 202 205-9057.
SPO specialist	<ul style="list-style-type: none">• 202-401-0694• TTY at 800-735-2966.

Possible Elements

The following is a list of elements from which 4 to 7 performance elements shall be selected and included in AD-435A and/or AD-435B. If the element has **not** been designated critical, supervisors shall designate which elements are critical and noncritical.

Elements	Description
Execution of Duties	Completed work assignments are performed in a timely manner, assuring a quality of work that meets the needs of the organization. Appropriate work methods are selected for the development of work products. Work products do not require substantive revisions. Assignments are completed according to applicable RMA guidelines, including timeframes.
Communications	Oral and written communications are clear, correct, timely, and presented in an understandable manner. Supervisor and coworkers are informed of issues and problems when necessary. Information and guidance provided is timely and correct.
Supervision <u>1/</u>	Work is assigned in a fair and effective manner. Technical guidance to subordinate staff is given in a timely manner. Performance management is implemented according to procedure. Issues, concerns, or problems are handled promptly and fairly. To the extent possible, staff is properly trained and complies with occupational health and safety programs. Management decisions are supported and implemented within appropriate timeframes. (New engagement standard added for all supervisors.)
Team Leadership <u>1/</u>	Routinely leads individuals and team members toward specific goals and accomplishments. Provides encouragement, guidance, and direction as needed. Adjusts style to fit situation. Delegates appropriate authority in an effective manner. Coordinates functions of the team members. Demonstrates a sincere interest in employees' activities, abilities, etc.
Program Management <u>1/</u>	Manages program(s), resolving issues and problems within the employee's control. Monitors all aspects of program(s) for quality, effectiveness, and consistency. Program plans and guidance are responsive to objectives and requirements of RMA. Policy instructions are appropriately issued and are accurate. Evaluates effectiveness of work and adjusts plans accordingly.
Special Projects	Special projects are regularly completed on time in a competent, accurate, and thorough manner. Completed projects comply with regulations and procedures. Special projects are completed independently, or reflect research and collaboration with others as required.

1/ A "Supervision" critical element is **required** for all supervisors and managers.

Possible Elements (Continued)

Elements	Description
Research and Analysis	Thoroughly and accurately researches issues in a timely manner, using available reference sources (e.g., USDA manuals, or applicable law or regulations). Makes reasonable recommendations or decisions based on available guidance.
<p>Customer Service</p> <p>Important: Mandatory for all supervisors and managers and for all nonsupervisors.</p>	Routinely displays courteous and tactful behavior. Projects a positive and professional image of USDA. Provides advice that is timely, responsive, and accurate. Maintains appropriate rapport with internal and external customers. Develops and establishes working relationships with external organizations as required. Keeps supervisor and/or team leader informed of difficult and/or controversial issues and unique problems. Takes action to effectively solve problems before they have an adverse impact on the organization or other employees.
<p>Supervisory Equal Opportunity, Civil Rights, and Diversity and Inclusion</p> <p>Important: Mandatory for all supervisors and managers.</p>	Fosters an inclusive workplace where diversity and individual differences are valued and leveraged to achieve the vision and mission of the organization through both personal leadership and appropriate managerial action. Performs in a nondiscriminatory manner that demonstrates behaviors that conform to equal employment opportunity and civil rights laws, regulations, and policies, including fairness, cooperation, and respect towards employees and customers.
<p>Nonsupervisory Equal Opportunity, Civil Rights, and Diversity and Inclusion</p> <p>Important: Mandatory for all nonsupervisors.</p>	Performs assignments in a manner that demonstrates fairness, cooperation, and respect toward employees and customers. Fosters an inclusive workplace where diversity and individual differences are valued. Leverages diversity to achieve the vision and mission of the organization. Supports and maintains an environment that is free of unlawful discrimination and reprisal.
Resource Management	Monitors allocated funds and maintains complete and accurate records of expenditures. Routinely uses resources in an efficient and effective manner. Ensures that funds, property and other resources are guarded against waste, loss, unauthorized use, and misappropriation.
Individual Contributions to the Team	Ordinarily displays dependability and reliability. Promotes open communication. Contributes creative ideas and actively participates in team meetings resulting in added value to the team's products and services. When a problem arises, explores causes and assists in resolving the problem. Works with team members to appropriately implement decisions. Is usually open-minded to new ideas and approaches in implementing the team's goals. Willingly accepts and acts on constructive criticism.

FY 2016 AD-435A Checklists

The following checklists are provided to RMA supervisors and managers as a tool to assist in developing FY 2016 AD-435A’s and to assist in ensuring that all RMA FY 2016 AD-435A’s have included the required features and/or language as outlined in the most recent performance management notice.

Instructions: Compare the FY 2016 AD-435A to the appropriate nonsupervisory or supervisory checklist and verify that every item is present within the created AD-435A. If the required item is **not** present, modify AD-435A appropriately.

Nonsupervisory AD-435 A Checklist

Item	Description
1	“EEO/CR Diversity and Inclusion” element.
2	“Customer Service” element.
3	One results-oriented element (4 appraisal points): Execution of Duties
4	One to 3 additional performance elements (each with a results statement).
5	Cascading alignment statement (for at least 1 critical element) that shows clear linkage to strategic plan.
6	Results statement for each element.
7	PII and safety and health standards.
8	At least 3 standards for each element.
9	All standards established at the “Meets Fully Successful” level.
10	AD-435A was provided to and discussed with the employee at the beginning of the rating period (normally within 30 calendar days) for the current rating cycle as demonstrated by employee signature or date stamp.

Supervisory AD-435 A Checklist

Item	Description
1	“EEO/CR Diversity and Inclusion” element.
2	“Customer Service” element.
3	“Supervision” element (4 appraisal points).
4	“Mission Results” element (4 appraisal points).
5	One or 2 additional performance elements (each with a results statement).
6	Diversity roadmap standard under “EEO/CR Diversity and Inclusion” element.
7	Retention and succession standard under “Supervision” element.
8	Recruitment and hiring standard under “Supervision” element.
9	Performance management standard under “Supervision” element.
10	Cultural transformation standard under “Mission Results” element.
11	Engagement standard under “Supervision” element.
12	PII and safety and health standards.
13	Cascading alignment statement for at least 1 critical element that shows clear linkage to strategic plan.
14	Results statement for each element in AD-435A.
15	At least 3 standards for each element.
16	Standards are established at the “Meets Fully Successful” level.
17	Plan provided to and discussed with the employee at the beginning of the rating period (normally within 30 calendar days) for the current rating cycle as demonstrated by a signature or date stamp.