

U.S. Department of Energy
Washington, D.C.

ORDER

DOE O 331.1A

Approved: 06-15-99

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SUBJECT: EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM

1. OBJECTIVE. To establish requirements and responsibilities for employee performance appraisals, performance-related awards, and other forms of employee recognition. This Order covers most employees at grades GS-15 and below (see the exclusions in Paragraph 3c).
2. CANCELLATION. DOE O 331.1, DEPARTMENTAL EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM, dated September 30, 1996.
3. APPLICABILITY.
 - a. Department of Energy (DOE) Elements. This Order applies to all DOE employees except as identified in 3c below.
 - b. Contractors. This Order does not apply to contractors.
 - c. Exclusions.
 - (1) DOE employees at grades GS-15 and below who are excluded under Title 5, United States Code (U.S.C.), §4301(2), and Title 5, Code of Federal Regulations (CFR), §430.202(c) and (d).
 - (2) Members of the Senior Executive Service.
 - (3) Experts and consultants.
 - (4) Members of the Board of Contract Appeals.
4. REQUIREMENTS.
 - a. General.
 - (1) A Departmental Employee Performance Management System shall be established consistent with 5 USC §4302 and 5 CFR §430.204.
 - (2) Each DOE Element shall develop a Performance Management Program that–

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- (a) uses quality management principles;
 - (b) continuously improves the performance appraisal/feedback/recognition policies and process through systematic and periodic evaluations;
 - (c) establishes and maintains an environment where organizational, team, and individual employee successes and accomplishments are recognized and rewarded in a timely, fair, and consistent manner;
 - (d) supports the DOE Strategic Plan, mission goals and planning objectives, and quality management objectives;
 - (e) solicits the participation of employees, unions, and partnership councils in the development of the program;
 - (f) operates in a manner consistent with law and regulation;
 - (g) identifies individuals (by position) responsible for program development, program operation (including preparing and reviewing ratings and award nominations), and program evaluation;
 - (h) identifies employees (by pay plans and/or positions) covered by the program; and
 - (i) has a program effective date and a savings provision consistent with 5 CFR §430.201(b) for administrative actions initiated before that effective date.
- (3) Organizations shall submit complete performance management program plans to the Director of Human Resources for approval prior to the implementation of any new or revised performance management programs. Performance management programs include both performance appraisal and employee recognition/incentive awards, even though the two areas are often “de-linked” in operation. If they deem it appropriate, organizations may establish separate programs and/or submit separate plans for these two parts of performance management.

b. Performance Appraisal.

- (1) Align individual performance expectations with specific organizational performance goals and objectives. Align managerial and supervisory plans with respective executive’s plans.

- (2) Use timely, fair, and accurate employee performance evaluation and performance improvement feedback, based on established elements and standards.
- (3) Promote continuing performance improvement of the organization and its employees, and provide assistance to employees in improving any unacceptable performance.
- (4) Provide all employees, managers, and supervisors with frequent communication about and training in the program.
- (5) Provide opportunity for employees to participate in developing their own performance plans.
- (6) Establish an annual performance rating cycle.
- (7) Provide for at least one progress review during the annual rating cycle.
- (8) Provide for a 90-calendar-day minimum rating period.
- (9) Extend an employee's rating period if, at the end of the annual performance rating cycle, the employee would have been on his/her performance plan for less than the minimum rating period. Issue a rating as soon as practicable thereafter.
- (10) Establish managerial and supervisory rating cycles tied to the organizational strategic/operating plans and executive rating cycle.
- (11) Address the performance of employees who have been transferred, detailed, or placed on an Intergovernmental Personnel Act assignment.
- (12) Establish a rating of record procedure, including a method for deriving and assigning a summary rating level, as specified in 5 CFR §430.208(d).
- (13) Specify the pattern of rating levels and summary levels that will be used.
- (14) Establish a process to assist employees in improving performance, to include the use of Performance Improvement Plans.
- (15) Take appropriate performance-based action—including reassignment, reduction-in-grade, or removal—when performance remains unacceptable, but only after the employee has had an opportunity to demonstrate acceptable performance.
- (16) Maintain records and other data to document performance appraisals and performance-based actions for reporting purposes.

- (17) Evaluate the effectiveness of program policies and processes.
- (18) Use written performance plans for employees that—
 - (a) are based on work assignments and responsibilities
 - (b) are results-based; that is, they are tied to Departmental and organizational objectives (what is accomplished) and they reflect Departmental core values criteria (how results are accomplished)
 - (c) contain all performance elements used to derive and assign a summary rating level or to support any personnel or management action described in 5 CFR §430.102(b)
 - (d) contain at least one critical element that addresses individual performance [See Paragraph 4b(17)(j) below regarding requirements for managers and supervisors]
 - (e) specify the number of levels at which performance on critical and non-critical elements may be appraised;
 - (f) contain at least two summary levels (i.e., “meets expectations” and “unacceptable”) but no more than five summary levels
 - (g) have performance standards established at least at the “meets expectations” level for each critical element
 - (h) are reviewed at a second level when the summary level is below the “meets expectations” level
 - (i) are established within 30 days of the beginning of the appraisal period
 - (j) for each manager and supervisor, contain at least two critical elements—Leadership and Program Accomplishment

The criteria in Attachment 1, or equivalent variation approved by the Director of Human Resources, must be used to evaluate the Leadership element.

c. Employee Awards and Recognition Program

- (1) Recognize and reward individuals and/or teams based on performance; suggestions and inventions; training, education, and development; and other noteworthy achievements.

- (2) With awards cases, include documentation describing the contributions and showing the approving official's signature and date.
- (3) Have awards approved—other than on-the-spot awards—at a level above that of the initiator, unless the initiator is the Secretary or the Head of a Departmental Element.
- (4) Limit any time-off awards for employees to 80 hours over a 12 month period. Awarding managers and award recipients must arrange to have the time off taken within 1 year of when granted or the award will be forfeited. Heads of Departmental Elements may approve extensions of up to 90 days on a case-by-case basis for unavoidable reasons which have or will have prevented using the time.
- (5) Limit the value of non-monetary items conferred in connection with informal recognition awards to a “nominal value” of \$50 or less.
- (6) Publicize the criteria for awards periodically.
- (7) Ensure that all performance-related awards are based on measurable improvements to organizational systems and processes and/or attainment of organizational missions and goals and, for managers and supervisors, also reflect managerial core competencies.
- (8) Ensure that employees have the opportunity to receive the full range of incentive and performance awards, including Quality Step Increases, suggestion awards, and awards for patents and inventions.
- (9) Address recognition of employees who are on detail, on an Intergovernmental Personnel Act assignment, or are transferred.
- (10) Relate award choice and size to the magnitude of the contribution.
- (11) Incorporate Presidential Recognition and Departmental Awards in awards programs, including:
 - (a) The President's Award for Distinguished Federal Civilian Service—for exceptional achievements of unusual benefit to the nation.
 - (b) The Presidential Management Improvement Award—for contributions that result in tangible benefits to the Government of \$250,000 or more.

- (c) Presidential Letters of Commendation—for a suggestion, invention, or other superior accomplishment that is beyond job requirements and that results in tangible benefits to the Government of \$250,000 or more.
 - (d) The Secretary's Award—granted by the Secretary for outstanding leadership or other achievements deemed to merit the highest award granted by the Department.
 - (e) The Award for Valor—granted by the Secretary in recognition of acts of heroism or courage involving great personal risk.
 - (f) The Meritorious Service Award—granted by the Secretary for achievements that substantially contribute to the accomplishment of the mission or major programs of DOE.
 - (g) The Exceptional Service Award—granted by the Head of a Departmental Element for outstanding service or an established record of achievement, exemplary accomplishment of assigned responsibilities, unusual initiative in efficiency or improved management, outstanding executive or technical ability, or unusual devotion to duty.
- (12) Use other awards to an appropriate extent, including—
- (a) Awards for Achievement in Equal Employment Opportunity;
 - (b) Certificates of Appreciation;
 - (c) Career Service Awards;
 - (d) superior accomplishment awards for a special act or service, a suggestion, or an invention; and
 - (e) awards for disclosure of cost savings (including Presidential awards for cost savings).
- (13) Maintain records and other data to document awards for reporting purposes.
- (14) Evaluate the effectiveness of program policies and processes.

5. RESPONSIBILITIES.

a. Secretary.

- (1) Approves Secretary's Awards, Awards for Valor, and Meritorious Service Awards.

- (2) Approves monetary awards of more than \$7,500, but not more than \$10,000.
- (3) Recommends to the Office of Personnel Management (OPM) any cash awards for an employee in excess of \$10,000.

b. Director of Human Resources Management.

- (1) Develops the Departmental Employee Performance Management System and obtains OPM approval of the system.
- (2) In advance of implementation, approves program plans for Headquarters and for each Departmental Element outside of Headquarters.
- (3) Ensures that adequate funds and award materials are available for Secretary's Awards, Awards for Valor, and Meritorious Service Awards.
- (4) Publicizes and coordinates Secretarial awards ceremonies and approves travel expenses for guests.
- (6) Coordinates beneficial suggestions that apply to more than one Departmental Element or that affect another agency.
- (7) Coordinates and provides applicable reports to OPM.
- (8) Approves monetary awards at Headquarters for up to \$7,500 and on-the-spot awards for up to \$300.

c. Heads of Headquarters Departmental Elements.

All responsibilities below except for (1) may be redelegated at the discretion of each Element Head.

- (1) Ensure that adequate funds are available for payment of monetary awards.
- (2) Approve extensions of up to 90 days to the time limit for using time-off awards in Paragraph 4c (4) above.
- (3) Ensure that reporting requirements are satisfied.

d. Heads of other than Headquarters Departmental Elements.

All responsibilities below except for (5) and (6) may be redelegated at the discretion of each Element Head.

- (1) Develop program plans based on the requirements in this Order.
 - (2) Obtain advance program plan approval from the Director of Human Resources.
 - (3) Approve monetary awards for up to \$7,500 and on-the-spot awards for up to \$300.
 - (4) Approve Exceptional Service Awards and other non-monetary awards.
 - (5) Ensure that adequate funds are available for payment of monetary awards.
 - (6) Provide staffing and support services sufficient to ensure prompt action on awards recommendations and beneficial suggestions.
 - (7) Approve extensions of up to 3 months to the time limit for using time-off awards in Paragraph 4c(4) above.
 - (8) Ensure that reporting requirements are satisfied.
- e. Director, Office of Headquarters and Executive Personnel Services.

All responsibilities below except for (3) may be redelegated at the discretion of the Director.

- (1) Develops Headquarters program plan based on the requirements in this Order.
- (2) Obtains advance program plan approval from the Director of Human Resources.
- (3) Provides staffing and support services sufficient to ensure prompt action on awards recommendations and beneficial suggestions.
- (4) Approves Exceptional Service Awards and other non-monetary awards.

6. REFERENCES.

- a. Title 5 U.S.C., Chapters 43 (Performance Appraisal) and 45 (Incentive Awards).
- b. Title 5 CFR, Parts 293 (Personnel Records, Subpart D, Employee Performance File System Records); 430 (Performance Management); and 451 (Awards).
- c. OPM letter to Timothy M. Dirks, Director of Human Resources, dated September 22, 1995, which contains approval of the Departmental Employee Performance Management System.

7. DEFINITION. A *Performance Management Program Plan*, also referred to as a *program plan*, is a document or documents combining the same information as an *appraisal program*, as defined in 5 CFR §430.203, and an *award program*, as defined in 5 CFR §451.102.
8. CONTACT. Questions concerning this Order should be addressed to the Office of Personnel Policy, Programs and Assistance at (202) 586-8513.

BY ORDER OF THE SECRETARY OF ENERGY:



THOMAS T. TAMURA
Acting Director of
Management and Administration

Attachment 1

CRITERIA FOR EVALUATING THE CRITICAL ELEMENT “LEADERSHIP”

(The applied performance standards must include measures/benchmarks of the quality, quantity, timeliness, or nature of performance required.)

Critical Sub-Element: Communication/Trust

1. DEFINITION. The manager/supervisor communicates information and builds trust within the organization and with stakeholders and customers.
2. STANDARDS.
 - a. Quality Advocacy. Incorporates quality management principles and programs as tools for improving the organization. Is accountable and holds process owners accountable for systematically and continuously examining and improving processes and programs. Implements appropriate process improvements in a timely manner. Ensures that subordinate staff are trained in quality principles and techniques.
 - b. Customer Orientation. Establishes methods to identify customers, their needs, and their expectations. Continuously fosters their participation, feedback, and satisfaction. Ensures that work decisions account for and reflect customers' needs. Initiates changes based on customer input/needs.
 - c. Communications. Is an active listener and fosters open, two-way information exchange. Provides written and oral information in a clear, concise, and timely manner. Promotes communications within the organization and with the organization's customers.
 - d. External Relationships/Networking. Effectively articulates and promotes the organization's purposes and programs to outside groups. Meets regularly with clients, institutionalizes relationships with them as needed, and engenders their cooperation and support.
 - e. Negotiating/Influence. Language and behavior promote “win-win” solutions when differences or opportunities between groups or individuals arise. Makes timely, thoughtful, and practical proposals to resolve impasses or to reach consensus, taking shareholders' interests into account.

- f. Interpersonal Relationships. Conveys respect for clients and employees. Takes positive steps to build trust, morale, and esprit de corps within the organization. Creates solid working relationships with others.

Critical Sub-Element: Human Resources

1. DEFINITION. The manager/supervisor recruits, trains, develops, and motivates employees, rewards performance, and promotes diversity within his/her organization.
2. STANDARDS.
 - a. Human Resource Management. Takes timely action to acquire, rightsize, restructure, and reallocate staff as priorities shift. Promotes human resources programs that enhance organizational and employee well-being.
 - b. Managing Diversity. Creates a work environment of inclusion, fairness, and equity. Proposes actions to, and works toward, achieving workforce diversity (e.g., minorities, women, small businesses, and colleges are used for contracting/recruiting purposes).
 - c. Team Building/Teamwork. Values and fosters teamwork, cooperation, and trust in day-to-day program operations and in pursuing solutions to cross-cutting organizational issues. Establishes, actively participates in, champions, and/or makes constructive contributions to teams established to improve programs and operations.
 - d. Developing Talent/Managing Performance. Provides staff with timely and well-targeted opportunities to develop/enhance skills. Serves as an effective coach/mentor. Provides continuous, honest, timely performance feedback to staff. Takes timely action to establish performance expectations; celebrates, recognizes, and/or rewards performance successes and accomplishments; deals with performance deficiencies.

Critical Sub-Element: Management/Business Practices

1. DEFINITION. The manager/supervisor allocates, spends, and accounts for resources and procures, produces, and contracts for goods and services for his/her organization.
2. STANDARDS.
 - a. Strategic Planning. Provides value-added input to the strategic planning process. Reflects the strategic plan, key initiatives, and organizational goals in all work plans for which he/she is responsible. Communicates organizational goals and performance expectations in a

- timely, clear, and consistent manner. Holds self and others accountable for achieving program goals consistent with the plan.
- b. Vision/Change Agent. Works collegially with others to realize a shared vision of the organization aligned with DOE's mission, vision, and values. Champions change by proposing and regularly encouraging ideas from stakeholders/customers on new ways of doing/improving business.
 - c. Financial Management. Takes timely action to identify, request, monitor, and reallocate financial and material resources. Identifies ways and takes action to streamline business practices. Acts decisively and promptly to avoid or correct instances of potential fraud, waste, and abuse.