



# U.S. FISH AND WILDLIFE SERVICE TRANSMITTAL SHEET

PART 224 FW 1	SUBJECT Performance and Utilization Performance Management System	RELEASE NUMBER 434
FOR FURTHER INFORMATION CONTACT Division of Human Resources		DATE November 25, 2003

## EXPLANATION OF MATERIAL TRANSMITTED:

This release revises the mandatory critical result for supervisors and managers (paragraph 1.8D), and deletes the requirement for a mandatory critical result for all employees.

  
DEPUTY DIRECTOR

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## FILING INSTRUCTIONS:

Remove:

224 FW 1, FWM 403, 07/29/02

Insert:

224 FW 1, FWM 434, 11/25/03

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**1.1 What is the purpose of this chapter?** This chapter provides operational guidance to managers, supervisors, and employees for implementing the Performance Management System of the Department of the Interior.

**1.2 To whom does this chapter apply?** This chapter applies to all General Schedule (GS/GM) and prevailing rate (wage grade, wage leader, and wage supervisor) employees in the Service.

**1.3 What are the objectives of the Performance Management System?** The Performance Management System is designed to:

**A.** Provide a dynamic, interactive process for identifying and achieving organizational objectives by focusing on individual contributions that promote mission accomplishment.

**B.** Provide supervisors and managers with a basis for making decisions regarding paying, training, promoting, reassigning, retaining, reducing in grade, or removing employees.

**C.** Provide supervisors with a medium for conveying meaningful feedback to employees about their performance and how to improve it.

**D.** Provide employees with an opportunity to participate in defining critical results that facilitate mission accomplishment.

**E.** Provide reconsideration procedures for employees who are dissatisfied with summary ratings.

**1.4 What are the authorities for establishing this chapter?**

**A.** 5 U.S.C. 43.

**B.** 5 CFR 430.

**C.** 370 DM 430.

**1.5 What is the meaning of terms used in this chapter?**

**A. Critical Result.** A mission-based outcome or end product that is essential to overall success in the position. Each performance plan must have at least one but no more than five critical results.

**B. Days.** All references to days in this chapter are calendar days.

**C. Minimum Appraisal Period.** The minimum length of time (90 days) that an employee must serve in a position

and under a written performance plan in order to receive a rating.

**D. Performance Indicator.** A statement of the performance expectations or requirements necessary for achieving the critical results of the position. Performance indicators include quality, teamwork, and customer service measures.

**E. Performance Plan.** The performance plan projects the outcomes expected for the coming performance year expressed as the critical results and performance indicators identified for an employee's position.

**F. Progress Review.** A discussion between a rating official and an employee held during the appraisal period to review the employee's progress toward achieving critical results, make any necessary revisions in critical results, and consider any developmental needs or performance improvement required.

**G. Rating Official.** The individual responsible for working with the employee to identify critical results and performance indicators, for conducting progress reviews, and, at the end of the rating period, evaluating employee performance and preparing the summary rating. We often refer to the rating official as a supervisor. However, in team and other non-traditional work environments, designated rating officials might not be formally classified as supervisors.

**H. Rating Period.** The span of time over which an employee's performance will be evaluated. Our annual appraisal period is October 1 through September 30.

**I. Rating of Record.** The official summary rating (either Results Achieved or Results Not Achieved) assigned annually by the rating official at the end of the rating period.

**J. Reviewing Official.** Next in the chain of command above the rating official, the reviewing official must concur with summary ratings of Results Not Achieved. Within the Service, performance plans and annual ratings of Results Achieved do not require concurrence by reviewing officials. However, officials in individual work units may choose to require higher level review of performance plans and ratings of record, or a requirement for such review may be established through a formal collective bargaining agreement.

**K. Summary Rating.** This is the assessment of the employee's overall performance by the rating official at the end of the rating period. Summary ratings are expressed in terms of Results Achieved or Results Not Achieved.

**L. Unacceptable Performance.** Failure to receive a rating of Results Achieved in any critical result constitutes

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unacceptable performance that must be rated overall as Results Not Achieved.

**1.6 What are the responsibilities under this chapter?**

Responsibilities assigned to employees, rating officials, reviewing officials, heads of bureaus, and the Director of Personnel are set out in 370 DM 430(1.6) and are not, for the most part, repeated here.

**A. The Director** has overall responsibility for the administration and management of the Performance Management System within the Service.

**B. The Assistant Director - Budget, Planning and Human Resources** provides for the effective administration of the Performance Management System within the Service.

**C. The Chief, Division of Human Resources** develops and maintains the Service's performance management operational guidance and provides Servicewide consultation services concerning performance management activities.

**D. Regional and Assistant Directors** ensure the proper management and administration of the Performance Management System within their areas of responsibility.

**E. Servicing Human Resources Officers** are responsible for providing guidance concerning the Performance Management System, assisting supervisors and employees in resolving problems involving unacceptable performance, monitoring and assessing the effectiveness of performance management in the serviced organization, and assuring that official performance appraisal records are properly maintained.

**F. Rating Officials** are responsible for working with employees to determine critical results and identify performance indicators. The rating official is also responsible for conducting at least two progress reviews during the rating period and, at the end of the rating period, evaluating employee performance and preparing the rating of record within 60 days following the end of the rating period or upon completion of the 90-day rating extension period.

**G. Reviewing Officials** are responsible for reviewing and making a final determination on all "Results Not Achieved" ratings of record and, if necessary, resolving with rating officials any differences of opinion concerning employee ratings. Additionally, if applicable to the individual work unit, reviewing officials are also responsible for reviewing performance plans and "Results Achieved" ratings of record.

**1.7 What forms and reports are required in administering the Performance Management System?**

**A. Forms.** The Department's Performance Management System uses Form DI-2002 (Employee Performance Plan and Results Report).

**B. Reports.** The Department of the Interior or the U.S. Office of Personnel Management may require periodic reports on the operation of the Performance Management System. Servicing human resources offices must ensure that they maintain appropriate records in order to be able to accommodate any reporting requirements.

**1.8 How is a performance plan developed?**

**A. General.**

(1) The effectiveness of the Performance Management System depends on developing written performance plans that are job related. Primary resources in developing a performance plan are an accurate position description and clear statements of organizational goals, objectives, and priorities. Other reference resources include budget and other work plans, records of discussions of work assignments between supervisors and employees, functional statements, previous performance plans, and sample performance plans.

(2) Performance plans must be established within 60 days following an employee's assignment to a new position. Employees and rating officials may review and modify or recertify existing performance plans at the beginning of each new rating period. This must be accomplished within 60 days of the beginning of a new rating period. Supervisors and employees may renegotiate one or more critical results at any point in the rating period, although ratings of record can only be issued using performance plans that have been in place for at least 90 days.

**B. Should employees participate in the formulation of their performance plans?** Supervisors should encourage employees to participate in defining critical results and performance indicators for their positions. By their participation, employees have a clearer understanding of what level of performance is required and what role their position plays in the mission of the Service. Employee participation may be accomplished by (1) joint development of the performance plan by the employee and supervisor, (2) the employee providing the supervisor with a draft plan, (3) the supervisor providing the employee with a draft plan, or (4) a group of employees with similar positions drafting standardized plans. We highly encourage subsequent discussion of those drafts before the plans are formally put into place.

**C. How are critical results identified?**

(1) The first step in developing performance plans is identifying the most important end products (critical results)

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that the employee should produce for the coming appraisal year. These products can be results of one-time special projects or ongoing activities. The key to identifying critical results is to review the reasons why the position is necessary, and make clear statements of these reasons in the critical results. You can usually express critical results in brief statements that typically include an action verb and its object (conducts investigations, conducts biological studies, types correspondence, assembles reports) and specify what is produced, rather than how the product is produced. Critical results may not target anticipated violations or wrongdoings or establish a detection or apprehension threshold as the measure of success in the position.

**(2)** When possible, supervisors/employees may combine similar duties and responsibilities that provide crucial work products of a position to form one critical result. For example, group duties such as “completes energy reports,” “completes safety reports,” “completes station reports,” and “analyzes monthly reports” into a single critical result stating: “Provides regular reports and analyses that document station compliance with established fiscal and safety milestones.”

**(3)** In addition to their normal duties and assignments, some employees also have essential or highly important collateral duty assignments for the Service. Supervisors should give careful consideration when determining whether or not the work product(s) of the collateral duty is (are) a critical result of the position.

**D. Is there a mandatory critical element for supervisors and managers?** The performance plan for each employee with supervisory responsibilities must include the following critical element: “In the strategic management of human capital: (a) using the Service’s workforce planning process and results, implements actions to ensure that required competencies are identified and the workforce is deployed and aligned for mission accomplishment; (b) annually discusses training needs with staff, reviews and approves Individual Development Plans, and provides staff a minimum of 40 hours of continuous learning opportunities in accordance with 231 FW 1 and 2; and (c) demonstrates progress toward the goals in the Affirmative Employment Scorecard and a commitment to the prevention and resolution of equal opportunity issues.”

**E. How are additional performance indicators selected?** Supervisors cannot modify or delete the standard performance indicators identified on the Employee Performance Plan and Results Report (DI-2002). However, they can define additional performance indicators for inclusion in performance plans as necessary and appropriate to individual work units and positions. These additional performance indicators should describe the performance requirements in terms of quantity, quality, timeliness, work behavior, cost-effectiveness, or other

characteristics essential to the delivery of a satisfactory work product. Three groups of performance indicators are identified for use throughout the Department in assessing critical results: Quality, Teamwork, and Customer Service. Supervisors can use teamwork indicators only to gauge an individual’s results within a team concept and not to measure the entire team’s combined performance. In all cases, performance indicators should be:

**(1) Achievable.** Indicators should be appropriate and within the employee’s control. Supervisors should formulate indicators in such a way that it is possible for employees to exceed them.

**(2) Meaningful.** Supervisors should formulate indicators in such a way that when employees achieve them, the result is accomplishment of the critical result either in part or in full.

**(3) Practical to measure.** Indicators should not require the supervisor to create elaborate systems or paperwork to measure accomplishments.

**(4) Stated clearly.** Indicators should avoid using general or indefinite words such as “good,” “minimal,” or “unusual.”

**(5) Stated positively.** Indicators should describe what is, rather than what is not, delivered.

**(6) Flexible.** Indicators should allow for error unless a single failure to meet the standard could result in death, serious injury, tremendous loss, or other negative outcome of a highly significant nature. Even in the case of a negative outcome, the indicator must be an aspect of performance over which the employee has control.

**(7) Central to the work of the job.** Indicators should address performance in relation to the most important products of a job.

**F. How is a performance plan approved?** After the plan is developed, the employee and the supervisor should discuss, sign, and date it on the left half of the DI-2002, Part IV (Certification). The supervisor will retain the original and provide a copy to the employee. If changes are made to the plan during the rating period, both the supervisor and the employee should initial the changes, and the supervisor will provide the employee a copy of the revised plan. We do not require concurrence by reviewing officials. However, officials of individual work units may choose to require higher level review of performance plans, or a requirement for such review may be established through a formal collective bargaining agreement.

**G. What happens if an employee is dissatisfied with the performance plan?** If an employee disagrees with the plan, he/she should discuss the disagreement with the

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supervisor. If not resolved, the employee may informally raise the issue with the appropriate management official (the rating official's supervisor or the next higher level person in the chain of command), or, if appropriate to the work unit, with the reviewing official. If the issue remains unresolved, the employee has no further recourse and the plan is final, even if the employee does not agree to or sign the plan. If the employee refuses to sign the plan, the supervisor documents the refusal on the form. After the rating official (and reviewing official, if applicable) signs the plan, provide a copy to the employee. Because performance plans should identify as critical results those end products that are central to the work of the position, disagreements concerning what constitutes the most important aspects of jobs should be minimal.

**1.9 How is employee performance evaluated during the appraisal period?**

**A. General.** The performance management process is intended to be dynamic and interactive, and regular communication between supervisors and employees is essential to the success of the Performance Management System. Supervisors should communicate with employees regularly concerning work unit priorities, organizational missions, and activities undertaken and accomplished in relation to those priorities and missions.

**B. Progress Reviews.** In addition to informal reviews and feedback to employees, rating officials must conduct two formal reviews during the rating period. These are reviews of the employee's progress toward achieving the critical results and are not actual ratings. Productive, ongoing dialog concerning mission accomplishment is a major objective of the system, and regular progress reviews will ensure that the dialog is maintained. The formal reviews should provide information concerning the employee's overall performance to date; update, if necessary, the critical results and/or performance indicators in light of any new or changing requirements of the employee's position; and identify any areas of performance that need improvement and any methods or training that might assist in that improvement.

**C. Documenting Progress Reviews.**

**(1) Informal Reviews:** While there is no prescribed format for documenting informal progress reviews, we encourage supervisors to keep notes. In addition, supervisors may maintain a work folder on each employee for documenting employee performance, recording any discussions relating to performance, and retaining other performance-related data. The supervisor should rely on these notes and the documentation made during the reviews for completing the employee's annual or interim summary rating. This documentation will also assist the supervisor in supporting the assigned rating should it be Results Not Achieved. Upon request to the supervisor, an employee may review or photocopy the file or supervisory notes regarding his/her

performance. If a supervisor documents a verbal discussion with the employee, he/she will provide the employee a copy of this documentation upon request.

**(2) Formal Progress Reviews:** Space is provided in Part II (Progress Reviews) of the Form DI-2002 for recording results and acknowledgment of progress reviews.

**1.10 What happens when performance is less than fully successful (Results Not Achieved).** Whenever supervisors determine that employee performance is unacceptable, they must promptly initiate special efforts to bring about improvements. The supervisor should initiate frank discussions with the employee to identify the problems and to assist the employee in correcting deficiencies. Performance deficiencies must be addressed in a timely manner and must not be postponed until the end of the rating period. During these discussions, the performance plan should be reviewed and the employee specifically informed of how he/she is failing to achieve critical results. These discussions should outline specific efforts that both the supervisor and the employee will take to assist the employee in overcoming problems. Additionally, whenever employees identify their own unacceptable performance, they should approach their supervisor, discuss the specific deficiencies, and seek assistance as needed. Records of these discussions, memoranda to the employee, and the written plan may later be used in administrative actions if performance is not improved to an acceptable level, or if there is a dispute about an employee's performance. Management may reassign, demote, or remove employees for failure to achieve critical results. However, management cannot take any action until the employee has had an opportunity to improve and to demonstrate acceptable performance. Management must apply the requirements of 5 CFR 432 (Performance Based Reduction in Grade and Removal Actions) and the guidance in 224 FW 2 (Performance-Based Actions) in all cases of Results Not Achieved.

**1.11 What are interim summary ratings?** Interim ratings are different than ratings of record; they are issued for purposes other than the official annual summary ratings. They are assigned when employees complete details or temporary promotions over 90 days, or when employees have served 90 days under performance plans and change positions during the annual appraisal period. Supervisors who leave a supervisory position during the annual appraisal period will complete Interim ratings for all of their employees. Interim ratings are documented on Form DI-2002. The "Rating Period" line should reflect the dates actually covered by the interim rating. The supervisor must complete Part III to show the rating as an Interim Summary Rating and provide a copy of the rating to the new supervisor as well as to the employee. The new supervisor will use the interim ratings in assigning official annual summary ratings. The weight given to interim ratings in deriving annual summary ratings should be proportional to their share of the appraisal period.

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**1.12 How are annual summary ratings handled?**

**A. General.** Each eligible employee on board as of September 30 of each year will receive an annual summary rating that will become the official rating of record for personnel decisions. The supervisor of record on September 30 will prepare the annual summary rating. If an employee is on detail or temporary assignment of less than 90 days at the time of the annual rating, the rating official will be the last official to supervise the employee in a permanent position. If on September 30, an employee has served under an official performance plan for less than the minimum 90-day appraisal period, his/her appraisal period will be extended until the 90-day requirement is met.

**B. Determining Employee Eligibility.** Supervisors are responsible for determining which employees are eligible for an annual rating. In general, all General Schedule and prevailing rate employees are eligible to receive annual ratings if they are on the rolls on September 30 and have been covered by an official performance plan for at least 90 days. This includes employees serving on other than full time permanent appointments such as seasonal, intermittent, term, and temporary appointments. Supervisors should refer questions concerning eligibility in individual cases to their servicing human resources office.

**C. Due Date of Annual Ratings.** Supervisors must complete the annual rating and present it to the employee no later than 60 days after the completion of the annual appraisal period or upon completion of the 90-day rating extension period. Normally, supervisors must issue ratings to employees no later than November 29 each year.

**D. Assigning and Recording the Summary Rating.** Supervisors must review each critical result in terms of the selected performance indicators and record the results pertinent to each item as "Achieved" or "Not Achieved" in the space provided in Part I (Critical Results), DI-2002. Supervisors then record the overall rating (Achieved or Not Achieved) in the space provided in Part III (Summary Rating). Before assigning the final rating, the rating official should consider any interim summary ratings received for the employee during the appraisal period. Interim summary ratings should weigh proportionally to their share of the entire appraisal period. A rating of Results Achieved requires no additional explanation, although the rating official may include brief narrative summaries of accomplishments with regard to one or more critical results. Employees may provide written comments on the summary rating assigned by the rating official. Attach these comments to the employee's performance appraisal and forward to the reviewing official, if appropriate to the work unit, and/or to the servicing human resources office to be maintained as an official record. If the summary rating is Results Not Achieved, the rating official must (1) provide a written explanation describing the specific areas in which the employee has failed to achieve critical results, and (2)

forward the assessment to the reviewing official for concurrence. The rating official should consult with the servicing human resources office to ensure that the documentation is sufficient to sustain the rating and to ensure requirements of performance-based actions are properly addressed (refer to paragraph 1.10).

**1.13 How does an employee request reconsideration of a summary rating?** An employee who is dissatisfied with a rating of record may request reconsideration of the rating by the individual, or the individual's designee, next in the chain of command above the rating official or reviewing official, as appropriate. This individual may not be directly involved in the rating. The employee's request for reconsideration must be in writing, must state the basis for the request, and must be submitted to this individual within 15 calendar days following the employee's receipt of the rating. The decision by this individual is final and binding, and there is no further right of review in the performance management process. Employees covered by collective bargaining agreements must use the reconsideration procedure included in those agreements. Where reconsideration rights are not provided in a collective bargaining agreement, employees may use the provisions outlined in this paragraph.

**1.14 How are performance appraisal records maintained?** The servicing human resources office is responsible for maintaining original employee performance appraisal records (form DI-2002 and any attachments).

**A. Maintenance.** The servicing human resources office will maintain these records in a separate folder or file envelope or file in accordance with Federal regulations governing the maintenance and archiving of Employee Performance Folders.

**B. Availability.** Performance appraisal records are covered by the Privacy and Freedom of Information Acts. The servicing human resources office must provide access to any performance appraisal document to the employee, the employee's designated representative, or other official having both the need for and the entitlement to view the documents. Supervisors and managers should refer all requests for performance appraisal documents (e.g., Freedom of Information Act requests, or requests made under the routine use of the Privacy Act) to the servicing human resources office.

**C. Retention.** The servicing human resources office must retain performance documents for 4 years. When an employee is transferred or reassigned, the servicing human resources office must forward the last three ratings of record and the current Performance Plan to the employee's new servicing human resources office. The servicing human resources office must destroy records older than the last three official ratings.

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**1.15 What is the relationship of performance appraisal to other personnel decisions?** An annual summary rating is in effect and used as the basis for a number of personnel decisions until it is replaced by another annual summary rating. The following list describes these decisions and the role the summary rating plays.

**A. Within-Grade Increases.** There is a direct link between the summary rating and the determination to grant or withhold a within-grade increase. In order for an employee to receive a within-grade increase, his/her current rating of record must show "Results Achieved." An employee who has a current rating of record of "Results Not Achieved" cannot receive a within-grade increase until performance improves to the "Results Achieved" level. Paragraph 1.10 provides detailed information on documenting less than fully successful performance. Assistance on specific cases is available from servicing human resources offices.

**B. Quality Step Increases.** The only award based on an employee's summary rating is the Quality Step Increase. To be eligible to receive a Quality Step Increase, an employee must have a performance rating of "Results Achieved." Please refer to 224 FW 3 and 4 for detailed information regarding Quality Step Increases.

**C. Career-Ladder Promotions.** An employee must be rated "Results Achieved" to receive a noncompetitive promotion to the next level in the career ladder.

**D. Reduction-in-Force.** The length of service calculation used for determining relative position on a retention register incorporates additional time based on an average of the three most recent annual summary performance ratings within the past 4 years. Currently, 12 years are credited for each rating of Results Achieved, and no years are added for Results Not Achieved.

**1.16 What effect does this chapter have on labor-management relations?** The performance management provisions in this chapter should not be construed to nullify, change, or otherwise affect any negotiated or collective bargaining agreement.