DEPARTMENT OF THE NAVY
NAVY PERSONNEL COMMAND
5720 INTEGRITY DRIVE
MILLINGTON TN 38055-0000

COMNAVPERSCOMINST 12430.1 CH-1
PERS-023
5 NOV 2002

COMNAVPERSCOM INSTRUCTION 12430.1 CHANGE TRANSMITTAL 1

From: Commander, Navy Personnel Command

Subj: NAVY PERSONNEL COMMAND (NAVPERSCOM) PERFORMANCE MANAGEMENT PROGRAM

Encl: (1) Revised page 2

1. Purpose. To transmit new page 2, which revises the appraisal cycle to 1 July to 30 June from 1 October to 30 September.

2. Action. Remove page 2 of the basic instruction and insert enclosure (1).

P. G. HUIATT
Chief of Staff
By direction

Distribution:
COMNAVPERSCOMINST 5218.1A
List 1A, 1B, 2A, and 2B

DEPARTMENT OF THE NAVY
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CH-1 OF 5 NOV 2002
ENTERED

COMNAVPERSCOMINST 12430.1
NPC-012
APR 14 1999

COMNAVPERSCOM INSTRUCTION 12430.1

From: Commander, Navy Personnel Command

Subj: NAVY PERSONNEL COMMAND (NAVPERSCOM) PERFORMANCE MANAGEMENT PROGRAM

Ref: (a) Chapter 43 of Title 5, United States Code
(b) Title 5, Code of Federal Regulations, Part 430
(c) DoD 1400.25-M, Subchapter 430
(d) SECNAVINST 12430.4, 11 Aug 97 (NOTAL)
(e) DON Human Resources Implementation Guidance (NOTAL)

Encl: (1) NAVPERSCOM Performance Review Program, NAVPERSCOM 12430/1 (3/99)

1. Purpose. To provide guidance concerning the implementation of the Department of Navy's (DON) new Performance Management Program and establish the NAVPERSCOM policy for evaluating the performance of civilian employees per references (a) through (e).

2. Background. Following the requirements of references (a) and (b) and as directed by reference (c), the DON has developed a new Performance Management Program, reference (e). The new DON Program contains two significant changes:

a. The new DON two-level summary performance rating.

b. The removal of the direct connection between civilian awards and end of cycle performance.

3. Developing Command Programs. Each department will cancel its existing performance plan and develop a new performance management plan consistent with enclosure (1).

4. Scope. This instruction applies to all General Schedule and Federal Wage System employees with the exception of employees on appointments of less than 120 days.

a. Within NAVPERSCOM civilian employees GS-1 through GS-15 and WG will continue on a single appraisal cycle.

5. Policy. Assessment of performance is an integral part of effective management. The objective of performance management is to provide an opportunity for constructive dialogue between the first level supervisor and the employee. The goal is to improve organizational effectiveness in stating and accomplishing mission requirements while encouraging employees to continuously improve, develop professionally, and perform at their full potential.

6. Definitions

a. Acceptable Performance. Performance of an employee which meets the established performance requirement(s) or standards, at a level above "unacceptable" in all critical elements(s) of an employee's position.

b. Appraisal Period. The established period of time for which performance will be assessed and a rating of record prepared. The NAVPERSCOM performance appraisal cycle for GS-1 through GS-15 is 1 July to 30 June. (R

c. Award. Recognition for individual or team achievement that contributes to meeting organizational goals or improving the efficiency, effectiveness, and economy of the Government or which is otherwise in the public interest.

d. Close-Out Rating. An appraisal conducted when an employee or first level supervisor leaves a position. Close-out ratings will be in writing, and will be used in deriving the rating of record, and may, in some cases, become the rating of record.

e. Critical Element. A work assignment or responsibility of such importance that unacceptable performance on the element would result in a determination that an employee's overall performance is unacceptable.

f. Objectives/Elements. Work assignments, tasks and goals employees and first level supervisors set at beginning of cycle to accomplish during the appraisal year.

g. Progress Review. A review of the employee's performance which is conducted midway through the appraisal cycle. Progress reviews do not require the assignment of a summary rating; however, the first level supervisor and employee must discuss performance and document performance. Changes in mission requirements and goals, completion or extensions of major projects due to time and/or money constraints affecting performance elements may be adjusted during this review.

h. Rating of Record. The performance rating prepared at the end of the appraisal cycle is the rating of record and is the employee's official performance rating for pay and retention purposes.

i. Summary Rating. The overall rating assigned when conducting a close-out rating or rating of record. The two summary rating levels are "Acceptable" and "Unacceptable."

j. Unacceptable Performance. Performance of an employee which fails to meet established performance standards in a performance element.

7. Action

a. First level supervisors are expected to:

(1) Review each position description, mission statement, and other pertinent program information for accuracy.

(2) Communicate with the employee regarding mission requirements, the performance elements and standards, and the employee's developmental needs.

(3) Establish and discuss performance elements with the employee and provide them with a copy of their performance plan within 30 days after the beginning of each appraisal cycle.

(4) Provide assistance to employees in improving their performance if at any time during the appraisal cycle their performance is determined to be "unacceptable" in one or more elements.

(5) Conduct and document a minimum of one progress review midway through the appraisal cycle.

(6) Prepare a close-out rating if either the employee or the first level supervisor leaves the position prior to the end of the cycle.

(7) Prepare a rating of record for each covered employee. This includes rating for each element and the summary level rating. Forward proposed ratings of "unacceptable" to the second level supervisor for approval. "Acceptable" ratings require the first level supervisor's signature only.

b. Employees are expected to:

(1) Review their particular position description, mission statement, and pertinent program information for accuracy.

(2) Participate with first level supervisor in the preparation of performance standards and elements.

(3) Discuss performance standards and developmental needs.

(4) Participate in mid-year progress reviews, sign and date progress review.

8. Implementation

a. Setting Performance Standards

(1) The first level supervisor will set performance standards with the employee within 30 days of the start of the appraisal cycle. The first level supervisor will sign and date the form. A copy of the form is to be provided to the employee; the first level supervisor keeps the original.

(2) Enclosure (1) provides generic elements for employees and should be used in developing individual performance plans. Additionally, employees and first level supervisors are encouraged to use a workplan to further illustrate what work assignments are to be accomplished during the rating cycle.

b. Monitoring and Rating Performance

(1) Progress Review. The first level supervisor and employee must, at a minimum, conduct and document a mid-year progress review of the employee's performance in meeting the performance standards. To the maximum extent possible, progress reviews will be informative and developmental in nature. The first level supervisor and employee will discuss accomplishments, update priorities, and define new assignment and expectations. Progress reviews do not require a summary level rating, but must be documented.

(2) Acceptable Performance. The employee meets the requirements for all performance standards.

(3) Unacceptable Performance. If at any time during the appraisal cycle, an employee's performance is determined to be "Unacceptable" in one or more of the elements, the first level supervisor must communicate the shortcomings and the expectations to the employee in writing. Additionally, the Employee Relations Office of the servicing Human Resources Office should be notified as soon as possible for guidance on the procedural requirements.

(4) Close-out Ratings. Close-out ratings shall be conducted when an employee completes a detail or temporary promotion of 120 days or if an employee changes a position by

reassignment, promotion or transfer to another activity. Additionally, close-out ratings must be conducted when the first level supervisor leaves the position. In this situation, the employee may continue under the same performance plan, with the appraisal going to the new first level supervisor.

(5) Ratings of Record. Normally within 30 days after the end of the appraisal cycle, a written rating of record will be assigned to each covered employee. The first level supervisor should give a summary rating, and sign and date the appraisal form. First level supervisors are encouraged to write comments on the appraisal form to acknowledge special accomplishments. Written comments are required if an employee is rated "Unacceptable" the first level supervisor must forward the appraisal to the second level supervisor for approval. Review of "Acceptable" ratings is at the discretion of each Department Director. Following the required reviews, the employee should sign and date the form. Signatures indicate only that the review has been accomplished. A copy of the completed form is given to the employee, the first level supervisor keeps a copy, and the original is forwarded to the Civilian Support Division (NPC-012).

(a) If, at the end of the appraisal cycle, the employee has not completed the 90 day minimum period of time under the performance plan, but has received a close-out rating during the same appraisal cycle, the close-out rating may become the rating of record. The new first level supervisor must initial the form. If the employee has not received a close-out, the appraisal cycle must be extended to ensure the minimum 90 day requirement is met.

(b) The end of the appraisal cycle also marks the beginning of the new performance management period. This is the appropriate time to discuss and sign the next appraisal cycle's performance appraisal form.

9. Relationship to other Personnel Actions

a. Within-Grade Increases. Covered employees will receive within-grade increases when eligible provided their performance equates to an "Acceptable" rating of record. A special rating is prepared when an employee has a current annual rating of "Acceptable" but has been experiencing performance deficiencies for the past 90 days and is unacceptable in one or more elements.

b. Promotions. To be promoted, an employee must be performing at the acceptable level on all elements. However, the fact that an employee is rated "Acceptable" at the time he/she is eligible for a career-ladder promotion, does not mean that the promotion is automatic. For merit promotion actions, the rating of record should be reviewed by selecting officials to the extent it is relevant to the position being filled.

c. Quality Step Increases. The purpose of Quality Step Increases (QSI) is to provide appropriate recognition for excellence in performance by granting faster than normal step increases; therefore, careful consideration should be given before granting a QSI. An employee is eligible for only one quality step increase within any 52 week period. To be eligible for a QSI, GS employees must meet the following criteria: received a rating of record of "Acceptable"; demonstrated sustained performance of high quality significantly above that expected at the acceptable level; and made significant contributions to the organization's mission. In addition, there must be an expectation that the high quality performance will continue in the future.

d. Removal, Demotion, and Reassignment. An employee whose performance is "Unacceptable" must have a period of opportunity to improve performance. If, at the conclusion of the "opportunity" period, the employee's performance continues to be "Unacceptable," the first level supervisor must initiate reassignment, reduction in grade, or removal action.

e. Probationary Period

(1) Initial Probationary Period. Evaluation of the employee's performance, as well as other considerations, should serve as a basis for the decision to retain or remove the employee from Federal Service during the probationary period.

(2) Supervisory and Managerial Probation. Evaulation of the employee's performance of supervisory or managerial elements of the position serves as a basis for the decision to retian or remove the employee from the supervisory or managerial position.

f. Reduction-in-force (RIF)

(1) The rating of record for RIF purposes is the annual rating conducted at the time specified by the activity and special ratings conducted to support within-grade increase determinations. No rating may be assigned for the purpose of affecting an employee's RIF retention standing.

(2) The three most recent ratings of record received during the last four years are factors in determining retention standing for RIF purposes. An employee receives an additional 20 years of service for each "Acceptable" rating.

10. Awards. Throughout the appraisal cycle, awards should be used to acknowledge and motivate employees by rewarding significant individual, team, or organizational achievements and contributions. A wide variety of award options are available: Special Act, Time-off, On-the-spot and Honorary awards. Information on procedures and requirements governing awards are contained in the Guidance on Implementing Awards Programs in the Department of the Navy. For additional information concerning awards contact NAVPERSCOM (NPC-012).

11. Grievance and Appeals. Covered employees may raise issues relating to the performance appraisal process through the administrative grievance procedure. Appealable issues may be appealed to the Merit Systems Protection Board (MSPB). Guidance on grievable and/or appealable matters is as follows:

a. Elements and standards may not be grieved or appealed.

b. Ratings on elements and summary ratings are grievable.

c. Failure to inform employees of elements and standards is grievable.

d. Performance-based demotions and removals may be grieved through the administrative grievance procedure or appealed to the MSPB, but not both.

12. Forms. Performance Review Program Forms may be reproduced locally, and are available in NAVPERSCOM Form Flow.

G. M. MCKINLEY
By direction

Distribution:
NAVPERSCOM LIST
1A Commander, Special Assistants, Staff Office and Department Directors
1B Division Directors, Staff Office Directors, and Special Assistants to Department Directors
2A Branch Heads, Staff Office Heads, and Special Assistants to Division Directors
3C All Civilians

PERFORMANCE REVIEW PROGRAM

I. SETTING PERFORMANCE STANDARDS (Completed within 30 days after start of rating period)

NAME:	Organization/Code:	SSN:	Employee's P.D. Accurate? ☐ Yes ☐ No

First Level Supervisor's Signature:	Date:	Employee's Signature:	Date:

II. INTERIM APPRAISAL

First Level Supervisor's Signature:	Date:	Employee's Signature:	Date:

III. PROGRESS REVIEW (Completed halfway through rating period)

First Level Supervisor's Signature:	Date:	Employee's Signature:	Date:

IV. END OF RATING PERIOD (Completed within 30 days after end of rating period)

Type of Rating: Close Out ☐ Rating of Record ☐

Period covered: From: ☐ To: ☐

SUMMARY RATING

Acceptable ☐ Unacceptable ☐

First Level Supervisor's Signature:	Date:	Employee's Signature:	Date:

V. FIRST LEVEL SUPERVISOR'S COMMENTS

VI. SECOND LEVEL SUPERVISOR'S SIGNATURE (Required for Unacceptable Rating)

Second Level Supervisor Signature:	*Date:*	

VII. CRITICAL ELEMENTS AND STANDARDS

Individual Critical Elements: **1 and 2 mandatory for all; 3 mandatory for managers, 4 and 5 mandatory for supervisors.** Check all applicable critical elements and factors which make up the standard; if selected critical element or factor is deleted during rating period, initial and date. **Critical element ratings are defined as follows: "A" - Fulfills all requirements for this critical element; "U" - Performance characterized by significant weaknesses which affect overall performance.** There is a need for closer supervision, correction of work results and/or remedial training. Improvement Plan, including specific written description of"A" performance provided on

1. EXECUTION OF DUTIES

Consistently accomplishes the following:	Applicable Standards	Performance Rating
a. Skillful at performing the specific tasks required of the position.		
b. Understands work procedures and relationship of job to others		
c. Effectively structures activities to recognize and respond to priorities.		
d. Organizes resources to get the job done with quality and on time.		
e. Properly follows instructions.		
f. Maintains a sense of responsibility for a task or project until completion.		
g. Makes decisions and operates with attention to long-range strategic initiatives of the organization.		
h. Effectively manages classified information.		
i. Discharges security responsibilities.		
j. Strives to increase competition and increase cost savings.		
k. Specific additional program/mission goals **(optional)**		
* 1).		
* 2).		
* 3).		

2. COMMUNICATION AND TEAMWORK

Consistently accomplishes the following:	Applicable Standards	Performance Rating
a. Communicates clearly orally and in writing.		
b. Builds and maintains interdependent relationships with individuals inside and outside the immediate organizational unit.		
c. Keeps others informed regarding work projects they need to know to do their work		
d. Supports organizational efforts to develop effective teamwork.		
e. Synergies with team members to develop desired outcomes to accomplish mission objectives		
f. Organizes and prepares to reduce working in a crisis mode when changes in work priorities and procedures occur.		
g. Seeks to understand new ideas and work methods		
h. Shows courtesy and respect for co-workers and other team members		
k. Specific additional program/mission goals **(optional)**		
* 1).		
* 2).		
* 3).		

3. PROGRAM MANAGEMENT		
Consistently accomplishes the following:	Applicable Standards	Performance Rating
a. Identifies work priorities and goals, structures job assignments for maximum efficiency, and has an organization structure consistent with financial goals.		
b. Accountable for realistic forecasts and budgets and is responsive to changing business objectives.		
c. Effectively utilizes resources to maximize economy.		
d. Effectively addresses audit findings and implements recommendations to GAO and DoD IG audits.		
e. Implements effective internal controls.		

4. LEADERSHIP		
Consistently accomplishes the following:	Applicable Standards	Performance Rating
a.Defines safety goals, addresses employee safety, health, and environmental concerns, and maintains a safe and healthy work environment.		
b. Inspires the work team to create a shared vision of contributing to the organization's goals and aligns individual roles with team goals.		
c. Ensures employees understand the purpose and value of their work and holds individuals accountable for achieving work group objectives.		
d. Encourages teamwork and cooperation with internal and crossfunctional work groups.		
e. Seeks to understand others' point of view in organizational/work team decision-making.		
f. Encourages and values team creativity and innovation.		
g. Shows courtesy and respect for staff members.		
h. Creates a positive, optimistic work climate to allow employees to express ideal and feelings with confidence.		
i. Recognizes and rewards positive employee/team performance.		
j. Conducts scheduled Performance Appraisal employee discussions.		
k. Updates and informs employees regarding relevant and important organizational matters.		
l. Supports organizational efforts to train and develop employees.		

5. EQUAL EMPLOYMENT OPPORTUNITY		
Consistently accomplishes the following:	Applicable Standards	Performance Rating
a. Actively supports and fosters DoN EEO goals and policy through demonstrated behavior and performance.		
b. Consistently keep chain of command apprised of EEO related issues within the workforce.		

INSTRUCTIONS

Section I - Setting Performance Standards. Critical elements and standards must be in effect within 30 days after the start of the rating period. To implement the elements and standards, the supervisor shall meet face-to-face with the employee to discuss and document the agreed upon work expectations and objectives. The critical elements and standards should be reviewed and related to the employee will sign and date Section I.

Section II - Interim Appraisal. Any progress review or training appraisal conducted throughout the annual performance appraisal period.

Section III - Progress Review. This review is for communication with the employee about performance compared to the critical elements and standards. The Progress review should be conducted mid-year of the reporting period.

Section IV - End of Rating Period. The Type of Rating, Period Covered and Summary rating will be documented in this section. This section must be completed within 30 days after the end of the rating period.

Section V - First Level Supervisor's Comments. Optional. However, this section should be used to document special accomplishments.

Section VI - Second Level Supervisor's Signature. Second Level Supervisor's signature is required when an "Unacceptable" Summary Rating has been assigned.

Section VII - Critical Elements and Standards. First Level Supervisor and employee establish critical elements and standards upon which performance will be evaluated.

DEFINITIONS

Acceptable Performance. Performance of an employee which meets the established performance requirement(s) or standards, at a level above "unacceptable" in all critical element(s) of an employee's position.

Appraisal. The process under which performance is reviewed and evaluated against the described performance standard(s).

Critical Element. A work assignment or responsibility of such importance that unacceptable performance on the element would result in a determination that an employee's overall performance is unacceptable.

Close-Out Rating. An appraisal conducted when an employee or first level supervisor leaves a position after the employee has been under established performance standards for 90 days or more but before the end of the appraisal cycle. Close-out ratings will be documented and used in deriving the rating of record and in some cases, may become the rating of record.

Performance Rating. The result of a comparison between actual performance and the performance standard(s) for each critical element on which there has been an opportunity to perform for the minimum period. A performance rating will include the assignment of a summary level.

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

Rating of Record. The performance rating prepared at the end of the appraisal period for performance over the entire period including the assignment of a summary level. The rating of record is the official rating for pay, performance award, and retention purposes.

Summary Rating. The final result of the performance evaluation process. The summary rating is used to provide consistency in describing ratings of record. The two summary rating level are: "Acceptable and Unacceptable"

Unacceptable Performance. Performance of an employee which fails to meet established performance standards in one or more critical elements.