

NAWCWDINST 12430.1  
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NAWCWD INSTRUCTION 12430.1

From: Commander, Naval Air Warfare Center Weapons Division

Subj: PERFORMANCE MANAGEMENT PROGRAM

Ref: (a) Title 5, Code of Federal Regulations, Part 430  
(b) DoD Directive 1400.25M, Subchapter 430  
(c) SECNAVINST 12430.4  
(d) NAVAIRINST 12430.5  
(e) Chapter 43 of Title 5, United States Code  
(f) DoN Implementation Guidance 430-01  
(g) Office of Management and Budget Circular A-50  
(h) DoD Directive 7650.3  
(i) DoD Directive 5200.2R  
(j) DoD Directive 5101.39  
(k) DoD Directive 1440.1  
(l) Title 10, United States Code  
(m) DoD Directive 5000.52  
(n) Presidential Memorandum for Heads of Federal Departments and Agencies,  
Regulatory Reinvention Initiative  
(o) Executive Order 12958  
(p) DoD Instruction 6055.1

Encl: (1) NAWCWD 12430/3 (Rev. 4-01), NAVAL AVIATION SYSTEM  
TEAM/NAWCWD Performance Appraisal  
(2) Additional Performance Requirements

1. Purpose. This instruction implements the Department of the Navy (DoN) two level performance management system and provides guidance for evaluating the performance of civilian employees per references (a) through (p).
2. Cancellation. NAWCWPNSINST 12430.3.
3. Background. Reference (a), Title 5, Code of Federal Regulation, Part 430 changed the Office of Personnel Management's policy on performance programs. Reference (b), DoD Directive 1400.25M, Subchapter 430 contains guidance for implementing new performance programs. Reference (b) and reference (c), SECNAVINST 12430.4, DoN Performance Management Programs changed the Navy's performance management program to a two-level

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summary rating program, which appraises an employee's performance at either the "Acceptable" or "Unacceptable" level and contains guidance for implementation. Reference (d), NAVAIRINST 12430.5, Performance Evaluation Supplement (PES) for Integrated Program Team (IPT) Members contains specific criteria required by Naval Air Systems Command (NAVAIR) for implementation of the two-level performance management system within NAVAIR.

4. Scope. This instruction applies to all Naval Air Warfare Center Weapons Division (NAWCWD) employees with the exception of employees covered under the Demonstration Project, Senior Executive Service employees, non-appropriated fund employees, employees on appointment of less than 120 days and employees excluded from coverage by other applicable law or regulation. In the event of a conflict between this instruction and a negotiated agreement, the provision(s) of the agreement will prevail.

5. Policy. Performance management is an integral part of our human resources program. The objective is to use the process to involve employees in improving organizational effectiveness in accomplishing mission requirements through supervisory-employee dialogue. Performance management is intended to integrate the processes used to communicate organizational goals and accountability to employees, identify and address developmental needs and identify and address ways and means for employees to perform at their full potential.

6. Performance Period. The official performance rating period is 1 August through 31 July.

7. Definitions

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

b. Appraisal - A Process under which performance is reviewed and evaluated against performance standards.

c. Appraisal Period - The established period of time for which performance will be reviewed and a rating of record prepared. To receive a rating of record, an employee must have served for a minimum of 90 days under an approved performance plan, in the same position and under the same first level supervisor. If necessary, the employee's appraisal period will be extended beyond the cycle ending date to insure the minimum 90-day appraisal period is met.

d. 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 a minimum of 90 days. Close-out ratings will be in writing and 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 the employee’s overall performance is unacceptable.

NOTE: Non-critical elements will not be used in evaluating an employee's performance.

f. Employee Performance File - The collection of an employee’s past appraisal forms, the current appraisal form, and documentation of any awards received. This file is maintained by the supervisor or other management official.

g. Performance Plan - All of the elements which describe the expected performance of the individual employee. The Appraisal Form which lists the Critical Elements and Standards, any attachments, and any other written performance guidelines.

h. Progress Review - A review of the employee’s performance which is conducted midway through the appraisal period.

i. Rating of Record - The performance rating prepared at the end of an appraisal period for performance over the entire appraisal period. The rating of record is the employee’s official performance rating for pay and retention purposes.

j. 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.”

k. Unacceptable Performance - Performance of an employee which fails to meet the established performance standard(s) in one or more critical elements.

## 8. Action

a. Supervisors are required to:

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

(2) Establish and discuss performance standards with employees within 30 days after the beginning of each appraisal period, and/or each detail or temporary promotion expected to last 120 days or longer.

(3) Solicit feedback from the program/project team leaders throughout the performance rating cycle.

(4) Provide assistance to employees in improving their performance if at any time during the appraisal period their performance is determined to be “Unacceptable” in one or more critical elements.

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(5) Conduct a minimum of one progress review midway through the appraisal period.

(6) Prepare a close-out rating if either the employee or the supervisor leaves the position prior to the completion of the appraisal period.

(7) Recommend employees for awards throughout the performance rating cycle.

(8) Prepare a rating of record for each covered employee. This includes a rating for each element and the assignment of a summary level.

b. Employees are expected to maintain acceptable performance and are encouraged to actively participate in employee-supervisory discussions of performance standard development, mid-year performance evaluations and end of the year performance appraisals.

9. Implementation. The use of a standard performance management procedure and form are intended to support a common TEAM-wide performance management process. Both are intentionally streamlined and straightforward. The NAWCWD 12430/3 (Rev. 4-01), NAVAL AVIATION SYSTEM TEAM/NAWCWD Performance Appraisal Form (see enclosure 1) is used to document employee performance.

a. Setting Performance Standards.

(1) The first level supervisor will provide performance standards to employees within 30 days after the beginning of each appraisal period, and/or of each detail or temporary promotion expected to last 120 days or longer. The supervisor is to meet with the employee to discuss and review mission requirements, the employee's developmental needs and the performance element(s) and standard(s). The first level supervisor will sign and date the Performance Appraisal Form, and then request that the employee sign and date the form. A copy of the form is to be provided to the employee; the original is kept by the supervisor or other management official in the Employee's Performance File (EPF).

(2) The Performance Appraisal form will include all critical performance elements and related standards. Most non-supervisory employees will have one element: "Execution of Duties." Most managers and supervisors will have three elements: "Execution of Duties," "Leadership and Organizational Support" and "Personnel Management/Equal Employment Opportunity (EEO)." Supervisors may further clarify and define the "Execution of Duties" element/standard by whatever means practical (e.g. memorandums, verbal communications, e-mail, or the back of the form). This does not allow for the addition of critical elements except those specified by Enclosure (2). In addition, supervisors are reminded that the form is simply a documentation and communication tool. Performance management includes continuous open communication (on-going, focused discussions of missions, goals, objectives, expectations, etc.) between the supervisor and the employee throughout the appraisal period.

(3) Specific provisions of law, regulation, and DoD policy require certain matters to be considered in the performance evaluations of some employees. Enclosure (2) provides the

additional DoD Performance Evaluation requirements along with the designated references for guidance. For employees whose positions require an additional critical element, not already covered in the three generic performance elements, supervisors may use the “Additional Critical Elements/Written Comments” portion of the form to identify and rate these requirements.

(4) At the time the performance standards are set, supervisors must certify on the Performance Appraisal form that the employee’s position description is current and accurate. If the position description is not current, supervisors must take action to revise the position description and forward it through the local approval chain for appropriate action. Supervisors should communicate with the employee about any revisions to ensure the changes are complete.

b. Monitoring and Rating Performance.

(1) Feedback. Supervisors are encouraged to solicit feedback of the employee’s performance from as many applicable sources as appropriate, i.e., team leaders, integrated program teams (IPT), customers, etc.

(2) Progress Review. The first level supervisor must, at a minimum, conduct a documented review of an employee’s performance midway through the appraisal period. Employees will be informed of their success in meeting the standard(s) of their critical element(s). To the maximum extent possible, progress reviews will be informative and developmental in nature and will focus on future performance. The supervisor and employee will discuss the employee’s accomplishments, update priorities, and define new assignments and expectations. Progress reviews do not require the assignment of a summary rating. The first level supervisor will sign and date the Performance Appraisal Form indicating that the review was conducted. The employee should then sign and date the form.

(3) Unacceptable Performance. If at any time during the appraisal period an employee’s performance is determined to be “Unacceptable” in one or more critical element(s), the supervisor must communicate the performance deficiency and the expectations to the employee in writing. The Personnel Management Advisor (PMA) in the Human Resources Department should be contacted for guidance on the procedural requirements and the second level supervisor should be advised of the issues.

(4) Close-out Ratings. Close-out ratings shall be conducted when an employee completes a detail/temporary promotion of 120 days or longer under established performance standards or if an employee changes positions, is promoted, or moves to a new agency/activity, after being under established standards a minimum of 90 days. The supervisor should check “CLOSE-OUT RATING” on the Performance Appraisal Form and assign a summary rating. The first level supervisor will sign and date the form indicating that the close-out rating was conducted. The employee should then 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. Close-out ratings must also be conducted when the first level supervisor leaves the position after the employee is under established performance standards for a minimum of 90 days. In this

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situation, the employee may continue under the same performance plan but a new appraisal form must be completed and signed.

(5) Ratings of Record. Normally within 30 days after the end of the appraisal period, a written rating of record will be given to each employee. The supervisor should check "RATING OF RECORD" on the Performance Appraisal Form and assign a summary rating. Supervisors may use the "Written Comments" section of the Performance Appraisal Form to acknowledge special accomplishments. The first level supervisor will sign and date the form indicating that the rating of record was conducted. The employee should then sign and date the form. Signatures indicate only that the review has been accomplished. The signature of the reviewing official is only required in the event of an "Unacceptable" rating. A copy of the completed form is given to the employee, the original is kept by the supervisor or other management official in the EPF, and the rating must be recorded electronically by the appropriate office.

(a) If, at the end of the appraisal period, the employee has not completed the 90-day minimum period of performance under the current performance standards, but has received a close-out rating during the same appraisal period, the close-out rating may become the rating of record. The check for "CLOSE-OUT RATING" should be crossed out and "RATING OF RECORD" should be checked on the form (the new supervisor must initial the form). If the employee has not received a close-out rating during the same appraisal period, the appraisal period shall be extended to ensure the minimum 90-day requirement is met.

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

#### 10. Relationship to other Personnel Actions.

a. Within-Grade Increases. Federal Wage System (FWS) and General Schedule (GS) employees will receive within-grade increases when eligible provided their performance equates to an "Acceptable" rating of record.

b. Promotions. To be promoted, an employee must be performing at the "Acceptable" level on all critical elements.

c. Probationary Period. Evaluation of the employee's performance, as well as other considerations such as conduct and reliability, will serve as a basis for the decision to retain or remove an employee from Federal Service during the initial probationary period. Evaluation of the supervisor's performance under the critical elements, as well as other considerations, such as conduct and reliability, will serve as a basis for the decision to retain or remove a supervisor from his/her position during the supervisory probationary period.

d. Reduction-in-Force (RIF). The three most recent ratings of record received in the last four years impact the retention standing for RIF purposes.

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e. Awards. Throughout the appraisal period, awards should be used to acknowledge and motivate employees by recognizing and rewarding significant individual, team, or organizational achievements and contributions. A wide variety of award options are available: Special Act, Time-off, Honorary, Informal Recognition, On-the-Spot, etc. The awards process is covered by a separate instruction. Contact the Human Resources Department for procedures and requirements governing awards.

f. Quality Step Increases. The purpose of Quality Step Increases (QSI) is to provide appropriate incentives and recognition for excellence in performance by granting faster than normal step increases for GS employees. Careful consideration should be given before recommending a QSI. To be eligible, GS employees:

- (1) Must not have received a QSI within the previous 52 weeks;
- (2) Must have received a rating of record of "Acceptable";
- (3) Must have demonstrated sustained performance of high quality significantly above that expected at the "Acceptable" level (i.e., exceeded the "Acceptable" criteria depicting excellent quality of work provided ahead of schedule and with less than normal supervision);
- (4) Must have made a significant contribution to the organization's mission; and;
- (5) Must demonstrate a basis for reasonable expectation that the high quality performance will continue in the future.

11. Grievances. Employees may raise issues relating to the performance appraisal process through the administrative grievance procedure, or where applicable, the negotiated grievance procedure.

12. Effective Date. The policy contained in this instruction is effective 1 August 1998.

13. Forms. NAWCWD 12430/3 (Rev. 4-01) NAVAL AVIATION SYSTEM TEAM/NAWCWD Performance Appraisal is available on the NAWCWD Web Page at: <http://mailfilerrecords.nawcwd.navy.mil/>.

14. Directive Responsibility. The Head, Human Resources Department, Code 730000D, is responsible for keeping this instruction current.

/s/

R. B. Ormsbee

ADDITIONAL DoD PERFORMANCE REQUIREMENTS

1. Purpose. Specific provisions of law, regulation, and DoD policy require certain matters to be considered in the performance evaluations of some employees. Except as provided below, this does not require the establishment of specific performance elements and standards addressing the individual's performance. Rating officials may just consider these requirements in the performance rating or provide narrative evaluations of progress in meeting these requirements (e.g., in a statement on an appraisal form reserved for remarks).

2. DoD Performance Evaluation Requirements.

a. Audit Follow-Up. Performance evaluations of appropriate managers must reflect the degree of effectiveness in addressing audit findings and recommendations and implementing agreed-upon corrective actions as required by reference (g), Office of Management and Budget Circular A-50, Audit Followup, of 29 Sept 1982. This requirement applies to audits conducted by the General Accounting Office and the DoD Inspector General. This requirement is established in paragraph E.3.g. of reference (h), DoD Directive 7650.3, Followup on General Accounting Office, DoD Inspector General, and Internal Audit Reports, of 5 Sept 1989.

b. Protecting Classified Information. Performance evaluations of all employees whose duties involve access to classified information must include a comment by rating officials pertaining to an employee's discharge of security responsibilities. This requirement is established in paragraph 9-102(d) of reference (i), DoD Directive 5200.2-R, Personnel Security Program, of Jan 1987.

c. Internal Management Control. Performance evaluations of managers who have significant Internal Management Control responsibilities must reflect the accountability for the success or failure of Internal Management Control practices. This requirement is established in paragraph E.3.d. of reference (j), DoD Directive 5101.39, Internal Management Control Program, of 14 Apr 1987.

d. Equal Employment Opportunity. Performance evaluations of supervisors, managers, and other personnel with EEO responsibility must have a critical element on EEO. This requirement is established in paragraph E.2.f. of reference (k), DoD Directive 1440.1, The DoD Civilian Equal Employment Opportunity (EEO) Program, of 21 May 1987.

e. Inventory Management. Performance evaluations of individuals employed at Inventory Control Points must give appropriate consideration to efforts made by these individuals to eliminate wasteful practices and achieve cost savings in the acquisition and management of inventory items. This requirement is established in section 2458 of reference (l), Title 10, United States Code.

f. Acquisitions. Persons serving in acquisition positions in the same acquisition career field must be provided an opportunity for review and inclusion of any comments on any appraisal of

their performance. This requirement is established in paragraph D.19 of reference (m), DoD Directive 5000.52, Defense Acquisition Education, Training, and Career Development Program, of 25 Oct 1991.

g. Regulatory Reinvention. Performance measurements of persons who are frontline regulators, i.e., those who have authority to order a corrective action or levy a fine on a business or other government entity, must focus on results, not process and punishment. Therefore, such measures should not be based on process (e.g., number of visits to a business or government entity) or punishment (e.g., number of violations found, number of fines levied on a business or government entity). This requirement is established by reference (n), Presidential Memorandum for Heads of Federal Departments and Agencies, Regulatory Reinvention Initiative, of 4 Mar 1995.

h. Classified Information Management. The performance ratings of civilian employees who are original classification authorities, security managers or security specialists, or significantly involved in the creation or handling of classified information must include the management of classified information as a critical element or item to be evaluated. This requirement is established in section 5.6.(c)(7) of reference (o), Executive Order 12958, Classified National Security Information, of 17 Apr 1995.

i. Safety. Responsible DoD officials at each management level, including first level supervisors, must to the extent of their authority, comply with the DoD Occupational Safety and Health program guidance and regulations. Performance evaluations of those employees must reflect personal accountability in this respect, consistent with the duties of the position, with appropriate recognition of superior performance, and conversely, with corrective administrative action, as appropriate, for deficient performance. This requirement is established in enclosure (2) to reference (p), DoD Instruction 6055.1, DoD Safety and Occupational Health (SOH) Program, of 26 Oct 1984.

j. Increased Competition and Cost Savings in Contracts. Performance evaluations of officials involved in contracting and acquisition must give appropriate recognition to efforts to increase competition and achieve cost savings. This requirement is established in section 2317 of reference (l).

# NAVAL AVIATION SYSTEM TEAM / NAWCWD Performance Appraisal

NAME	SOCIAL SECURITY NUMBER
POSITION TITLE	SERIES AND GRADE
ORGANIZATION / CODE	RATING PERIOD From _____ To _____

## RECORD OF REVIEWS AND FINAL APPRAISAL

ELEMENTS ISSUED	DATE	PROGRESS REVIEW	DATE	FINAL APPRAISAL ISSUED	DATE
RATING OFFICIAL					
EMPLOYEE					
RATING TYPE:	<input type="checkbox"/> RATING OF RECORD	SUMMARY RATING:		<input type="checkbox"/> ACCEPTABLE	
	<input type="checkbox"/> CLOSE OUT RATING			<input type="checkbox"/> UNACCEPTABLE	
REVIEWING OFFICIAL SIGNATURE <i>(For Unacceptable ratings only)</i>				DATE	

POSITION DESCRIPTION CERTIFICATION *(To be completed at the **beginning** of the appraisal period.)*  
Check one:

I certify that the employee's position description  is  is not current and accurate. \_\_\_\_\_ SUPERVISOR'S INITIALS

### CRITICAL ELEMENTS AND STANDARDS

**(Critical Element #1 applies to all employees. Check elements #2 and #3 ONLY if they are applicable)**

RATING LEVEL (X)

ACCEPTABLE | UNACCEPTABLE

#### CRITICAL ELEMENT / STANDARD FOR ALL EMPLOYEES:

**#1 - Execution of Duties:**

Performs assigned tasks (including the protection and management of classified information), readily accepts and performs the work to be accomplished, supports and implements policies, procedures, and regulations, and uses applicable knowledge and skills to produce a product or service of good quality in a timely manner. Works effectively in groups, participates in resolving team conflicts, and establishes and maintains cooperative and effective internal and external working relationships. Keeps supervisor(s) and/or team leader(s) informed of difficult and/or controversial issues and problems.

#### CRITICAL ELEMENTS / STANDARDS FOR IPT/ET/EDT LEADERS, MANAGERS, AND SUPERVISORS:

**#2 - Leadership and Organizational Support (Required for all Supervisors, Managers, and IPT Leaders):**

Promotes an efficient and effective organization by performing the following: selects team members and/or makes work assignments without regard to non-merit factors; resolves issues and problems that arise in the administration of programs; monitors all aspects of programs for quantity, quality, cost, schedule, effectiveness, and consistency; provides timely and correct information and guidance to serviced organizations; implements a system of internal controls which ensures program integrity and prevents waste, fraud and abuse; adheres to policies, regulations, and procedures covering areas such as safety, audit follow-up actions, classified information protection and management, internal management controls, inventory management, and contract administration; and, develops, maintains and promotes productive work relationships at all levels of the organization.

**#3- Personnel Management / EEO (Required for all Supervisors and Managers):**

Promotes a work environment in which employees can excel (encourages innovation, continuous training, and positive attitude). In accomplishing this goal; selects/recommends individuals for recruitment, promotion, recognition, training, and work assignments in an equitable manner without regard to non-merit factors; appropriately appraises staff within required timeframes; uses established position management principles and techniques which result in an efficient organization; uses discipline and alternative dispute resolution processes where appropriate; takes a proactive approach in ensuring a work environment free of discrimination and sexual harassment; and, participates in the achievement of affirmative employment program goals.