# Performance Management Evaluation Cycle October 25, 2017 – October 24, 2018

This memorandum provides guidance on the annual performance management cycle for calendar year 2018. You are asked to closely review this memorandum and forward it to other supervisors in your division/section.

Performance evaluations for classified employees must be conducted as required by DHRM Policy 1.40, Performance Planning and Evaluation. Supervisors and reviewers should monitor employees’ evaluations to ensure their consistency and reliability.

**IMPORTANT PEFORMANCE EVALUATION DEADLINES**

* All annual performance evaluations for the October 25, 2017 - October 24, 2018 are due to Shelby Cullom ***no later than November 13, 2018.***
* The Wage Employee Evaluation Form must be used to evaluate wage (P-14) employees. Wage evaluations are due to your HR Client Manager ***no later than November 13, 2018.***
* General policy provisions include the requirement to afford employees the **option** to provide the supervisor with a self-assessment.
* New Employee Work Profile (EWP) forms for the 2018-2019 performance cycle (October 25, 2018 – October 24, 2019) are due to your HR Client Manager ***no later than December 3, 2018.***

# Annual Performance Evaluations

It is time to complete the annual performance evaluation component of the Employee Work Profile (EWP) for the performance cycle which began October 25, 2017. You will need to have all classified employees rated under your line of supervision using the specific performance measures you have established for the current performance cycle.

All completed original rated performance evaluations signed by the employee, supervisor, and reviewer for 2018 are to be returned to your HR Client Manager by **Friday, November 16, 2018.** A copy of the ***signed*** performance evaluation must be provided to the employee.

# Performance Management Policy Guidance

* + **Self-Assessment**

Each employee must be afforded the **option** to provide the supervisor with a self-assessment of his or her job performance for the rating period. The employee should be asked to provide a self-evaluation at least two weeks prior to the evaluation meeting. A supervisor must review and consider the self-assessment when completing each employee’s performance evaluation.

# Reviewer

The **reviewer must review, make comments, and sign** the performance evaluation **before** the evaluation is discussed with and presented to the employee.

# Extraordinary Contributor

In order for an employee to receive an overall "**Extraordinary Contributor**" rating on the annual performance evaluation, the employee must have received at least one  *Acknowledgement of Extraordinary Contribution* form(s) and perform consistently well above the core responsibilities and measures throughout the performance cycle. Extraordinary contributions should be documented on the Acknowledgement form and discussed as close to the time of occurrence as possible. The receipt of one or more Acknowledgement of Extraordinary Contribution forms does not automatically entitle an employee to an overall annual rating of "Extraordinary Contributor." Please attach a copy of the *Acknowledgement of Extraordinary Contribution* form to the evaluation.

# Below Contributor

Contact your HR Client Manager if you determine an employee’s overall performance is at the "Below Contributor" level prior to conducting the evaluation meeting.

An employee cannot be rated “Below Contributor” on the annual evaluation unless he/she has received:

* + At least one Notice of Improvement Needed/Substandard Performance form; OR
  + A Written Notice for any reason as defined in Policy 1.60, Standards of Conduct.

Receipt of a Notice of Improvement Needed/Substandard Performance form or a Written Notice does not require that an employee be rated “Below Contributor.” Rather, it allows a “Below Contributor” rating if the employee’s overall performance reasonably supports a “Below Contributor” rating. Please attach a copy of the *Notice of Improvement Needed/Substandard Performance Form or Written Notice Form* to the evaluation.

***NOTE:*** *If a Written Notice is used in place of a Notice of Improvement Needed/Substandard Performance Form to support a rating of Below Contributor, and the notice is subsequently removed pursuant to the Grievance Procedure, the Performance Evaluation must be modified accordingly.*

# Evaluation Appeals

If an employee disagrees with an evaluation and cannot resolve the disagreement with the supervisor, the employee may appeal to the reviewer for another review of the evaluation. Any appeal must be made in writing to the reviewer **within 10 workdays** of the initial performance meeting. Please contact your HR Client Manager immediately if an employee appeals a rating.

# Appeal Process

The reviewer should discuss an employee’s appeal with the supervisor and employee. After discussion of the appeal, the reviewer should provide the employee with a written response within five (5) workdays of receiving it.

The response should indicate one of the following:

* the reviewer agrees with the evaluation;
* the supervisor will revise the evaluation;
* the supervisor will complete a new evaluation;
* the reviewer will revise the evaluation; or
* the reviewer will complete a new evaluation.

# Wage Performance Evaluations

Wage employees performance evaluations are to be completed for the performance cycle that began on October 25, 2017. Supervisors should discuss the wage employee’s work performance and document the discussion on the work performance on the wage evaluation form. Forward the completed wage employee performance evaluation to your HR Client Manager by ***November 2, 2018.*** Wage employees should be rated using the specific performance measures you have established for the current performance cycle.

Contact your HR Client Manager if you determine a wage employee’s performance is at the "below contributor" level of performance.

# 2018 Performance-based Pay Increases

The General Assembly did not approve funding for additional performance increases effective November 25, 2018. Therefore, agencies, except for those defined in Chapter 2, 2018 Special Session I, Acts of Assembly, Item 474, paragraph T.5.a-i., may not provide salary increases at that time based on performance during the October 25, 2017 through October 24, 2018, performance cycle. Additionally, the base rates of pay for wage employees may not be increased effective November 25, 2018 as a result of employees’ performance.

# 2019 Employee Work Profiles (EWP) and Physical/Cognitive Worksheet

The FY2019 performance cycle begins October 25, 2018. To prepare for the FY2019 performance cycle, a new EWP should be developed, reviewed, and signed by all parties and discussed with the employee as a part of the performance evaluation planning process. Supervisors must closely review the core responsibilities and measures and make any changes that are needed to the new EWP. Responsibilities and duties may have changed and the new EWP must accurately reflect such changes. After completing the new EWP, provide a copy of the signed EWP to the employee. The supervisor should maintain the EWP and return a signed EWP to your HR Client Manager **no later than December 3, 2018.**

# Physical/Cognitive Requirement Worksheet

The Physical/Cognitive Requirement worksheet has been integrated into the EWP form and must be completed for all employees. The areas to complete include:

* + Overall degree of the position’s physical activity. This includes whether a position is sedentary work, light work, medium work or heavy work.
  + Specific requirements that are **Essential, Marginal or Not Applicable** for the position. Review the definitions prior to completing each element.
  + Other specific physical/cognitive requirements not specified and indicate whether it is an

**Essential or Marginal** requirement for the position.

# June 10, 2019, Employee Salary Increases Two percent base salary increase

Item 474, paragraph T. of Chapter 2, 2018 Special Session I, Acts of Assembly, authorizes a two percent base salary increase effective June 10, 2019, for state employees (full and part-time classified and certain other salaried employees, including faculty, appointed, and at-will employees). All eligible employees in salaried positions as of March 10, 2019, shall be awarded the two percent base salary increase, subject to the performance criteria outlined in Item 474.

Item 474 directs that employees must have received a rating of at least “Contributor” on their latest performance evaluation in order to be eligible for certain components of the fiscal year 2019 salary increases. The eligibility of most employees will be determined by performance evaluations that will be conducted in the fall of 2018 for the current performance cycle (October 25, 2017 through October 24, 2018). Employees who were rated the equivalent of “Contributor” or “Extraordinary Contributor” are eligible, while those rated “Below Contributor” are not.

# Additional merit based salary increase for employees with three years or greater continuous service

Item 474, paragraph V. of Chapter 2, 2018 Special Session I, Acts of Assembly, authorizes an additional merit based salary increase effective June 10, 2019, for state employees with three or more years of continuous state service (except for faculty at institutions of higher education, appointed officials and employees designated as university staff at institutions of higher education, and judges and justices in the Judicial Department, and Officials whose salary is listed in § 4-6.01 of the act). All employees in eligible salaried positions with three years or greater continuous state service on June 10, 2019, are eligible for an additional merit based salary increase subject to the appropriation funding limit and the performance criteria outlined in the paragraph below.

Agency directors shall have the authority to provide eligible employees a merit increase in excess of two percent provided the total cost of all merit increases for the agency does not exceed two percent of the total state salaries of all eligible employees. The following guidelines are recommended by DHRM if agency directors elect to vary the amount of the additional merit based salary increase:

* Employees rated Below Contributor are not eligible for the additional merit based increase.
* Employees rated Contributor should receive between 25% and 100% of the additional merit based salary increase. (Minimum of .5% - Maximum of 2.0%)
* Employees rated Extraordinary Contributor should receive between 100% and 300% of the additional merit based salary increase. (Minimum of 2.0% - Maximum of 6.0%)

# Wage Employees

The base rates of pay for wage employees may be increased by up to two percent no earlier than June 10, 2019. The cost of such increases for wage employees shall be borne by existing funds appropriated to each agency.

Please review the attached **Fiscal Year 2019 Authorizations and Compensation Activities** memorandum that was distributed on July 6, 2018 for additional information regarding the 2019 pay increases.

Direct your questions regarding performance management and the 2019 pay increases to your HR Client Manager.