



Defense Logistics Agency

Managing the
Performance of
Supervisors and
Managers

...the DLA Way

Managing the Performance of *Supervisors and Managers*

...the DLA Way

Performance management is not a single event, but an ongoing process that is essential for effective mission accomplishment. Working in an organization where employees know what is expected, where there is a shared vision of what needs to be accomplished, and where employees are provided meaningful performance feedback is a recipe for success. In order to achieve this, performance management must be a priority for supervisors, managers, and employees at all levels.

No individual has more influence on organizational success than the supervisor, which adds to the importance of the processes covered herein. The impact of a productive performance management system hinges on effective planning, measurement, and management practices. Everyone involved must invest adequate time and effort throughout the appraisal period in order to nurture and sustain a high-performing workforce.

This booklet is intended to be read in conjunction with the DOD magazine *Managing Employee Performance: A Guide for Supervisors*, available online at www.cpms.osd.mil/nsps or in hardcopy from a Human Resources representative. The magazine describes expectations and responsibilities in planning, monitoring, developing, rating, and rewarding performance. It offers a comprehensive reference for documenting performance, writing evaluations, and preparing for performance conversations.

Guiding Principles *DLA Performance Management for Supervisors and Managers*

- Strengthen the linkage between Performance Management and DLA's mission, strategic goals, action plans, and measures.
- Shift the focus of performance management from a single event (the annual performance rating) to a systematic, ongoing process that supports DLA's culture and enhances results.
- Change the perception of performance management as a time-consuming, stressful human resource activity to a process for helping achieve business objectives.
- Ensure long-term success by balancing the achievement of results with specific managerial actions taken to achieve them.

— DLA Instruction: *Performance Management System for Supervisors and Managers*



Introduction

In 2003, DLA introduced a performance management (PM) system uniquely designed to hold supervisors and managers accountable for core leadership competencies. This guide is designed to help understand how the system works... and how we work within the system.

The DLA Instruction (DLAI) *Performance Management System for Supervisors and Managers* provides policy and procedure. Additional support is available from servicing DLA Human Resource Center (DHRC) staff members and from the Human Resources Web site at www.hr.dla.mil.

This system shows levels of distinction within a Fully Successful rating.

Overview

This PM system applies to DLA supervisors and managers, both General Schedule (GS/GM) and Federal Wage System (FWS). As with the employee system, it results in an annual appraisal and rating of record at one of three levels:

- Fully Successful
- Minimally Acceptable
- Unacceptable

What makes the system unique is that it also allows levels of distinction within a Fully Successful rating. Each critical and non-critical element that is successfully performed is assigned a quality level of solid, superior, or exceptional. These levels are designed to assist in determining relative merit when assigning monetary awards.

Terminology

Understanding the lingo is the first step in understanding the system. To get started, here are a few commonly used terminologies:

Supervisory/Managerial Performance Plan—A roadmap, refreshed annually, that documents performance goals, expectations, and evaluation criteria. The plan is recorded on DLA Form 1862 and is a mix of critical and non-critical elements.

Critical element—A performance expectation that is so important that failure in this goal equates to unacceptable performance in the job as a whole.

Non-critical element—An expectation that is important but not so important that failure, though undesirable, compromises overall performance.

Managerial Competencies—A competency is a mixture of knowledge, skill, behavior, and ability that, together, form underlying characteristics predictive of high performance. DLA's leadership framework is built around nine core managerial competencies, discussed in more detail later.

Mission elements—Expectations that are clearly linked to corporate goals and objectives.

Fully successful—The performance level that indicates successful accomplishment of the duties and responsibilities assigned. Fully successful element ratings are further differentiated by quality levels: solid, superior, or exceptional.

Minimally acceptable—A rating level indicating that performance, though acceptable, is in need of improvement.

Unacceptable—Performance that fails to meet expectations in one or more critical element.

Rating period—The performance cycle for supervisors and managers is from October 1 to September 30 each year.

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Summary or Overall rating—The final composite rating that is assigned on DLA Form 1863 after the Managerial Competencies and Mission Elements are each rated individually.

Rating of record—The final, approved rating required by regulation at the end of a rating period.

Performance award—Monetary awards that are linked to performance, including Sustained Superior Performance (SSP) Awards and Quality Step Increases (QSI).

Planning Performance

Mission must be the basis for individual expectations. Employees are encouraged to participate in performance planning when entering a new position, as the job evolves over time, and as the employee matures in his or her role. It is important that performance plans support and align with DLA mission and strategic goals, organizational program and policy objectives, and other suitable measures.

Number of Performance Elements

A performance plan usually contains a mix of critical and non-critical performance elements covering both leadership and mission. As a general rule, plans include:

- Critical elements:
 - Managerial Competency (a composite of the nine DLA core competencies)
 - One to five mission elements
- Non-critical elements:
 - Zero to two mission elements

Managerial Competencies

The nine DLA Managerial Competencies play a vital role in evaluating the performance of leaders. The competencies are aligned with the DOD Civilian Leader Development Framework (see details at <http://www.cpms.osd.mil/lpdd>) and DLA's own Enterprise Leader Development Program (ELDP at <http://www.hr.dla.mil/resources/workforce>). DLA Forms 1862 and 1863 each have a section for defining and assessing performance on these competencies.



Every manager and supervisor is rated on each of these competencies. Section I of DLA Form 1862 includes definitions and descriptive indicators for the competencies. It also reminds us that three quality levels exist within a fully successful rating (solid, superior, and exceptional). With the addition of Marginally Acceptable and Unacceptable, five levels are defined for performance planning and evaluation.



Essential Communications

Communication between supervisors and employees is critical to the success of the performance management system; therefore, performance expectations and year-to-date progress will be the subject of at least three meaningful discussions during the cycle.

1. Setting performance goals and expectations:
An initial discussion occurs each year when the performance plan is established and expectations are communicated. The meeting is designed to fulfill four primary goals:
 - Identify linkages between the employee's work and the organization's goals so that the employee clearly understands his/her contribution to the whole.
 - Communicate the major goals and work assignments to be accomplished.
 - State expected results. Come to a mutual understanding of work priorities and goals.
 - Establish the basis upon which employee's performance will be rated.
2. Interim discussion(s): Frequent, ongoing communication is essential. Regularly reviewing the performance expectations during the year reminds both supervisor and employee of important organizational goals, verifies that current performance supports these goals, and validates that work efforts are properly focused. In addition, changes may occur during the year necessitating adjustments to the plan. A minimum of one meaningful review is required, preferably at mid-cycle. More than one is encouraged.

3. End of cycle: Employees deserve fair and honest feedback for the work they have accomplished. The end-of-cycle discussion provides more than just the rating of record. It is an employee-focused conversation about accomplishments, results, and mission impact. It openly acknowledges challenges met, successes, and shortfalls. It also offers a forum to discuss developmental opportunities, personal goals, training needs, and barriers to success.

In addition, quarterly progress reviews for new supervisors (those on initial probationary periods) are required by the DLAI on Probationary Periods for New Supervisors/Managers. Managers are expected to conduct these discussions throughout the first year at the three, six, nine, and twelve month points.

Addressing Unusual Circumstances

Occasionally an out-of-the-ordinary situation occurs. Rating officials are advised to refer to the DLAI or contact their Employee Relations DHRC advisor when, for example, an employee:

- Leaves before end of cycle
- Has served less than 90 days on a plan
- Performance drops below fully successful
- Is on a long-term detail or assignment
- Has not had the opportunity to perform

DLA Form 1862

In DLA, the Supervisory/Managerial Performance Plan (DLA Form 1862) documents planned performance. It can be found through the DLA HR Web site's Forms link or directly at www.dla.mil/DSS/forms/fillable/DL1862.pdf.

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DLA Form 1862 includes three sections:

Section I assists in planning and evaluation by providing definitions and rating criteria for each of the core managerial competencies. Descriptive indicators offer benchmarks at three levels: Exceptional, Solid, and Unacceptable. This leaves the superior and marginally acceptable levels for interpolation when performance falls “in-between” the descriptions. Although some of the descriptive statements may not be relevant to current duties, they are intended to provide comparison points.

Section II is completed during the initial performance meeting, to be held within 30 days of the beginning of a cycle. It provides a matrix for recording both critical and non-critical mission elements. Column a is used to describe the performance element and state linkages to mission. Column b is used to identify how performance will be evaluated. Column c indicates whether this is a critical or non-critical expectation, and column d documents that the rating official and employee share an understanding of the meaning of this performance element. Signature lines at the bottom of Section II establish the plan by affirming that goals and expectations were communicated and understood by both parties.

Section III is used to document the interim or mid-cycle conversation. It is divided into two parts. The first is a full-page block for recording performance and/or progress on the nine managerial competencies. Similarly, the second part provides space for feedback on the critical and non-critical mission elements. Once again, signatures and dates affirm that the required communication occurred.

DLA Form 1863

In DLA, the Supervisory/Managerial Performance Rating (DLA Form 1863) is used at the end of the performance period to document both the rating of record and the required discussion. It is available via the Forms link on the DLA HR Web site or www.dla.mil/DSS/forms/fillable/DL1863.pdf. Final ratings are discussed with employees, signed, and provided to servicing DHRCs by December 1.

DLA strongly encourages employees to submit self-assessments at the conclusion of the rating period. This is an excellent opportunity for employees to self-advocate and refresh the rating official’s memory of significant events, challenges, and accomplishments.

A rating official’s willingness to document performance that is unacceptable or in need of improvement (Minimally Acceptable) is essential to maintaining a high-performing organization. In addition, it may benefit the individual by triggering remedial action that improves productivity.

In the same way, differentiating high performance from solid performance is important for encouraging growth, defining developmental needs, and motivating excellence.

Like DLA Form 1862, this form also has three sections. The first two sections are completed by the rating official at the end of the period. The third is available for use after the end-of-cycle discussion.

Section I is used to assess performance in the nine managerial competencies and then roll them together into a single critical element. The rating official refers to the definitions and criteria on DLA Form 1862 to determine the correct rating for each competency. At the bottom of Section I, the individual ratings are consolidated into a single rating of Fully Successful, Minimally Acceptable, or Unacceptable.



As specified on the form, a rating of Unacceptable on any Section I element results in an overall Unacceptable for Section I. Likewise, a rating of Minimally Acceptable on an element results in an overall Section I rating of Minimally Acceptable.

Section II is completed in a similar way with rating officials using the job elements and performance standards recorded in Section II of DLA Form 1862 to evaluate each critical and non-critical element, assigning the rating level that best describes employee effectiveness. These are then consolidated to determine whether Section II performance is Fully Successful, Minimally Acceptable, or Unacceptable. Note that the rules for a rating of other than Fully Successful are a bit different here. By definition, an employee may not be rated Unacceptable on the basis of failure in a non-critical element. Read the row instructions at the bottom of Section II carefully if a situation of this type arises.

The Overall Rating is derived by considering Section I results together with Section II. Once again, brief instructions are included with the row. The rating official is reminded that an overall rating of Unacceptable can only be based on failure in a critical element. This is also where rating officials must recall that, rolled together, the Section I Managerial Competencies carry the weight of a single critical element.

Overall ratings that fall below Fully Successful must be reviewed by an Approving Official, usually the rating official's supervisor.

The Comments box that is provided on the form is much too small to record meaningful feedback for the employee. Rating officials will

want to write comments on separate pages for attaching to the rating.

Section III of DLA Form 1863 allows the employee to comment, if he or she wishes to do so.

Awarding Performance

In DLA, the annual rating is used as a basis for granting performance awards. All employees with an overall summary rating of Fully Successful are eligible to be considered for awards.

A Quality Step Increase (QSI) may be granted to GS employees for performance that is far above expectations. As the name implies, this one-step pay increase results in an accelerated pay rate.

Performance-based requirements for a QSI:

- An overall Fully Successful rating
- Section I: 5 of the 9 competencies are rated above Solid Performer, and
- Section II: All critical elements are rated above Solid Performer AND the majority of non-critical elements are also above Solid.

Sustained Superior Performance (SSP) awards are one-time cash awards in recognition of performance that is significantly above expectations. Both FWS and GS employees are eligible to be considered based on these requirements:

- An overall Fully Successful rating
- Section I: 3 out of 9 competencies are rated above Solid Performer, and
- Section II: A majority of critical elements are rated above Solid Performer AND a majority of non-critical elements are also above Solid.



Performance Cycle Timeline for DLA Managers and Supervisors



DLA Training Center

800-458-7903

www.hr.dla.mil