



COLORADO

Department of Natural Resources

PERFORMANCE MANAGEMENT PROGRAM (PMP)

Revised April 2015

Introduction

Performance management is an ongoing process of communication between a supervisor and an employee that occurs throughout the year, in support of accomplishing the strategic objectives of the organization. The communication process includes clarifying expectations, setting objectives, identifying goals, providing feedback, and reviewing results. Overseeing performance and providing feedback is not an isolated event, focused in an annual performance review. It is an ongoing process that takes place throughout the year. The Performance Management process is a cycle, with discussions varying year-to-year based on changing objectives.

The cycle includes Planning, Checking-In, and Review.

- To begin the planning process, the supervisor and the employee review overall expectations, which include collaborating on the development of performance factors/performance areas and individual performance objectives. A performance plan is developed that directs the employee's efforts toward achieving specific results to support organizational excellence and employee success.
- Performance factors/performance areas and individual performance objectives are discussed throughout the year, during check-in meetings (formal and informal). This provides a framework to ensure employees achieve results through coaching and mutual feedback.
- At the end of the performance cycle, the supervisor reviews the employee's performance against expected objectives, as well as the means used and behaviors demonstrated in achieving those objectives.
- Together, the supervisor and the employee establish new objectives for the next performance cycle.

The statewide performance management system consists of three components: performance management, merit pay, and dispute resolution. These are all included in this document.

Evaluation Cycle

Beginning April 1, 2005, the performance appraisal period changed to the statewide standard, a 12-month period from April 1 to March 31 each year.

Specifics are as follows:

- Finalized performance plans are due to employees by April 30 (or within the first month of employment for new employees). A planning session between the supervisor and employee must occur during the preparation of performance plans, and before the performance plans are presented to reviewers and employees.
- All performance plans may be subject to review by a performance plan reviewer, but review and approval is not required.
- Coaching and feedback to employees is required throughout the rating period in order to avoid surprises when the annual rating is issued.
- All supervisors must conduct at least one documented interim performance appraisal for each employee during the course of the evaluation year.
- If an employee moves to another supervisor, appointing authority or department during a performance cycle, an interim evaluation must be completed and delivered to the new supervisor, appointing authority or department within 30 days of the effective date of the move. The receiving supervisor is responsible for determining one final overall performance rating for the entire evaluation year. The receiving supervisor shall “consider” the interim evaluation from the previous supervisor in making the overall determination.
- No evaluation is required when an employee separates from employment in the state personnel system.
- No evaluation is required if an employee is hired the month preceding the end of the performance cycle. (i.e. An annual performance evaluation will not be required for new employees hired in February or March). The employee is deemed to have performed as “met expectations”.
- An initial evaluation conference (annual review) between the employee and the supervisor must occur in early April to determine employee accomplishments and to assist in completing the next year’s performance plan. No overall appraisal rating is discussed at this time. The use of multi-source assessments (e.g. peer assessments and customer feedback) should be considered where feasible.
- An employee’s refusal to sign their evaluation does not negate any portion of the plan, appraisal or overall final rating. Supervisors should document the employee’s refusal on the planning and appraisal document.

- An initial quantitative appraisal must be submitted by the supervisor to the next-level reviewer. It is suggested that the appraisal be delivered to the reviewer by April 15.
- The reviewer's role is to consider the accuracy, internal equity, quality, and consistency of initial quantitative appraisals, and provide direction to supervisors regarding them, before supervisors meet with employees to discuss the final quantitative appraisals. Reviewers must provide this direction to supervisors within the DNR Human Resources Office (HRO) specified deadline.
- Supervisors must meet with employees to discuss final quantitative appraisals before submitting final appraisals to DNR HRO.
- Only ONE final overall appraisal, per employee, is submitted to DNR HRO.
- Interim evaluations are not submitted to DNR HRO.
- Final appraisals will be in writing and must be signed by the employee, supervisor, and reviewer and delivered to the DNR HRO by April 30.
- DNR's performance plan and evaluation form can be found on DNR's intranet <http://dnrwebspint/hr/Appraisals/Pages/home.aspx>
- Prior to the payroll deadline and/or when prescribed by the Department of Personnel and Administration (DPA) (usually early May), DNR HRO will transfer the Merit pay information to the CPPS (payroll system).

NOTE: If a supervisor fails to plan and/or evaluate an employee's job performance, a reviewer is responsible for completing the plan and/or evaluation. If the reviewer fails to plan and/or evaluate in a timely manner, the reviewer's supervisor is responsible for completing the plan and/or evaluation and on up the chain of command until the plan and/or rating is completed as required by law. In the event that a supervisor fails to evaluate an employee by July 1, by default that employee is deemed to have a rating of "met expectations".

Rating Levels

In the performance year beginning April 1, 2007, the performance rating levels were defined by a statewide standard (and slightly modified by DNR), as follows:

Level 3 (Exceeded Expectations) This rating represents consistently exceptional and documented performance or consistently superior achievement of the regular assignment and beyond. Employees made exceptional contribution(s) that were a significant and positive impact on the performance of the unit or the organization and may have materially advanced the mission of the organization. The employee provided a model for excellence and helped others to do their jobs better. Peers, immediate supervision, higher-level management and others readily recognized such a level of performance.

Level 2 (Met Expectations) This rating level encompasses a range of expected performance. It includes those employees who successfully developed in the job, employees who exhibited competency in work behaviors, skills, and assignments for the job, and accomplished performers who consistently exhibited the desired competencies effectively and independently. These employees met all the expectations, standards, requirements, and objectives on their performance plan and, on occasion, may have exceeded them. This is the employee who reliably performed the job assigned and may even have a documented impact beyond the regular assignments and performance objectives that directly supports the mission of the organization.

Level 1 (Needs To Improve) This rating level encompasses those employees whose performance did not consistently and independently meet expectations set forth in the performance plan, as well as those employees whose performance was clearly unsatisfactory and consistently failed to meet requirements and expectations.

Marginal performance requires substantial monitoring to achieve consistent completion of work, and requires more constant, close supervision. Though these employees did not meet expectations, they may be progressing satisfactorily toward a level 2 rating and need coaching/direction in order to satisfy the core expectations of the position.

Core Competencies

The Performance Management Program for DNR will use the “Core Competencies” as developed by DPA. Every employee must be rated on these competencies.

The Core Competencies are considered to be basic requirements common to all state employees. The supervisor must check each competency if the employee met the criteria in a satisfactory manner. If any competency is not checked, a written explanation must be provided in section VI “comments” of the Planning and Performance Appraisal Form. In addition, unchecked (failed) core competencies may result in a performance improvement plan, corrective action and/or disciplinary action. The Core Competencies are “pass/fail.”

The Core Competencies are:

- Communication
- Interpersonal Relations
- Customer Service
- Accountability
- Job Knowledge

All supervisors/raters must have a core competency in their own performance plans to evaluate their performance management and evaluation of their employees. Furthermore, all employee performance plans should align with Department/Division goals and objectives.

Accountability and Sanctions

As required in the State's Performance Management System, failure by any supervisor, including supervisors in non-classified (e.g. Senior Executive Service) positions, to provide timely plans and evaluations in accordance with the timelines established in the DNR Performance Management Program may result in a corrective action and their ineligibility for merit pay. If the performance evaluation(s) or plan(s) are still not completed by the deadline established in the corrective action (30 days from issuance), the rater or supervisor may be subject to disciplinary suspension in increments of one workday following the disciplinary meeting. Furthermore, supervisors who fail to complete evaluations within 30 days of the corrective action are subject to Section 24-50-104 (c.5), C.R.S. (current statutory requirement for increments of one day suspensions for all supervisors failing to evaluate employees at least once per year). Supervisors who fail to complete evaluations for two consecutive years may be demoted to a non-supervisory position, as required by statute.

Allocation

The State Personnel Director determines the uniform percentage of any base and non-base merit pay.

Distribution

Prior to the payment of annual merit pay, the State Personnel Director will specify and publish a percentage for base and non-base merit pay.

Parameters for distribution are as follows:

- Level 1 (Needs To Improve) performers will receive no merit pay. A level 1 rating denoting unsatisfactory performance will result in a performance improvement plan or a corrective action.

- Level 2 (Met Expectations) AND Level 3 (Exceeded Expectations) performers may be eligible for base-building and/or non base-building pay, contingent upon the determination of the State Personnel Director. Merit pay may be base-building up to the maximum of the employee's pay range. Any merit pay beyond the maximum of the employee's pay range shall be non base-building.
- Merit pay will be based on final overall rating of record (i.e. Level 2 or 3).
- Temporary employees are not eligible for merit pay.
- Quotas or forced distribution processes for determining the number of ratings in any of the three performance levels is prohibited.
- All distributions of merit pay are limited by the funding restrictions and limitations imposed by the General Assembly.

Payout

The payout process will be conducted as follows:

- Merit pay is effective July 1 and will be paid from the cost center of record as of that date, regardless of where the employee was working when the merit pay was earned. An employee must be employed on July 1 to receive payment.
- An employee who earns an overall Level 2 or Level 3 rating shall be eligible for merit pay and shall not be denied the merit pay because of a corrective or disciplinary action issued for an incident after the close of the previous performance cycle.
- Employees will not have an option concerning the timing of the merit pay adjustments. All base-building merit pay will be applied as an increase to base pay commencing with the July payroll. All one-time, non-base building merit pay will be paid as a lump sum to employees receiving them in the July paycheck.
- Level 2 and 3 employees may receive base-building merit pay for which they are eligible up to the maximum of the employee's pay range. For eligible employees, merit pay which extends beyond the range maximum may be paid in a one-time lump sum.
- Level 3 employees will receive additional non-base building lump-sum merit pay.
- The merit pay for an employee who received evaluations from more than one supervisor will be that amount associated with the final overall evaluation provided to DNR HRO by the current supervisor.
- For new hires, merit pay will be prorated based on the number of months of employment during the performance cycle.

Dispute Resolution Internal Process

A written Request for Dispute Resolution can be initiated within seven (7) calendar days of receipt of or due date of performance plan or final overall appraisal. The Request must be specific about the reason for dispute and must provide adequate detail to define the basis for the dispute and allow for a meaningful response from the supervisor. A Request for Dispute Resolution is limited to:

- The employee's individual final overall performance evaluation, including the lack of a final overall evaluation; and
- The application of DNR's Performance Management Program (including processes) to the employee's plan and/or final overall evaluation.

The Request for Dispute Resolution must be distributed by the employee to each of the following:

- The employee's supervisor;
- The employee's appointing authority; and
- The DNR Director of Human Resources.

Matters that are not disputed through this process are:

- The content of DNR's Performance Management Program;
- Matters related to the funds appropriated; and
- The Performance evaluations and merit pay of other employees.

The DNR Director of Human Resources will be responsible for reviewing whether the Request for Performance Dispute Resolution falls within the issues deemed appropriate under performance management. The Director of Human Resources shall render such decisions within ten calendar days of receipt of the original dispute. If the dispute is deemed to fall within the Performance Management Program, the Director of Human Resources (or designee) will provide the employee, supervisor and appointing authority with information about the responsibilities and obligations of each party to the process as well as the timeline for completion of required process elements.

During days following the initial filing of a request for dispute resolution, the employee and supervisor are encouraged to pursue resolution through informal processes, including but not limited to:

- Meeting and discussing the issues.
- Mediation/facilitation using department resources.

The timeframes described below are suspended if the employee and supervisor agree, in writing, to pursue informal/alternative dispute resolution.

By the 15th day after receipt of dispute:

Selection of panel members - If the dispute is not resolved between the employee and supervisor, both parties (the employee initiating the dispute and the supervisor) must designate a panel member and alternate to participate on a three-member dispute resolution panel. The employee and supervisor must notify each other and the DNR Director of Human Resources (or designee) with the name of the selected panel member.

Supervisor's Written Response to Request for Dispute Resolution - The supervisor's written response is due by this same deadline. The written response is due to DNR's Director of Human Resources (or designee), for distribution.

By the 20th day after receipt of the dispute:

Selection of Third Panel Member - The panel member selected by the employee is responsible for contacting the panel member selected by the supervisor to facilitate the selection of a mutually agreeable third member. If the two members are unable to agree on a third panel member, the DNR Director of Human Resources (or designee) shall make the selection. The employee, supervisor and DNR Director of Human Resources (or designee) must be informed of the identity of the third panel member.

Distribution of Information – Upon notification of final panel member selection, the DNR Director of Human Resources (or designee) will distribute to the panel all documents previously submitted by the employee and supervisor.

Final Employee Submittal - By day twenty of receipt of dispute, the employee may provide additional written information in response to the supervisor's response to the conflict. The written response is due to DNR's Director of Human Resources (or designee), for distribution.

NOTE: Any current employee of DNR may participate as a panel member. The selected employee has the option to accept or decline to participate as a panel member. The only employees who may not sit on the dispute resolution panel are employees of DNR's HRO and appointing authorities or their designees in the dispute resolution process.

The employee's selected panel member is charged with convening the panel and for making any necessary arrangements (conference calls, meeting rooms, etc.). Oral presentations may be made to the panel if panel members decide they are necessary or useful in assisting them in making a decision.

Between the 20th and 28th day of receipt of dispute:

Panel Discussion - The panel must review submitted statements and if necessary *may* request oral discussion. The panel may request additional written information/clarification from the employee and/or supervisor.

By the 28th day of receipt of dispute:

Panel Decision - The panel must render its written consensus or majority decision and deliver it to the DNR Director of Human Resources (or designee). The Director (or designee) will then distribute the decision to the employee, supervisor, appointing authority and official personnel file. NOTE: In the event consensus among all panel members cannot be reached, a majority decision prevails. If at least two of the members of the panel cannot reach a mutually acceptable finding or decision, the disputing parties have two options:

1. They may agree to convene another panel, or
2. Refer the dispute to the appointing authority (or the appointing authority's designee) for a decision.

The panel's role is limited to review of the rater's judgment or action within the established performance management process, considering only the facts surrounding the current evaluation.

- The panel cannot change the rating.
- The panel may instruct the rater to follow DNR's Performance Management Program, correct an error, or reconsider an individual performance plan or final overall evaluation.
- The panel may also suggest informal/alternative dispute resolution processes (e.g. mediation).

The panel's decision and instructions are binding among the parties unless the employee or supervisor desires review of the panel's decision by the appointing authority or his/her designee. If a review is not requested, the supervisor is accountable for implementing the panel's decision. The employee or supervisor must request a review by the appointing authority within five calendar days of the panel's written decision. A written decision by the appointing authority or his/her designee is due within fourteen days of the panel's decision. The appointing authority or his/her designee in

the conflict resolution process is limited to the same parameters as the panel. Copies of this written decision must be filed with the employee, the supervisor and the Director of DNR's HRO (or designee).

General guidelines to be considered within this process are as follows:

- Informal resolution is encouraged and should be sought throughout this process.
- The use of facilitators to assist in clarifying issues or interest, mediators in some instances (e.g. planning and interim appraisal issues), and/or continuing dialogue between the supervisor and the employee, are some of the avenues available to the parties.
- A waiver of deadlines outside of the mediation process may be granted with each party's mutual consent and agreement of the panel.
- If either party or their representative fails to meet their obligations at any time within the process, the process will be terminated and the opposing party's position will prevail.

Dispute Resolution External Process

ONLY those original issues involving the application of DNR's Performance Management Program to the individual performance evaluation are eligible for external review.

- Within five (5) calendar days from the date of DNR's final decision, an employee may file a written request for review with the State Personnel Director at:

State Personnel Director
Attn: Dispute Resolution
1525 Sherman Street
Denver, CO 80203

- The request for external review shall include a copy of the Request for Dispute Resolution and the final panel/appointing authority decision. The State Personnel Director or designee shall retain jurisdiction but may select a qualified neutral third party to review the matter. The neutral third party has 30 days to issue a written decision that is final and binding. This individual shall not substitute their judgment for that of the rater(s) or for the internal decision-makers in DNR.

Representation

Each party represents himself/herself in this process but may have assistance from another person. As set forth in the Department of Personnel's guidelines, no party has an absolute right to legal representation, but may have an advisor present. The parties are expected to represent and speak for themselves. Some participants may need assistance during the process; therefore, an advisor may assist the party by explaining the process, helping the person clarify and identify issues/concerns, preparing documentation, and attending meetings.

Retaliation against any person involved in the dispute resolution process is prohibited.

Training and Communication

Training is available to managers and supervisors and includes detailed information about the elements of the DNR Performance Management Program, development of performance plans, coaching and feedback, development and presentation of evaluations, and dispute resolution. In addition, the department uses email and its intranet to communicate to employees about this program.

Training is mandatory for all new raters.