



## Interim Performance Management System

The National Defense Authorization Act (NDAA) 2010 repealed the National Security Personnel System (NSPS) in October 2009. NDAA 2010 requires that all employees be transitioned from NSPS no later than 1 January 2012 and that no employee lose pay due to the transition. The law also required that the Department of Defense (DoD) submit to Congress a proposal for an enterprise-wide performance management system. For the period until the DoD-wide performance management system is implemented, the Department of the Navy (DON) has developed the Interim Performance Management System for positions transitioning from NSPS to GS. For additional information about the system, see the *Interim Performance Management System Covering Positions Transitioning to the General Schedule (GS) from the National Security Personnel System (NSPS)*, September 2010, or the DON Handbook of the same title available at:

<https://www.portal.navy.mil/DONHR/WORKFORCERELATIONS/Pages/PerformanceManagementAwards.aspx>.

### Why is Performance Management Important?

Successful employee performance is key to accomplishing mission requirements and objectives and is a major part of the work that supervisors perform throughout the year. A successful performance management system ensures that work performed by employees accomplishes the goals and mission of the organization and that employees have a clear understanding of what is expected of them. Benefits of a successfully adopted performance management system include an organization that is directly aligned behind its goals and objectives and a motivated workforce where every employee understands his or her importance and role in the organization.

### Who is Covered by the Interim System?

The DON Interim Performance Management System applies to all non-bargaining unit **positions** in the DON that transitioned from NSPS to the GS. This system also covers positions that would have been covered by NSPS had NSPS not been repealed. This means that certain employees covered by this interim system may or may not have been covered by NSPS at some point – coverage is based on the **position** and not the employee occupying the position.

### What is Performance Management?

Performance management is the systematic process of:

- Planning work and setting expectations
- Continually monitoring performance
- Developing the capacity to perform
- Periodically rating performance in a summary fashion
- Rewarding good performance

## **Summary of the Interim Performance Management System**

The DON Interim Performance is a two-level performance management system under 5 U.S.C., Chapter 43. Employees under the system will receive an annual rating of record of either “Acceptable” or “Unacceptable” based on their accomplishments towards their performance plan, which includes defined critical elements. To ensure that employees are recognized and rewarded for their accomplishments towards organizational goals and objectives, the Interim Performance Management System also includes principles that Commands must adhere to when developing their recognition and rewards programs. Additionally, the policy describes a DON-recommended approach to making meaningful distinctions between employees who receive a rating of record of “Acceptable” for purposes of granting awards in the form of bonuses and Quality Step Increases (QSIs).

### **Frequently Asked Questions**

#### **Q. Why is this system referred to as “interim?”**

A. As part of the law mandating the repeal of NSPS (NDAA 2010), Congress mandated that a DoD-wide performance management system be created. Until that system is operational, the Interim System will apply to eligible positions.

#### **Q. Will performance management events be tracked using the Performance Appraisal Application (PAA)?**

A. No. The performance management events outlined in this policy will be tracked using the DON Performance Appraisal Form.

#### **Q. When does the Appraisal Period start and end?**

A. The normal appraisal period under the interim system will be 1 October through 30 September of the following year. Your first appraisal period may be longer or shorter depending on when your organization transitions from NSPS to GS.

#### **Q. When are ratings under the Interim Performance Management System effective?**

A. Under 5 U.S.C. 430.208(a)(3), “a rating of record is final when it is issued to an employee with all appropriate reviews and signatures.”

#### **Q. If an employee is a supervisor, are all of his or her Critical Elements rated using the supervisory Performance Standards?**

A. No. Only the supervisory critical element is rated using the supervisory performance standard. All other critical elements are rated using the appropriate entry, journey, or expert performance standards.