

# Performance Management System

“Performance Management Experiences  
at the Department of Commerce and the  
Department of Transportation”

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# Creating a Results-Oriented Performance Culture in DOT

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# Overview

- 1995: The Beginning of a Results-Oriented Performance Culture
- 2002 – Present: Renewed Focus on a Results-Oriented Performance

# DOT in a Nutshell

- Mission: *To serve the United States by ensuring a fast, safe, efficient, accessible and convenient transportation system that meets our vital national interests and enhances the quality of life of the American People, today and into the future.*
- Safety is number one priority.
- 12 operating administrations employing 60,000 employees.

# 1995: The Start of a Results-Oriented Performance Culture

- 1995 – Revised DOT Performance Management Policy Framework
  - Individual performance results should be linked with organizational outcomes.
  - A focus on results – not process.
  - Use performance management to provide feedback on achievement of organizational and individual objectives.

# 1995: The Start of a Results-Oriented Performance Culture

- 1995 – Revised DOT Performance Management Policy Framework (Cont.)
  - Involve employees in the development of performance objectives.
  - Use awards funding to meet organizational results and reward high performance.
  - Monitor performance and communicate with employees.

# 1995: The Start of a Results-Oriented Performance Culture

- 1999 Evaluation – What we Found
  - Mixed perception on whether Framework outcomes were achieved.
    - Limited linkage between individual and organizational goals.
    - Organizational planning documents were not widely used.

# 1995: The Start of a Results-Oriented Performance Culture

- 1999 Evaluation – What we Found
  - Mixed perception on whether Framework outcomes were achieved.
    - No noticeable change in the amount or quality of communication between supervisors and employees.
    - Supervisors were dissatisfied with the availability of funds for awards.



# Renewed Focus on Results-Oriented Performance

- Human Capital Vision

- “To strategically utilize human capital in full support of DOT’s goals and mission, while empowering individual workers to realize their full potential.”

- What we are committed to

- Aligning employee performance with Departmental/OA strategic and organizational goals and objectives.

# Renewed Focus on Results-Oriented Performance

- What we are committed to
  - Communicating organizational goals and priorities, and cascading performance plans from the SES.
  - Establishing supervisory and managerial accountability for individual and organizational performance.
  - Linking awards and recognition to organizational objectives and priorities, and adequately funding awards and recognition programs to motivate and retain employees.

# Renewed Focus on Results-Oriented Performance

- What we are committed to (Con.t)
  - Making performance distinctions.
  - Addressing poor performance, and taking timely actions for removal.
  - Making effective use of the employee and supervisory probationary periods.

# Renewed Focus on Results-Oriented Performance

- What we are doing differently
  - Have engaged our Leadership.
  - Established a DOT Performance Culture Taskforce.
  - Develops and recommends performance culture policies.
  - Formed Supervisory Focus Groups.
  - Monitored implementation with periodic status reports from Operating Administrations.

# Renewed Focus on Results-Oriented Performance

- What we are doing differently (Cont.)
  - Leadership
    - Formed a President Management Agenda Coordinators Group.
    - Issued Guidance to the Secretarial Officers and Administrators of the Operating Administrations.

# Renewed Focus on Results-Oriented Performance

- What we are doing differently (Cont.)
  - Taskforce
    - All Operating Administrations are represented.
    - Develops and recommends performance culture policies.
    - A channel for communicating Human Capital goals and objectives.

# Renewed Focus on Results-Oriented Performance

- What we are doing differently (Cont.)
  - Supervisory Focus Groups
    - Feedback on Mandatory Supervisory Elements.
    - Feedback on Probationary Period for New Supervisors.
    - Feedback on Supervisory Toolkit.
    - Feedback on other performance culture policies.

# Renewed Focus on Results-Oriented Performance

- What we are doing differently (Cont.)
  - Status Reports
    - Plans cascade from SES to non-SES.
    - Processes in place to deal with poor performance.
    - Plans are linked to mission, goals and outcomes, and are results oriented.
    - Mandatory supervisory elements are in supervisor/manager performance plans.



# Renewed Focus on Results-Oriented Performance

- What we are doing to date
  - Supervisory Accountability.
    - Mandatory Critical Elements:
      - Business results
      - Managing human capital
      - Managing resources
      - EEO/Diversity

# Renewed Focus on Results-Oriented Performance

- What we are doing to date
  - Addressing poor performance.
    - Supervisory requirement.
  - Supervisory Training.
    - Mandatory 40 hours of needs-based training for new, probationary supervisors.

# Renewed Focus on Results-Oriented Performance

- What we are doing to date (Cont.)
  - Supervisory Training (Cont.).
    - Reviewing the training needs for critical skill sets for new, probationary supervisors.

# Renewed Focus on Results-Oriented Performance

- What we are doing to date (Cont.)
  - Expanding web-based supervisory toolkit.
    - Just-in-time guidance and assistance.
    - Provides snapshot information on a range of supervisory topics such as:
      - Accommodation for people with disabilities.
      - Alternative Dispute Resolution.

# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Expanding web-based supervisory toolkit (Cont.)
    - Dealing with Misconduct
    - EEO
    - Helpful hints on managing performance.
    - Workers compensation/safety and health
    - Telecommuting
    - Workforce planning

# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Expanding web-based supervisory toolkit (Cont.)
    - Diversity Management
    - Health and Wellness
    - Compensation and Pay

<http://dothr.ost.dot.gov/Toolkit/toolkit.html>

# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Migrating to Multi-Level Appraisal Systems
    - By September 30, 2004, pass/fail administrations will submit migration plans to OST.
    - By July 2005, all Operating Administrations will be on a 3-level or more appraisal system.

# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Awards and Recognition
    - Created greater flexibilities for Supervisors.
    - Modified the On-the-Spot Award amount.
    - Used time-off as an On-the-Spot Award.
    - Championed best practices within DOT:  
Leadership Award, Peer Award, Organizational Award, Employee of the Year Award.



# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Awards and Recognition (Cont.)
    - Established funding requirements for all OAs.
    - Required linkage of awards and recognition with mission, goals and outcomes.

# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Probationary Supervisory Period.
    - Generic Reassignment Plan.
    - Quarterly notification to Rating Officials.
    - Written Performance Plan within 30 days.
    - Individual development plan prepared within 90 days.

# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Probationary Supervisory Period.
    - Further Considerations:
      - Complete 40 hours of training within six months.
      - Within 30 days, assign a coach/mentor.
      - By 3<sup>rd</sup> quarter, solicit multi-source feedback on probationary supervisor.

# Renewed Focus on Results-Oriented Performance

- What we are doing (Cont.)
  - Poor Performers.
    - Guidance on dealing with poor performance.
    - Convene discussion groups for supervisors on performance feedback and poor performance.
    - Develop and support a network for supervisors and managers.

# Renewed Focus on Results-Oriented Performance

- What we have achieved so far
  - Green in Status.
    - Strategic Plans are available to employees via the web.
    - 85% of DOT non-SES performance plans cascade from SES performance plans.
    - 85% of DOT employee performance plans are aligned with mission, goals, and outcomes, and are results oriented.

# Renewed Focus on Results-Oriented Performance

- What we have achieved so far
  - Green in Status.
    - Among the Department's top three agencies, FAA, FHWA, and MARAD, 99.6% of performance plans are aligned and results-oriented.
    - 99% of DOT supervisors are under mandatory supervisory elements.
    - Operating Administrations are making performance distinctions either through their appraisal systems or through their awards and recognition programs.



# **“Performance Management System supports Organizational Transformation”**

**US Department of Commerce**  
**Office of Human Capital Planning and Management**  
**Presenters: Alethea Long-Green and Thomas Kreider**



# Overview

- I. Introduction
- II. Business Case
- III. Summary





## II. Business Case

### Executive Summary

- 1. Business Opportunity** – *“Implement a compelling, efficient, integrated, and informative method to collect and analyze performance metrics for core processes and validate HR’s value to achieving the Department’s mission.”*
- 2. Users and Stakeholders** – *“Both parties have a vested interest in the success of the results of this business case.”*



# Current Approach

- Assembled Performance Analysis team
- Gauged performance metrics per functional area
- Reviewed automated systems in use and at other agencies



# Performance Measures Analysis

## I. Conducted best practices research on:

- IT Systems for metrics management
- Performance measures at other agencies
- Measurements used for internal functions
- Benchmark & Strategic performance measures

## II. Documented research



# Alternative Solutions

Several possible solutions were reviewed:

1. OAM balanced scorecard using vendor software
2. System being used at other agencies or bureaus
3. Recommendations for performance management solutions



# Initial Results of the Review

Assessed level of measurements by functional areas using interview methodology

- Interview questions:
  - 6 Questions: designed to capture level of measurements that were *currently* or *anticipated* to be measured.
  - Data captured by: Hard Data or Customer Satisfaction
- Results of interview
  - Many managers lacked clearly identified methods for capturing measurements on their programs
  - Inconsistent data collection among those who did capture measurements

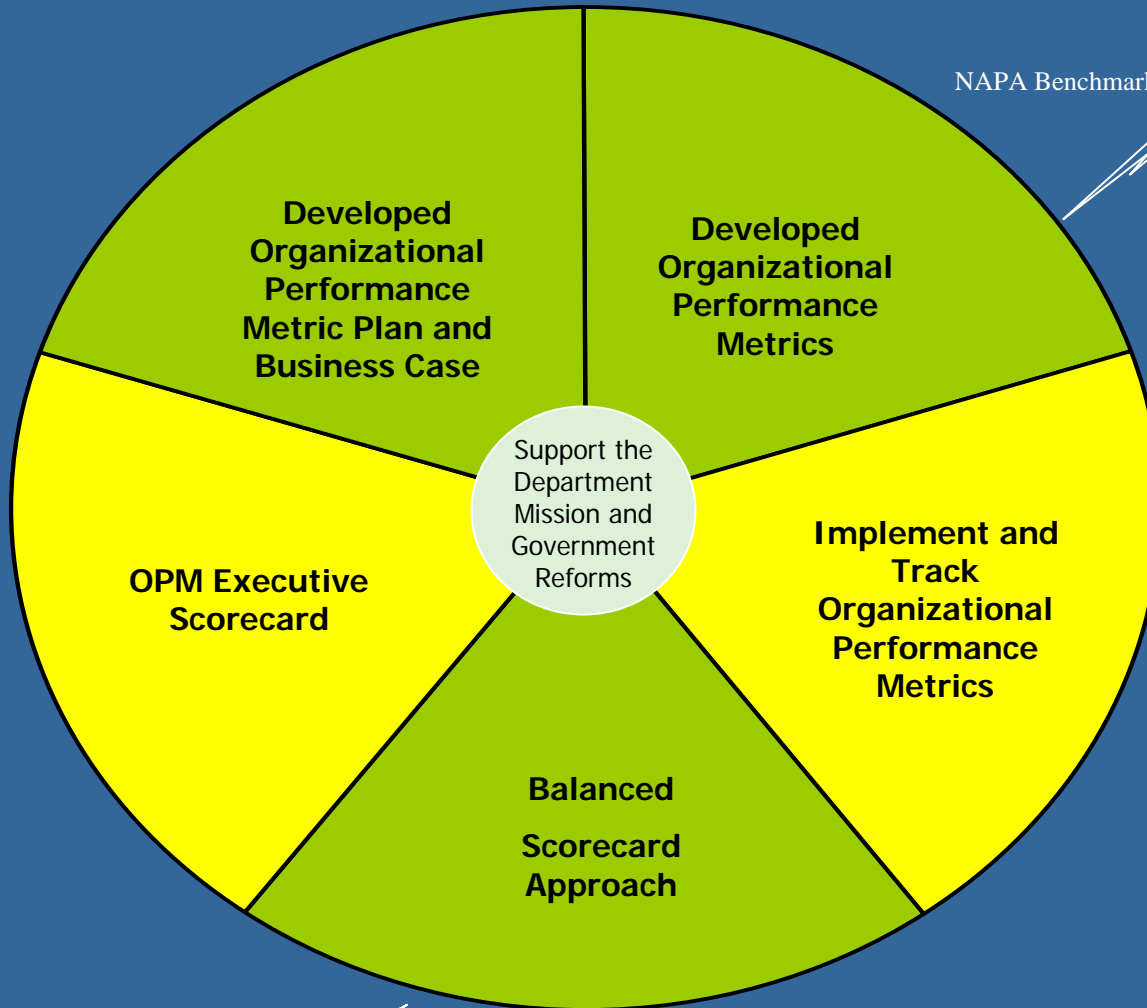


# Final Scorecard

- Scorecard measurements incorporated NAPA's "Best Practices Performance Measures for Human Resources"
- Four main components:
  1. Quality
  2. Acquisition
  3. Retention
  4. Development



# Building Accountability



NAPA Benchmarks

LMS/Performance Plus Automated System

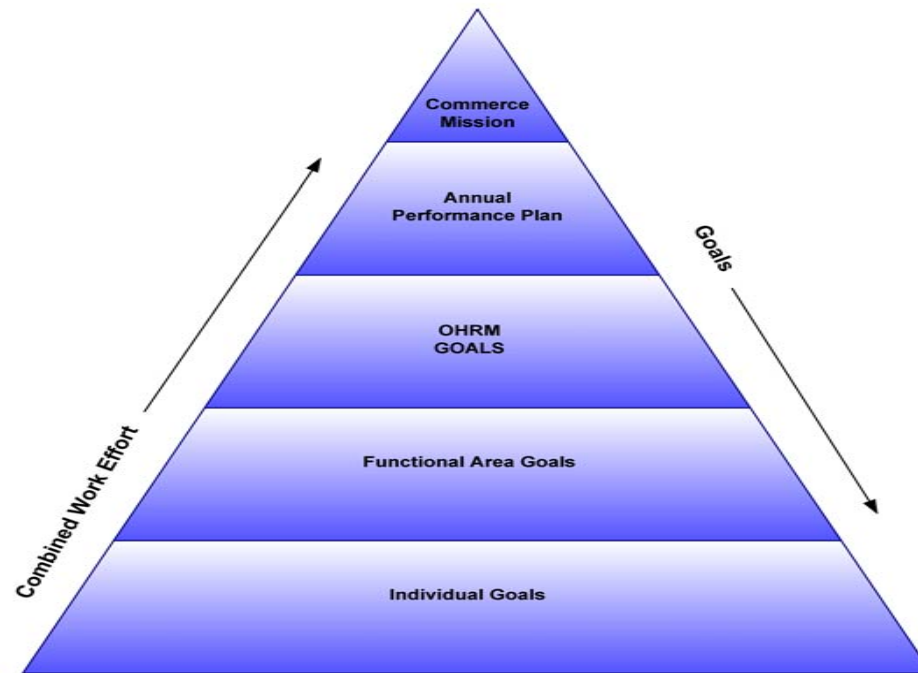
SAS Automated BSC

President's Management Agenda



# Integrated Performance Management

Career Development, Training, Competencies,  
Performance Management, IDPs





# Alignment of Goals and Metrics

DoC Goals

Achieve organizational and management excellence

- Information and tools to maximize competitiveness and economic growth
- Foster science and technology leadership by protecting intellectual property
- Observe, protect, and preserve the Earth's resources

OHRM Goals

Enhance support of the Department of Commerce mission

- Transition to a value-added, high-performing organization
- Develop staff to be HR leaders and innovators
- Become an employer of choice

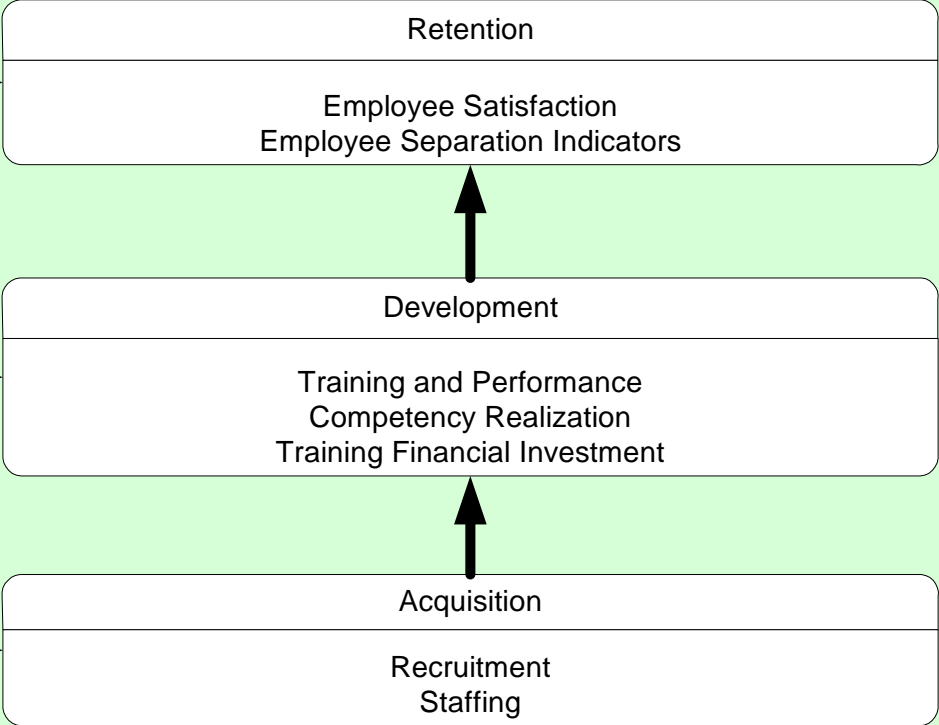
Alignment of Scorecard Metrics

Quality Measures

Customer Satisfaction

Financial Metrics

Organizational Performance



# OHRM Balanced Scorecard

## Quality

**Customer Satisfaction**

**Financial Metrics**

**Organizational Performance**

## Acquisition

**Recruitment**

**Staffing**

## Retention

**Employee Satisfaction**

**Employee Separation Indicators**

## Development

**Training Participation**

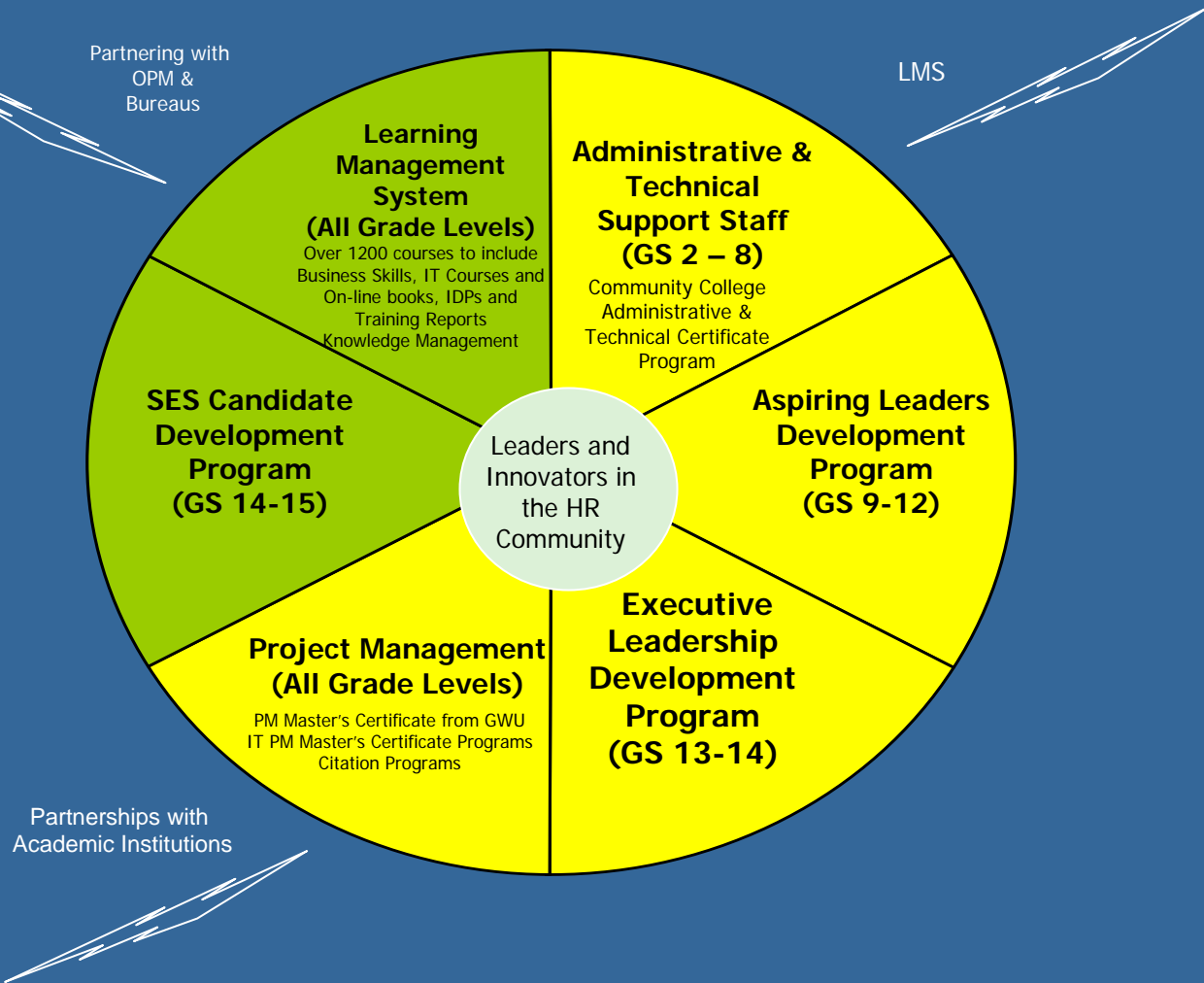
**Competency Realization**

**Training Investment**



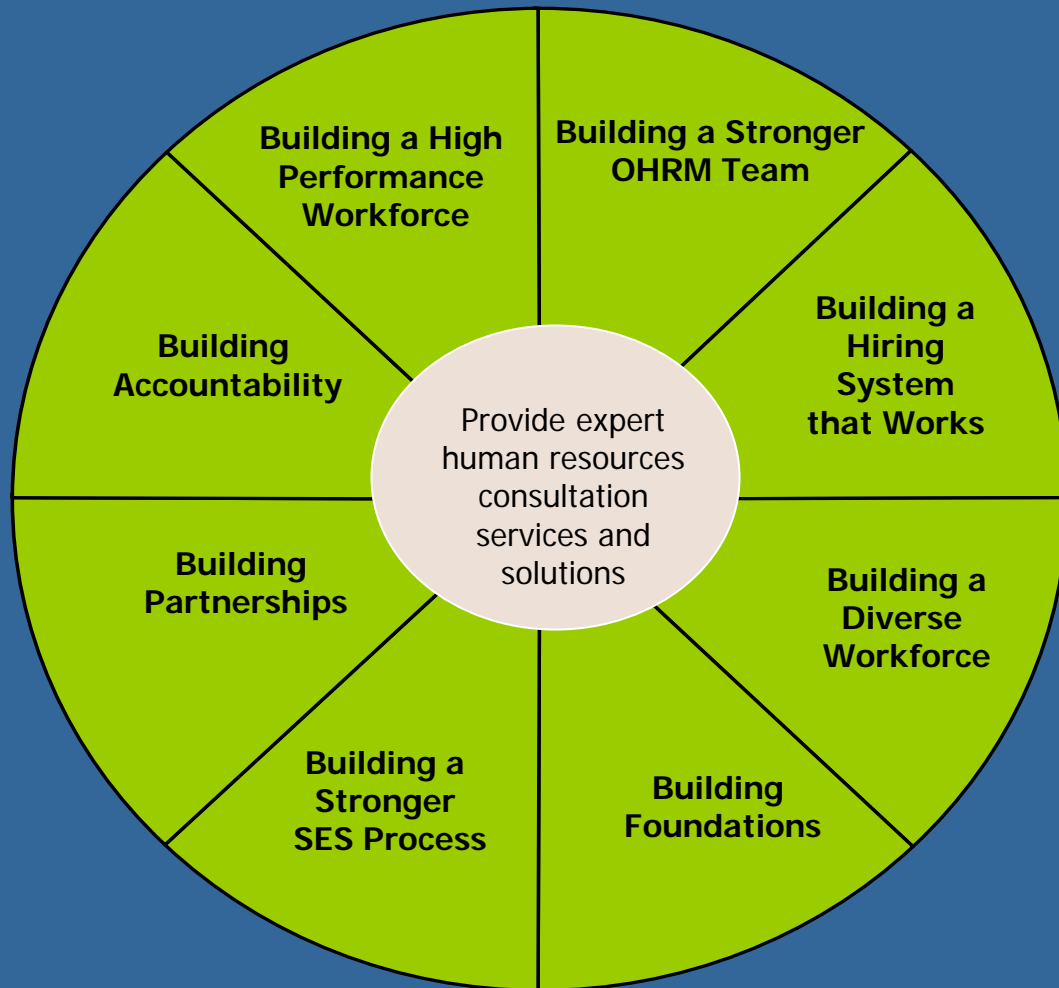
# Building a High Performance Workforce

Lead: Janice Guinyard





# Transforming to a Results-Oriented Organization



# Scorecard Quadrants

<b>Quadrant:</b> Quality	
<b>Goal:</b> Enhanced Support of the Department of Commerce Mission	
<b>Component:</b> Customer Satisfaction	
Measure(s)	Source(s)
% Satisfaction with data and decision-making support	Management/customer survey questions
% Satisfaction with quality of HR services	Transaction-based survey questions
% By which HR functions have increased customer satisfaction	Customer survey questions
<b>Component:</b> Financial Metrics	
Measure(s)	Source(s)
% By which OHRM has reduced operating plan expenses	CAMS
% of \$ Operating plan expenses generated per FTE	CAMS
% Of un-delivered orders against total contract base (review aging of undelivered orders)	CAMS
% Of contract \$ to total budget	CAMS
Total number of employees compared with projected number of FTE in budget	CAMS

# Scorecard Quadrants

<b>Quadrant:</b> Acquisition	
<b>Goal:</b> Become an Employer of Choice	
<b>Component:</b> Recruitment	
Measure(s)	Source(s)
Diversity in recruitment sources	Hiring tool
Average # of days from SF-52 until an offer is accepted	STM
Quality of job applicants	Hiring tool
<b>Component:</b> Staffing	
Measure(s)	Source(s)
Hiring rates by demographics and department	NFC
Turnover rates by demographics, service, reasons, and department (voluntary, involuntary, retirement)	NFC
Quality performance of new employees	Performance reviews, probationary periods, 3yr retention levels

# Scorecard Quadrants

**Quadrant:** Retention

**Goal:** Become an Employer of Choice

**Component:** Employee Satisfaction

Measure(s)	Source(s)
% Of employees that rate job satisfaction as above average or outstanding	Employee survey (Gallop questions)

**Component:** Employee Separation Indicators

Measure(s)	Source(s)
Reasons for employee turnover	Exit survey questions

# Scorecard Quadrants

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Measure(s)	Source(s)
Reasons for employee turnover	Exit survey questions





# III. Summary

- ✓ Building Workforce Diversity
- ✓ Building a High Performance Workforce
- ✓ Building Accountability

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