



Department of Defense INSTRUCTION

NUMBER 1400.25, Volume 430
August 5, 2014

USD(P&R)

SUBJECT: DoD Civilian Personnel Management System: Performance Management

References: See Enclosure 1

1. PURPOSE

a. Instruction. This instruction is composed of several volumes, each containing its own purpose. The purpose of the overall instruction, in accordance with the authority in DoD Directive (DoDD) 5124.02 (Reference (a)), is to establish and implement policy, establish procedures, provide guidelines and model programs, delegate authority, and assign responsibilities regarding civilian personnel management within the DoD.

b. Volume. In accordance with the guidance in DoDD 1400.25 (Reference (b)), Title 5, United States Code (Reference (c)), and Title 5, Code of Federal Regulations (Reference (d)), this volume reissues DoD Instruction (DoDI) 1400.25, Volume 430 (Reference (e)) to:

- (1) Implement DoD performance management.
- (2) Prescribe procedures, delegate authority, and assign responsibility for performance management within the DoD.
- (3) Establish the DoD Performance Appraisal System.

2. APPLICABILITY. This volume:

a. Applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD (referred to collectively in this volume as the "DoD Components").

b. Does **not** apply to positions covered by the Defense Civilian Intelligence Personnel System. Those positions are covered in Volume 2011 of this instruction (Reference (f)).

3. POLICY. It is DoD policy that the objective of performance management is to improve individual, team (where applicable), and organizational performance. An integral part of this objective is the establishment of management accountability for Equal Employment Opportunity (EEO) practices and principles in accordance with DoDD 1440.1 (Reference (g)).

4. RESPONSIBILITIES: See Enclosure 2.

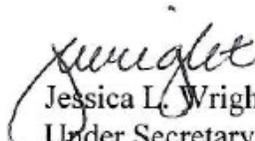
5. PROCEDURES. See Enclosure 3.

6. RELEASABILITY. **Cleared for public release**. This volume is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

7. EFFECTIVE DATE. This volume:

a. Is effective August 5, 2014.

b. Will expire effective August 5, 2024 if it hasn't been reissued or cancelled by this date in accordance with DoDI 5025.01 (Reference (h)).


Jessica L. Wright
Under Secretary of Defense for
Personnel and Readiness

Enclosures

1. References
2. Responsibilities
3. Procedures
4. DoD Performance Appraisal System

Glossary

TABLE OF CONTENTS

ENCLOSURE 1: REFERENCES.....4

ENCLOSURE 2: RESPONSIBILITIES.....5

 ASSISTANT SECRETARY OF DEFENSE FOR READINESS AND FORCE
 MANAGEMENT (ASD(R&FM)).....5

 DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR CIVILIAN PERSONNEL
 POLICY (DASD(CPP)).....5

 DIRECTOR, DEPARTMENT OF DEFENSE HUMAN RESOURCE ACTIVITY
 (DODHRA).....5

 DoD COMPONENT HEADS.....5

ENCLOSURE 3: PROCEDURES.....6

 MANAGEMENT ACCOUNTABILITY.....6

 ACCOUNTABILITY OF MANAGERS, SUPERVISORS, TEAM LEADERS, AND
 EMPLOYEES.....6

 PERFORMANCE APPRAISAL.....7

 AWARDS.....8

ENCLOSURE 4: DoD PERFORMANCE APPRAISAL SYSTEM.....9

 PURPOSE.....9

 COVERAGE.....9

 PERFORMANCE APPRAISAL PROGRAM REQUIREMENTS.....10

 IMPLEMENTATION.....13

GLOSSARY.....14

 PART I: ABBREVIATIONS AND ACRONYMS.....14

 PART II: DEFINITIONS.....14

TABLE

 Summary Levels.....12

FIGURE

 OPM Approval of the DoD Performance Appraisal System.....7

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5124.02, "Under Secretary of Defense for Personnel and Readiness (USD(P&R))," June 23, 2008
- (b) DoD Directive 1400.25, "DoD Civilian Personnel Management System," November 25, 1996
- (c) Title 5, United States Code
- (d) Title 5, Code of Federal Regulations
- (e) DoD Instruction 1400.25, Volume 430, "DoD Civilian Personnel Management System: Performance Management," December 1, 1996, as amended (hereby cancelled)
- (f) DoD Instruction 1400.25, Volume 2011, "DoD Civilian Personnel Management System: Defense Civilian Intelligence Personnel System (DCIPS) Performance Management," August 14, 2009, as amended
- (g) DoD Directive 1440.1, "The DoD Civilian Equal Employment Opportunity (EEO) Program," May 21, 1987, as amended
- (h) DoD Instruction 5025.01, "DoD Issuances Program," June 6, 2014
- (i) DoD Instruction 1400.25, Volume 451, "DoD Civilian Personnel Management System: Awards," November 4, 2013
- (j) Title 10, United States Code

ENCLOSURE 2

RESPONSIBILITIES

1. ASSISTANT SECRETARY OF DEFENSE FOR READINESS AND FORCE MANAGEMENT (ASD(R&FM)). Under the authority, direction, and control of the Under Secretary of Defense for Personnel and Readiness, the ASD(R&FM) has overall responsibility for DoD performance management policy.

2. DEPUTY ASSISTANT SECRETARY OF DEFENSE FOR CIVILIAN PERSONNEL POLICY (DASD(CPP)). Under the authority, direction, and control of the ASD(R&FM), the DASD(CPP):

a. Monitors and oversees the efficacy and integrity of the implementation and administration of DoD performance management policy.

b. Provides strategic policy direction and oversight.

c. Establishes the DoD Performance Appraisal System.

d. Assists in the development of performance management programs.

e. Provides advice and guidance on the interpretation of regulatory and policy matters regarding performance management.

3. DIRECTOR, DEPARTMENT OF DEFENSE HUMAN RESOURCE ACTIVITY (DoDHRA). Under the authority, direction, and control of the USD(P&R), the Director DoDHRA, provides support to the DASD(CPP), as appropriate, in execution of duties and responsibilities under this volume.

4. DoD COMPONENT HEADS. The DoD Component heads:

a. Oversee the development, implementation, application, and evaluation of performance management programs within their Components.

b. Ensure that programs established or revised after the effective date of this instruction comply with the DoD Performance Appraisal System and References (b) through (d).

ENCLOSURE 3

PROCEDURES

1. MANAGEMENT ACCOUNTABILITY. In achieving the objective to improve individual, team (where applicable), and organizational performance, performance management programs will:

- a. Be designed to meet and integrate fully into organizational or mission goals and objectives, and management processes.
- b. Be designed and used as tools for executing management and supervisory responsibilities; communicating and clarifying organizational goals and objectives to employees; involving employees in improving organizational effectiveness and in accomplishing organizational missions and goals; and assessing employee, team, and organizational effectiveness and performance.
- c. Identify employee, team, and managerial accountability for the accomplishment of individual, team, and organizational goals and objectives.
- d. Provide for planning, monitoring, developing, and evaluating individual, team, and organizational performance; use appropriate measures of performance to recognize and reward employees; and use the results of performance appraisal as a basis for appropriate personnel actions.
- e. Support and be consistent with merit system principles in section 2301 of Reference (c).
- f. Provide for involving employees and their representatives in program development, implementation, and application.
- g. Provide appropriate training to those involved in the program.
- h. Encourage employees to take responsibility to continuously improve, support team endeavors, develop professionally, and perform at their full potential.
- i. Ensure the incorporation in performance evaluations of matters required by other law, regulation, and DoD policy including the establishment of a critical element and related performance standards concerning EEO for all supervisors, managers, and other employees with EEO responsibilities as required by Reference (g).

2. ACCOUNTABILITY OF MANAGERS, SUPERVISORS, TEAM LEADERS, AND EMPLOYEES. The managers, supervisors, team leaders (where applicable), and employees are separately and collectively responsible for individual, team, and organizational performance and for creating a work culture and environment that promotes a high-performance, high-involvement organization.

3. PERFORMANCE APPRAISAL

a. Enclosure 4 of this volume establishes the DoD Performance Appraisal System that has been approved by the Office of Personnel Management (OPM) (see Figure).

Figure. OPM Approval of the DoD Performance Appraisal System



United States
**Office of
Personnel Management**

Washington, D.C. 20415

In Reply Refer To:

Your Reference:

JAN 31 1996

Diane M. Disney
Deputy Assistant Secretary of Defense
(Civilian Personnel Policy)
4000 Defense Pentagon
Washington, D.C. 20301-4000

Dear Ms. Disney:

This letter is in response to your request of January 26, 1996, for approval of a new performance appraisal system for the Department of Defense. The new system will apply to all non-SES Department of Defense employees other than those excluded by law, OPM regulation, and those excepted service positions excluded by OPM at the request of the Department of Defense. We have reviewed the system and determined that it meets the requirement of 5 CFR part 430 subpart B. The system is approved.

Please send us, for approval any future changes that would impact legal or regulatory requirements as they apply to the appraisal system.

Sincerely,

A handwritten signature in cursive script that reads "Doris Hausser".

Doris Hausser, Chief
Performance Management and
Incentive Awards Division
Office of Labor Relations
Workforce Performance

b. The DoD Performance Appraisal System governs all performance appraisal programs for covered employees within the DoD. It establishes performance appraisal program requirements.

Performance appraisal programs established or revised after the effective date of this volume will comply with the DoD Performance Appraisal System, other applicable DoD policies and procedures, References (c) and (d), and other applicable laws and regulations.

4. AWARDS. Awards provide a means to acknowledge, motivate, and reward significant individual, team, or organizational achievements or contributions and will be an integral part of performance management within the DoD. Awards will be granted consistent with EEO policies and free from discrimination regardless of race, color, religion, age, sex, national origin, disability, or genetic information. Volume 451 of DoDI 1400.25 (Reference (i)) implements DoD policies, procedures, and requirements governing awards programs within the DoD.

ENCLOSURE 4

DoD PERFORMANCE APPRAISAL SYSTEM

1. PURPOSE. This enclosure establishes the DoD Performance Appraisal System. The system governs all performance appraisal programs within the DoD established or revised after the effective date of the system. Such programs will fully comply with the system, other applicable DoD policies and procedures, Reference (c), sections 430, 451, and 531 of Reference (d), and other applicable laws and regulations.

2. COVERAGE

a. DoD Component Coverage. The DoD Performance Appraisal System applies to all DoD Components **except**:

(1) Defense Civilian Intelligence Personnel System positions appointed under section 1601 of Reference (j).

(2) Other DoD organizations excluded from coverage by other applicable law.

b. Employee Coverage. As provided for by section 4301(2) of Reference (c), the DoD Performance Appraisal System covers appropriated fund employees employed by the DoD (including senior-level and scientific and professional employees paid under section 5376 of Reference (c)) **except** for:

(1) Employees outside the United States who are paid in accordance with prevailing rates for the local nationals in that area.

(2) Individuals in the Senior Executive Service.

(3) Individuals appointed by the President.

(4) Individuals occupying excepted service positions for which employment is not reasonably expected to exceed the minimum period established in performance appraisal programs in a consecutive 12-month period.

(5) Individuals who:

(a) Are serving in positions under a temporary appointment for less than 1 year.

(b) Agree to serve without a performance evaluation.

(c) Will not be considered for a reappointment or for an increase in pay based in whole or in part on performance.

(6) Civil Service Mariners of the Military Sealift Command, Department of the Navy.

(7) U.S. citizen excepted service employees of the North Atlantic Treaty Organization and Supreme Headquarters Allied Powers Europe international staff.

(8) Individuals excluded from coverage under other applicable law.

3. PERFORMANCE APPRAISAL PROGRAM REQUIREMENTS

a. General. Each DoD Component will ensure continuation of current or establishment of one or more performance appraisal programs as provided under section 4 of this enclosure. New or revised performance appraisal programs will:

(1) Comply with the DoD Performance Appraisal System.

(2) State they comply with the system.

(3) Indicate the effective date.

(4) Specify which employees are covered.

(5) Designate the pattern of summary level selected.

(6) Indicate the appraisal period.

(7) Specify the procedures and requirements for planning, monitoring, developing, evaluating, and rewarding performance.

(8) Contain a savings provision comparable to that in section 430.201(b) of Reference (d). No employee may be concurrently covered by more than one performance appraisal program.

b. Performance Plans

(1) Employees must have approved written, or otherwise recorded, performance plans based on work assignments and responsibilities. The plans cover the official appraisal period.

(2) Performance plans are provided to employees at the beginning of each appraisal period (normally within 30 days). They include all critical and, where used, non-critical elements and related performance standards. They may also include additional performance elements and related performance standards. Performance plans may contain any combination of critical, non-critical, and additional elements and related performance standards. However, each performance plan must have at least one critical element that addresses individual performance.

c. Employee Involvement. Performance programs provide for employee participation in program development, implementation, and application. For employees who are represented by a labor organization that is accorded exclusive recognition pursuant to chapter 71 of Reference (c), employee involvement will take place consistent with the requirements of that chapter. For other employees, organizations will determine the method of employee involvement consistent with applicable law and regulation. Programs should encourage employee participation in establishing performance standards.

d. Appraisal Periods

(1) Performance appraisal programs will establish an official appraisal period during which performance is monitored and for which a rating of record is prepared. The programs generally designate appraisal periods so that employees are provided a rating of record on an annual basis. When employee work assignments and responsibilities warrant or where performance management objectives can be achieved more effectively, longer appraisal periods may be granted.

(2) A rating of record will be given to each employee as soon as practicable after the end of the appraisal period. When a rating of record cannot be prepared at the time specified in the program, the appraisal period should be extended until the conditions necessary to meet the minimum period of performance have been met. A rating of record for such employees must be prepared as soon as practicable.

e. Elements. Each performance appraisal program will provide for a minimum of two rating levels for each critical and non-critical element. Critical elements must include rating levels at the “Fully Successful” or equivalent level and at the “Unacceptable” level.

f. Performance Standards. Performance standards will be established at the “Fully Successful” or equivalent level for all critical elements and also may be established at other levels. For non-critical elements, performance standards will be established at whatever level is appropriate. The absence of an established performance standard at a level specified in the appraisal program does not necessarily prevent an assessment that performance is at that level.

g. Minimum Period of Performance. Performance appraisal programs will contain at least a 60-day minimum period of performance that must be completed before a performance rating may be prepared.

h. Performance Discussions. Performance appraisal programs will provide for communicating performance plans (e.g., elements, performance expectations, and any goals and objectives) to employees. They will also include the methods for appraising each critical and non-critical element during the appraisal period against the employee’s performance standards. The appraisal methods will include, but not be limited to, one or more progress reviews during each appraisal period. To the maximum extent possible, progress reviews will be informative and developmental in nature and focus on how to improve future performance.

i. Summary Level

(1) Each performance appraisal program will provide one, and only one summary level pattern (as described in section 430.208(d)(1) of Reference (d)). The table below provides the summary levels associated with each pattern. Under the patterns, Level 1 through Level 5 are ordered performance categories, with Level 1 as the lowest and Level 5 as the highest. Level 1 is “Unacceptable,” Level 3 is “Fully Successful” or equivalent; and Level 5 is “Outstanding” or equivalent. The term “Outstanding” will be used only to describe a Level 5 summary.

Table. Summary Levels

PATTERN	1	2	3	4	5
A	X		X		
B	X		X		X
C	X		X	X	
D	X	X	X		
E	X		X	X	X
F	X	X	X		X
G	X	X	X	X	
H	X	X	X	X	X

(2) Procedures for deriving and assigning a summary level will be based on appraisal of performance on critical elements and, where applicable, non-critical elements. A summary level must be assigned when a performance rating is prepared as part of a rating of record. Assigning a summary level at other times is optional.

j. Distribution of Ratings. Performance appraisal programs will not establish a forced distribution of summary ratings. This does not prevent making other distinctions among employees or groups of employees based on performance for purposes other than assigning a summary level (e.g., for award determinations and promotion decisions).

k. Details, Transfers, and Other Special Circumstances. Performance appraisal programs will establish criteria and procedures to address the performance of employees who are on detail, who are transferred, and for other special circumstances established under the program. In situations involving long-term training, managers and supervisors may develop a performance plan related to the training. The plan could include achievement of specific training objectives. These objectives may be determined to be critical or non-critical.

l. Transfer of Rating. Performance appraisal programs will establish criteria and procedures to address the performance of employees who are transferred. These criteria and procedures will provide for a transfer of the employee’s most recent ratings of record, and any subsequent performance ratings, when an employee transfers. The DoD Components will take into consideration transferred ratings covering an employee’s performance within their current appraisal period when deriving the next rating of record.

m. Related Personnel Actions. Performance appraisal programs will provide for performance appraisals to be used as a basis for taking appropriate personnel actions in accordance with applicable provisions of law and regulation.

n. Below “Fully Successful” Performance

(1) Programs may provide that managers and supervisors provide assistance to employees whose performance is determined to be below “Fully Successful” or equivalent but above “Unacceptable” at any time during the appraisal period.

(2) Performance appraisal programs will require that managers and supervisors provide assistance to employees to improve unacceptable performance. Assistance may be provided at any time during the appraisal period that performance is determined to be “Unacceptable” in one or more critical elements. Programs will also provide for reassigning, reducing in grade, or removing employees who continue to have unacceptable performance but only after such employees have an opportunity to demonstrate acceptable performance. Programs will also provide for review and approval of “Unacceptable” ratings of record by a higher level management official.

o. Veterans’ Ratings. Performance appraisal programs will provide that the rating of record or performance rating for a disabled veteran will not be lowered because the veteran has been absent from work to seek medical treatment as provided in section 430.208(f) of Reference (d).

4. IMPLEMENTATION

a. Pursuant to section 430.201(b) of Reference (d) and this volume, current DoD Component performance management plans approved by OPM continue in effect as appraisal programs under the DoD Performance Appraisal System (see paragraph 3a of this enclosure). Actions initiated against unacceptable employees under a performance management plan in existence before the effective date of this volume will continue to be processed consistent with that pre-established plan.

b. The DoD Components will provide the DASD(CPP) a copy of new or revised performance appraisal programs.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

ASD(R&FM)	Assistant Secretary of Defense for Readiness and Force Management
DASD(CPP)	Deputy Assistant Secretary of Defense for Civilian Personnel Policy
DoDD	Department of Defense Directive
DoDI	Department of Defense Instruction
EEO	Equal Employment Opportunity
OPM	Office of Personnel Management

PART II. DEFINITIONS

Unless otherwise noted, these terms and definitions are for the purpose of this volume.

additional performance element. A dimension or aspect of individual, team, or organizational performance that is not a critical or non-critical element. Such elements are not used in assigning a summary level but, like critical and non-critical elements, are useful for communicating performance expectations and serving as the basis for granting awards.

appraisal. The process under which performance is reviewed and evaluated.

appraisal period. The established period of time for which performance will be reviewed and a rating of record will be prepared.

appraisal program. The specific procedures and requirements for appraisal established within the DoD Components under the policies and parameters of the DoD Performance Appraisal System.

appraisal system. DoD-wide policies and parameters governing performance appraisal programs pursuant to References (c) and (d).

critical element. A work assignment or responsibility of such importance that unacceptable performance on the element would result in a determination that an employee's overall performance is unacceptable.

non-critical element. A dimension or aspect of individual, team, or organizational performance, exclusive of a critical element, that is used in assigning a summary level. Such elements may include, but are not limited to, objectives, goals, program plans, work plans, and other means of

expressing expected performance.

performance. The accomplishment of work assignments or responsibilities.

performance plan. All of the written or otherwise recorded performance elements that establish expected performance. A performance plan must include all critical and non-critical elements and their performance standards. It also may include additional performance elements and their performance standards, if any.

performance rating. The written or otherwise recorded appraisal of performance compared to the performance standard for each critical and non-critical element on which there has been an opportunity to perform for the minimum period. A performance rating may include the assignment of a summary level as specified in section 430.208(d) of Reference (d).

performance standard. The management-approved expression of the performance threshold(s), requirement(s), or expectation(s) that must be met to be appraised at a particular level of performance. A performance standard may include, but is not limited to, quality, quantity, timeliness, and manner of performance.

progress review. A periodic discussion between supervisor and employee about performance compared to the performance standards of critical and non-critical elements.

rating of record. The performance rating prepared at the end of an appraisal period for performance over the entire period and the assignment of a summary level as specified in section 430.208(d) of Reference (d) constitutes the official rating of record referenced in part 430 of Reference (d).

summary level. An ordered category of performance from Level 1 through Level 5, with Level 1 as the lowest and Level 5 as the highest. Performance ratings assigned at times other than the end of the appraisal period (such as at the mid-year review, for promotion panels, or similar situations) do not require a summary level to be assigned, although one is permitted.