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# Purpose

The Employee Performance Management System is designed to communicate to employees expected performance levels, performance feedback and evaluation. The intent is to provide employees with enough information to know what performance is required to be successful in their positions and sufficient feedback to know how their performance compares to these expectations. While not the primary purpose, the Employee Performance Management System also provides a mechanism to help employees improve performance that does not meet expectations and, if necessary, remove employees from positions in which their performance is not meeting minimum requirements.

The provisions of this policy address the appraisal process of both probationary and covered employees. Although not mentioned specifically in this policy, employees exempt from coverage under the State Employee Grievance Procedure Act may also be given annual performance appraisals.

**Definitions**

Established Review Date – The employee’s review date as established in accordance with State Human Resources Regulations.

Universal Review Date – The date prior to which all employee’s performance reviews are due. Jan. 1, March 1, July 1 or Oct. 1 will be the universal review date for the agency. (Exceptions: probationary employees.)

Employee Performance Plan – A planning document presented to an employee at the beginning of a rating period that documents the performance expectations for the review period.

Mid-Year Review – A review presented to an employee at the midpoint of their rating period to provide them feedback with the current level of performance.

Short Year Review – Any performance review that evaluates an employee’s performance for a period of time less than 12 months. (Exception: Performance Improvement Plan reviews.)

Short Year Employee Performance Plan – Any Employee Performance Plan covering a period of time less than 12 months.

**Implementation
(Include only if newly implementing a Universal Review Date or changing the Universal Review Date.)**

The agency will phase in the universal review date. As of the effective date of this policy, once an employee reaches his or her established review date, the employee will receive a Short Year Employee Performance Plan and Short Year Review in order to move the employee from the established review date to the universal review date.

# Employee Performance Plan

The Employee Performance Management System begins with the creation of the Employee Performance Plan. The Employee Performance Plan must be documented in writing and sets the expectations for the applicable performance review period and provides a guide for the discussion of performance expectations between the employee and their manager. To the extent possible, the creation of an Employee Performance Plan should be a collaborative process between the employee and their manager. In those instances where the manager and employee cannot agree upon the content of the Employee Performance Plan the manager's decision shall be final. The Employee Performance Plan should be reviewed by the next higher-level manager unless the manager is the agency head. For current employees, the Employee Performance Plan should be completed prior to the start of the new review period. For new employees, the Employee Performance Plan should be completed no later than 30 calendar days from the employee’s start date.

*Employee Performance Plan Components*

* Job Purpose: Both the employee and the manager will be asked to provide a summary of the purpose of the employee’s job and explain how it contributes to the agency’s mission and vision. To the extent possible the creation of the job purpose should be a collaborative process between the employee and their manager. However, the manager is responsible for drafting the final job purpose.
* Essential Job Responsibilities:An employee’s job responsibilities should align with the job duties included in the employee’s position description. These responsibilities are recurring and are essential functions of the position. Example: Employee will process incoming license applications.

Managers will be asked to answer the questions below with input from the employee for each Job Responsibility:

* + What are the expected results?
	+ How does the employee achieve these results?
* Developmental Goal (Optional): A non-recurring developmental assignment or training opportunity that is not included on the employee’s position description. Example: Employee will complete the Certified Public Manager Program.

Managers will be asked to answer the questions below with input from the employee for each Developmental Goal:

* + What are the expected results?
	+ How does the employee achieve these results?
* Project (Optional): A non-recurring project that is not included on the employee’s position description. Example: Employee will complete the implementation of a new filing system.

Managers will be asked to answer the questions below with input from the employee for each Project:

* + What are the expected results?
	+ How does the employee achieve these results?
* Special Assignment (Optional): A non-recurring assignment that is not included on the employee’s position description. Example: Employee will serve as the interim team lead for three months.

Managers will be asked to answer the questions below with input from the employee for each Special Assignment:

* + What are the expected results?
	+ How does the employee achieve these results?
* Competencies: Competencies are those skills or performance characteristics that are important to successfully perform the job responsibilities, projects and special assignments associated with a position. Agencies may choose from a list of competencies provided by the South Carolina Department of Administration’s (Admin) Division of State Human Resources or may use competencies the agency has identified as necessary for successful performance.

It is mandatory for all managers and supervisors to be rated on the competency of "promoting equal opportunity." (Promoting equal opportunity includes such areas as hiring, promotion or placement; level of personal and organizational commitment to equal opportunity; progress toward achieving a fully integrated and representative work force; and contribution toward minority programs and other social/economic equal opportunity goals.)

Whenever an employee's job responsibilities change significantly, or changes to developmental goals, projects and special assignments are needed, the Employee Performance Plan should be revised to reflect that change.

The Employee Performance Plan must be acknowledged by the employee, the manager and the next higher-level manager. If any party refuses to acknowledge the Employee Performance Plan, this refusal should be documented and attached to the Employee Performance Plan. If possible, a witness should sign to acknowledge that the party refused to sign the Employee Performance Plan. An electronic signature or similar documentation is acceptable.

# Ongoing Performance Management (Mid-Year Review)

The employee’s manager should provide performance feedback to employees throughout the review period. In order to facilitate this conversation, a Mid-Year Review performance review is required.

*Essential Job Responsibilities, Developmental Goals, Projects and Special Assignments*

* Employee Self-Evaluation

Prior to the Mid-Year Review the employee will be provided the opportunity to conduct a self-evaluation concerning their progress toward meeting the expectations documented in the Employee Performance Plan. Employees should be given at least two weeks to provide these comments. Employees will not be asked to indicate a status toward meeting the expectations as described in the following section.

If the employee fails to complete the self-evaluation within the required timeline the review will move forward without their input.

* Manager Evaluation

As part of the Mid-Year Review, managers will be required to indicate the employee’s status towards meeting the essential job responsibilities, developmental goals, projects and special assignments identified during the Employee Performance Plan as well as provide a written description of the employee’s performance. The status options are:

* On Target
* Needs Improvement/Attention

If the employee receives a rating of “Needs Improvement/Attention” as part of the Mid-Year Review, the manager should complete a coaching form and conduct a coaching session with the employee. The manager should use this opportunity to reiterate the performance expectations, discuss the performance deficiencies that have been observed and develop a plan to improve performance. In those instances where the manager and employee cannot agree upon the plan to improve performance, the manager’s decision shall be final. The manager should also determine if a Performance Improvement Plan is needed. *Note: Managers should not wait until the Mid-Year Review to address performance discrepancies. Any concerns about an employee’s performance should be discussed with the employee as soon as an issue arises. In these situations, the manager should complete a coaching form and conduct a coaching session with the employee.*

*Competencies*

* Employee Self-Evaluation

Prior to the Mid-Year Review the employee should be asked to assess their own abilities regarding competencies as part of their self-evaluation. In addition, the employee should indicate which of the following statements most accurately describes their ability regarding each competency:

* I am confident in my abilities.
* I am improving my abilities.
* I need to develop more in this area and would like to discuss.
* Manager Evaluation

During the Mid-Year Review the manager will also provide written comments concerning the employee’s demonstration of competencies. In addition to these written comments the manager will indicate one of the following concerning the employee’s demonstration of competencies:

* Consistently observed.
* Sometimes observed.
* Seldom observed.

*Summary Comments*

Both managers and employees are provided the opportunity to provide summary comments concerning the employee’s performance during the first half of the review period.

*Acknowledgements*

The Mid-Year Review must be acknowledged by the employee, the manager and the next higher-level manager. If any party refuses to acknowledge the Mid-Year Review, this refusal should be documented and attached to the Mid-Year Review. If possible, a witness should sign to acknowledge that the party refused to sign the Mid-Year Review. An electronic signature or similar documentation is acceptable.

# Annual Performance Review

All employees shall be given an annual appraisal no more than 60 calendar days prior to the employee's performance review date. Prior to the Annual Performance Review the employee will be provided the opportunity to conduct a self-evaluation of their performance during the review period. Employees should be given two weeks to complete this self-evaluation.

If an employee is on approved leave with or without pay for more than 30 consecutive workdays, the employee’s performance review date may be advanced up to 60 calendar days. A covered employee who receives a Performance Improvement Plan may have the performance review date advanced to coincide with the Performance Improvement Plan dates.

A covered employee may not be issued a status of “Unsuccessful” for any job responsibility, developmental goal, project or special assignment that significantly impacts performance, without following the Performance Improvement Plan process. Should the review date advance, the employee may require a short year Employee Performance Plan and a short year review period in order to move the employee back to the universal review date.

*Essential Job Responsibilities, Developmental Goals, Projects and Special Assignments*

* Employee Self-Evaluation

Employees will provide comments evaluating their performance related to the essential job responsibilities, developmental goals, projects and special assignments documented in the Employee Performance Plan. Employee will not be asked to indicate a performance rating as part of this self-evaluation process.

If the employee fails to complete the self-evaluation within the required timeline the review will move forward without their input.

* Manager Evaluation

Managers will be required to indicate a rating regarding the employee’s performance concerning the essential job responsibilities, developmental goals, projects and special assignments documented in the Employee Performance Plan. Managers will also be required to provide a written description of the employee’s performance. The rating options are:

* Exceptional: Work that is above the established criteria throughout the rating period.
* Successful: Work that meets the established criteria.
* Unsuccessful: Work that fails to meet the established criteria.

The Employee Performance Plan must incorporate the weighted evaluation system and a numerical value assigned to each level of performance.

|  |
| --- |
| **Levels of Performance** |
| **Performance Level** | **Point Value** | **Overall Range for Final Review** |
| Exceptional | 3 | 2.5 to 3.0 |
| Successful | 2 | 1.5 to 2.49 |
| Unsuccessful | 1 | 1.49 and below |

*Example:*

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Level of Performance** | **Weight** | **Rating** |
| Essential Job Responsibility One | Successful - 2 | 20% | 2 × .2 = .4 |
| Essential Job Responsibility Two | Exceptional - 3 | 20% | 3 × .2 = .6 |
| Essential Job Responsibility Three | Successful - 2 | 20% | 2 × .2 = .4 |
| Development Goal | Successful - 2 | 10% | 2 × .1 = .2 |
| Project | Successful - 2 | 15% | 2 × .15 = .3 |
| Special Assignment | Exceptional - 3 | 15% | 3 × .15 = .45 |
| **Total** | 100% | 2.35 (Successful) |

*Competencies*

* Employee Self-Evaluation

Prior to the Annual Performance Review the employee will be provided the opportunity to provide comments regarding their own abilities regarding competencies. In addition, the employee will indicate which of the following statements most accurately describes their ability regarding each competency:

* I am confident in my abilities.
* I am improving my abilities.
* I need to develop more in this area and would like to discuss.
* Manager Evaluation

During the Annual Performance Review the manager will provide written comments concerning the employee’s demonstration of competencies. In addition to these written comments the manager will indicate one of the following concerning the employee’s demonstration of competencies:

* Consistently observed.
* Sometimes observed.
* Seldom observed.

*Overall Performance*

Managers will be required to indicate an overall rating regarding the employee’s performance concerning the essential job responsibilities, developmental goals, projects and special assignments documented in the Employee Performance Plan. The rating options are:

* Exceptional: Work that is above the criteria of the essential job responsibility, developmental goal, project or special assignment throughout the rating period.
* Successful: Work that meets the criteria of the essential job responsibility, developmental goal, project or special assignment throughout the rating period.
* Unsuccessful: Work that fails to meet the criteria of the essential job responsibility, developmental goal, project or special assignment throughout the rating period.

*Summary Comments*

Both managers and employees are provided the opportunity to provide summary comments concerning the employee’s performance during the review period.

*Developmental Review (Optional)*

A developmental review focuses on the future and reinforces the focus on constant performance feedback and provides employees with the opportunity to reflect on what they will do differently in the next review period.

This developmental review requires the manager and the employee to answer the following questions about the next Employee Performance Plan:

Employee

* What additional training, materials or equipment would help you excel at your work?
* Are there any areas of your work where you would like more feedback?
* What role(s) do you see yourself playing in the agency within the next five years?
* What skills do you want to develop?

Manager

* What does the employee excel at?
* In what area’s should the employee focus on improving?
* How should the employee prepare to be successful in the roles they see themselves playing in the agency within the next five years?

*Acknowledgements*

The Annual Performance Review must be acknowledged by the employee, the manager and the next higher-level manager. If any party refuses to acknowledge the Annual Review, this refusal should be documented and attached to the Annual Review. If possible, a witness should sign to acknowledge that the party refused to sign the Annual Review. An electronic signature or similar documentation is acceptable.

All performance appraisals shall become a permanent part of the employee's official personnel file. Upon request, the agency shall furnish the employee with a copy of the performance appraisal and copies of all pertinent attachments.

**Additional Notes**

All performance reviews, including the Mid-Year Review, shall be made in writing by the employee's manager who has direct experience or knowledge of the work being performed. The performance review shall be reviewed by the next higher-level manager unless the manager is the agency head, prior to the appraisal being discussed with the employee. The reviewer may attach additional comments to the review, and in the attachment may take exception to the manager’s appraisal.

Whenever an employee's job responsibilities change significantly, the Employee Performance Plan should be revised to reflect that change.

**Employee Transfers**

A covered employee who transfers from one agency to another shall have the performance review date adjusted to the new agency’s universal review date, if necessary. This may require a short year performance plan and review.

**Probationary Period**

Each new employee in probationary status shall be evaluated prior to the completion of a 12-month probationary period for non-instructional personnel, of the academic year duration for instructional personnel except for those at state technical colleges, or of not more than two full academic years duration for faculty at state technical colleges. The performance review date marks the beginning of a new review period. If that employee does not receive a performance appraisal prior to the performance review date, the employee will receive a "Successful" rating by default and obtain covered status as a state employee and permanent status in the class. The probationary period may not be extended. After satisfactory completion of the probationary period, an employee may receive a short year Employee Performance Plan and a short year review in order to move the employee to the universal review date.

If an employee is not performing satisfactorily during the probationary period, the employee shall be removed from the position before becoming a covered employee. The agency may, but is not required to, issue an “Unsuccessful” rating prior to removing a probationary employee from the position. Until an employee has completed the probationary period and has received a “Successful” overall rating on the employee’s evaluation, the employee has no grievance rights under the State Employee Grievance Procedure Act. Therefore, an agency is not required to follow the “Performance Improvement Process” to terminate a probationary employee. The “Successful” rating is the equivalent to the “meets” performance rating referenced in the State Employee Grievance Procedure Act.

**Performance Improvement Plan**

A covered employee is entitled to adequate notice of substandard performance and the opportunity to improve the substandard performance before being removed from the position. A covered employee may not be issued a rating of “Unsuccessful” for any job responsibility, developmental goal, project or special assignment that significantly impacts performance, without following the “Performance Improvement Plan” process.

A formal Performance Improvement Plan should be issued when it becomes evident that informal feedback and coaching have been unsuccessful. A Performance Improvement Plan can be issued at any time during the review period.

To ensure employees have adequate notice and opportunity to improve performance the following procedures shall be followed:

1. If during the review period an employee’s performance evaluation is determined to be “Unsuccessful” in any essential job responsibility, developmental goal, project or special assignment that significantly impacts performance the manager shall issue the employee a written Performance Improvement Plan.

The Performance Improvement Plan shall provide for an improvement period of no less than 30 calendar days and no more than 120 calendar days.

The Performance Improvement Plan may be issued at any time during the review period. Ordinarily, the Performance Improvement Plan period may not extend beyond the employee’s review date. The performance review date, however, may be advanced to coincide with the Performance Improvement Plan dates. Should the performance review date be advanced, and the employee receives a “Successful” or “Exceptional” rating in all essential job responsibilities, developmental goals, projects and special assignments that significantly impact performance and are noted in the Performance Improvement Plan, the employee may require a short year Employee Performance Plan and a short year review in order to move the employee back to the universal review date.

1. The manager and employee should participate in drafting the Performance Improvement Plan. The plan should include a list of ways to improve the deficiencies and other appropriate performance-related recommendations. In those instances where the manager and employee cannot agree upon the content of the Performance Improvement Plan, the manager’s decision shall be final.
2. During the Performance Improvement Plan period, the employee and manager shall have regularly scheduled meetings during which they shall discuss the employee’s progress. Documentation is required to verify that these counseling sessions were held. Copies of this documentation shall be placed in the employee’s official personnel file and given to the employee upon request.

If the employee’s performance is evaluated as “Successful” or “Exceptional” in all essential job responsibilities, developmental goals, projects or special assignments that significantly impact performance and are noted in the Performance Improvement Plan, the employee will remain in their position. If the employee’s performance is evaluated as “Unsuccessful” in any essential job responsibility, developmental goal, project or special assignment that significantly impacts performance and are noted in the “Performance Improvement Plan,” the employee shall be removed from the position immediately (i.e., terminated, reassigned or demoted).

1. Once a time frame for improving substandard performance has been given, the employee must receive a written performance review no more than two weeks after the end of the Performance Improvement Plan period. The timeframe to complete the review may be extended in extenuating circumstances. If a final review is not issued in this time frame, the employee will be considered to have achieved a “Successful” rating by default and the Performance Improvement Plan will end.
2. If an employee has either been issued two Performance Improvement Plans within a 365-day period or three Performance Improvement Plans within a two-year period, and the employee’s substandard performance would warrant the issuance of another Performance Improvement Plan, the employee can be removed from the position by issuing an “Unsuccessful” rating in any essential job responsibility, developmental goal, project or special assignment. The issuance of an additional Performance Improvement Plan will not be required.

**Performance Improvement Plan Components**

Each Performance Improvement Plan must:

* Be in writing and addressed to the employee and labeled as a “Performance Improvement Plan.”
* Include the employee’s signature, if possible. If the employee refuses to sign, the employee’s refusal should be documented and signed by a witness.
* Include a list of the essential job responsibilities, developmental goals, projects or special assignments that significantly impacts performance for which the employee’s performance has been determined to “Unsuccessful.”
* Include a time period for improvement and the consequences if sufficient improvement is not observed (i.e., terminated, demotion or reassignment).
* Include a plan for meeting to discuss employee progress during the time period.
* Be included in the employee’s official personnel file and a copy provided to the employee.

**Performance Improvement Plans for Periodic Job Responsibilities Developmental Goals, Projects or Special Assignments**

If an employee exhibits poor performance in an essential job responsibility, developmental goal, project or special assignment that is essential to their position but is not ongoing, a Performance Improvement Plan can be issued with a delayed start date.

Example:

* An employee is responsible for completing a closing package once a year.
* The employee incorrectly completes the closing package in June 2019 but will not have the opportunity to begin another closing package until April 2020. It is impossible for the employee to demonstrate improved performance until they begin the next closing package.
* The employee is issued a Performance Improvement Plan with a delayed start date of April 2020 to coincide with the job responsibility for which the employee exhibited poor performance, the closing package.

**Training**

Training is encouraged for all employees within the agency concerning the Employee Performance Management System.

**Trial Period Addendum**

***The following information applies only to employees who are required to serve a trial period in accordance with State Human Resources Regulations.***

**Trial Periods**

Each covered employee who has been demoted, promoted or reclassified shall be appraised prior to the completion of a six-month trial period in the position. The performance review date marks the beginning of a new review period. If an employee does not receive a performance appraisal prior to the performance review date, the employee will receive a “Successful” rating by default and obtain permanent status in the new classification. Once an employee has completed a successful trial period and obtained permanent status in a class, the employee retains permanent status in the class throughout the employee’s continuous service. The six-month trial period may be extended up to 90 calendar days upon written notice to the employee prior to the end of the six-month trial period. The employee’s performance review date shall be advanced for the time period such extension is in effect. After satisfactory completion of the trial period, the employee may require a short year planning stage and a short year review in order to move the employee back to the universal review date.

The Performance Improvement Process is not required to demote or reclassify downward an employee in trial status to the same class from which promoted, if the demotion or reclassification occurs within the trial period. The Performance Improvement Process is also not required to demote or reclassify downward an employee in trial status to a class in an equal or higher pay band from which promoted, if the demotion or reclassification occurs within the trial period. The employee in trial status may not grieve such demotion. The employee in trial status may not be terminated or demoted to a class in a lower pay band than that from which promoted for performance reasons without following the Performance Improvement Process.

**EPMS Options**

**Staff Development and Training Plans**

The agency may choose to require managers to complete annual staff development and training plans for each employee. This component may be written into the agency's policy if desired. The Division of State Human Resources will provide agencies with a sample that may be used to help connect employee training plans to the employee's performance plan evaluation.

**The Following Options Must be Incorporate into the Agency's EPMS Policy**

**and Approved by the Division of State Human Resources**

**Multiple Sources of Feedback**

In using a "multiple sources" of feedback system the particular system chosen must be included in the agency's EPMS policy. The agency should provide training as appropriate to employees on giving and receiving feedback.

**Multiple Managers**

If an agency has employees whose performance will be reviewed by their manager and another manager (for example a programmatic) manager this must be indicated in the agency’s EPMS policy.

**Remove or Make Mid-Year Review Optional**

An agency may remove the Mid-Year Review or may make the Mid-Year Review optional.

**Additional EPMS Options (Not Available if the Agency Uses SuccessFactors)**

**Frequency of Evaluations**

Under the baseline system, an agency would have the flexibility to conduct unofficial evaluations anytime throughout the year. However, if an agency wishes to require more evaluations in addition to the mid-year and annual evaluations, it should include such requirement in its EPMS policy.

**Connect Employee Performance to Agency Mission**

An agency may elect to include the mission statement for the agency, or the particular work unit, on the employee's Employee Performance Plan document.

**Reviewer Able to Change the Supervisor/Manager Rating**

The agency may allow the manager’s manager to change the status or rating on a mid-year or annual review completed by the manager. If the manager’s manager elects to change the status or rating, the change and associated justification should be noted an attached to the review. This requirement should be included in the agency’s EPMS policy.

**Alternative Level of Performance Ratings**

An agency may develop alternative systems (i.e., more/fewer levels of performance) to rate employee performance. However, evaluation systems that have more/fewer levels of performance than the three levels of performance must include a conversion mechanism to equate those systems to the three levels of performance should actions (e.g., RIF or legislatively mandated reasons) be necessary. This system and the conversion mechanism must be incorporated into the agency's EPMS policy. The agency must convert their levels of performance

to the three levels of performance prior to entering into the Central Human Resources Data System.

**Team Evaluations**

An agency may elect to substitute team evaluations for individual performance reviews. If an agency determines to do this, such change would need to be incorporated into the agency's EPMS policy.

**Not To Use a Weighted System**

An agency may choose not to use a numerical weighting system to establish the importance of essential job responsibilities, developmental goals, projects and special assignments for purposes of evaluation.

**Weighting and Rating Competencies**

An agency may elect to weigh and rate competencies as part of the agency’s performance management system. If an agency determines to do this, such change would need to be incorporated into the agency's EPMS policy.

**Combining the Position Description and Performance Management Document**

An agency may combine the employee position description and the performance management document into a single document. Additional approval is not required for an agency using the Central Human Resources Data System’s Position Description/EPMS/Individual Development Plan (IDP).

**Inclusion of Competencies in the Employee Performance Plan and Review Rating Calculation**

Agencies may include competencies in the portion of the review which contributes to determining the performance rating. These competencies will be included in the section of the Employee Performance Plan which includes essential job duties, developmental goals, projects and special assignments. The following sections must be incorporated into the Employee Performance Plan:

*Under Employee Performance Plan Components*

* Competencies (Optional): Observable and measurable knowledge, skills and abilities and personal attributes that contribute to successful employee performance. Example: Strategic Vision.

A description of the competency and explanation of how the employee will demonstrate the competency will be documented.