Performance Management Program Design Handbook

Interagency Advisory Group
Committee on Performance Management and Recognition
Performance Management Program Design Working Group

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This Handbook is the product of the Performance Management Program Design Working Group which is an ad hoc working group of the Office of Personnel Management's Interagency Advisory Group [IAG] Committee on Performance Management and Recognition. This Handbook was prepared in response to the request of the IAG Committee for a user's guide that outlines approaches to designing performance management programs.

The National Performance Review [NPR] report encourages agencies to reevaluate their current performance management programs. The enactment of the Performance Management and Recognition System [PMRS] Termination Act and the NPR's and the National Partnership Council's [NPC] call for legislative changes provide added impetus in this direction. Agencies are being challenged to actively seek ways to improve and streamline their policies and processes: specifically, whether their current performance management programs assist in improving individual and organizational performance and whether their programs define and measure success based upon their agencies' unique need.

This Handbook provides information for line managers, employees, local partnerships, union repre- sentatives, human resource specialists, and others to facilitate discussion and provide assistance in designing performance management programs that are tailored to a particular organization.

We thank Rachel Fagin, Marilyn Geldzahler, and Paul Whiteley of OPM's Performance Management and Incentive Awards Division for their cooperation and assistance in this endeavor.

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PERFORMANCE MANAGEMENT PROGRAM DESIGN HANDBOOK

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PURPOSE OF PERFORMANCE MANAGEMENT PROGRAMS

INTRODUCTION

The January 1994 report of the National Partnership Council stated that the objective of performance management systems is to improve individual and organizational performance. Given this as the objective, performance management programs need to be aligned with organizational goals, mission, and strategies. There are a multitude of other factors outlined in the Government Performance and Results Act of 1993, the Chief Financial Officer Act of 1990, Executive orders, and Cabinet-level Performance Management Agreements with the President, each requiring different indicators of performance. Taken in totality, they provide an overall assessment of an organization. Performance management programs serve as an integral part in organizational assessment and provide significant performance information for employees. Designing performance management programs requires an approach that takes into consideration legal and regulatory requirements as well as an organization's goals, objectives, mission, values, needs, interests of stakeholders, and links to other systems.

Performance management programs require continuous review and assessment to determine whether agency needs are being met. Although performance management programs may change over time, the design process should remain constant.

This Handbook relates some key "lessons learned" by those engaged in previous efforts to redesign performance management systems in the Federal Government. In addition, it outlines some important questions to ask when designing programs. The appendices of this document provide a bibliography, points of contact for additional resources, a sample agency plan for performance management program design, and information on demonstration efforts throughout the Federal Government.

BASIC CONSIDERATIONS

Throughout this Handbook, a number of questions will recur. These are considerations that should be revisited during the operation of a performance management program as well as during its inception. The questions are also useful tools in evaluating current practices. Continuous reassessment of these basic issues will ensure that the performance management program design meets basic organizational needs. The overall Performance Management Program Design process, outlined throughout this Handbook, is a tool that can be tailored for use in other design efforts.

A good program will reflect consistent answers to a significant number of the following questions:

What is important to the organization about having a performance management program?

What are the predominant organizational values? How does the performance management process reflect these values?

How does the current performance management program work? Does it reflect current organizational values and goals? Does it effectively relate individual and team activity to those goals?

What parts of the current program work? What parts don't work? Is it unnecessarily paper-intensive?

Does the current performance management program lend itself to effective and efficient use by the supervisor?

How should the link between organizational goals or mission and employee performance be expressed?

Who are the major stakeholders in the performance management program? Is a change in stakeholders anticipated?

What are the needs and concerns of employees??

Should the program provide a basis for other actions such as awards or promotions?

Should the program be the primary vehicle for career planning and development?

Should the program be a tool for strategic planning or quality initiatives?

Is a single organizationwide program preferable, or would multiple programs tailored to specific populations/functions be more suitable?

What external factors affect an organization's perfromance management program design efforts?

Does the organization have sufficient resources to make desired changes?

How does technology affect the performance management process?

REFLECTING ON THE PAST

The purpose of this section is to trace the evolution of performance management systems in the Federal Government and to provide a summary of some of the key lessons learned.

HISTORY OF PERFORMANCE MANAGEMENT IN THE FEDERAL GOVERNMENT

The first effort to establish a performance management system in the Federal Government was based on a recommendation of the First Hoover Commission in 1949. The Commission recommended that employees receive periodic within-grade increases only when supervisors certified that the employee's performance warranted the increase.

The *Performance Rating Act of 1950* required that each agency develop a performance appraisal system that included three summary rating levels: Outstanding, Satisfactory, and Unsatisfactory. The purpose of this Act was to identify the best and worst employees and to improve supervisory/employee relations. There was no provision for cash awards and no mandatory connection between appraisal and base pay. Agencies responded to this Act by developing generic, trait-based forms that supervisors filled out once a year. These forms required the supervisor to check a box and assign an overall rating.

Cash awards were authorized for employees as a result of the *Government Employees' Incentive Awards Act of l954*. Supervisors could grant cash awards for superior accomplishments, suggestions, inventions, or other personal efforts. There was no link between incentive awards and performance ratings. As a result, this authority was generally used for special projects outside of normal job duties.

The *Federal Salary Reform Act of 1962* allowed supervisors to grant quality step increases to high performers, but again there was no link to the performance rating. This Act also established the "acceptable level of competence" determination for granting within-grade increases, which linked pay to a global judgement of performance not to a specific rating based on performance standards.

In the 1970's, a number of studies of Federal performance appraisal systems were conducted showing that employees and supervisors found little value in existing processes. Private sector companies were viewed as being the forerunners in using more objective criteria-based systems which tied pay increases to individual accomplishments. In 1977, the *Personnel Management Project Report* issued by the President's Reorganization Project recommended that the Government establish a merit pay system based on objective criteria. This report formed the basis for the *Civil Service Reform Act of 1978*.

The Reform Act enacted substantial change in performance appraisal systems in the Government. It required the use of objective, job-related performance standards for evaluating employee performance. In addition, it established performance appraisals as the basis for salary increases, awards, training, promotion, reductions in grade, and removals.

The Merit Pay System established by the Reform Act directly linked salary increases and organizational goals to performance appraisal results. However, the Act allowed agencies great latitude in establishing both a Merit Pay System covering supervisors and management officials in grades 13-15 and performance appraisal systems covering other employees.

There was great variation in how merit pay pools operated and in the design of performance appraisal systems. For example, agency performance appraisal systems contained varying numbers of rating levels, some with as many as 10-12 levels. The merit pay payout process worked differently in various agencies, depending upon how many people were covered by a given pool and how the pool operated. This resulted in monetary payouts that were significantly different, both between agencies and within agencies.

There were many complaints about the Merit Pay System. One major complaint was that employees felt they were forced to compete for money that was owed to them, because part of the merit pay pool included one-half of the annual comparability salary increase. Another complaint was that the system forced employees to compete against each other for shares of a very limited pool. Some agencies and supervisors were gaming the system to make their employees "whole," by rigging the ratings and payouts to ensure that employees received at least one-half of the comparability increase. Other employees complained about unfair treatment when they switched agencies. The merit pay distributions were extremely complicated and very difficult to administer, explain, and understand.

In 1984, Congress attempted to resolve these concerns by creating the Performance Management and Recognition System (PMRS). The PMRS continued the principle of linking pay to performance, but standardized the pay and appraisal process in response to employee complaints about pay inequity. PMRS required that each appraisal system have five summary levels, established mandatory links between rating levels and awards, and set minimum and maximum funding levels for performance award pools.

In 1989, Congress extended the PMRS and requested that an evaluation of it be conducted. The National Academy of Sciences' National Research Council issued a 1991 report entitled *Pay for Performance: Evaluating Performance Appraisal and Merit Pay.* This report found no blueprint or magic answer for linking pay to performance in the Federal sector. Congress extended PMRS again, eliminated the mandatory award requirement, and called for another study.

That study was conducted by the PMRS Review Committee which included representatives of management, managers' organizations, and human resource executives. The Committee issued its report in 1993. This group found no magic

answer and went on to question whether or not a pay-for-performance process could work in the Federal setting. The report documented growing concerns about rating inflation and the general perception that pay increases and awards were driving the appraisal process. The Committee expressed concerns about increases in payroll costs because high ratings moved employees through the pay range much more rapidly than in the past. While there was some agreement that the process of setting performance standards resulted in increased communication between employees and supervisors, the growing view was that the appraisal process had become a paper exercise. The Committee recommended that each agency be given the freedom to develop a system that worked best for its culture.

Another committee, the Pay-for-Performance Labor Management Committee, was established under the Federal Employees Pay Comparability Act (FEPCA) in 1990. This Committee was asked to advise OPM on the design and establishment of systems for strengthening the linkage between the performance of General Schedule employees and their pay. They concluded that (1) there was insufficient empirical evidence that pay-for-performance programs are uniformly effective and (2) performance management programs should be tailored to the culture of Federal agencies and their subcomponents.

In October of 1993, Congress enacted the PMRS Termination Act of 1993, ending PMRS. OPM issued regulations which returned PMRS employees to the Performance Management System which was in effect for other employees.

LESSONS LEARNED

A review of the history of appraisal systems shows at least three significant challenges in designing performance management systems:

- Centralized versus decentralized controls

- Conflicting program design objectives

- Ownership of the performance management process

CENTRALIZED VERSUS DECENTRALIZED CONTROLS

The Civil Service Reform Act of 1978 mandated a centrally-designed performance management system. There was an assumption that if experts designed the perfect centralized system, all problems would be solved. Experience has shown, however, that a centralized structure did not meet the specialized requirements of individual agencies. Systems need to be designed with enough flexibility to allow agencies to make their own decisions about the appropriate level of centralization.

CONFLICTING PROGRAM OBJECTIVES DESIGN

Performance management systems are designed to improve individual and organizational performance. In order to meet numerous legal and regulatory requirements, agencies often designed programs with multiple objectives. For example, programs that were designed for pay determination were also used for career development and feedback. Unfortunately, conflicting objectives served to dilute the impact and effectiveness of a performance management programs.

OWNERSHIP OF THE PERFORMANCE MANAGEMENT PROCESS

The failure of previous design efforts to involve the necessary stakeholders and to meet the conflicting demands has resulted in a Governmentwide system that is viewed as being owned by personnel offices, not line managers or employees. Many employees view the system as burdensome and adding little value. Linkages to other systems tend to create inflated ratings. This is not unique to the Federal sector; studies of the private industry show similar findings.

CONCLUSIONS

In designing performance management programs, Federal agencies should consider the following principles:

1. There is no one right answer.

2. Centralized systems do not always work.

3. Flexibility needs to be built in.

4. Employee involvement is crucial to success.

5. Employee feedback and linkages to other systems may have to be addressed by separate programs.

6. No system will work without good communication.

HISTORY OF PERFORMANCE MANAGEMENT
IN THE FEDERAL GOVERNMENT

1949 - *First Hoover Commission* recommended the **establishment of a performance management system**.

1950 - *The Performance Rating Act* required that each agency develop a performance appraisal system that included **three summary rating levels**.

1954 - *The Government Employees' Incentive Awards Act* authorized **cash awards**. No link was made between incentive awards and performance ratings.

1962 - *The Federal Salary Reform Act* allowed the granting of **quality step increases** (with no link to rating). It also established the **"acceptable level of competence"** for granting within-grade increases.

1977 - *The Personnel Management Project Report* recommended a **merit pay system**.

1978 - The *CIVIL SERVICE REFORM ACT* established the **Merit Pay system**.

1984 - **The Performance Management and Recognition System (PMRS)** attempted to resolve some of the problems identified in the Merit Pay System.

1993 - **Termination** of the **PMRS**

DESIGNING A PERFORMANCE MANAGEMENT PROGRAM

The purpose of this section is to outline a process to help organizations design and implement new performance management programs. This process can be used again and again as agencies respond to changes in laws and regulations, evolving missions and organizational structures, or budgetary realities. For your convenience, a one-page summary of design decisions is located at Appendix D.

SECURE ORGANIZATIONAL SUPPORT AND COMMITMENT

A major theme throughout this Handbook is the importance of obtaining commitment and support from all facets of the organization. The involvement of stakeholders (managers, employees, union representatives, and human resource professionals) at the very outset is key to promoting ownership of the program. To have an effective program, all portions of the organization need to be involved in designing, implementing, administering, managing, and evaluating the program. It is particularly important to involve stakeholders from the earliest stages in the design process, to be aware of legal and regulatory bargaining obligations at the national and local union levels, and to work closely with partnership councils active in the organization.   Lack of organizational support, commitment, and resources greatly increase the chances of failure.

Top-level management support throughout the process is critical in ensuring that the performance management design reflects the strategic and philosophical direction of the organization and its culture. For the process to be effective, there must be a strong signal from upper management that the process of designing a new or revised performance management system is important. In addition, top-level management needs to be consulted about anticipated organizational changes that may impact the program design, e.g., realignments and reorganization, and to communicate future organizational goals and expectations of the program. A policy statement from the chief executive communicating the organization's commitment to the design process at the outset will aid in obtaining the necessary resources and in gaining appropriate attention for the project.

The participative and interactive nature of the design effort itself may entail considerable expenditure of resources. A more complex and broad design effort may require a larger commitment of resources. Advertising benefits to be derived from the project is important in obtaining the "buy-in" of all stakeholders.

INITIAL AREAS TO ADDRESS

DETERMINE ORGANIZATIONAL READINESS

Organizational receptivity to change is a continuum that describes how receptive and ready an organization is to support a new performance management program. At the "high end" of the continuum are those organizations that are ready, even anxious, for change in their performance management programs. At the "low end" of the continuum are those organizations that are not ready for, or willing to accept, a change.

An organization's readiness and receptivity to change can be determined by asking the following questions. "Yes" answers to these questions may indicate that the organization is at the high end of the continuum, with clearly-defined objectives, management support, and a willingness to change.

- Does the organization identify clear organizational objectives and translate those objectives into individual goals?

- Does the organization regard performance management as a key management responsibility and devote the resources necessary to ensure that it is carried out effectively?

- Does top management openly support performance management and incorporate it into the overall management process?

"No" answers indicate an organization at the low end of the continuum, one that has larger management issues that need to be addressed. For these organizations, it may be necessary to move slowly to implement a new performance management program or to implement only modest changes to an existing program.

DEVELOP SPECIFIC DESIGN PROCESSES

The design process should reflect the organization's culture, climate, style of decisionmaking, and pace of change:

Culture. Culture refers to the unique characteristics of the organization, including the type of work that is done, the types of employees, whether the work is performed by individuals or teams, and the types of clients served by the organization. For example, in a research organization, scientists and research principles and techniques should be an integral part of the design process. In an organization that has a highly-developed team structure, teams should be involved in the design of the performance management program.

<u>Climate</u>. Climate refers to the degree of openness and trust that exists within the organization, e.g., whether people talk openly about their work, feel free to acknowledge mistakes, and are willing to give positive and negative performance feedback. If there is a high degree of openness and trust within the organization, employees are likely to view performance management programs as serving their interests and meeting their needs. If the organization is viewed as closed and secretive, employees are likely to view performance management programs with distrust. In the latter case, employee involvement in the design process and training in how the program operates are essential in order to dispel distrust.

<u>Style of decisionmaking</u>. Style of decisionmaking refers to how willing top management is to let managers and employees participate in the decisionmaking process. If the organization has a participative style of decisionmaking, managers and employees are likely to become actively involved in the performance management design process. If the organization has and chooses to retain an autocratic style of decisionmaking, participation in the design process is likely to be very limited. If the organization has had an autocratic style of decisionmaking in the past but wishes to become more participative, managers and employees will have to learn how to apply participative techniques in the design process, since managers are unaccustomed to allowing employees to participate and employees are unaccustomed to taking part in decisionmaking.

<u>Pace of Change</u>. Pace of change refers to how quickly decisions are made and implemented. In an organization where decisions are made and implemented quickly, protracted decisionmaking in the design of a new performance management program is likely to frustrate managers. Therefore, the decisionmaking process may need to be speeded up. In other organizations, a protracted decision-making process may be appropriate based on the organization's "pace of change."

STATUTORY AND REGULATORY PROVISIONS

Statutory and regulatory provisions need to be identified. The United States Code and Code of Federal Regulations contain statutory and regulatory language that must be taken into consideration in designing a performance management program. Also, certain Governmentwide initiatives such as customer service, partnerships, and group, team or organizational performance need to be considered.

PERFORMANCE MANAGEMENT PROGRAM DESIGN COMPONENTS

OVERRIDING ISSUES

In determining its design strategy, the organization should consider the scope of its performance management program. In so doing, the organization should address two basic issues: (1) whether the program will be a centralized or a decentralized program; and (2) whether the program will be a generic program applicable to all employees within the organization or whether it will be tailored to a specific segment of the organization.

Centralized versus Decentralized

In determining whether to design a centralized or a decentralized program, the organization should consider the following issues:

- How much control does the central or headquarters organization want to exert over its component organizations?

- Will a centralized program meet the needs of all of its component organizations?

- Does the headquarters have the resources to manage a centralized program?
- In a decentralized program, will there be rivalry between component organizations? Is rivalry acceptable?

- In a decentralized program, will there be confusion when employees move from one component organization to another?

- Will a decentralized program be more expensive and difficult to administer than a centralized program? Do the benefits warrant the expense?

Once the organization has decided whether it will have a centralized or decentralized program, the design process should be matched to that decision. If the organization chooses to have a centralized program that is mandatory for all components of the organization, the design process should involve representatives of each of the component organizations. If the organization decides to have a program that is decentralized, component organizations should be permitted to make their own decisions and to tailor both the design process and the performance management program to their organizations.

Generic versus Tailored

In determining whether to design a generic program applicable to all employees within the organization or whether the program will be tailored to a specific work force or occupation, the organization should consider the following issues:

- What types of employees comprise the organization's work force?

- Are employees significantly different from each other in terms of the type of work they perform and the way do their work (e.g., individual as opposed to team work)?

- Do the differences among employees (in terms of their work and how they perform it) have an impact on the way their performance should be measured most effectively?

Once the organization has decided whether it will have a generic or tailored program, the design process should be matched to that decision. If the organization prefers a generic, "one-size-fits-all" program applicable to all employees within the organization, the design process should include representatives from a variety of occupations and grade levels within the organization to foster communication. If the organization prefers programs tailored to a specific work force (e.g., trades, research, etc.) or occupation (e.g., claims examiner), the design process should include representatives from a range of positions and grade levels within that occupation or work force.

IDENTIFY THE PROGRAM DESIGNERS

The first step is to determine who will comprise the design team for the program. It may include a task force, the human resources staff, and/or in-house or outside consultants.

A combination of program designers is often useful. Consultants provide expertise not always found within an organization. Human resources staff provides information concerning legal requirements and the relationship between performance management and other human resources programs. A task force provides the conduit through which major stakeholders in the process can be involved.

Regardless of which group or combination of designers is chosen to design the program, there are several guidelines that agency management needs to keep in mind: Agencies should coordinate, integrate, and obtain input from various stakeholders. They should select a design team that is representative of all components of an organization that will be affected by the program. If possible, they should explore divergent viewpoints and deal with competing demands from the beginning. In addition, the following questions may be useful to ask:

- To whom does the design team report? How much authority has the team been granted?

- Who is the design team leader? Does the leader have sufficient knowledge of the subject? Does the leader possess appropriate leadership skills?

- Does the design team membership represent the full range of necessary knowledge? Does its membership represent all of the affected organizations?

DEFINE THE PROBLEMS TO BE ADDRESSED

The impetus for design of a new performance management program is usually either a new external challenge or problems within the organization. In some organizations, lack of motivation, conduct problems, and poor performance are major problems. In others, the focus may be on a high rate of grievances, subjective ratings, rating inflation, or an inequitable distribution of awards. Some agencies recognize the need to better align performance appraisal and awards with their strategic plan. Often, advancing technology can cause position descriptions and elements and standards to become obsolete. In many cases, agencies are reorganizing into work groups or teams and current appraisal and award programs no longer seem appropriate.

Sometimes, designers prematurely adopt the newest techniques promoted by consultants before determining organizational needs. For instance, if supervisors fail to give feedback to employees under the current performance management program, moving to a pass/fail approach will not necessarily result in increased communication. The emphasis in the design process should be on **defining current needs** and determining a **vision for the future**.

To define current needs, program designers should collect information on perceived problems with the current performance management program and on any other organizational challenges that may impact performance management. This information may be collected through interviews, focus groups, surveys, and internal and external evaluation reviews, as well as agency data on ratings, grievances, awards, etc.

APPRAISAL DESIGN DECISIONS

Purposes of Performance Appraisal

Performance appraisal can be one of the most useful tools of the performance management process. Appraisal derives much of its impact from its connection to other aspects of human resource management. It is important to decide for what purpose performance appraisal will be used. Appraisal can be used to effect personnel actions. They can be linked to awards, promotions, and pay increases or can point out areas that need improvement, linking lack of improvement to withholding pay increases, demotion, reassignment, or separation. It is essential to use the type of appraisal that will achieve the desired outcome.

Below are some of the major considerations when deciding the purpose of appraisal:

- Appraisals for **compensation decisions** need to have measurement scales that clearly differentiate among employees in order to make distinctions in amounts of base pay or awards. Appraisal cycles also may need to be timed to financial planning cycles or budget expenditure timeframes. It may be best to hold career development discussions at times other than the end of the appraisal cycle.

- Appraisals for **retention/discharge** need to define the work tasks clearly enough to show specific areas in which the employee is failing. Appraisal measures also need to be defensible if and when challenged. Appraisal information or ratings may have to be obtained more often than annually.

- Appraisal information for **human resource planning** needs to show in what areas employees excel so that resources can be realigned if necessary. Appraisal information may be needed periodically to feed into reorganization plans, restructuring strategies, work group development, and design of special projects or project groups, etc.

- Appraisals for **training/career development** need to identify skills, knowledges, and abilities (as opposed to products or end results) that would show the areas in which the employee may need training or which would be good for future broadening of skills. Appraisal results may need to be tied to training budget planning, training schedules, and/or organizational goal-setting periods.

- Appraisals for **promotion** purposes provide valuable information if they can capture to some degree the basic skills and abilities of the employee, not just his or her past accomplishments. An employee's accomplishments in the current job may involve very different aptitudes than those needed for a future job. In addition, the predictive value of appraisals is increased if performance plans for current and future jobs have some similarity in performance elements, like career ladder jobs. Appraisal information for this purpose may need to be obtained at varying times.

- Appraisals for **enhancing performance of the current job** need to provide enough information to let the employee know in what areas work efficiency or effectiveness can be improved. Information from a number of different sources, e.g., peers, subordinates, self, customers, helps to give both the employee and manager a better picture of the employee's strengths and weaknesses. It may be helpful to give feedback frequently to promote ongoing, consistent improvement and to correct ineffective work behaviors.

Types of Performance Appraisal

When deciding the types of appraisal, it is important to consider the purpose of appraisal. If an organization needs information for two or more different purposes, it may be necessary to develop separate appraisal measures.

- **Person-based:** What is a person able to do in a work setting? Performance measures focus on such areas as reliability, dependability, attitude, judgment, job knowledge, interpersonal skills, leadership, initiative, communication skills, analytical ability, working under pressure, work pace, planning/implementation skills, etc.

- **Behavior-based:** How well does the person perform the task at hand?   One common approach is the use of behaviorally anchored rating scales (BARS) which provide descriptions of work expectations at one or more levels of proficiency. These descriptions are benchmarks against which to measure the employee's work tasks, products, accomplishments, etc. A second common approach is the use of critical incidents whereby the rater documents specific incidents (positive or negative) during the appraisal cycle which exemplify work on a particular task or performance element.

- **Results-based:** What work was accomplished?   There are many ways to capture the specific outputs of work tasks or projects. Management by objectives (MBO), work goals, project plans including timeframes, results statements are just a few of the ways to capture this type of information.

Components of Appraisal

Once the purpose of the program is identified, decisions must be made on a more detailed level concerning the specific program components. These range from the categories of employees to be covered to linkages with other programs, such as awards or training. Major components of appraisal programs include:

- **Employee coverage** - permanent, temporary, other employee categories

- **Basis of appraisal** - individual, group, team, organizational

- **Length of appraisal cycle and minimum appraisal period**

- **Periods of performance** - position of record only; details or temporary assignments/promotions; prior positions during cycle; work at other agencies

- **Number of rating levels** - elements and/or summary rating levels and derivation method if a summary level is used

- **Rating process** - identify raters, higher level review requirements, determine how employee feedback will be incorporated, and specify rating reconsideration or informal grievance process

- **Appraisal input sources** - peers, subordinates, supervisors, clients/customers, self

- **Process for dealing with poor performers** - assistance, time frames for additional performance reviews

- **Linkage to other personnel actions** (compensation, promotion, retention, training) - no linkage, weak linkage, strong linkage

COORDINATE WITH AFFECTED PROGRAM AREAS

While the program purposes and components are being clarified, the designers should identify other programs and systems in the organization that will be affected. Key people from the affected programs need to be brought into the design stage as early as possible. Just as important, there should be communication among the program areas throughout the design and implementation phases.

Other personnel programs commonly affected by changes in the performance management program are compensation, awards, training, staffing (promotion, reassignment), reduction-in-force, employee relations (adverse actions), labor relations, forms design, records retention and maintenance, and personnel data systems. At a minimum, policies need to define the linkages between the appraisal program and

personnel actions dependent upon appraisals. Where linkages occur, administration of the affected program areas need to be in on the initial plans.

The coordination with people from various programs affected by the appraisal program is especially important for large organizations in which variations may occur. Communication links among subcomponents must be direct, consistent, and strong enough to sustain on-going contact throughout the development, implementation, and revisions of appraisal programs.

COMMUNICATIONS STRATEGY

At the design stage, the organization should develop an overall strategy for communicating with stakeholders about the performance management program. This strategy should address communications with individual employees and with and among groups of employees at both the design and implementation stages. An effective communications plan should answer the following questions:

- What is the purpose of the communication?

- What is to be said?

- When is it to be said, and through what channels?

- Who is the desired audience?

- How will the effectiveness of the communication be measured?

Some principles to guide an organization's communications plan include:

- Create a positive attitude toward the new performance management program as early as possible, before negative attitudes or rumors take hold.

- Use multiple channels of communication, including organizational newsletters, management/employee meetings, bulletin boards, electronic message boards, video messages, feature stories in organizational publications, explanations during regular business meetings, letters to all employees, and special "news conference" meetings.

- Involve employees wherever possible in generating ideas through brainstorming sessions, focus groups, and roundtables to increase receptivity to the new program.

- Select knowledgeable and respected employees in the organization to communicate the new program.

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[1]   Mohrman, Allan M.; Resnick-West, Susan M.; and Lawler, Edward E.; Designing Performance Appraisal Systems; Aligning Appraisals and Organizational Realities, 1990. San Francisco: Jossey-Bass, p.133

- Put important information in writing. Written communications carry greater weight than oral ones.

- Make communications realistic. Discuss potential concerns.

- Build the communication around employees' interests ("What's in it for me?"), not just what you think they ought to know. Communications directed to employee interests may diminish their resistance.

- Each communication should convey specific points. Don't assume people will draw the conclusions you want them to draw.

- Repeat communications in a variety of media. Repetition reinforces the message, and using a variety of media ensures you will reach the appropriate audience.

TRAINING FOR TECHNICAL AND MANAGEMENT SKILLS

The first step in implementing a new or redesigned performance management program is to design and conduct training. Managers and employees alike need to be trained in the mechanics of the new program.

Many managers also need to be trained in such areas as two-way communication, group problem-solving, and conflict resolution in order to more effectively administer and use the new program.

Organizations often ask well-respected managers to present segments of the training. Having the organization's highest level administrator kick off each training session reinforces employee perceptions that management is committed to the success of the new performance management program.

DETERMINE EVALUATION STRATEGY AND PROCESSES

Importance of Early Planning

Why evaluate? Evaluations help determine whether or not the new program is working. Establish and approve an evaluation schedule in the early stages of the implementation period, and ensure that both fiscal and manpower resources will be committed.

It is important for the organization to determine initially the types of data it wants to collect throughout the performance management process. The organization should obtain baseline data with which to compare future data. The data desired and the available timeframes for collecting the data will determine the types of data collection techniques and analyses used.

The evaluation strategy should be determined as the Performance Management program is being designed and should change whenever it is determined that it is not providing useful or appropriate data on which to base future decisions.

Some of the questions that should be answered in an evaluation include:

- Is the program addressing agency needs?

- Does the program fit the organization's values and culture?

- Do managers have the necessary skills to use the program?

- Do managers and employees understand the new program?

- Which groups, if any, are dissatisfied with the program? Is there evidence to indicate a problem?

- Does the program provide useful data upon which to make personnel decisions?

Pilot Test

An organization may choose to run a pilot test which will provide valuable feedback data before the organization commits valuable resources. Some organizations, along with employee representatives, may be able to easily identify appropriate work units that are representative of the rest of the organization in which to introduce a pilot. In other organizations, size and pressure to implement programs quickly might argue for organizationwide implementation.

Collecting and Using Evaluation Data

Evaluation approaches include employee surveys and focus groups. Employee surveys are labor-intensive and time-consuming to design but relatively efficient to analyze. Focus groups are not nearly so labor-intensive to set up, but they require a large number of staff hours to conduct and analyze the results. Another approach is to conduct case studies and gather anecdotal evidence. Organizations will need to weigh the advantages and disadvantages of collecting "hard" versus "soft" data, and may decide to do both.

On the basis of this information and other data about the performance of the organization, decisions can be made about which factors of the performance management program will be retained or changed. Remember that a performance management program should be administered as an evolving program, and that the regular review and modification of its functioning are not only necessary, but desirable.

ENDNOTES

An effective performance management program is a useful tool for fulfilling an agency's mission, reinforcing or changing organizational values, and accomplishing the objectives set by the strategic plan. While performance management may be used to determine who gets RIF'd or fired, who gets awards or other compensation, the overriding purpose is to improve individual and organizational performance.

Feedback is an integral part of performance management. It too is a means of improving performance. Appropriate feedback can motivate, reveal to the employee areas that need improvement, help determine training needs, and indicate possibilities for development. This type of communication can influence workers' attitudes towards their supervisors, their job, the organization and the performance management program.

In this Handbook we have outlined a process that will guide organizations in revising or developing new performance management programs. We hope that our readers will adapt this process to fit their own agencies and use it again and again as the agency mission evolves, the workforce changes, the budgetary climate fluctuates, laws and regulations are revised, and as the Government continues to meet new challenges.

APPENDICES

APPENDIX A

July 1994

DEPARTMENT OF TRANSPORTATION - FAA

STATUS: 5 year term ended June 1994

SITES: Several Air Traffic Control Facilities in the Chicago, New York, Oakland, and Los Angeles area

PARTICIPANTS: 2200 GS/GM employees in air traffic control and other safety-related positions

FEATURES: Retention allowances of up to 20%* paid quarterly to attract and retain well-qualified employees in hard-to-staff facilities

MILESTONES:
June 1989	Project started
September 1989	First payout made to employees
June 1994	Statutory expiration date

EVALUATION CONTACT: **Demaris Miller, Ph.D., OPM, Office of Systems Innovation (202) 606-1334**
OTHER ISSUES CONTACT: **Fifi Donahue (202) 606-1138**
AGENCY CONTACT: **Chris Early (202) 376-7324**

*reduced by the amount of the 8% interim geographic adjustment in New York, Oakland, and Los Angeles and by a locality adjustment of 5.34% in Chicago.

ADDITIONAL INFORMATION

The Problem: The Federal Aviation Administration has been unable to attract enough trained employees for safety-related positions in certain air traffic facilities in Chicago, Los Angeles, Oakland, New York City and California.

The Intervention: The project tests the use of financial incentives -- retention allowances -- to resolve staffing and pay problems for safety-related positions at difficult-to-staff facilities. The quarterly retention bonuses of up to 20% of base pay are paid only when an employees actually occupies the position for a full fiscal quarter.

Operation: FAA made the first quarterly payout of allowances to some 2,150 employees on September 19, 1989. Recent quarterly payouts have averaged $2,565 per employee. Project ended June 1994. Employees who were in the project in June 1994 continue on a statutory "save pay" status.

Reports: A report on the project's implementation and first year of operation was issued October 1991. OPM has issued an interim report, incorporating data through March 1993. It is available on request. A summative report will be issued in 1995.

APPENDIX A   July 1994

FEDERAL BUREAU OF INVESTIGATION	

SITE: FBI New York City Office

PARTICIPANTS: Approximately 2,100 employees - GS/GM Special Agents and GS/FWS support staff

FEATURES: (1) Retention allowances of up to 25% of base pay (which are reduced by the amount of the 8% interim geographic adjustment or the 16% LEO geographic adjustment, whichever applies).

(2) Relocation bonuses of $20,000 upon <u>directed</u> reassignment to the New York Office with a 3-year service agreement.

MILESTONES:

September 1988	Project was authorized by Congress and signed into law by President Reagan
October 1988	Project started with Special Agents and 35% support staff
November 1989	Congress expanded coverage of retention allowance to all New York Office personnel
January 1991	Retention allowances reduced to offset 8% IGA
January 1992	Retention allowances for Agents reduced to offset 16% LEO GEO
October 1993	Statutory expiration date
	Retention allowances continued for employees hired prior to expiration of demonstration project

EVALUATION CONTACT: Demaris Miller, Ph.D., OPM, Office of Systems Innovation (202)606-2810
OTHER ISSUES CONTACT: Gail Redd (202) 606-2810
AGENCY CONTACT: Barbara Duffy (202) 324-2916

ADDITIONAL INFORMATION

This was not a chapter 47 demonstration project but was authorized by legislating in response to severe staffing difficulties in the New York Office (NYO). The purpose was to attract sufficient numbers of critical personnel to move to and stay with the NYO. It was originally limited to employees subject to directed reassignment but a year later was expanded to include all employees in the FBI NYO.

FBI is conducting the evaluation. OPM and FBI jointly submitted annual reports to Congress. The fourth annual report is available on request. A final report is scheduled for release in September 1994.

Major findings:

Primary objectives have been achieved.
- Special agents were at or above target levels when the project ended.
- Special agent resignations decreased by 90 percent during the project.
- Special agent resignations, while under transfer to NY, decreased dramatically.
- Support staff were at or above target levels, and tenure had decreased due to many new hires.
- Staffing in the Newark office, originally adversely affected by the New York project, stabilized after two years.
- Project Costs: Total project costs for FY 89 - FY 93 were about $76,900,000.

APPENDIX A
July 1994

NAVY DEMONSTRATION PROJECT ("CHINA LAKE")

STATUS: Active

SITES: Naval Air Warfare Center, Weapons Division (formerly NWC), China Lake, California; Naval Command, Control and Ocean Surveillance Center (formerly NOSC) San Diego, California

PARTICIPANTS: 12,300 GS/GM employees: Scientists and Engineers, Technicians, Administrative, Technical Specialists, and Clerical Staff

FEATURES: Simplified classification system which consolidates GS grades into broader pay bands
Performance-based pay system for all white collar employees
Increased flexibility for starting salaries

MILESTONES:

1980	Project started
1984	Congress extends project to 1990, lifts 5000 employee limit
1986	Management Report IX summarizing findings to date; OPM proposes CSSA based on project
1987	Project amended to include recruitment bonuses; last remaining group of GS employees enters project
1988	Congress extends project again, to 1995
1991	Management Report (XIV) on Recruitment published by OPM
1992	Navy lab reorganization and assignment of new employees to demonstration project

EVALUATION CONTACT: **Craig Simons, OPM, Office of Systems Innovation (202) 606-2890**
OTHER ISSUES CONTACT: **Gail Redd (202) 606-2890**
AGENCY CONTACTS: **Sue Rainville (NCCOSC) (619) 553-3140**
Nancy Crawford (NAWCWPNS) (619)939-3196

ADDITIONAL INFORMATION

This was the first personnel demonstration project under Title VI of the Civil Service Reform Act. The labs were interested in improving recruitment and retention of high quality workers and "letting managers manage" by increasing their control over classification, pay, and other personnel matters. Classification was simplified and delegated to managers. Pay increases within broad pay bands were linked closely to performance ratings. Starting salaries were made flexible.

Since implementation in 1980, the project has been extended twice. In 1986, OPM used it as a model for its proposed Civil Service Simplification Act (CSSA).

OPM is conducting the project evaluation. To date, 14 management reports have been published, as well as an extensive report on broad-banding. Key findings are: (1) the classification system is simpler and less time-consuming, permitting managers to take a much more active role; (2) starting salaries for scientists have increased substantially; (3) large pay increases are available for good performance, which has greatly strengthened the link between performance and pay; (4) salary costs have increased by about 2% under the project; (5) turnover among high performers has decreased; (6) supervisors believe they are much more empowered to make personnel decisions; and (7) employee approval of the project has reached an all-time high, with 70% of employees favoring the project.

APPENDIX A   July 1994

NATIONAL INSTITUTE OF STANDARDS & TECHNOLOGY (NIST)

STATUS: Active

SITES: Gaithersburg, MD and Boulder, CO

PARTICIPANTS: 3,000 GS/GM employees: scientists, engineers, technicians, clerks, admin staff, etc.

FEATURES: Consolidation of GS grades into broader pay bands
                           Pay-for-performance system covering all white collar employees
                           Expanded direct hire and delegated examining authority
                           Total compensation comparability (dropped in 1992)
                           Supervisory pay differentials
                           Recruitment and retention bonuses
                           Flexible probationary periods

MILESTONES: January 1988   Project started (Congressionally mandated)
                           August 1989-1993   Four evaluation reports issued to Congress
                           September 1990   New pay-for-performance system approved
                           September 1995   Project currently scheduled to expire

EVALUATION CONTACT: **Jacqueline Caldwell, Ph.D., OPM, Office of Systems Innovation (202)606-2308**
OTHER ISSUES CONTACT: **Jane St. Lawrence (202)606-1025**
AGENCY CONTACT: **Allen Cassady (301)975-3031**

ADDITIONAL INFORMATION

The National Institute of Standards and Technology (NIST) demonstration project was started in January 1988 to address difficulties in hiring, classification, and compensation. The demonstration project introduced a simplified and automated classification system, and classification authority was delegated to line managers. Supervisors continue to find the system easy to use, and feel that they devote less time to position classification than they did in earlier evaluation years. They also feel that they have more authority to influence classification decisions and to determine employees' pay.

In the area of hiring, NIST received expanded direct hire authority, flexibility in setting starting salaries, and use of recruitment bonuses and relocation reimbursements. NIST is making extensive use of its expanded hiring authorities for professional and support occupations, and agency-based hiring for the administrative and technical occupations since implementation of the project. Starting salary flexibility is seen as a very useful recruiting tool. Recruitment allowances and retention allowances are used sparingly at NIST.

The current pay-for-performance (P-F-P) system, which was changed in 1990, is a two-level (unsatisfactory-eligible) rating system based on a 100-point numerical score. A score below 40 constitutes unsatisfactory performance, and the employee is ineligible for a pay increase. Performance pay increases are based on employee rankings on the 100-point scale. Fifth-year data continues to show consistency across time in NIST's rating distributions, with little rise in average performance scores. Whereas, comparison group mean performance ratings have increased steadily over the past five years. Mean bonuses are higher at NIST than in the comparison group for all career paths and performance rating categories. Percentage salary increase were also greater for NIST employees than for the comparison group.

APPENDIX A   March 1994

PACER/SHARE

STATUS:	5-YEAR TERM ENDED February 17, 1993
SITE:	Air Force Sacramento Air Logistics Center and DLA Sacramento

Revised supervisory grading criteria
GS/GM and FWS supervisors combined into a single pay system
Individual performance ratings replaced by organization-wide
  quality/productivity measurement system
Modified on-call employment program

FEATURES WHICH DO NOT REQUIRE WAIVERS

     Productivity gainsharing (PGS)
     Total Quality Management (TQM)
     Labor Management Cooperation

MILESTONES:	February 1988	Project started
	April 1991	Pacer Share became joint DLA/AF project
	February 17, 1993	Statutory expiration date

EVALUATION CONTACT: **Brigitte Schay, Ph.D., OPM, Office of Systems Innovation
(202)606-1475**
OTHER ISSUES CONTACT: **Karen Jones (202)606-1233**

AGENCY CONTACTS:	for Air Force	Charlene Bradley (703)697-5121
	for DLA	Carlo Stallo (703)274-6039

ADDITIONAL INFORMATION

Pacer Share tested a set of interventions which were designed to make the Federal personnel system more flexible and, in turn, improve the productivity of a Federal installation.

Pacer Share has involved labor and management in a close partnership which resulted in improved cooperation. In terms of overall organizational outcomes, Pacer Share fell short of original expectations. Organizational performance remained stable and did not improve significantly relative to its own baseline and the comparison sites. Employees earned gainshares for 10 of the 21 quarters of the project, totalling $1,924 per employee. The personnel system changes produced mixed results, and efforts are underway to institutionalize the most successful aspects of Pacer Share following conversion from the demonstration project. Five evaluation reports have been issued on the project, and the final report will be issued in 1994.

APPENDIX A

<div align="right">July 1994</div>

U.S. DEPARTMENT OF AGRICULTURE

STATUS: Active

SITES: Randomly selected units of the Forest Service (FS) and the Agricultural Research Service (ARS)

PARTICIPANTS: Up to 5,000 new hires - including GS, GM, and FWS positions

FEATURES: Decentralized determination of shortage category
Streamlined examining process using quality groupings in place of numerical ratings
Recruitment incentives including bonuses and relocation expenses
Extended probationary period for research scienti sts

MILESTONES:
March 1990	Final Federal Register notice published
July 1990	Project started
June 1992	First-year evaluation report published
April 1993	Second-year evaluation report published by Penn State

EVALUATION CONTACT: Brigitte Schay, Ph.D., OPM, Office of Systems Innovation (202) 606-1475
OTHER ISSUES CONTACT: Jane St. Lawrence (202) 606-1025
AGENCY CONTACT: Mary Ann Jenkins (202) 720-0515

ADDITIONAL INFORMATION

This is the first demonstration project testing a comprehensive simplification of the hiring system for both white collar and blue collar Federal employees. Applicants meeting minimum qualification standards are placed in one of two groups (quality and eligible) on the basis of their education, experience and ability. All candidates in the quality group are available for selection, with absolute preference given to veterans. About 140 ARS and FS sites have implemented the new system, with approximately 50 other sites serving as comparison sites.

To evaluate this project, USDA has entered into a cooperative agreement with a faculty research team from the Institute for Policy Research and Evaluation and the Center for Applied Behavioral Sciences at Pennsylvania State University. The evaluation team includes senior researchers in the areas of psychology, program evaluation, public administration, and economics.

APPENDIX B

SAMPLE AGENCY
PERFORMANCE MANAGEMENT SYSTEM
DESIGN PLAN

TIME LINE		SES	PMS	ALL
PLANNING PHASE:				
11-12/92	2 months			• Form Steering Group
12/92	2 days			• Steering group meets to discuss strategy
1/93	3 days			• Project Team meets to discuss objectives and strategy
DEVELOPMENT PHASE:				
1/93	1 month			• Review recent studies in both public/private sector, historical files, law, and provisions of current systems.
2/93	1 month	• Consults and coordinate with Advisory Staff. Consult with other government agencies who have modified performance systems and determine feasibility of possible partnering of systems.	• Evaluate prototype results as called for in the CFO business plan and review any relevant TRW benchmarking results.	
3-5/93	3 months		• Consult and coordinate with Advisory Staff. [1 month] • Consult with other Government agencies who have modified performance systems and determine feasibility of possible partnering of systems.	
4-6/93	3 months		• Develop a new performance system (including performance plan, appropriate forms, operating procedures, etc.).	
7/93	1 month	• Develop draft training materials for system users.	• Identify appropriate pilot sites. • Develop appropriate implementation strategies including communications and marketing plans.	

APPENDIX B

PILOT/IMPLEMENTATION PHASE				
		SES	**PMS**	**ALL**
8/93	1 month	• Submit perfromance plan for approval to implement Servicewide.		
8-9/93	2 months		• Develop draft training materials for systems users. • Coordinate roll-out of pilot with agency and other appropriate authorities [OPM, UNIONS, ETC.] during development of models.	
8/93	1 month	• Conduct training for all SES employees involved in pilots.		
9/93–1/94	5 months		• Appropriate authorities: Negotiate test of PMS pilot(s) and draft performance plan with union.	
10/93	1 month	• Implement new performance plan Servicewide.		
2/94	1 month		• Submit performance plan for approval to test pilots.	
3-4/94	2 months		• Conduct training for employees involved in pilots.	
5/94	18 months		• Operate PMS pilots for 18 months.	
10/94	1 month	• Evaluate new SES performance measurement system and make appropriate revisions.		
9/95	1 month		• Evaluate results of pilots and make appropriate revisions. • Create final performance plans and reward and recognition systems.	
10/95	1 month		• Obtain proper approvals to implement organizationwide.	
11/95-3/96	5 months		• Develop final implementation guidelines. • Refine training materials and put in final form for system users. • Conduct trainer workshops. • Deliver training to all employees and implement the new systems organizationwide.	

APPENDIX C

REFERENCE MATERIALS

Administrative Conference of the United States, Systems Design Work Group;
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Ammons, David N. and Stephen E. Condrey, "Performance Appraisal in Local
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ACA Journal, Spring, 1994, pp. 68-81

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Mohrman, Allan M., Susan M. Resnick-West, and Edward E. Lawler, *Designing
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Rummler, Geary A. and Alan P. Brache, *Improving Performance: How to Manage
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and Development Journal*, April, 1986, pp. 38-42

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Summer 1986

APPENDIX D

<div style="border:1px solid; text-align:center">

**SUMMARY OF
DESIGN DECISIONS**

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SECURE ORGANIZATIONAL SUPPORT AND COMMITMENT

ADDRESS INITIAL AREAS

> ➤ DETERMINE ORGANIZATIONAL READINESS
>
> ➤ DEVELOP SPECIFIC DESIGN PROCESSES
>
> ➤ DETERMINE STATUTORY AND REGULATORY PROVISIONS

DESIGN PROGRAM

> ➤ ADDRESS OVERRIDING ISSUES:
>
>> CENTRALIZED VERSUS DECENTRALIZED
>>
>> GENERIC VERSUS TAILORED
>
> ➤ IDENTIFY THE PROGRAM DESIGNERS
>
> ➤ DEFINE THE PROBLEMS TO BE ADDRESSED
>
> ➤ PERFORMANCE APPRAISAL DESIGN DECISIONS:
>
>> WHAT IS THE PURPOSE OF PERFORMANCE APPRAISAL?
>>
>> WHAT TYPE OF PERFORMANCE APPRAISAL WILL BE USED?
>>
>> WHAT ARE THE COMPONENTS OF THE APPRAISAL?
>
> ➤ COORDINATE WITH AFFECTED PROGRAM AREAS
>
> ➤ DETERMINE COMMUNICATIONS STRATEGY
>
> ➤ DEVELOP TRAINING PLAN FOR TECHNICAL AND MANAGEMENT SKILLS
>
> ➤ DETERMINE EVALUATION STRATEGY AND PROCESSES:
>
>> PLAN EARLY
>>
>> PILOT TEST
>>
>> COLLECT AND USE EVALUATION DATA

APPENDIX E

ADDITIONAL RESOURCES

For consultations on performance management programs tailored to your agency, seminars on cutting-edge techniques, information packets, and advice about changes in laws and regulations regarding performance management contact your agency representative at:

> Performance Management and Incentive Awards Division
> Office of Labor Relations and Workforce Performance
> U.S. Office of Personnel Management
> 1900 E Street, NW., Room 7454
> Washington, DC 20415-0001
> (202) 606-2720

For information, consultation and training on labor relations, interest-based bargaining, partnership and related topics contact:

> Labor-Management Relations Division
> Office of Labor Relations and Workforce Performance
> U.S. Office of Personnel Management
> 1900 E Street, NW., Room 7412
> Washington, DC 20415-0001
> (202) 606-2930

For information, consultation and training on performance-based actions, alternative dispute resolution, handling problem employees and dealing with the underlying causes of such problems contact:

> Family Programs and Employee Relations Division
> Office of Labor Relations and Workforce Performance
> U.S. Office of Personnel Management
> 1900 E Street, NW., Room 7412
> Washington, DC 20415-0001
> (202) 606-2920

APPENDIX E

For systems changes in other areas of human resource management including program evaluation, development of agency-based standards, or assistance with operational problems such as reorganizations and position classification reviews contact:

Steering Group for Reimbursable Work
Personnel Systems and Oversight Group
U.S. Office of Personnel Management
1900 E Street, NW., Room 7H29
Washington, DC 20415-0001
Nancy Randa (202) 606-2279 or John Warman (202) 606-2574

For information about starting a demonstration project contact:

Demo Project Development Team
Office of Systems Innovation
U.S. Office of Personnel Management
1900 E Street, NW., Room 7433
Washington, DC 20415-0001
(202) 606-2810

For information about OPM seminars call (202) 606-2577.

APPENDIX E

ELECTRONIC BULLETIN BOARDS

Electronic bulletin boards enable users to exchange messages, news items, reports and other information. Most information that can be keyed into a personal computer can be shared with other users via an electronic bulletin board. All you need is a personal computer or terminal, communications software, a modem, and a telephone line.

The following bulletin boards contain information relevant to designing performance management programs:

> **OPM MAINSTREET** can be accessed by your modem at **(202) 606-4800**. This bulletin board contains special interest Forums on a wide variety of topics including performance management, employee and labor relations, personnel automation, recordkeeping and statistics, training, downsizing and RIF, work and family issues, and compensation. The National Performance Review (NPR), the National Partnership Council (NPC), the Federal Quality Institute (FQI), and the Interagency Advisory Group (IAG) all have forums to disseminate information about their meetings, reports, and activities. For further information call **Laurel Burcham at (202) 606-1396** or **Dave Smith at (202) 606-1325**.

> **PayPerNet** can be accessed by your modem at **(202) 606-2675**. This bulletin board has Conferences on eleven topics including performance management, employee and labor relations, the Senior Executive Service, records processing, classification, and compensation. For further information call **Denise Jenkins at (202) 606-2092**.

For information, consultation and training on labor relations, interest-based bargaining, partnership and related topics contact:

> Labor-Management Relations Division
> Office of Labor Relations and Workforce Performance
> U.S. Office of Personnel Management
> 1900 E Street, NW., Room 7412
> Washington, DC 20415-0001
> (202) 606-2930

For information, consultation and training on performance-based actions, alternative dispute resolution, handling problem employees and dealing with the underlying causes of such problems contact:

> Family Programs and Employee Relations Division
> Office of Labor Relations and Workforce Performance
> U.S. Office of Personnel Management
> 1900 E Street, NW., Room 7412
> Washington, DC 20415-0001
> (202) 606-2920