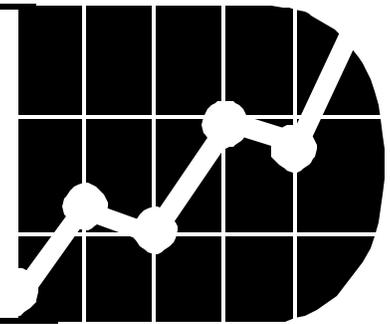


# Workforce Performance



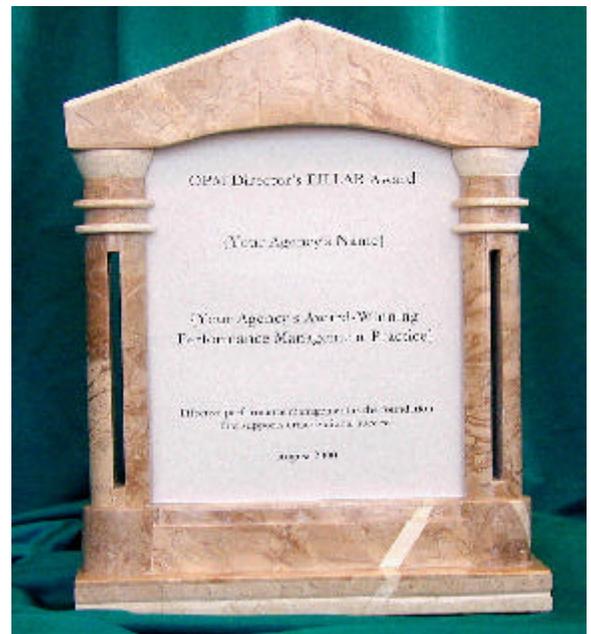
Vol. 7 No. 6

August 2000

## OPM Director Presents PILLAR Award at Strategic Compensation Conference

Office of Personnel Management (OPM) Director Janice R. Lachance presented the inaugural OPM Director's PILLAR Awards on August 28, 2000, at OPM's Strategic Compensation Conference in Washington, DC. Award recipients were:

- C Food and Nutrition Service, Southeast Regional Office**, for its performance management program, part of its Total Quality Management Initiative, which closely aligns employee performance and development with organizational goals. The Region has a carefully structured method of establishing strategic goals and cascading them through the organization. Employees develop performance plans based on their respective roles in carrying out those goals. Under the Initiative, which was developed through an effective partnership between management and union representatives, the Region has experienced savings of more than \$44.2 million and has seen improvements in accomplishment of organizational goals.
  
- C Department of Veterans Affairs (VA), VA Healthcare Network Upstate New York (VISN 2)**, for its goalsharing program, an innovative approach to creating a clear "line of sight" between employees and organizational goals. Employees in each of VISN 2's work units develop "stretch goals" tied to the accomplishment of VISN 2's five major goals. If the work unit meets its stretch goals, unit employees receive a payout depending on the extent to which the unit meets those goals. Since initiating the program, which also



**OPM Director's PILLAR Award**

was developed through an effective labor/management partnership, VISN 2's organizational performance has improved dramatically.

Honorable Mention recipients were:

- **Tobyhanna Army Depot**, for its Rewarding the Workforce Award Program. Under this program, all employees share equally in a monetary award based upon a sliding scale tied directly to the Depot's "Net Operating Result."

*(continued on page 7)*



UNITED STATES OFFICE OF  
PERSONNEL MANAGEMENT  
WORKFORCE COMPENSATION AND PERFORMANCE SERVICE

Telephone: 202-606-2720  
email at:  
[perform-mgmt@opm.gov](mailto:perform-mgmt@opm.gov)

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# Recognizing and Rewarding Supervisors and Managers

We often hear that agencies don't recognize supervisors and managers who demonstrate excellent supervisory skills. In most agencies, supervisors receive performance awards, special act awards, and quality step increases just like non-supervisory employees. However, many agencies also have special awards to recognize their outstanding supervisors. These outstanding supervisors understand the importance of using their fine-tuned supervisory skills throughout the five fundamental processes of performance management: planning, developing, monitoring, rating, and rewarding. Because effective supervision is critical to good performance management, we want to highlight some special awards that do recognize outstanding supervisors and managers.

**U.S. Marshals Service (USMS) Distinguished Service Award for Supervisory Personnel.** This award is one of the USMS Director's Honorary Awards. The Distinguished Service Awards are the highest honorary awards granted by the USMS. This award recognizes supervisory personnel who make a major contribution to the accomplishment of the USMS mission. To be eligible, nominees must have been in a supervisory position within the USMS for a minimum of 3 years and must have demonstrated exceptional resource management ability and leadership skills. Examples of accomplishments that might merit this award include:

- C significantly reduced office costs through conservation and careful management of resources;
- C established or significantly improved community relations through new initiatives;
- C greatly improved efficiency through innovation and prudent allocation of resources; and
- C demonstrated dedication to the goals of USMS, including maintaining high morale among subordinates.

For more information about this award, contact Teresa Brady at 202-307-9416.

**U.S. Customs Service (USCS) Leadership Award and Manager of the Year**

**Award.** USCS has two awards that are exclusively for supervisors and managers. The agency presents both awards at an annual ceremony.

The USCS Leadership Award recognizes outstanding leadership ability in a first-line supervisor who best exemplifies leadership competencies to forward the mission and/or vision of the agency.

The Manager of the Year Award recognizes outstanding management of a program area or office by a lower- to mid-level manager who demonstrates effective leadership and motivational skills, coupled with subject matter expertise.

For more information about these awards, contact Wanda Dudley at 202-927-5738.

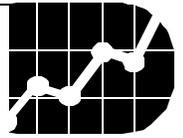
**National Aeronautics and Space Administration (NASA) Creative Management Award and Outstanding Leadership Medal.**

NASA's honor awards program includes individual awards, one of which is the *Creative Management Award*. This award consists of a framed certificate with the official seal of NASA and the signature of its Administrator. The *Creative Management Award* is given annually to no more than three NASA Headquarters supervisors. This award recognizes those unique supervisors who, from the varying perspectives of those working with them, actively demonstrate an understanding of the art of working with people creatively, inspiring and motivating them to greater achievement while improving morale and effectiveness.

NASA also has an Outstanding Leadership Medal (OLM) that is awarded for outstanding leadership that has had a pronounced effect upon the technical or administrative programs of NASA. Note: The OLM is not exclusively for supervisors, but OLM recipients have traditionally been supervisors.

For more information, contact Louise Hunt at 202-358-1210 or Cindy Robinson at 202-358-1213.

# President Outlines HR Role in Achieving Organizational Results



In his June 9, 2000, memorandum to heads of executive departments and agencies, President Clinton directs agencies to:

- \$ fully integrate human resources management (HRM) considerations in agency planning, budgeting, and mission evaluation processes;
- \$ clearly state specific HRM goals and objectives in their strategic and annual performance plans;
- \$ renew their commitment to recruit, develop, and manage their workforce to ensure high performance; and
- \$ provide for the continued development of a highly competent corps of HRM professionals to assist agency line managers in ensuring the most effective use of their workforce to accomplish the agency mission.

The President also redesignated the Interagency Advisory Group of Federal Personnel Directors as the Human Resources Management Council (HRMC). The HRMC:

- \$ provides a forum for communicating and evaluating governmentwide HRM policies and sharing best practices;
- \$ allows agencies to collaborate across agency lines and with OPM to foster policies and actions to achieve a diverse Federal workforce that is skilled, flexible, and focused on results and service to the Nation; and
- \$ works in partnership with OPM to identify and address HRM alignment with organizational goals.

The President's memo reflects the emerging and vital role that human resources management plays in accomplishing agency missions.

## **What does the President's memo mean for employee performance management?**

Janice R. Lachance, Director, Office of Personnel Management, spoke on June 13, 2000, at the National Academy of Public Administration's 2000 Performance Conference. In her speech, the Director described the role of performance management in implementing the President's memo. She stated: "We must keep our

employees engaged in the work to achieve mission results. This means we must use effective HRM programs to ensure that our employees are committed people with a shared vision of excellence and service, and we must direct the talents, energy, and skills of all our employees toward clearly understood organizational goals. We do this through effective employee performance management and rewards systems that are flexible enough to adapt to the Government's varied missions, work technologies, and labor markets."

In other words, HRM programs and practices, including performance management programs, must align with agency missions. Specifically, effective performance management programs require that:

- \$ the elements and standards of employee performance plans align with and support appropriate strategic goals;
- \$ performance measures for individuals and groups support organizational measures;
- \$ supervisors and managers communicate organizational goals as well as performance expectations to all employees;
- \$ employees receive periodic progress reviews on individual and organizational performance;
- \$ supervisors develop employee skills and competencies necessary for achieving strategic goals; and
- \$ the bases for granting awards represent or support organizational goal achievement.

As the President stated in his memo, "The Federal Government's most valuable resource is the talented and diverse group of men and women who work every day to make a difference in the lives of the American people they serve. Effective management of this workforce is critically important to accomplishing your agency's varied missions and continuing to improve service."

To view the President's memo, you may go to <http://www.opm.gov/hrmc/about/presmemo.htm>. To read the Director's entire June speech, go to [http://www.opm.gov/speeches/2000/napa\\_061300.htm](http://www.opm.gov/speeches/2000/napa_061300.htm).

# Measuring Hard-to-Measure Work: Supervisor

The third in a series of articles addressing hard-to-measure work

Writing a supervisor's performance plan can be challenging. Sometimes a supervisor's plan can grow long and unwieldy—seeming to include everything but the kitchen sink. One way to center the plan on what is important is to focus on results. The results of the work of a supervisor include the work unit's products or services as well as the smooth operation of the work unit. The work unit's performance becomes the central measure of the supervisor's performance plan. Getting results requires good management, supervisory, and human resources management skills on the part of the supervisor.

**Cascading Organizational Goals to the Work Unit.** The first step in developing a supervisor's performance plan is to determine which organizational goal(s) his or her work unit supports or can affect. The next step is to determine the work unit's products or services that support organizational goal achievement. The supervisor can be held responsible for those products or services. (This goal-cascading method is one method for measuring results described in A Handbook for Measuring Employee Performance, available at <http://www.opm.gov/perform/articles/1999/pdf10.htm>.)

**Example.** The manager of a Federal organization wanted to develop elements and standards for her supervisors that align with organizational goals and that hold the supervisors responsible for their work units' expected accomplishments. She also wanted the elements and standards to reflect the supervisors' general management and human resources management skills. By using the goal-cascading method, she completed the following steps:

**Step 1. Look at the big picture.** The manager referred to her agency's annual performance plan and targeted the goals that each of her supervisors and their work units affect. Specifically, for the supervisor of the widget production work unit, she aligned the performance plan with the following organizational goals:

- The agency will maintain last year's high customer satisfaction with the timeliness and quality of the agency's products, which include widgets.
- The agency will provide a safe working environment for its employees.
- The agency will promote effective leadership and employee productivity.

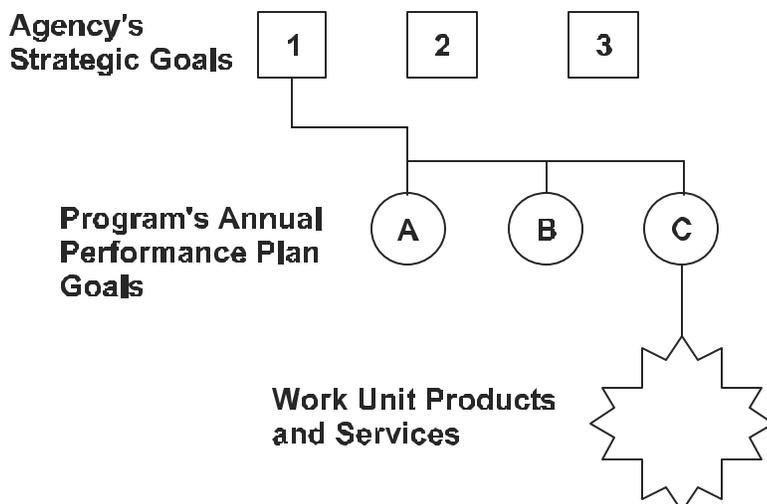
**Step 2. Describe the products and services the work unit provides to help the agency reach its goals.** For the widget production work unit, the manager determined that the product of the work unit, of course, was widgets. In addition, in order to produce widgets, the work unit must have a safe and productive working environment and good leadership.

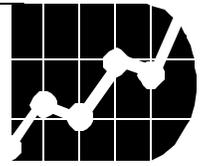
**Step 3. Develop work unit measures and set standards for performance.** The manager determined that the following measures were important to include in the supervisor's performance plan:

- the quality, quantity, and timeliness of the widgets produced by the work unit;
- the safety of the workplace; and

(continued on page 7)

## Cascading Goals





## Maintaining High Performance Teams During Change

In his book, *Leading Change*, John P. Kotter states that teams with sufficient trust can be effective in today's business environment of dramatic change and can sustain their high performance. Kotter insists that teams built on mutual trust and respect can thrive during organizational change if they possess the following characteristics:

- shared vision and goals;
- shared leadership and accountability;
- continuous learning and development;
- a customer focus; and
- capability to gather and use feedback and data.

While most of these attributes seem to be common sense, many teams fail to incorporate them. As a result, minor and major agency changes catch teams off guard, undermine their productivity, and often cause them to question their purpose, feel defensive, or just crumble.

**Shared Vision.** Establishing a shared vision is critical. It coordinates the actions of individual members toward agreed upon goals. This vision should be easily understood and communicated and should support the teams' efforts to provide better products or services to customers. The vision should be desirable, focused, feasible, and supported by the group. With clarity of direction, each team member can focus on "trying to make things better, not worse" without having to check in with management all the time.

**Shared Leadership.** Successful teams develop leadership skills and shared responsibilities, which allow team members to proactively address change. For example, successful teams share leadership responsibilities and hold all team members accountable for the team's performance. This encourages team members to share issues and concerns with the group and maintain an open forum. Also, team members support changes in work assignments, resources, and priorities when they realize it will aid in the team's performance. In addition, as leaders, the members learn to value each other's talents and how to maximize them.

### **Continuous Learning and Development.**

Ongoing training and development for the team members is also critical. Some high performance teams spend as much as 30 percent of their time in training on such subjects as team building, leadership, communication, coaching, technical knowledge, computer skills, problem-solving, budget process, conflict resolution, critical thinking, and writing. This systematic training breeds a feeling of "esprit de corps." Each member feels equally important to the team and responsible for improving both technical and interpersonal skills. Most importantly, members are given the opportunity to use the skills they learn immediately after the training takes place.

**Customer Focus.** High performing teams pay attention to their customers and focus on customer requirements, satisfaction, and complaints. By using customer satisfaction surveys, performance goals, and informal recommendations from internal and external customers, teams can continuously improve performance.

**Feedback and Data.** Successful teams meet often to review current performance and develop improvement plans using clear performance measures. For example, using weekly or monthly data from customer satisfaction measurement systems allows the team to direct its energy to reducing errors and to improving the quality or timeliness of its products or services.

**Implications for the Future.** This type of high performing team, according to Kotter, will be needed throughout organizations in the twenty-first century, especially at the top of the organization. One executive does not have the time or expertise to "absorb rapidly shifting competitor, customer, and technological" information. Instead, a "core team" at the top is needed to create and communicate the corporate vision and empower the workforce to meet fast-shifting realities and challenges more effectively than a traditional, hierarchical executive staff.



# The Performance Management Mailbag

*Our mail includes often-asked questions that we'll be sharing with our readers in this recurring feature.*

**Q. For purposes of giving length of service certificates and/or pins, what constitutes Government service? For example, does it include military service?**

**A.** Agencies give length of service certificates in recognition of years of service in the Government of the United States. Therefore, agencies might consider crediting both civilian and military service when computing eligibility for career service recognition, but that decision is left to each agency. As an example of crediting all Federal service, an employee who has worked for the Government for 5 years and already had 5 years

of honorable military service before being hired could be eligible for a length of service certificate recognizing the full 10 years of Federal service. Note: For individual employees, Government service as defined for purposes of issuing length of service certificates is not necessarily identical to "creditable service" used to calculate eligibility for things such as leave accumulation or retirement.

## Rochester Institute of Technology/ USA TODAY Quality Cup

*This series of articles highlights awards for Federal employees sponsored by various organizations.*

The Rochester Institute of Technology (RIT)/USA TODAY Quality Cup Competition recognizes teams that make significant contributions to the improvement of quality in their organization. The competition is conducted as a cooperative academic-industry effort between the College of Business, RIT, and USA TODAY.

Team awards are presented in six categories:

- C education;
- C government;
- C health care;
- C manufacturing industry;
- C service industry; and
- C small businesses with fewer than 500 employees.

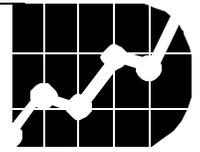
Nominations should be made in recognition of exemplary customer service or for exceptionally

valuable improvements in a system or process for achieving customer satisfaction.

Finalists in each category receive engraved crystal plates commemorating their achievements. Each of the six category winners receives the Quality Cup, which is a solid silver cup. Quality Cup winners and finalists are recognized each year at a ceremony at USA TODAY headquarters in Washington, DC and, in the past, have included several Federal organizations.

Nominations for the 2001 Quality Cup open shortly after Labor Day. You can view the 2000 Quality Cup nomination form, as well as information on past finalists and winners, by going to the Quality Cup web site at <http://qualitycup.org/about.html>.

For additional information, you may contact Carol Skalski of USA TODAY at 703-276-5890.



## OPM Director's PILLAR Award *(continued from page 1)*

**C John F. Kennedy Space Center**, for its Goal Performance Evaluation System (GPES). GPES is a web-based software application used to communicate organizational objectives throughout the organization. The system has successfully coupled strategic management with employee performance, resulting in a more tightly focused and aligned organization.

**C Federal Aviation Administration Logistics Center (FAALC)**, Oklahoma City, for its performance management practices, particularly establishing and implementing individual performance plans linked directly to the FAALC Strategic Plan.

**About the Award.** The OPM Director's PILLAR Award is an honorary award established this year. It recognizes and publicizes effective performance management programs, practices,

or processes that support alignment of employee performance management practices with organizational strategic goals as well as results-oriented and customer-focused performance. The name of the award stands for **P**erformance, **I**ncentives, and **L**eadership **L**inked to **A**chieve **R**esults. The pillar represents effective performance management because it is the foundation that supports a structure, just as performance management is the foundation that supports good management.

Director Lachance solicited nominations for the award in May 2000. OPM received 35 nominations from 18 agencies. A panel of human resources experts reviewed the nominations and made recommendations to Director Lachance, who made the final selections.

See our web pages for more information.

## Measuring Hard-to-Measure Work: Supervisor *(continued from page 4)*

- the quality of supervisory leadership shown, which results in productive subordinates.

By cascading organizational goals to the widget production work unit, the manager wrote the following elements and standards for the supervisor of that work unit:

*Element:* Widget Production  
*Fully Successful Standard:*

- Usually 90 to 95 percent of the work unit's pallets have no defects;
- with few exceptions, the work unit has no more than 1.5 to 2 hours of down time per week;
- normally, the work unit meets its production schedule 5 out of 7 days; and
- normally, the work unit meets its shipment schedule 5 out of 7 days.

*Element:* Safe Work Environment  
*Fully Successful Standard:*

- The supervisor corrects or improves safety problems usually by agreed-upon date;

- the supervisor routinely holds one safety audit per week; and
- the work unit rarely has any lost time hours.

*Element:* Effective Leadership  
*Fully Successful Standard:*

Management is generally satisfied that:

- the supervisor periodically initiates ways to reduce costs;
- most of the supervisor's decisions benefit the organization and are generally satisfactory;
- the supervisor provides discipline fairly and consistently;
- work unit training requirements are met;
- most work unit members understand the department's goals and how their performance affects these goals;
- work unit members understand how they are performing against their individual elements and standards; and
- work unit members receive rewards for good performance.

**Note:** This example is very general and represents a minimum framework of what a performance plan could include.

### **Workforce Performance To Be Published Quarterly**

Beginning in Fiscal Year 2001, we will publish *Workforce Performance* on a quarterly schedule rather than a bimonthly schedule. We will publish the next issue as the Fall 2000 issue.

# Items Worth Noting



## Upcoming Awards

**Federal Engineer of the Year**—To recognize outstanding engineers in the Federal Government.

**Roger W. Jones Award for Executive Leadership**—To recognize career executives who have demonstrated outstanding leadership.

**Federal Executive Institute Alumni Awards (FEIAA) Executive of the Year**—To recognize extraordinary achievement in executive management and leadership in Federal, State, and local governments.

**Rochester Institute of Technology/USA TODAY Quality Cup**—To recognize exemplary customer service or exceptional improvements in a system or process for achieving customer satisfaction.

**Alan T. Waterman Award**—To recognize an outstanding young scientist in the forefront of science.

## Nominations Due Contact

November 1, 2000 Elaine Costello,  
703-684-2884

November 3, 2000 Liz Kirby,  
202-885-3457

December 4, 2000 Herman Simms,  
202-366-1788

Postmarked by  
December 4, 2000 Carol Skalski,  
703-276-5890

December 31, 2000 Susan E. Fannoney,  
703-306-1096

## Awards NOAC Change Reminder

Changes to the nature of action codes (NOACs) for reporting awards information to the Central Personnel Data File take effect **October 1, 2000**. You can find the update to the **Guide to Processing Personnel Actions** at:  
<http://www.opm.gov/feddata/gppa/gppa.htm>. For more information, go to:  
<http://www.opm.gov/perform/articles/1999/noac.htm> or call our office.

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1900 E Street, NW. – Room 7412  
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202-606-2720  
fax: 202-606-2395  
email: [perform-mgmt@opm.gov](mailto:perform-mgmt@opm.gov)

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