

## APPENDIX A

### **Performance Appraisal System for the Industrial Waste and Hazardous Waste Units of King County DNRP**

**January 9, 2009**

#### **Background**

Although King County management ultimately has the right to decide how performance appraisals will be conducted, King County and Washington State Council of County and City Employees, Local 1652-R, collaboratively developed the performance appraisal (PA) system described in this document and referenced in the collective bargaining agreement (CBA). This PA system was developed for use by the Industrial Waste Unit within the Wastewater Treatment Division and the Hazardous Waste Unit within the Water & Land Resources Division. This was done originally in 2000 and used as a pilot program through 2002. Since 2003, the PA system has been incorporated by reference into the CBA. This document refines the system based on these years of experience while retaining its overall form and intent.

#### **Summary of Process**

**Our performance review process is a forward-looking, development-focused system that promotes clarity of job expectation, constructive feedback, problem resolution and employee growth.**

The following principles underscore the performance appraisal system used by the IW and HW units:

- Clear and realistic expectations for performance are set out at the start of the evaluation cycle. These include not only what is minimally required to meet standard, but also what would constitute outstanding performance.
- Regular (at least quarterly) discussion promotes feedback grounded in real observations of behaviors and also promotes regular check-in against the stated expectations.
- Problems are identified and opportunities given to fix them before adverse consequences kick in. Notice is given in advance of any possible adverse consequences.
- There are no surprises at the annual P.A. submittal to King County: the employee receives clear feedback throughout the year and always knows where he or she stands.
- The process is not unduly time-consuming or burdensome.
- The appraisal itself summarizes the whole of the employee's performance rather than focusing only on recent events.
- It is recognized that there is an inherent subjectivity involved in evaluating a person's performance. This is true even under a detailed numerical system. Broad bands of satisfactory vs. unsatisfactory performance are more relevant than a focus on hundredths of a numerical point. No numbers are used in our system.
- The system strives for fairness, and for consistency, not rigidity.

The performance review system functions as follows:

1. Each employee receives four quarterly reviews per year. At one of these points (in the fall) an annual summary is prepared for purposes of summarizing the last four-quarter cycle and for notifying the Human Resource office in each respective unit's division of the employee's eligibility for a merit step increase.
2. Quarterly reviews and performance appraisals are qualitative in nature – no numeric scores are given. The process emphasizes a discussion of expectations, strengths and weaknesses, and avenues for improvement.
3. "Ratings" submitted for annual merit pay determination consists of an "eligible" or "not-eligible" notation. To be eligible for a merit step increase, employees at Step 1 through Step 9 must have an overall performance of satisfactory ("meets standard"). For those employees at Step 10 of their range who are "topped out," a provision allows for consideration of a "merit over top" step, for those whose performance for at least two consecutive years has been documented as outstanding.

#### **The details:**

##### **Performance appraisal calendar**

Table 1 presents a summary of the annual cycle. Expectations and measurable objectives are set on a calendar year to better match budgets and work plans. Quarterly development discussions are emphasized. The annual summary is de-emphasized, set into the context of an ongoing, quarterly review cycle, and used simply for purposes of documenting eligibility for a merit step increase.

##### **Performance expectations**

All employees are expected to meet standards for performance in their classification and assigned work. Performance expectations cover both the "what" of the position (assigned tasks, objectives, outputs, products) and the "how" work gets done (behavioral expectations with co-workers as well as customers). The performance review system serves to clearly articulate basic mutually understood expectations and to then assure that each employee meets those basic expectations through at least satisfactory performance. Work that is unsatisfactory or that does not meet standard is brought to the employee's attention and agreements are made to address the issue(s) so as to allow the employee to be successful in her or his job. "Ratings" in the performance system are therefore focused on meeting vs. not meeting basic expectations (satisfactory vs. unsatisfactory). This applies to all employees, from Step 1 through Step 10 of the classification range.

There is a unique opportunity for those employees who are at the top of the range (Step 10) for at least two years. For those employees at the top of the range whose performance is consistently noted in quarterly reviews as meeting an outstanding rating, a "merit over top" step is available, with appropriate documentation.

##### **Quarterly review**

Each quarter the employee and his or her direct supervisor (with input from a lead, work group coordinator or other peer process as needed) have a structured conversation about the employee's

performance. The goal is to be clear on job assignments and performance expectations, to identify areas of strength and weakness, and to develop action plans for improvement, if necessary. The supervisor documents the discussion in writing on a Quarterly Review form that covers at a minimum the following elements:

- Work assignments (major tasks, special projects, other).
- Progress in last quarter on work assignments (updates, milestones, objectives, other).
- Specific examples of exemplary performance or notable, major accomplishments (awards, above-and-beyond performance, if any).
- Behavioral issues (were the unit's behavioral expectations (Norms) followed? were there any specific behaviors needing attention or correction?).
- Expectations for next quarter (including any new or modified assignments.)
- Specific training or other developmental opportunities to take advantage of.
- Employee's comments, suggestions, questions, etc. (How did this go? Do you feel satisfied with this?).
- Notice of any issues (behavior or work objective) that could prevent employee from being eligible for an annual merit step increase if not corrected or result in an "unsatisfactory" rating in the annual review.
- Action plan to improve unsatisfactory performance.
- In the special case of employees at Step 10 who are at the top of the range, an optional "merit over top" step is available if performance is documented as outstanding in each quarter.
- Signature lines for supervisor and employee.

Other written documentation bearing on the employee's performance (letters, emails, awards, etc.) could be attached to the quarterly summary. Any performance issues that could potentially affect the employee's ability to earn a merit pay increase are documented on the written summary. An action plan to improve performance, if needed for those employees whose performance is below standard, is also documented.

**Table 1. Performance Management Calendar**

<b>WHEN</b>	<b>WHAT</b>	<b>EXPLANATION</b>
December/ January	Set mutually understood expectations for coming calendar year (work assignments, objectives, behaviors, training opportunities)	<ul style="list-style-type: none"> <li>• Individual work plan for upcoming year, including assignments and proposed time allocation, key milestones, objectives, products, outputs.</li> <li>• Behavior factors will be included as performance elements.</li> <li>• Plan for feedback from peers, subordinates, clients as appropriate during the year.</li> </ul>
January	Annual Review of last calendar year's work Refine December planning for new year 4th Quarterly development discussion	<ul style="list-style-type: none"> <li>• Overview of previous year's performance and accomplishments</li> <li>• Bridge from old to new</li> <li>• Ongoing feedback</li> </ul>
April	1st Quarterly development discussion	<ul style="list-style-type: none"> <li>• Ongoing feedback</li> <li>• Status update</li> <li>• Refine/modify objectives /deadlines/planning</li> </ul>
July	2nd Quarterly development discussion	<ul style="list-style-type: none"> <li>• Ongoing feedback</li> <li>• Status update</li> <li>• Refine/modify objectives /deadlines/planning</li> </ul>
September/ October	Submit required forms for merit step determination based on previous four quarters	<ul style="list-style-type: none"> <li>• Administrative task only: P.A. summary</li> <li>• Communicate eligible/non-eligible "rating" for payroll processing</li> <li>• extra documentation for those at Step 10 who have earned outstanding rating eligible for "merit over top" step</li> </ul>
October	3rd quarterly development discussion	<ul style="list-style-type: none"> <li>• Ongoing feedback</li> <li>• Status update</li> <li>• Refine/modify objectives /deadlines/planning</li> </ul>

### **Annual Performance Appraisal Summary**

Every year the supervisor completes a Performance Appraisal (PA) Summary worksheet, which includes a narrative summary of the quarterly reviews for normative work factors (behaviors) and job objectives (assigned tasks, milestones, etc.), based on the information in the quarterly discussions and documented in the written quarterly review summaries (forms). The annual PA summary worksheet also includes rater's general comments; a space for employee's comments (if desired); signature lines for supervisor and employee; and the following note under the employee signature line, "*Note to employee: Your Signature indicates that the contents of the performance evaluation have been discussed with you and does not imply agreement.*" Also, the worksheet will clearly note:

- if the employee is between Step 1 and Step 9 of the range, doing standard work or above and is recommended for a merit-based step increase; or,
- if work is below standard and a no step increase ("not eligible") will be the recommendation; or,
- if the employee is at Step 10, doing standard work or above and not eligible for "merit over top" step increase or doing "outstanding" work and is eligible for "merit over top" step increase.

### **Documentation of unsatisfactory or below standard performance**

During each quarterly review, the supervisor may call out aspects of the employee's performance that are below standard and which could jeopardize his or her eligibility for a merit-based step increase. One purpose of the quarterly review is to flag these items and decide on an action plan to correct them. The written quarterly review summary (which is part of the employee's personnel file) explicitly documents those items that don't meet basic expectations of the position and are serious enough to jeopardize a merit pay increase in the future. An action plan is developed to address such issues.

If documented performance items aren't corrected in an appropriate time frame (which is often situation-specific and which hopefully can be decided in a conversation between employee and supervisor), the employee is notified during future reviews that he or she will receive a "not-eligible" recommendation for the annual merit pay increase.

The goal of this system is to help change or improve poor performance rather than punish it. However, if improvement doesn't happen, withholding the merit pay increase is appropriate. Other county procedures (such as disciplinary procedures, substance abuse treatment, etc.) for dealing with performance issues are still in place.

### **Documentation of outstanding performance for those at Step 10**

For those employees who are at Step 10 of the range, performance rated as outstanding is not required: the basic expectation is that at least satisfactory performance will continue. If, however, an employee at the top of the range has performance documented as outstanding for two consecutive years, she or he is eligible for "merit over top" step. At the beginning of the year and during quarterly reviews, the supervisor should explore with employees who are interested in pursuing this option what the supervisor's expectation is for work and behavior factors to be rated

as outstanding on an ongoing basis and in the annual PA summary. Documentation of outstanding performance is required in order for an employee to be eligible for “merit over top.”

### **Appeals**

Employees may request additional review and consideration of the Annual Performance Appraisal Summary from their division director (or designee) by written request made within ten (10) working days of receiving a copy of the Summary.

Upon receiving a request for review the division director (or designee) shall have fifteen (15) working days to meet with the employee. Thereafter, the reviewer will have fifteen (15) working days to provide a written answer, either sustaining or modifying the Summary.

Denial of step increases within range shall be subject to the just cause provision, Article 3 Management Rights, of the CBA. Awarding of “above top step merit” is discretionary; therefore, denial of “above top step merit” shall not be subject to the grievance procedure.

### **Guidance on performance levels**

The following definitions give some general guidance regarding performance rating, based on the King County Merit Pay System Manual:

- **Below Standard or Unsatisfactory** – Does not meet basic expectations of the position; does not complete assignments; has difficulty working with colleagues; work products unacceptable or needing rework regularly; does not meet normal deadlines; inconsiderate of co-workers or customers; requires more than normal supervision and direction.
- **Meets Standard or Satisfactory** – Fully meets basic expectations of the position; completes assignments; maintains at least adequate working relationships with colleagues; prepares acceptable work products; meets normal deadlines; cost conscious; shows responsibility for getting assigned work done.
- **Outstanding** (required only at Step 10, and only for those who wish to pursue a “merit over top” step option) – Exceptional work far surpassing expectations; demonstrates superior working knowledge of all phases of position; makes consistently superior decisions; develops new ideas or new methods regularly; exceptionally well organized; consistently superior work, setting example for others; recognized as an expert and a resource by peers and management; demonstrates exceptional skill in working with all individuals; performance is rated outstanding in all aspects of the job (work products and behavior factors) consistently throughout the evaluation period.