



DEPARTMENT OF THE NAVY  
OFFICE OF THE CHIEF OF NAVAL OPERATIONS  
WASHINGTON, DC 20350-2000

IN REPLY REFER TO  
OPNAVINST 12430.3  
N09BD  
5 October 1998

OPNAV INSTRUCTION 12430.3

From: Chief of Naval Operations

Subj: OPNAV PERFORMANCE MANAGEMENT PROGRAMS

Ref: (a) Chapter 43 of Title 5, United States Code  
(b) Title 5, Code of Federal Regulations, Part 430  
(c) DOD 1400.25-M, Subchapter 430 of Dec 96 (NOTAL)  
(d) SECNAVINST 12430.4 of 11 Aug 97 (NOTAL)  
(e) DON Implementation Guidance on Awards (NOTAL)

Encl: (1) Form OPNAV 12430/1, CNO Appraisal for GS 1-12  
(2) Form OPNAV 12430/2, CNO Appraisal for GM/GS 13, 14, 15

1. Purpose. To provide guidance concerning the implementation of the Department of the Navy's (DON) new Performance Management Program and establish the Chief of Naval Operations policy for evaluating the performance of civilian employees per references (a) through (d).
2. Background. Following the requirements of references (a) and (b) and as directed by reference (c), the DON has developed a new Performance Management Program, reference (d). The new DON Program contains two significant changes: The requirement for a two-level summary performance rating (acceptable or unacceptable) and the removal of the direct connection between civilian awards and end of cycle performance ratings.
3. Scope. This guidance applies to all General Schedule and Federal Wage System employees, with the exception of employees on appointments of less than 120 days. Within the Office of the Chief of Naval Operations (OPNAV) civilian employees GS-1 through GS-15 will continue to have two appraisal cycles. The performance appraisal forms are attached at enclosures (1) and (2).
4. Policy. All performance management programs used within the Chief of Naval Operations will be two-level summary rating programs, as defined in reference (d). Assessment of performance is an integral part of effective management. The objective of performance management is to provide an opportunity for constructive dialogue between the supervisor and the employee.

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The goal is to improve organizational effectiveness in stating and accomplishing mission requirements while encouraging employees to continuously improve, develop professionally, and perform at their full potential.

5. Definitions

a. Appraisal Cycle. The established period of time for which performance will be assessed and a rating of record prepared. The OPNAV performance appraisal cycle for GS-1 to GS-12 employees is 1 October to 30 September and GS-13 to GS-15 employees are on a cycle that begins 1 July and ends 30 June.

b. Close-Out Rating. An appraisal conducted when an employee or first-level supervisor leaves a position. Close-out ratings will be in writing and used in deriving the rating of record and may, in some cases, become the rating of record.

c. Objectives/Elements/Workplan. Work assignments, tasks and goals employees and supervisors set at beginning of cycle to accomplish during the appraisal year. A standard workplan is attached to each appraisal.

d. Progress Review. A review of the employee's performance, which is conducted midway through the appraisal cycle. Progress reviews do not require the assignment of a summary rating; however, the supervisor and employee must discuss performance and document the appraisal form. Changes in mission requirements and goals, completion or extensions of major projects due to time and/or money constraints affecting performance elements may be adjusted during this review.

e. Rating of Record. The performance summary rating prepared at the end of the appraisal cycle. The rating of record is the employee's official performance rating for pay and retention purposes and is derived from the evaluation of the elements and workplan when used.

f. Self-Assessment. End of cycle employee assessment of how they accomplished annual objectives/elements. Mandatory for GS-13s and above; strongly recommended for GS-1s through GS-12s.

g. Summary Rating. The overall rating assigned when evaluating the elements and when used the workplan. The two summary rating levels are "Acceptable" and "Unacceptable."

Elements/objectives are evaluated as Exceeds Acceptable Standard (EAS), Acceptable Standard (AS) and Unacceptable (U).

h. Unacceptable Performance. Performance of an employee which fails to meet established performance standards in a performance element.

6. Action

a. Supervisors are expected to:

(1) Communicate with employees regarding mission requirements, the performance elements/objectives and standards and the employee's developmental needs.

(2) Establish and discuss performance elements with employees and provide them with a copy of their performance plan (appraisal) within 30 days after the beginning of each appraisal cycle.

(3) Provide assistance to employees in improving their performance if at any time during the appraisal cycle their performance is determined to be "Unacceptable" in one or more element.

(4) Conduct and document a minimum of one progress review midway through the appraisal period.

(5) Prepare a close-out rating if either the employee or the supervisor leaves the position prior to the end of the cycle.

(6) Prepare a rating of record for each covered employee. This includes rating for each element and the summary level rating. Forward proposed ratings of "Unacceptable" to the second level supervisor for approval. "Acceptable" rating only requires the immediate supervisor's signature.

b. Employees are expected to:

(1) Review position description, mission statements and pertinent program information.

(2) Participate with supervisor in the preparation of performance standards, elements and workplan if used.

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(3) Discuss performance standards and developmental needs.

(4) Participate in mid-year reviews and document performance appraisal.

(5) Prepare self-assessment at the end of the performance cycle (mandatory for GS-13s and above; optional for GS-12s and below).

## 7. Implementation

### a. Setting Performance Standards

(1) The supervisor will set performance standards with the employee within 30 days of the appraisal cycle. The supervisor will sign and date the appraisal form and request the employee to also sign and date the form. A copy of the form is to be provided to the employee; the supervisor keeps the original.

(2) Enclosures (1) and (2) provide generic elements for supervisors and employees and may be used in developing individual performance plans. Additionally, employees and supervisors are encouraged to use a workplan, to further illustrate what work assignments are to be accomplished during the rating cycle.

### b. Monitoring and Rating Performance

(1) Progress Review. The supervisor and employee must, at a minimum, conduct and document a midyear review of the employee's performance in meeting the performance standards. To the maximum extent possible, progress reviews will be informative and developmental in nature. The supervisor and employee will discuss accomplishments, update priorities, and define new assignments and expectations. Progress reviews do not require a summary level rating, but must be documented on the appraisal form.

(2) Unacceptable Performance. If at any time during the appraisal cycle, an employee's performance is determined to be "Unacceptable" in one or more of the elements, the supervisor must communicate the shortcomings and the expectations to the employee in writing.

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Additionally, the Employee Relations Office of the Servicing Personnel Office should be notified as soon as possible for guidance on the procedural requirements affected by this action.

(3) Closeout Ratings. Closeout ratings shall be conducted when an employee completes a detail or a temporary promotion of 120 days or if an employee changes a position by reassignment, promotion or transfer to another activity. Additionally, closeout ratings must be conducted when the first level supervisor leaves the position. In this situation, the employee may continue under the same performance plan, with the appraisal going to the new supervisor.

(4) Rating of Record. Normally within 30 days after the end of the appraisal period, a written rating of record will be assigned to each covered employee. The supervisor should give a summary rating, and sign and date the appraisal form. Supervisors are encouraged to write comments on the appraisal form to acknowledge special accomplishments. Written comments are required if an employee is rated "Unacceptable" on any element. If the rating is "Unacceptable" the supervisor must forward the appraisal to the second-level supervisor for approval. Review of "Acceptable" ratings is at the discretion of the OPNAV Principal Official for the Directorate. Following the required reviews, the employee should sign and date the form. Signatures indicate only that the review has been accomplished. A copy of the completed form is given to the employee; the supervisor retains a copy, and the original is forwarded to the servicing personnel office.

(a) If, at the end of the appraisal cycle, the employee has not completed the 90-day minimum period of time under the performance plan, but has received a closeout rating during the same appraisal cycle, the closeout rating may become the rating of record. The new supervisor must initial the form. If the employee has not received a closeout rating during the same appraisal cycle, the appraisal cycle shall be extended to ensure the minimum 90-day requirement is met.

(b) The end of the appraisal cycle also marks the beginning of the new performance management period. This is the appropriate time to discuss and sign the next years Performance Appraisal Form.

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8. Relationship to other Personnel Actions

a. Within-Grade Increases. Covered employees will receive within-grade increases when eligible provided their performance equates to an "Acceptable" rating of record. A special rating is prepared when an employee has a current annual rating of "acceptable" but has been experiencing performance deficiencies for the past 90 days and is "unacceptable" in one or more element.

b. Promotion. To be promoted, an employee must be performing at the "acceptable" level on all elements. However, the fact that an employee is rated acceptable at the time he/she is eligible for a career-ladder promotion, does not mean that the promotion is automatic. For merit promotion actions, the rating of record should be evaluated by selecting officials to the extent it is relevant to the position being filled.

c. Quality Step Increase. The Quality Step Increase (QSI) provides appropriate recognition for excellence in performance by granting faster than normal step increases; therefore, careful consideration should be given before granting a QSI. An employee is eligible for only one quality step increase within any 52-week period. To be eligible for a QSI, GS employees must meet the following criteria: received a rating of record of "Acceptable"; demonstrated sustained performance of high quality significantly above that expected at the "acceptable" level; and made significant contributions to the organization's mission. In addition, there must be an expectation that the high quality performance will continue in the future.

d. Removal, Demotion, and Reassignment. An employee whose performance is "Unacceptable" must have an opportunity period to improve. If, at the conclusion of the opportunity period, the employee's performance continues to be "unacceptable", the supervisor, working with Employee Relations, must initiate reassignment, reduction in grade, or removal action.

e. Probationary Period. Evaluation of the employee's performance, as well as other considerations such as conduct and reliability, will serve as a basis for the decision to retain or remove an employee from the Federal Service during the initial probationary period.

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Evaluation of a supervisor's performance of the Personnel Management and Equal Employment Opportunity elements will serve as a basis for the decision to retain or remove a supervisor or manager from his/her position during the probationary period.

f. Reduction-in-force (RIF). The three most recent ratings of record received in the last 4 years will determine the retention standing of an employee for RIF purposes.

9. Awards. Throughout the appraisal cycle, awards should be used to acknowledge and motivate employees by rewarding significant individual, team, or organizational achievements and contributions. A wide variety of award options are available: Special Act, Time-off, On-the-Spot and Honorary awards. Information on procedures and requirements governing awards is contained in the DON Implementation Guidance on Awards (reference (e)). Please contact the Chief of Naval Operations (N09BD) for additional information concerning awards.

10. Grievances and Appeals. Covered employees may raise issues relating to the performance appraisal process through the administrative grievance process. Appealable issues may be appealed to the Merit Systems Protection Board (MSPB). Guidance on grievable and/or appealable matters is as follows:

- a. Elements and standards may not be grieved or appealed.
- b. Ratings on elements and summary ratings are grievable.
- c. Failure to inform employees of elements and standards is grievable.
- d. Performance-based demotions and removals may be grieved through the grievance process or appealed to the MSPB, but not both.

11. Forms. The following forms are available from CNO (N09BD) or may be locally reproduced:

- a. OPNAV 12430/1 (Apr 98), Chief of Naval Operations Performance Appraisal Form, GS 1-12 and,
- b. OPNAV 12430/2 (Apr 98), Chief of Naval Operations Performance Appraisal Form, GM/GS 13, 14, 15.

12. Effective Date. The policy contained in this instruction is effective 1 July 1998 for employees GS-13 and above and 1 October 1998 for employees GS-1 to GS-12.

OPNAVINST 12430.3

5 OCT 1999

  
R. N. LANGSTON  
Rear Admiral, U. S. Navy  
Director, Navy Staff

**Distribution:**

SNDL A (Navy Department)  
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26U (Surface Force Readiness Support Group)  
26Z (Shore Intermediate Maintenance Activity)  
26JJ (Fleet Area Control and Surveillance Facility)  
26LL2 (Pacific Operations Support Facility)  
26QQ2 (Special Warfare Group and Unit PAC)  
26RR (COMNAVSPECWARGRU 1, only)  
26DDD (Fleet Imaging Command, Center, Facility and Detachment)  
27G (Fleet Combat Systems Training Unit)  
28C (Support Force)  
39B (Surface Group and Force Representative)  
39I (Construction Battalions)  
40B (Construction Battalion Maintenance Unit)  
41A (Control of Shipping Officer)  
41B (Commander, MSC)  
41C (Area Commander, MSC)  
41D (Sub-Area Commander, MSC)  
42A (Offices, MSC) (United Kingdom, Honolulu, Pusan, Alaska, Seattle, Long Beach, San Diego, Norfolk, New Orleans, and Port Canaveral, only)  
42B1 (Fleet Air Commands)  
42B2 (Functional Wing Commander LANT)  
(Functional Wing Commander PAC) (less COMLATWINGPACISA)  
All Divisions of OPNAV

**CHIEF OF NAVAL OPERATIONS  
PERFORMANCE APPRAISAL FORM  
GS 1-12**

PART I

1. PERIOD COVERED

2.

FROM:

TO:

INTERIM APPRAISAL

RATING OF RECORD

3. NAME:(LAST,FIRST, MIDDLE INITIAL)

4. SSN:

5. POSITION TITLE/SERIES/GRADE

6. ORGANIZATION/CODE

7. RECORD OF REVIEWS AND FINAL APPRAISAL.

(Signature indicates that this step of the process has been completed. Must be signed and dated.)  
(NOTE: Employee signature does not necessarily constitute agreement with the plan or rating.)

	STANDARDS	PROGRESS REVIEW	RATING
IMMEDIATE SUPERVISOR			
SECOND LEVEL SUPERVISOR			
EMPLOYEE			

8. RATING OF RECORD OR INTERIM APPRAISAL.

ACCEPTABLE

UNACCEPTABLE

9. EMPLOYEE'S POSITION DESCRIPTION IS CURRENT AND ACCURATE?

YES OR  NO

10. SUPERVISOR'S COMMENTS

**EMPLOYEE**

**ELEMENTS AND PERFORMANCE STANDARDS  
PART II**

Failure to attain acceptable level of performance in any portion of a standard will result in an unacceptable for the entire element. "U" marks require factual documentation.

**ELEMENT 1. TECHNICAL COMPETENCE/PROGRAM MANAGEMENT**

EAS       AS       U

Contributes to the operational effectiveness of the command by performing specific duties as contained in the position description and other duties as assigned.

**ACCEPTABLE:**

- o Executes work assignments, follows appropriate procedures, complies with applicable regulations and policies, meets assigned deadlines.
- o Meets accepted command standards with regard to work quality and quantity, completeness and accuracy, and consistency and timeliness.
- o Requires minimal supervision. Work independently on routine assignments, needs supervisory guidance primarily for unusual or complex situations.
- o Produces work that satisfies customer requirements and provides timely support.

Where applicable - Security and Acquisition element

**ELEMENT 2. COMMUNICATIONS**

EAS       AS       U

Promotes flow of information and understanding needed to operate command programs, achieve command missions, supports customer service, and facilitates personnel interactions.

**ACCEPTABLE:**

- o In written and oral communications, the employee expresses information clearly, completely, correctly, and in a timely manner.
- o Uses the chain-of-command to resolve problems, seeks assistance and clarifies work requirements.
- o The employee fully staffs work assignments with others when issues being addressed impact other work areas.
- o No more than two (2) valid customer complaints are reported within the rating cycle.

**ELEMENT 3. CUSTOMER SERVICE**

EAS       AS       U

Provides prompt, courteous and knowledgeable service to both internal and external customers.

**ACCEPTABLE:**

- o Knows the requirements of specific customer/markets.
- o Understands customer goals, strategies and processes to ensure customer focused decisions.
- o Maintains personal involvement with and seeks feedback from customers.
- o Keeps resources focused on responding to customer needs.
- o Strives for continuous work process improvement.
- o Applies Customer Satisfaction as the ultimate guide in decision-making.
- o Keeps supervisor informed of problems and potential problems.
- o Is polite and courteous to all customers at all times with no more than one(1) substantiated complaint in a 90 day period.

**WORK PLAN (CRITICAL ELEMENT)  
OBJECTIVES**

NOT  
MET      MET      EXC

PART III

	NOT MET	MET	EXC

**WORK PLAN RATING**

- Unacceptable
- Minimally Successful
- Fully Successful
- Exceeds Fully Successful
- Outstanding

- \_\_\_\_\_ Failed to meet the majority of work plan objectives
- \_\_\_\_\_ Met the majority of work plan objectives
- \_\_\_\_\_ Met all work plan objectives
- \_\_\_\_\_ Exceeded the majority of work plan objectives
- \_\_\_\_\_ Exceeded all work plan objectives

**COMMENTS**

**CHIEF OF NAVAL OPERATIONS  
 PERFORMANCE APPRAISAL FORM  
 GM/GS 13, 14, 15**

PART I

1. PERIOD COVERED

FROM: TO:

2.

INTERIM APPRAISAL       RATING OF RECORD

3. NAME:(LAST,FIRST, MIDDLE INITIAL)

4. SSN:

5. POSITION TITLE/SERIES/GRADE

6. ORGANIZATION/CODE

**7. RECORD OF REVIEWS AND FINAL APPRAISAL.**  
 (Signature indicates that this step of the process has been completed. Must be signed and dated.)  
 (NOTE: Employee signature does not necessarily constitute agreement with the plan or rating.)

	STANDARDS	PROGRESS REVIEW	RATING
IMMEDIATE SUPERVISOR			
SECOND LEVEL SUPERVISOR			
EMPLOYEE			

8. RATING OF RECORD OR INTERIM APPRAISAL.

ACCEPTABLE

UNACCEPTABLE

9. EMPLOYEE'S POSITION DESCRIPTION IS CURRENT AND ACCURATE?

YES      OR       NO

10. SUPERVISOR'S COMMENTS

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# Elements and Performance Standards

## PART II

Failure to attain an acceptable level of performance in any portion of a standard will result in an unacceptable for the entire element. "U" mark's require factual documentation.

### ELEMENT 1. TECHNICAL COMPETENCE/PROGRAM MANAGEMENT

EAS     AS     U

Contributes to the operational effectiveness of the command by supervising and directing the work of \_\_\_\_\_ employees and performing specific duties as contained in the position description and other duties as assigned.

#### ACCEPTABLE:

- o Plans and executes assignments in compliance with appropriate departmental, command, and Navy policy and procedures. Contacts and coordinates with other divisions/departments for needed support, allowing sufficient time for work requirements to be met.
- o Performs position requirements independently, with little need for direction and guidance. Completed work meets the accepted standards of the command. Paperwork is complete, accurate, in the proper format, and submitted on time.
- o Receives generally positive feedback regarding customer satisfaction.
- o Customer satisfaction is good, with generally positive feedback. Customer comments are reviewed, analyzed and initiated if feasible.
- o Assigns work appropriately, distributed work evenly, sets realistic completion, provides necessary resources and guidance, establishes acceptable standards of work completion, and provides clear, complete instructions for work performance.
- o Awards are appropriate and award ceremonies are well done.
- o Runs meetings efficiently and achieves meeting goals. Provides timely, well prepared and reality based budget submissions.
- o Receives no more than 2 corrective supervisory counseling within the rating cycle.

Where applicable - Security and Acquisition element

### ELEMENT 2. COMMUNICATIONS

EAS     AS     U

Promotes flow of information and understanding needed to operate command programs, achieve command missions, support customer service, and facilitate personnel interactions.

#### ACCEPTABLE:

- o Provides clear and concise complete directions when assigning work to employees.
- o Ensures that deadlines, work standards, and assignment requirements are fully understood.
- o Provides regular feedback to employees on their work performance and expectations.
- o Coordinates action items with other work sections as needed.
- o Keeps the chain-of-command informed on status of action items, relevant issues and events, which impacts on the command's operations.
- o Fully staffs work assignments with other when issues being addressed impact other work areas.
- o When applicable, interfaces with external agencies organizations in a professional manner that reflects positively on the command and its members.

### ELEMENT 3. CUSTOMER SERVICE

EAS     AS     U

Provides prompt, courteous and knowledgeable service to both internal and external customers.

ACCEPTABLE:

- o Demonstrates an understanding of specific customer/markets.
- o Understands customer goals, strategies and processes to ensure customer focused decisions.
  - Reviews customer feedback reports.
  - Keeps resources focused on responding to customer needs.
- o Strives for continuous work process improvement.
- o Anticipates and identifies customer service problems or potential problems; selects the most effective from alternative courses of corrective action(s) or contingency plans. Issues that cannot be resolved are brought to the attention of higher level management within one(1) day of unsuccessful resolution.
- o Is polite and courteous to all customers at all times with no more than one(1) substantiated complaint in a 90 day period.

**ELEMENT 4. LEADERSHIP AND PERSONNEL MANAGEMENT**

EAS       AS       U

Supervises and manages employees through appropriate delegation of work and authority. Uses meaningful application of performance management, incentives systems, counseling for unsatisfactory performance, leave administration, grievance procedures, career development, individual development plan, disciplinary or adverse actions when necessary and instructs employees on work administrative matters.

ACCEPTABLE:

- o Delegates work appropriately for grade level and experience.
- o Understands major trends affecting the business/function.
- o Develops strategic alternatives consistent with strategic intent.
- o Converts strategic intent into meaningful work objectives and plans.
- o Follows up to ensure work is complete/correct/timely.
- o Ensures staffs are adequately trained to fulfill required tasks.
- o Ensures position descriptions of subordinates are current and adequately reflect the duties and responsibilities of each employee.
- o Appraises staff performance accurately and within required time frames.
  - Uses established procedures for rewarding employees and taking corrective actions for poor performances.
- o Understands/complies with basic personnel policies and regulations.
- o Uses established position management principles and techniques that result in an efficient organized and productive staff.
- o Applies sound EEO and affirmative action principles to personnel management.
- o Tracks employee attendance and leave, plans employee training and development, monitors employee performance, and provides regular, ongoing feedback to employees regarding performance achievements and deficiencies.
- o Ensures employees properly apply and abide by all laws, rules, regulations and instructions pertaining to subordinates work and to all environmental and safety rules.
- o Ensures that internal controls are implemented and operating on all programs and functions/property within the department and that the objectives of the management programs are achieved.

**ELEMENT 5. EQUAL EMPLOYMENT OPPORTUNITY**

EAS       AS       U

Supports EEO, Federal Employment Opportunity Recruitment Programs (FEORP) and related affirmative action programs. Issues and application of EEO/Affirmative action program within his/her area of control. Counsels subordinates, identifies and resolves potential problems, ensures training of subordinates in EEO/Affirmative action program.

ACCEPTABLE:

- o During the rating period, no substantial (investigated and adjudicated) incident has occurred for which incumbent has been directly responsible.
- o During the rating period there has been no more than 2 incidents (investigated and adjudicated) in which the action taken by the incumbent has been correct, legal, fair and impartial but which, because of the manner, circumstances or method involved or used, gave the "appearance of violation" and resulted in cautioning or counseling.
- o Positive action is taken to identify and attempt to resolve potential problems.
- o Issues that cannot be resolved are brought to the attention of higher level management with 1 day of unsuccessful resolution.

