



City of Northampton, Massachusetts
Human Resources Department

**POLICY & PROCEDURE
NUMBER 400-2**

Effective Date: 5/1/00

PERFORMANCE APPRAISAL PROGRAM

I. POLICY

It is the policy of the City of Northampton to ensure that formal and informal performance appraisal processes are developed and implemented. It is also the City's policy to ensure that City managers and other employees covered by this policy receive periodic performance feedback, recognition, and corrective instructions through an annual performance appraisal in order to promote effective job performance.

II. APPLICATION

This policy applies to City managers who have been designated as covered by this program by virtue of collective bargaining agreement or as part of the City Classification Plan specific to non-represented managers in grades 11 through 20 and Public Safety managers in grades PS 8 through PS 12. This policy also applies to City boards/committees and elected officials who are responsible for evaluating the performance of City managers as described above.

III. SCOPE

A. Specific objectives of this policy are to:

1. Establish a process whereby the work performance of City managers and employees covered by this policy can be evaluated on an ongoing basis.
2. Provide a mid-year and annual formal review of each employee's work performance.
3. Encourage managers to continually consider their own work performance and to establish priority performance objectives as part of an annual performance plan.
4. Assist in identifying specific requirements for the training and development of each employee and those rating their performance.
5. Permanently record, on an objective basis, the work performance of each employee.
6. Encourage the use of performance appraisals as a means of determining whether or not salary adjustments are warranted.

IV. RESPONSIBILITIES

- A. The **Performance Appraisal Review Committee** will review, amend, and adopt changes to the Performance Appraisal Policy and/or Program. The committee will be comprised of volunteer Dept. Heads/managers, as requested by the HR Director, and in cooperation with NAPEA, who will meet as required and/or at least once a year on/about the beginning of each fiscal year.
1. Significant amendments/changes to the policy, program or evaluation tool should be approved and implemented prior to the start of any fiscal/evaluation year.
 2. Where there is any conflict between the policies adopted by the City of Northampton and the policies set forth in the appropriate collective agreement, or policies set forth in a statute of state or federal government, collective agreements or the state or federal statute shall supersede such other policies.
- B. The **Human Resources Director** (or designee) will:
1. Oversee the implementation and maintenance of the Performance Appraisal Program, with the assistance of department heads, throughout the evaluation year, which is typically the same as the City's fiscal year.
 2. Monitor the effectiveness of the performance evaluation process and recommend necessary additions, deletions, or modifications to the program where considered appropriate.
 3. Ensure that appropriate performance evaluation training is formally provided twice a year, once before the mid-year review and once before the annual review, in accordance with the Performance Appraisal Program timetable. **(Appendix A)**
 4. Ensure that Raters (those that rate or evaluate the performance of others) conduct informal and formal performance appraisals of covered employees.
 - a. The informal approach should be an ongoing process whereby the Rater provides continuous feedback to those employees for whom they are directly responsible for rating performance.
 - b. The formal approach will include a performance plan development meeting at the beginning of the rating period, a mid-year review, and the annual review at the end of evaluation year. The performance plan and formal reviews will be documented on the City's Performance Appraisal Form. **(Appendix B)**

C. The Department Heads (and applicable City Boards/Committees) will:

1. Administer and coordinate performance evaluations within their respective departments, where applicable, in conjunction with the Human Resources Director.
2. Conduct informal and formal performance appraisals of subordinate managers and covered employees.
3. Recommend to the Human Resources Director changes/improvements in the performance appraisal process and/or appraisal form.
4. Act as the Reviewing Authority (if applicable) and review the performance plans as well as the formal midyear and annual evaluations conducted by subordinate managers and participate in an appeal process (if applicable).
5. Report annually, at the end of the evaluation/fiscal year, to the Human Resources Director on the departmental results of the formal performance evaluations conducted and ensure all evaluations are returned to HRD in a timely manner.

D. The Raters will:

1. Administer and coordinate performance evaluations within their respective departments/divisions, in consultation with their department head and, where appropriate, the Human Resources Director.
2. Conduct both informal and formal performance appraisals of subordinate managers and covered employees.
3. Prior to the completion of the annual formal evaluation and discussion of this evaluation with the employee, review the following aspects of the employee's record:
 - Duties, responsibilities, standards and/or measures of performance pertaining to the employee's position (job description)
 - Previous performance appraisal documents
 - Productivity and quality control records (if these are retained)
 - Samples of reports, project results, or other work products generated by the employee
 - Feedback/information from other key employees and applicable boards/committees who, in the course of their work, had dealings with the employee during the evaluation period

4. Make every effort to be as objective as possible, basing the evaluation on standards of performance, work product, and applicable rules.

Note: From time to time, the Rater should speak with the employee(s) for whom they are responsible and review weaknesses, strengths, and strategies for improvement. These discussions should be documented. Should adjustment to the performance plan be required due to circumstances that the Rater acknowledges are beyond the employee's control, appropriate changes should be discussed and agreed to. The Human Resources Director should be consulted and be provided with a copy of the proposed changes to the employee's performance plan.

V. GENERAL PROCEDURE

- A. Upon the introduction of the Performance Appraisal Program, or the implementation of a revision:
 1. Employees will be made aware of the new procedures.
 2. Raters will be required to attend training, which will be offered just prior to the formal mid-year review and just prior to the formal annual review. (see Appendix A)
- B. **Orientation (probation) period performance evaluation:**
 1. All new employees to the City who are covered by this policy will receive a six month evaluation as follows;
 - a. An employee hired into the City with an **effective date on or after January 1st but before July 1st**, shall meet with their Rater and develop a six month performance plan and be evaluated at the end of the six month period; the employee will not be eligible for consideration for a merit pay salary adjustment until the end of the next fiscal/evaluation year, however, the employee will be eligible to have a cost of living adjustment applied to their base salary, if available, at the beginning of the next fiscal year.
 - (1) Provided the Rater recommends continued employment with the City at the end of the six month orientation period, the employee and Rater shall develop a follow-up performance plan that will cover the period to the end of the new fiscal/evaluation year; the employee will be eligible for a full merit pay adjustment based on the new evaluation year, if warranted, at the beginning of the following fiscal year.

- For example, someone hired in April 2000 is eligible for a COLA, if one is available, to be applied to the base salary on/about July 2000; the covered employee will not be eligible for a performance pay adjustment, if warranted, until on/about July 2001.
- b. An employee **hired into the City with an effective date on or after July 1st, but before January 1st**, shall meet with their Rater and develop a performance plan. Key elements of the performance plan will have benchmarks/objectives of six months. This will comprise the required six month orientation period.
- (1) Provided the Rater recommends continued employment with the City at the end of the six month orientation period, the employee will continue with the existing performance plan which will cover the remaining portion of the evaluation/fiscal year; the employee will be eligible for a full merit pay adjustment, if warranted, on/about July of the next fiscal year.
- For example, someone hired in August 2000 will not be eligible for a performance pay adjustment, if warranted, until on/about July 2001.
- C. **Promotion evaluations:**
1. An employee **promoted from a step plan position** into a position covered by this policy will have an evaluation, promotion and merit pay based on the effective date of the promotion, with the following provisions; An employee *promoted* from a step plan position, will be able to negotiate their new salary with the following factors taken into account:
- the number of grades promoted,
 - if a step raise is due (within six months),
 - time before the employee will be eligible for a merit pay adjustment under this policy,
 - The hiring manager, in consultation with the HR Director, will determine/negotiate the new salary, after the above items are determined, based on a promotion salary range that is between the *entry level salary* of the promotion grade and *a salary that is no greater than 90% of the midpoint salary* of the promotion grade (unless appropriate justification is provided.)

- **For example a grade 5, step 1 step plan employee (salary of \$19,500) promoted to a grade 8 position covered by this policy (a salary range of \$23,900 - \$30,400):**
 - First the number of grades promoted is determined (3.5% is added for each grade promoted and then multiplied by the current grade/step salary): 3 grades promoted is $10.5\% \times \$19,500 = \$21,450$
 - If a step increase would have occurred within the next six months, multiply the above number by another 3.5%: $\$21,450 \times 3.5\% = \$22,201$ (since the entry level salary of the promotion grade is greater than the computed figure, the entry level salary of \$23,900 is used as the minimum allowed promotion salary)
 - Next determine the midpoint of the grade 8 salary range (which computes to be \$27,150)
 - Next multiply the midpoint salary of \$27,150 by .90 to determine the maximum allowed promotion salary (which computes to be \$24,435)
 - Thus the hiring manager, in consultation with the HR Director, has the flexibility to promote the employee to a salary between \$23,900 (the minimum allowed) and \$24,435 (the maximum allowed unless appropriate justification is provided.)
- a. **An employee promoted on or after January 1st but before July 1st , shall meet with their Rater and develop a performance plan that covers the remaining evaluation period through June 30th. The employee will not be eligible for a merit pay salary adjustment until the completion of a full evaluation year, however, the employee will be eligible to have a cost of living adjustment applied to their base salary, if available, at the beginning of the next fiscal year.**
- b. **An employee promoted on or after July 1st , but before January 1st , shall meet with their Rater and develop a performance plan that covers the remaining evaluation period through June 30th and be evaluated at the end of that period. The employee will be eligible for a full merit pay adjustment, if warranted, at the beginning of the next fiscal year.**
- 2. **An employee promoted from one management position covered by this policy to another management position covered by this policy will receive a full merit pay evaluation for that position in which six months, or more, of the evaluation year will have expired (the warranted performance pay adjustment will be applied at the beginning of the next fiscal year.)**

- a. The employee and appropriate Rater shall complete/develop an evaluation or performance plan, whichever is appropriate, that will cover the difference of the evaluation period which is less than six months (no performance pay adjustment will be provided for this shortened evaluation period.)

C. Corrective Action Plans:

1. An employee whose *overall performance review* indicates at any time a "Did Not Meet Expectations" or "Needs Significant Improvement", will be temporarily removed from the regular performance appraisal program and be placed into a corrective action plan (with the Human Resources Director's review and approval.) The Rater will meet with the employee and develop a formal corrective action plan that is to be developed and implemented as described below:
 - a. The plan should specifically identify shortcomings that are to be corrected and the benchmark dates as to when they are to be accomplished.
 - b. The corrective action plan period may cover anywhere from one month up to six months (and typically should not extend beyond a six month period without extenuating circumstances.)
 - c. If acceptable performance is attained within the first six months of the corrective action plan, the employee is returned to the regular performance appraisal program. The Rater will develop, with the employee, a new performance plan for the remaining period of the evaluation year; at the end of the evaluation period, the employee will be eligible for a **full** performance pay adjustment, if warranted, which is applied at the beginning of the subsequent new fiscal year.
 - d. If performance is unacceptable, the Rater (and department head if applicable) will coordinate with the Human Resources Director to determine follow-up action (which may include separation action pursuant to collective bargaining agreement and/or Civil Service regulations.)
2. An employee whose *annual performance* results in a "Needs Moderate Improvement" *final evaluation* will not be placed on a formal corrective action plan but rather will have key shortcomings that were noted in the annual performance evaluation identified/documentated in the new evaluation year performance plan as areas to be improved upon in the new evaluation year (and depending on the nature of the shortcomings, have them identified as either Priority Performance Objectives or Key Performance Objectives to be attained in the new evaluation year.)

D. Evaluation process:

1. The annual evaluation process will generally follow the timetable and benchmark actions as described in **Appendix A and C** (subject to modification as developed by the Performance Evaluation Review Committee.
2. Performance Plan, Mid-year and Annual Evaluation portions of the performance evaluation form (**Appendix B**) will be completed by the Rater after a formal meeting with the employee and submitted to the Human Resources Director in a timely manner; the rater and employee should sign the form after meeting (if an employee refuses to sign, the rater simply indicates such in the comments area of the signature page.) *Note: By signing the evaluation form, the employee is not indicating that they are in agreement with the evaluation but rather that they have in fact met with their Rater and discussed the employee's performance.*
 - a. If there is a senior manager to the Rater in the given department, that person should review the evaluation form, and adjust if necessary, prior to submission to the Human Resources Director.
3. **Appeals:** generally are reviewed on a case by case basis.
 - a. An employee who feels that their overall final rating does not represent a true evaluation of their performance over the review period should try to resolve these differences with their Rater and/or the Reviewer (if there is one in the department.)
 - b. If an informal agreement cannot be reached, the employee shall be told by the Rater/Reviewer that they may appeal, in writing, to the Human Resources Director within fifteen (15) calendar days of the annual evaluation meeting (unless there are mitigating circumstances that require more time.)
4. **Retention of Performance Appraisal Forms:** Following completion (including signatures) of the annual evaluation, one copy of the appraisal form shall be placed in the employee's personnel file and copies shall be provided to the employee and to the employee's rater.

APPROVED:

Mayor

Human Resources Director

Revision History: