



## **Department of the Interior Guide to Developing Results Driven Performance Requirements**

The new government-wide SES performance appraisal system links SES performance to the achievement of agency strategic goals and objectives. There are five critical elements in the new DOI SES performance appraisal system: Leading People, Leading Change, Business Acumen, Building Coalitions, and Results Driven. Mandatory performance requirements are already incorporated into critical elements 1 through 4. Agency-specific elements may be added to these elements. However, for critical element 5, Results Driven, executives and rating officials must develop 3 to 5 performance requirements in consultation. These performance requirements must clearly link to agency strategic goals and objectives, and be results focused, i.e., describe the desired result from meeting the requirements instead of documenting the process followed to achieve that result, while describing the results in measurable terms.

### **Characteristics of Effective Performance Requirements**

Effective Performance Requirements:

- Derive from mission, strategic business goals, and business plans;
- Describe distinct observable, measurable, and demonstrable actions, objectives or results to be achieved during the performance period; and
- Include appropriate measures or indicators of quality, quantity, timeliness, and cost effectiveness.

### **Linking Performance Requirements to Organizational Goals**

The Executive Performance Agreement links individual performance to organizational success. Specifically, the performance requirements for the Results Driven performance element must be constructed to capture the specific results for which the executive is accountable. The explicit alignment between performance requirements and organizational goals helps demonstrate the connection between executives' daily activities and organizational performance.

### **Content of Results Driven Performance Requirements**

Under the new SES performance appraisal system, Executive Performance Agreements must include 3 to 5 performance requirements in the Results Driven critical element. Each performance requirements must be:

- Results-Focused – Directly supports achieving a strategic goal.
- Measurable – Able to be assessed or identified based on a unit of comparison.

Here are a number of ways that results can be measured:

**Quality** – How well work is performed. Can be measured in terms of:

- Accuracy
- Effectiveness
- Usefulness
- Reliability
- Security

**Quantity** – Amount of work performed or outputs produced. Can be measured in terms of:

- Raw Numbers
- Percentages
- Level of Productivity

**Timeliness** – How quickly work is completed. Can be measured in terms of:

- Completion within a certain time period or by a certain date

**Cost/Cost Effectiveness** – How much time or money was saved. Can be measured in terms of:

- Reduced labor hours
- Reduced financial costs
- Reduced waste

Performance requirements should clearly articulate what is expected of the executive during the year, worded in terms of specific results, not just a responsibility or job duty. A requirement that only describes activities that the executive performs, or restates organizational goals without specifying outcomes and including measures for evaluating success, is unacceptable.

It is not enough simply to include measures; the measures must be meaningful for the requirement. The intended accomplishment, product, outcome, or deliverable must be identified before determining the best measures to gauge success.

### Developing Performance Requirements

The following templates provide two different approaches for developing performance requirements.

**Template 1**

| Step | Action   | Component |
|------|--|-----------|
| 1.   | Begin by writing “I will”<br>EXAMPLE: “I will” | Objective |

|    |   |                       |
|----|---|-----------------------|
| 2. | Write an action verb<br>EXAMPLE: “correct”  | Objective             |
| 3. | Write an object noun for the action verb;<br>answer:<br><ul style="list-style-type: none"> <li>• What will be accomplished?</li> <li>• Which stakeholder interests will be affected?</li> </ul> EXAMPLE: “significant deficiencies identified in the FY-XX audit”   | Objective             |
| 4. | Write a quantitative or qualitative measure relating to the object noun;<br>answer:<br><ul style="list-style-type: none"> <li>• How much? How many? What kind of?</li> <li>• How much money, effort, or time will be saved?</li> </ul> EXAMPLE: “to a level that is accepted as sufficient by the Office of the Inspector General auditors” | Measure/<br>Milestone |
| 5. | Write a target time-frame for achieving the expectation;<br>answer:<br><ul style="list-style-type: none"> <li>• When? How quickly? By what date?</li> </ul> EXAMPLE: “by 2nd Quarter FY-XX”   | Measure/<br>Milestone |
| 6. | (Optional) Write other context clauses to clarify the requirement;<br>answer:<br><ul style="list-style-type: none"> <li>• How will the work be performed?</li> <li>• Where will it happen?</li> <li>• Who will be involved?</li> </ul> EXAMPLE: “in compliance with accepted accounting standards.”   | Measure/<br>Milestone |

### Example

|   |  |
|---|--|
| Performance Requirement (written at the Fully Successful level)<br><br>I will correct significant deficiencies identified in the FY-XX audit (objective) to a level that is accepted by the Office of the Inspector General auditors by 2nd Quarter FY-XX, in compliance with accepted accounting standards. (measure/milestone). | Link to Strategic Plan/Organizational Goals:<br><br>Effectively Managed U.S. Gov’t Finances (DOI Strategic Plan) |
|---|--|

### Additional examples of requirements using Template 1:

- I will develop an FY-XX financial plan for the \$38B XZY portfolio (objective) by the end of Quarter 1 (milestone/measure) and execute the FY-XX financial plan (objective) to at least 98% of target (measure/milestone).
- I will develop an internal hiring model (objective) to reduce the fill time rate for vacancies by 10% by December 20XX (measure/milestone).
- I will implement a quality control system to ensure products meet applicable standards (objective) by end of 3rd Quarter FY-08 (measure/milestone). I will complete quality control reviews of selected assignments (objective) for at least four programs by the end of FY-XX (measure/milestone).

- I will provide timely initial feedback to customers (objective) within 5 days of request and with an error rate of less than 5% errors (measure/milestone).

**Template 2**

|  |
|--|
| <p><b>What</b><br/>(Verb + Noun)</p> <p><b>When/How/Why</b><br/>(e.g., Timeframe/Method/Purpose)</p> <p><i>EXAMPLE</i></p> <p><b>What</b><br/>Reduce overtime in XYZ office from 150 hours/month to 50 hours/month</p> <p><b>When/How/Why</b><br/>by 4th Quarter FY-XX to improve organizational efficiency.</p> |
|--|

**Example**

|  |   |
|--|---|
| <p>Performance Requirement (written at the Fully Successful level)</p> <p>I will reduce overtime in XYZ office from 150 hours/month to 50 hours/month (what) by 4th Quarter FY-XX to improve organizational efficiency (when/how/why).</p> | <p>Link to Strategic Plan/Organizational Goals:<br/>Management and Organizational Excellence (DOI Strategic Plan)</p> |
|--|---|

**Additional examples of requirements using Template 2:**

- I will improve the accuracy and credibility of cost elements (what) by applying earned value technique reducing variance to < 15% in FY-XX (when/how/why).
- I will implement an effective and consistent information management and information technology portfolio management process across the bureau (what) to reduce investment costs by 5% by September 30 (when/how/why).
- I will reduce the risk of terrorist exploitation of vulnerable national-level financial enterprises (what) by conducting joint international bulk cash smuggling training in two new countries of highest national concern by the end of FY-XX (when/how/why).
- Based on customer survey results, I will develop an action plan (what) to address key areas of dissatisfaction and achieve 2% improvement in customer satisfaction on the July 20XX survey (when/how/why).

## Useful Action Verbs for Preparing Performance Requirements

The focus of effort for each job can vary significantly. Some basic rules of thumb can help in writing performance requirements based on whether an executive primarily works with people and/or data.

### Data

|              |   |
|--------------|---|
| Analyzing    | Appraise, audit, evaluate, examine, experiment, identify, investigate, recommend, report, research, scan, scrutinize, study, suggest, summarize, test, verify |
| Comparing    | Arrange, choose, classify, contrast, distinguish, grade, index, inspect, match, rank, segregate, select, sort   |
| Compiling    | Accumulate, collect, count, inventory, measure, observe, time   |
| Computing    | Estimate, figure  |
| Coordinating | Authorize, control, decide, deliberate, determine, develop, direct, execute, formulate, implement, manage, organize, regulate, schedule                       |
| Synthesizing | Calculate, compose, design, devise, forecast, interpret, invent, plan, solve, translate   |

### People

|                        |  |
|------------------------|--|
| Exchanging Information | Dictate, discuss, indicate, inform, meet, relay, request   |
| Instructing            | Demonstrate, explain, instruct, lecture, teach, train      |
| Mentoring              | Advise, arbitrate, counsel, diagnose, prescribe, reconcile |
| Negotiating            | Bargain, confer, debate, mediate, reason, settle           |
| Persuading             | Convince, influence, motivate promote, solicit             |
| Supervising            | Appoint, assign, enforce, lead, rate                       |

## Additional Examples of Performance Requirements

The following additional examples of performance requirements are based on samples from various government agencies. Although the content will not be directly applicable to all executives, they are useful illustrations for incorporating objectives and measures into performance requirements.

### *Policy*

- By April 1, 20XX, develop a legislative strategy for the budget and legislative initiative to broaden the agency's investment authority. Work with Legislative Affairs to advance this initiative in the current legislative session.
- By June 1, 20XX, obtain policy level decision on the universal direct deposit program to encourage recipients to sign up for direct deposit. Once approved, work with the policy offices in developing an implementation strategy and plan by September 30, 20XX.
- Ensure that IT security management policies are codified across the Department, as necessary, specifically by issuing guidance on interfaces/interconnections by May 1, 20XX, to address deficiencies identified by the IG in the FISMA evaluation.

- Develop and deliver upon reporting requirements by OMB, Congress, and other internal/external oversight bodies, specifically to deliver the FISMA report for unclassified systems by October 15, 20XX.

### *Program Improvement*

- Within FY-XX, I will assure 90% of audits conducted address identified high risk areas. Of these audits, at least 50% are requested by the activity/organization and at least 90% agree with the audit recommendations to garner customer confidence by providing professional audit services.
- I will ensure that sufficiency reviews meet 90% of the content and 90% of the timelines as prescribed in applicable regulations.
- I will develop and begin implementing a plan to correct processing deficiencies no later than 50 days after receiving a deficiency report.
- I will submit Capital Investment Reports by 1st quarter FY-XX and achieve a score of 4 or higher from OMB on all reports provided to OMB in order to achieve “Green” standard for success under OMB-directed goals in support of the President’s Management Agenda.
- By March 31, I will develop a plan for new releases for the Fiscal Projections System that will occur in FY-XX. I will complete new releases within 30 days of the scheduled implementation date with a minimum of minor errors and no major errors, with all desired functions meeting expectations, and all outcomes meeting stated requirements.
- I will conduct monthly 25% quality reviews for monthly benefit payments through the automated system to evaluate achievement of established accuracy (95% accurate) and timeliness standards (paid within 15 days).

### *Legal*

- I will provide accurate and timely legal advice with respect to FOIA matters. In 90% of all cases, I will provide initial response to requests for legal advice regarding FOIA matters (other than administrative appeals) within 5 business days.
- I will identify and implement a system for archiving and retrieving legal advice and litigation pleadings provided by electronic mail or in hard copy by May 1, 20XX. I will ensure that the “Open Cases” project docketing system is reviewed with each attorney once a month and that the docketing system is updated within 5 business days thereafter.
- I will support the procurement function, and ensure compliance with applicable laws and regulations, by providing timely and accurate advice on procurement-related matters and through a rigorous legal review of solicitations and proposed awards. I will provide 90% of advice and initial comments on procurement matters, including review of solicitations and proposed awards, within 10 business days of receipt.

- I will review all proposed adverse actions, and lesser forms of discipline, and will provide timely, correct and responsive legal advice, services and products to clients, to include the Labor-Management Relations Office. I will review and provide 90% of initial comments on all proposed adverse actions or lesser forms of discipline within 5 business days of receipt.

#### *Budget/Financial/Cost*

- I will successfully defend the budget and submit a balanced defensible out-year budget with a goal of receiving consistent support from Congress by FY-XX.
- Through business transformation efforts, I will identify savings amounting to \$35M in FY-08 to support the agency's eBusiness initiative.
- During the first quarter FY-XX, I will establish a workgroup to provide short and midterm recommendations for ensuring there is adequate investment capacity; and, by May 2008, I will provide sound, actionable recommendations to the Assistant Secretary.
- By March 30, 20XX, I will develop a business case document addressing the cash management policies related to the target balance level, investment policies, and situations where cash balances significantly shortfall. I will obtain management approval of the policies by August 30, 20XX.

#### *Information Technology/Data*

- I will implement policy and processes to facilitate exchange of technical data, financial and acquisition information among directors and staff reducing response times for administrative taskers to ten working days by December 30, 20XX, and support fact-based decision-making by the Director and senior managers.
- I will protect and defend critical infrastructures, networks, and information to maximize mission assurance by:
  - Implementing digital signatures and strong authentication across the bureau by March 30, 20XX
  - Delivering a means for components to self-assess critical infrastructure by June 30, 20XX
  - Integrating information assurance into programs and completing Federal Information Security Management Act (FISMA) certification and accreditation for all systems by September 30, 20XX

#### *Human Capital*

- I will oversee the development and sustainment of programs and policies to recruit and retain the required numbers, mix, and quality of civilians to support the mission.
  - 90% of overall retention goals achieved
  - Reduction in the current civilian time to fill by 10 work days
  - 90% fill of critical occupation positions
  - 90% of recruiting quality goals met

- I will develop a concept for virtual workplace that leverages technologies and accommodates employees working in geographically separate space as an alternative to contiguous office space during 1st year quarter FY-XX. I will implement a test during 3rd quarter, and prepare the schedule and obtain resources to implement a virtual workplace plan in my division as a prototype to broader bureau wide implementation during 4th quarter.
  
- I will institute an overseas strategy to deploy personnel to 5 strategic locations by June 30, 20XX. I will establish formal bilateral relationships with affected countries by September 30, 20XX.