



Pay for Performance

Policy Internal 14

Effective Date: June 29, 2023

Revised Date:

Sunset/Next Review Due: June 1, 2025

Approved By: Marvin Dodge, Executive Director, Department of Government Operations

References/Authority: 63A-17-106, 63A-17-112, and DHRM Rule R477-10

1 PURPOSE

This policy establishes guidelines and criteria for the Utah Department of Government Operations (department) to award pay increases for employee performance.

2 GUIDING PRINCIPLES

The department values its employees and desires to enhance their pay for meeting or exceeding performance standards, behavioral expectations, and individual goals.

No provision of this policy shall be construed as a contract, promise, or employment agreement. The executive director may make exceptions to this policy as allowed by applicable law and rules.

3 POLICY

3.1 Definitions

- A. “Behavioral expectation” means expectations of the day-to-day manner of performance with which an employee produces results and the attitude and manner in which the employee performs his/her duties and affects team.
- B. “Employee” means a department employee in a position that is designated under any schedule, except AB. “Employee” includes supervisor and manager.
- C. “Evaluation Period” means each fiscal quarter.
- D. “Manager” means a supervisor who supervises at least one other supervisor.



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- E. “Pay for Performance” means a plan providing financial incentives to an employee for meeting or exceeding production or performance goals.
- F. “Performance standard” means documented expectations of work completion and behaviors that are tied to the duties and responsibilities of the employee.
- G. “Review Period” means the fiscal year beginning July 1 and ending June 30.
- H. “SEAT Framework” is described in this linked document:
[DGO Performance Management SEAT Competencies](#)
- I. “Supervisor” means an employee who provides regular supervision and performance evaluation of one or more employees.
- J. “UPM” means the Utah Performance Management application for employee performance plans and evaluations.

3.2 General Provisions

- A. The department will implement a performance management system using Pay for Performance, according to this policy.
- B. The department’s performance management system will include:
 - a. establishing a performance plan for each employee at the beginning of each review period;
 - b. monitoring progress throughout the review period;
 - c. assessing outcomes at the end of each evaluation period and the review period;
 - d. assigning appraisal ratings to each evaluated employee' and
 - e. administering and awarding pay increases based upon budget availability and employee performance.
- C. The department uses UPM for performance plan creation, tracking and evaluation.
- D. Performance evaluations will be performed by an employee’s direct supervisor.
- E. Employee performance plans will consist of these elements:
 - a. Performance standards that include a focus on meaningful and measurable metrics tied to department and division strategic plans, job duties and responsibilities with a standard baseline performance expressed in terms of quantity, quality, time, cost, effect, manner of performance, or method of doing (such as SMART - Specific, Measurable, Achievable, Relevant, Time-bound). Examples: “Complete 50% of reviews within 10 business days of receipt.” “Maintain 90% customer satisfaction rating on quarterly contract surveys.”
 - b. Completion or up to date of all employee workplace training, as assigned. Trainings include required statewide trainings and trainings required by specific role.
 - c. Behavioral expectations that include the observable behavior to be performed, the conditions in which the behavior should be performed, and the minimal acceptable level of performance.
 - i. Behavioral expectation goals should be tied to the Service, Engagement, Accountability, Trust (SEAT) Framework. Tying examples to SEAT: “Accountability: Maintain security of



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tax documents by locking them in the filing cabinet at the end of each day.” “Peer Support: Support teammates by answering phones when the call queue is greater than 5.” “Belonging: Treat others with respect and dignity.”

- ii. Behavioral competency examples can be found at

[auburn-observed-behaviors.pdf](#)

- d. Goals that require an employee to surpass the baseline standard and that relate to advancing SEAT values within the department. They can be expressed in similar language to standards, but should require some level of stretch to achieve. Achieving standards equals successful performance while achieving ambitious goals exceeds standards. Therefore, goal measures may be tied to ratings that exceed successful ratings.

- F. Performance plans for supervisors and managers include these additional elements:

- a. Compliance with the Government Operations Leadership Development (GOLD) program requirements.
- b. Completes all mandatory supervisory training.
- c. Compliance with Section G of this policy.

- G. Supervisors' responsibilities are to:

- a. Manage each employee's performance.
- b. Ensure that each employee being supervised has an active annual performance plan by August 15 or within 60 days of hire. Each plan includes specific goals and targets for the employee, including measurements or methods of observation.
- c. Meet with each employee being supervised at the beginning of each review period or within 60 days of hire, and work with the employee to set the employee's goals and communicate performance standards and behavioral expectations.
- d. Monitor each employee's progress throughout each evaluation period.
- e. Provide each employee with regular verbal and written feedback on the standards, expectations, and goals outlined in the employee's annual performance plan.
- f. Conduct quarterly written evaluations.
 - i. At least once per quarter, provide a written evaluation of each employee's progress in meeting the performance standards, behavioral expectations, and goals contained in the employee's performance plan. Both supervisor and employee document the quarterly review in the performance notes section of the UPM plan.
 - 1. Document in UPM verbal feedback provided to the employee during the quarterly evaluation period including:
 - a. Anecdotal evidence supporting goals/requirements;
 - b. General observations of workplace performance;
 - c. Qualitative quarterly measurements;
 - d. Quantitative quarterly measurements;
 - e. Changes that need to occur during next quarter; and



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- f. Employee comments.
 2. Explain the reasons for the quarterly rating to the employee.
 3. Provide the employee an opportunity to review and provide feedback related to the quarterly evaluation.
 - g. Conduct annual performance evaluations.
 - i. By June 1st of each fiscal year, complete an annual written performance evaluation in UPM of each employee's progress in meeting the performance standards, behavioral expectations, and goals during the evaluation period.
 - ii. Assign employees an annual rating that reflects performance for all four quarters of the fiscal year.
 1. The rating scale is:
 - a. One - the employee did not meet the elements in the performance plan.
 - b. Two - the employee met the elements in the performance plan.
 - c. Three - the employee met all and exceeded at least half of the elements in the performance plan.
 - h. Provide a copy of each employee's draft annual performance evaluation and rating to their manager for review and approval.
 - i. After receiving their manager's approval, conduct an annual performance evaluation meeting with each employee.
 - i. Review the employee's performance during the preceding year and discuss the employee's overall performance rating and the basis for the rating.
 - ii. Provide each employee an opportunity to provide written comments pertaining to their performance evaluation.
 - iii. Finalize each employee's evaluation by June 1st of each year.
- H. Employee responsibilities are to:
- a. Meet with their supervisor to set performance goals and discuss performance standards and behavioral expectations.
 - b. Throughout each quarterly evaluation period, work to meet or exceed the standards, expectations, and goals contained in their performance plan.
 - c. Notify their supervisor of their progress in meeting the standards, behavioral expectations, and goals.
 - d. Document any relevant performance notation in their UPM. Documentation can occur at any time during the evaluation period.
 - e. Attend and participate in quarterly evaluation meetings with their supervisor.
 - f. Attend and participate in annual evaluation meetings with their supervisor.
 - g. Take all actions necessary to assist their supervisor in finalizing each year's annual performance evaluation.
- I. Manager responsibilities are to:



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- a. Ensure each supervisor completes all mandatory training described in Utah Code [63A-17-106\(7\)\(e\)](#) by required completion date.
 - i. All new supervisors must complete the training within six months of being promoted or hired to the position of supervisor.
 - b. Include the requirement to complete all mandatory training described in Utah Code [63A-17-106\(7\)\(e\)](#) as a performance standard or behavioral expectation in each supervisor's annual performance plan.
 - c. Include the supervisor's effective use of the training, information and principles as a performance standard or behavioral expectation in each supervisor's annual performance evaluation.
 - d. Review, provide feedback, and approve draft annual employee performance evaluations provided to them by the supervisors they supervise.
- J. Division directors will request training compliance reports quarterly from DHRM.
- K. Pay for Performance.
- a. Baseline pay increase eligibility requirements for non-supervisory employees are that:
 - i. The employee has received a performance evaluation compliant with this policy for at least two consecutive quarters.
 - ii. That the employee be current on all training required for the employee's position. Required training is outlined in the employee's performance plan.
 - b. Baseline pay increase eligibility requirements for supervisors are that the supervisor:
 - i. Has received a performance evaluation compliant with this policy for at least two consecutive quarters.
 - ii. Be current on all training required by the employee's position. Required training is outlined in the employee's performance plan.
 - iii. Be in compliance with all GOLD program requirements for four consecutive quarters.
 - iv. Be current on quarterly and annual employee evaluations for their staff.
 - c. Subject to the availability of funding appropriated annually by the legislature and approved Internal Service Fund (ISF) rates:
 - i. An employee whose annual performance evaluation rating is "One" will not receive pay for performance for that evaluation period.
 - ii. An employee whose annual performance evaluation rating is "Two" will receive pay for performance for that annual evaluation period.
 - iii. An employee whose annual performance evaluation rating is "Three" will receive pay for performance for that evaluation period. The pay for performance amount will exceed the amount given to employees with "Two" ratings.
 - d. Process.
 - i. A division director reviews salary increase requests and performance evaluations, adjusts recommendations, and submits a consolidated division salary increase request using the



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approved DGO Pay for Performance Tracker to the member of the executive director's office assigned to oversee compensation.

- ii. Upon review from the executive director's office, approved increases will be sent by the executive director's office to the HR Analyst assigned to the division for processing.

L. Division Director Duties.

- a. Directors must ensure pay-for-performance money issued in salary increases is equal to or exceeds pay-for-performance money appropriated by the legislature.
- b. Directors must report annually, as directed, to the executive director's office:
 - i. The number of Three, Two, and One employee reviews for a review period.
 - ii. Total dollars encumbered by the division for Three and Two employee reviews for a review period.
 - iii. A list of employees who are above the top of their pay range due to pay-for-performance increases.



Amendment/Change Log

<Policy Name> Amendment/Change Log					
Date	Section/ Heading	Change/Edit	Additional Information (if needed)	Change Approved By	Change Approval Date