

SMITHSONIAN INSTITUTION (SI)
HUMAN CAPITAL PLAN 2006 UPDATE

RESULTS-ORIENTED PERFORMANCE CULTURE

The Smithsonian Institution continues to be committed to expect, foster, and insist on a performance culture that motivates and rewards employees for high performance and ensures that all employees are committed to achieving results aligned with the strategic goals of the Institution and the operational goals of their units.

Managing human capital is the responsibility of managers and supervisors, who interact on a daily basis with state to give direction, communicate expectations, provide feedback on performance, train, and identify the need for job performance and career-related training and development. Through this daily interaction, the work of the organization is successfully accomplished. Therefore, it is critical that everyone participating in these processes understand the requirements and expectations and regularly communicate the impact on achieving the organization's mission. Effective performance management at all levels includes:

- Planning work and setting realistic expectations
- Continually monitoring performance
- Incorporating performance feedback loops
- Developing the capacity to perform successfully
- Periodically rating performance
- Rewarding good performance
- Recognizing and dealing with poor performers

Goal 5

Develop an enterprise performance management system that distinguishes between high and low performers, links individual/team/unit performance to organizational goals, and motivates and rewards staff for high performance.

Strategic Objective 5.1

Provide training to managers, supervisors, and employees on the Smithsonian Institution's new Performance Appraisal System.

Strategic Objective 5.2

Establish clear and measurable individual performance requirements in a Performance Plan aligned with the Smithsonian Institution's strategic goals and communicate them to the employee.

Strategic Objective 5.3

All employees have a Performance Plan in place within 45 days of new performance cycle period or within 45 days of employment for a new employee.

Strategic Objective 5.4

Provide regular feedback on individual performance and prepare timely evaluations as stated in the Smithsonian Institution Directive.

Strategic Objective 5.5

Take appropriate steps to recognize and incentivize performance that contribute to organizational goals.

Strategic Objective 5.6

Ensure supervisory and managerial accountability for individual and organizational performance.

Strategic Objective 5.7

Identify poor performance and take timely corrective action.

Activity and Accomplishments

The Institution has begun the implementation of its Performance Management System. It has changed to a new Performance Appraisal System that encompasses both the executive and staff levels for its Federal and its Trust employees. The expected outcome of this system will result in a system that:

- Links managers to the Institution's strategic goals and cascades goals from senior levels to managers to supervisors
- Links individual performance to organizational goals
- Requires regular feedback on performance
- Differentiates various levels of performance
- Allows for appropriate recognition to incentivize high performance

Supervisors and managers will be held accountable for meeting the requirements of the Performance Management System, both for themselves to meet organizational goals and for their responsibility to their employees for setting performance expectations and evaluating employees' performance.

Given the proposed Civil Service legislation, the Institution anticipates that there will likely be changes to the Federal pay structure over the next five years. Those changes could include pay-

for-performance and pay banding, depending on Congressional action. The Institution's new performance appraisal system is expected to result in a stronger performance management system, which could be the basis of a pay-for-performance compensation system.

PERFORMANCE MEASURES AND EVALUATION

The Smithsonian Institution has already taken many steps to address its human capital challenges through a variety of human capital initiatives, such as:

- Alignment of Human Capital goals
- Implementation of an organizational-wide performance appraisal system
- Development of competency models
- Succession Management program
- Identification of mission critical positions

The Institution will continually evaluate its performance in achieving the annual Human Resource goals set by the Secretary and measure its progress toward meeting those goals. Key Performance Indicators (KPIs) will include:

- Improved human resource services and performance resulting in greater customer satisfaction.
Measurement: Ratings of 4 on Customer Satisfaction Survey
- A performance appraisal system that provides accountability and fairness for all employees, ensures the rating of employee performance, and links them to strategic goals.
Measurement: % of employees with Performance Plans linked to strategic goals.
Measurement: % of employees with completed annual Performance Appraisals.
- Identification of competency gaps and development of plans to address those gaps.
Measurement:
- A recruitment program that targets and staffs hard-to-fill and critical skill positions.
Measurement: % fill rate of annual hard-to-fill and critical skill positions.
- A recruitment program that improves current diversity in targeted minority populations
Measurement: 2% staffing increase in targeted minority populations.

Additionally, other relevant performance measures (such as, project milestones, hiring timeliness, training evaluations, etc.) will continue to be monitored and reported to the Deputy Secretary on a monthly basis. Metrics required in the Strategic Plan, Annual Performance Plans, and Operational Reviews will also continue to be monitored and reported.