MANAGING EMPLOYEE WORK POLICY SUMMARY OF REVISIONS

6-25-2026

- Updates the policy name from Managing the Employee Work Cycle to Managing Employee Work
- Adds sections on Recognizing Exceptional Performance and Addressing Unsatisfactory Job Performance

3-5-2026

- Renames the policy from Agency Performance Management to Managing the Employee Work Cycle.
- Increases flexibility for agencies to manage employee work to meet their needs,
- Allows agencies to select between two options for the annual performance cycle – the calendar year (January 1 to December 31) or the fiscal year (July 1 to June 30).
- Provides two rating options – a cumulative rating model and an individual ratings model – and feedback prompts of supervisors.
- Eliminates interim reviews, instead encouraging at least quarterly feedback conversations between supervisors and employees and requiring quarterly check-ins for new employees; supervisors and employees may use the newly enabled “check-in” feature of the state’s performance management platform to facilitate these conversations.
- Eliminates PETS (Performance Evaluation for Transfer or Separation) and instead allows an employee to request a final feedback conversation prior to transfer or separation.
- Recommends employees include a growth and development goal in their annual work plan.
- Decreases the length of time an employee must have worked for an agency before they are eligible to receive a performance rating from 6 months to 90 days.
- Removes the Addressing Unsatisfactory Job Performance section of the policy.
- Includes three Agency “Test-and-Learn” Initiatives to inform future statewide improvements to performance management.
- Removes definitions, opting to define important terms within the policy text instead of in a stand-alone section, and updates the name of the Annual Performance Evaluation to the Annual Progress Review to reflect the focus on employee growth.
- References several changes within the state’s performance management platform that will lessen the administrative burden of conducting and documenting feedback conversations and the Annual Progress Review.

10-1-2020

- The proposed changes to this policy are primarily to improve clarity and readability of the policy itself. There are also some technical corrections to improve alignment with the NC Employment Grievance Policy and the Appointment Types and Career Status Policy. No procedural changes are included in the proposed revisions.
- Summary of Change Proposed:
    - Removal of references to Trainee Classification and Trainee Salary Progression.
    - Clarification of standardized three-point rating scale language.

- Clarification of performance rating dispute resolution.
- Multiple formatting revisions for readability and ease of use.

7-15-2020

- Title change from Performance Management System to University Performance Management System.
- Reference to agencies was changed to universities. This was previously a statewide policy for both agencies and universities but with the July 1 implementation of the new performance management program for State agencies, this policy now only applies to university employees. This policy will remain in effect until April 1, 2016 when the new performance management program for the universities is implemented.

12-1-2013

- Section on “Performance Rating and Pay Disputes” changed to refer employees to the Employee Grievance Policy found in Section 7 of the HR Manual.

9-01-2007

Revised Performance Management Policy. Highlights of the revised policy are:

1. This policy replaces the existing policy. However, agencies are not required to revise their policies. They may continue using their current performance management processes that were approved under the old policy.
2. Agencies have considerable latitude to determine how supervisors “do” performance management. It does not specify the detailed elements of work plans and appraisals. Agencies are encouraged to design processes to fit the work being managed.
3. Supervisors are not required to conduct interim reviews at midyear. Agencies may develop their own methods for stimulating ongoing performance dialogue.
4. Agencies may use an overall rating scale other than the fivepoint “state” rating scale, so long as their employees’ overall performance ratings can be converted to a five-point scale to comply with GS 126.
5. Supervisors are to review their employees’ appraisals with their managers before discussing the appraisals with their employees.
6. Agencies are to specify how documentation of an employee’s poor performance ties in to their discipline policy.
7. Agencies are to set their own time requirements for probationary employees’ work plans to be in place and for other timelines related to performance management.
8. Agencies are to specify what, in addition to a completed appraisal, is confidential. They are encouraged to not make work plans and performance tracking information confidential.
9. Agencies may access employees’ past performance appraisals to more properly inform promotion or hiring decisions.
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7-1-1991

- Performance salary increase – changed effective date for performance increases from quarterly to monthly with the exception of July.
- NC Rating scale added.

7-1-1990

- Added legislative provision regarding establishment of committees to oversee agency's system.

1-1-1990

- New Performance Management Policy.

7-1-1980

- Merit Increase revised to Performance Salary Increase. Full funding available for those below the third step. Employee receives a onestep increase based on work performance. Funds limited for Step 4 through 7, forcing an evaluation of employer's performance relative to the performance of other employees. Eligibility allowed for a one-step increase (may be granted in ½ steps.) Employees eligible yearly until they reach the maximum of their salary range.

7-1-1950

- Procedure for payment of Increments established. Each department limited to 3% of payroll. Policy adopted that not more than 2/3 of the employees who are at or above the middle of their salary range and who are otherwise eligible would be given merit increases. Employees must have at least a standard rating in order to receive an increment.