



## Department of Transformation and Shared Services Office of Personnel Management

**Policy Title:** Performance, Goals and Compensation System (PGCS)

**Policy Number:** 29

**Authority:** Ark. Code Ann. §§ 21-5-1001 and 21-5-1101 **Revised:** August 20, 2018

The Office of Personnel Management (OPM) has developed a performance evaluation and performance increase pay system for employees of all state agencies, boards, and commissions covered by the Uniform Classification and Compensation Act. The pay-for-performance system, called Performance, Goals and Compensation System (PGCS) is an electronic system accessed through the Empowering Arkansas State Employees (EASE) application.

OPM has determined statewide performance standards called Groups (formerly Duty Areas) and Measurements (formerly Standards). An agency will select from the [Groups and Measurements](#) to establish the criteria each employee will be evaluated on during the rating period. PGCS establishes five rating categories.

### Rating Categories

**Role Model** – Employee's performance is exceptional and serves as a model for other employees. The employee made a major positive impact on the agency.

**Highly Effective** – Employee's performance consistently surpasses established standards. The employee accomplished tasks and duties above requirements and made a positive impact on the agency.

**Solid Performer** – Employee's performance meets all requirements for the position in a competent and proficient manner. This represents the expected level of performance as established by the agency director or supervisor.

**Needs Development** – Employee's performance periodically falls short of requirements or the employee requires development in the position.

**Unacceptable** – Employee's performance is inadequate and the employee has demonstrated an inability or unwillingness to improve or meet requirements.

### New Hires and Transfers

All employees, regardless of their hire date, will be rated in April of every year. Employees hired into a position prior to April 1 of each year will receive an evaluation for the rating period and may be eligible to receive a performance increase.

### Distribution

OPM will provide a normalized distribution curve; however, overall performance evaluation results will be determined by the agency director.



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### Performance Increases

Performance increases will be added to the employee's base salary instead of a one-time lump sum payment. Employees compensated at the maximum pay level will receive a lump sum payment. All increases are subject to the availability of funding as determined by the Governor and the Chief Fiscal Officer of the State. Funding and performance results will determine the final percentage increase for each agency. This is typically determined at the end of the fiscal year (early June).

### Confidentiality

Performance evaluations are confidential documents and are not to be shared with individuals who do not require access. Any employee found to have violated confidentiality will be subject to disciplinary action up to and including termination.

### Failure to Complete a PE

A manager who fails to complete an employee's performance evaluation by the designated time may be ineligible for a performance increase or subject to disciplinary action as determined by the agency director.

### Disciplinary Actions

An employee who received a written disciplinary action during the rating period is ineligible to receive an overall rating of Highly Effective or Role Model. Each agency has the authority to establish additional restrictions.

### Employees on Inactive Status

An employee on extended leave without pay, including military leave, will be evaluated and receive an overall score during the same period as other employees. The salary increase will be effective when the employee returns to active pay status and will not be applied retroactively.

### Appeal Process

OPM is not establishing a statewide appeal process. Each agency has the authority to establish its own internal process for reviewing employee appeals of performance evaluations.

Employees are encouraged to talk with their supervisor or human resources manager with any agency-specific questions about the new performance evaluation process. For more information, visit <https://www.dfa.arkansas.gov/personnel-management/performance-goals-and-compensation-pgcs/>.