



Directive on Performance Management

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Directive on Performance Management

1. Effective date

This directive takes effect on April 1, 2014.

2. Application

2.1 This directive applies to the core public administration, i.e., organizations listed in Schedule I and Schedule IV of the [Financial Administration Act](#), unless excluded through specific acts, regulations or Orders in Council.

2.2 Those portions of sections of this directive that provide for the Chief Human Resources Officer to monitor compliance with this directive within departments and/or request that departments take corrective action do not apply with respect to the Office of the Privacy Commissioner, the Office of the Information Commissioner, the Office of the Chief Electoral Officer, the Office of the Commissioner of Lobbying, the Office of the Commissioner of Official Languages and the Office of the Public Sector Integrity Commissioner. The deputy heads of these organizations are solely responsible for monitoring and ensuring compliance with this directive within their organizations, as well as for responding to cases of non-compliance in accordance with any Treasury Board instruments that address the management of compliance.

3. Context

3.1 Excellence in people management produces a high-performing public service, which is a key enabler in building Canadians' trust in and satisfaction with government. A high-performing public service is built on employee engagement, a culture of excellence, demonstrated leadership, and a strong workplace and workforce. A highly engaged, healthy, productive and effective workforce is cultivated through innovation and respect, communication and recognition and results in improved productivity, superior performance and excellent service to Canadians.

3.2 This directive supports the *Workforce Policy* (under development) by setting out the responsibilities of deputy heads, or their delegates, regarding the administration of a consistent, equitable and rigorous approach to performance management in their organizations. For employees, it reinforces the importance of demonstrating the required knowledge, skills, competencies, behaviours (including reliability and respectful behaviour expected in a professional workplace), and engagement required to be productive and perform their duties in the service of Canadians.

3.3 This directive should be read in conjunction with the following documents:

- [Directive on Recordkeeping](#)
- [Policy Framework for People Management](#)
- [Values and Ethics Code for the Public Sector](#)

3.4 This directive is issued pursuant to sections 7 and 11.1 of the *Financial Administration Act*.

3.5 This directive is to be read in conjunction with the *Workforce Policy* (under development).

3.6 Other mandatory requirements are set out in the following:

- [Directive on the Performance Management Program \(PMP\) for Executives](#)
- *Guidelines on Performance Management* (under development)

4. Definitions

For definitions of terms used in this directive, see the Appendix.

5. Directive statement

5.1 Objective

The objective of this directive is to promote a commitment, shared by managers, employees and their organizations, to sustaining a culture of high performance in the public service.

5.2 Expected results

5.2.1 A healthy workplace environment based on [public sector values](#), where leadership, commitment and results are promoted;

5.2.2 Employees are productive, provide excellent service to Canadians and demonstrate the required knowledge, skills, behaviours, competencies and engagement to perform their duties;

5.2.3 Cases of unsatisfactory performance are addressed expeditiously within organizations;

5.2.4 Records on employee performance are maintained within organizations in accordance with the *Directive on Recordkeeping* and in conjunction with the [Policy Framework for Information and Technology](#), the [Policy on Information Management](#), and the [Directive on Information Management Roles and Responsibilities](#);

5.2.5 Managers feel adequately supported within their organization and demonstrate the skills required to manage challenging cases of employee performance; and

5.2.6 Organizational performance review regimes are fair, equitable and consistently applied across the core public administration.

6. Directive requirements

6.1 Deputy heads, or their delegates, are responsible for:

6.1.1 Maintaining records of the distribution of employee performance ratings within the organization;

6.1.2 Conducting an annual self–assessment of the quality of their organization's performance management exercise;

6.1.3 Establishing an employee [performance management program](#) that includes the following minimum requirements:

- A recognition system that recognizes good performance both formally and informally;
- Annual written performance objectives for all employees, including commitments that reflect Government of Canada priorities, expected behaviours and learning or development plans;
- A rating scale or scales appropriate to the organization and to employees' duties and levels;
- Annual written performance assessments for all employees (with the exception of employees on probation, who must be assessed within the probation period). Such annual assessments shall be conducted at the end of each fiscal year and rate the employee on an appropriate scale taking into account the results achieved and how they were achieved;
- Mid–year reviews for each employee (with the exception of employees on probation) in the form of informal conversations to review accomplishments in relation to performance commitments, adjust commitments if necessary, solicit and provide feedback and adjust learning plans if necessary;
- Active monitoring of probationary periods, including attestation of whether employees pass the probationary period;
- Identifying cases of unsatisfactory performance at the earliest opportunity possible and taking one or more of the following actions as soon as possible under the circumstances:
 - Developing, and monitoring at regular intervals, an action plan to improve performance;
 - Withholding the employee's next scheduled pay increment;
 - Demoting the employee; and
 - Terminating employment.
- Any of these actions may be taken at any time during the performance appraisal cycle if, in the deputy head's opinion, they are warranted by the employee's unsatisfactory performance.
- The time between the identification of unsatisfactory performance and termination of employment should not exceed 18 months unless, in the opinion of the deputy head, the circumstances of the case justify a longer period.
- Such circumstances may include, but are not limited to, a duty to accommodate the employee, or the fact that the employee is on leave.
- Maintaining written records confirming each step taken to manage employees' performance, along with formal written notification to the employee advising of consequences and next steps.

6.1.4 Establishing, as an integral part of their performance management programs, a departmental review panel and a process to review performance assessments in order to:

- Annually review the cases of employees who have surpassed expectations and ensure that:
 - A talent management plan has been established for the employee, including opportunities for developmental assignments;
 - Consideration has been given for formal or informal recognition of the employee; and
 - The abilities and competencies of the employee are considered in the context of HR plans, including succession plans.
- Annually review, or on an as required basis, the cases of employees who have not met expectations and ensure that:
 - An action plan has been established for the employee, including milestones and concrete actions;
 - The employee's manager provides, as required, updates on the implementation of the action plan;
 - If the employee's performance has not improved within the milestones established in the action plan, then the manager provides plans for demotion, termination or the withholding of pay increments; and
 - That all follow–up actions with respect to the employee are recorded.
- Review, as necessary, cases where demotion, termination or the withholding of pay increments have been recommended by the employee's manager for unsatisfactory performance, to ensure that:
 - A consistent and fair approach is applied across the organization to cases of unsatisfactory performance; and
 - There are no other options available to deal with the employee.

6.2 Deputy heads, or their delegates, shall ensure that managers and supervisors:

6.2.1 Recognize performance excellence;

- 6.2.2 Provide support to employees to help them feel valued in carrying out the organization's mission;
- 6.2.3 Possess the competencies necessary, including coaching and mentoring skills, to manage a diverse workforce;
- 6.2.4 Are assessed on their performance in managing their employees in accordance with this directive;
- 6.2.5 Receive the training and support required to manage employee performance effectively. Specific training in performance management may be identified by the Treasury Board Secretariat. This training:
- Is to be made part of all generic objectives against which performance may be measured; and
 - Must be successfully completed by all managers and supervisors who have responsibility for evaluating employee performance, and in order for managers and supervisors to be sub-delegated or maintain their human resources sub-delegated authorities.
- 6.2.6 Clearly establish, with all of their direct reports, including employees on probation, annual performance objectives that include at a minimum:
- Commitments linked to Government of Canada priorities and their organization;
 - At least one commitment suggested by the employee;
 - Expected behaviours; and
 - Learning or development plans.
- 6.2.7 Provide employees with the tools, training and mentoring they need to meet the knowledge, skill, competency and engagement requirements to perform their duties; and
- 6.2.8 Strengthen individual performance through ongoing communication and honest and respectful feedback, coaching and mentoring.

6.3 Deputy heads, or their delegates, shall ensure that employees:

- 6.3.1 Strive for performance excellence;
- 6.3.2 Understand the mission and goals of the Government of Canada and their organization and that performance management is a partnership and shared responsibility between them and their managers;
- 6.3.3 Participate actively in the performance management program in accordance with their language-of-work rights;
- 6.3.4 Demonstrate the knowledge, skills, competencies, behaviours (including reliability and respectful behaviour expected in a professional workplace) and engagement necessary to perform their duties, and conduct themselves in accordance with the values and ethics of the federal public sector; and
- 6.3.5 Understand the consequences of unsatisfactory performance.

6.4 Monitoring and reporting requirements

- 6.4.1 Deputy heads, or their delegates, are responsible for:
- Monitoring their organization's compliance with this directive and its related standards, taking corrective measures and reporting them through their internal review or evaluation process; and
 - Maintaining up-to-date systems to capture information that enables them to report to the Office of the Chief Human Resources Officer, Treasury Board Secretariat, as required.
- 6.4.2 The Office of the Chief Human Resources Officer is responsible for:
- Monitoring departments' compliance with the requirements of this directive and conducting a review within five to eight years of its effective date;
 - Supporting the effective management and cultivation of a professional, ethical, skilled, trained, diverse and motivated workforce to better serve the Canadian public;
 - Providing advice, interpretation and related administrative guidelines and tools to assist those delegated to implement and apply this directive;
 - Establishing, updating, publishing and disseminating the *Standards on Knowledge* (under review) for employees new to the public service and first-time managers;
 - Coordinating the sharing of advice and information across the federal public service on best practices through the *Public Service Management Dashboard*; and
 - Providing effective performance management resources, tools and guidelines.

7. Consequences

7.1 Deputy heads are responsible for taking corrective measures regarding policy compliance when significant issues arise through [Management Accountability Framework](#) assessments and other processes.

7.2 The Chief Human Resources Officer is responsible for ensuring that corrective actions are taken to address instances of non-

compliance with the requirements of this directive. Corrective actions can include requiring additional training or making changes to procedures and systems as appropriate.

8. Roles and responsibilities of other government organizations

Note: This section identifies other significant departments involved in this policy area. In and of itself, it does not confer any authority.

8.1 The Canada School of Public Service is the common learning provider for the core public administration. The Canada School of Public Service is responsible for developing, and regularly updating, in collaboration with the relevant policy authorities, training and assessment instruments related to the Treasury Board *Standards on Knowledge* (under review) for employees and managers new to the core public administration. In terms of enhancing performance management within the core public administration, the Canada School of Public Service shall:

- Ensure that key findings from audits, investigations and adjudication decisions to improve labour relations policies, programs and practices are incorporated into the courses it offers and that course facilitators stay abreast of these latest developments; and
- Develop, in conjunction with the Privy Council Office and the Office of the Chief Human Resources Officer, career-long learning in the area of people management.

8.2 The Privy Council Office and the Clerk of the Privy Council, as head of the public service, establish broad public service corporate priorities and individual performance objectives with deputy heads.

9. References

9.1 Other relevant legislation and regulations

- [Canada School of Public Service Act](#)
- [Canadian Human Rights Act](#)
- [Employment Equity Act](#) and related regulations
- [Financial Administration Act](#)
- [Official Languages Act](#)
- [Public Servants Disclosure Protection Act](#)
- [Public Service Employment Act](#)
- [Public Service Labour Relations Act](#)

9.2 Related instruments

- [Collective agreements](#)
- [Directive on Recordkeeping](#)
- [Policy on Information Management](#)
- [Policy Framework for Information and Technology](#)
- [Directive on Information Management Roles and Responsibilities](#)
- [Policy on Terms and Conditions of Employment](#) and related directives
- [Guidelines for Discipline](#)
- [Guidelines for Termination or Demotion for Unsatisfactory Performance; Termination or Demotion for Reasons Other than Breaches of Discipline or Misconduct; and Termination of Employment During Probation](#)
- [Policy on Official Languages](#)
- [Directive on Official Languages for People Management](#)
- [Directive on Official Languages for Communications and Services](#)

10. Enquiries

For questions on this policy instrument, please contact [TBS Public Enquiries](#).

Appendix: Definitions

employee (*fonctionnaire*)

For the purposes of this directive, a person employed in an organization for which Treasury Board is the employer, except for members of the Royal Canadian Mounted Police as defined in the *Royal Canadian Mounted Police Act*.

manager (*gestionnaire*)

For the purposes of this directive, an employee who is accountable for exercising delegated authority over human resources (i.e., staffing and/or labour relations delegation). In addition, a manager ensures that business results are delivered and that overall management functions—including recruiting, resourcing and retaining staff—are carried out.

performance management (*gestion du rendement*)

Helps employees understand their individual contribution to the business objectives of the government. It is a comprehensive approach that includes setting commitments, performance objectives and expected behaviours, assessing results, and providing continuous feedback and coaching. An effective performance management program aligns individual work with departmental and government-wide strategic and operational goals where strong performance is recognized and unsatisfactory

performance is addressed promptly.

supervisor (*superviseur*)

For the purposes of this directive, an employee who has the responsibility for day-to-day supervision of other employees, e.g., assign work, set priorities, assess performance, and approve or recommend approval of leave.