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THE SYSTEM OF PERFORMANCE APPRMSAL,
PROMOTION, EMPANELIEWT AND PIACEMiENT

REPORT OF THE GROUP CONSTITUTED TO REVIEW

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The Civil Services of India have, overall, served the country well. They have, since Independence, met myriad challenges of development, national integration, mobilization of resources, maintaining communal and sectarian harmony, internal security, ecological conservation, and external relations, to name just a few, competently and impartially. At the same time, it needs to be acknowledged that the world of the 21st century is different, and changing rapidly, from that in which the Civil Services as we know them today were conceived, born, and nurtured.

These changes, within India and beyond, involve significant re-orientation of the goals, norms, and approaches to public management. These comprise the formulation of policies, programmes embodying these policies, and their effective implementation. In turn, these call for, not drastic but nevertheless significant, changes in the orientations, knowledge pool, and incentive structures of the Civil Services. The organizing principle of these needed changes is greater professionalism. This is also the trend, for similar reasons, in the civil services of numerous countries worldwide, both developed and developing. The group was tasked to address some of the changes believed to be necessary in the management of the Civil Services. More specifically, the mandate of the group was to recommend changes in the system of performance appraisal to ensure greater transparency, so that better performance (or its lack) is fairly and accurately reflected in the appraisal; and to ensure a more clearly defined linkage between performance appraisal, experience and skills, with career advancement and placements in senior positions in the Government. The group realized early in its work that a measure of fidelity to the mandate would require several paradigm shifts in these areas.

Diverse as the challenges of civil service reform are, so too are perspectives and views on how they may be addressed. The group accordingly actively sought the opinions of as many knowledgeable persons as was possible within the time-frame of the study. The group has attempted to reconcile a number of different viewpoints in making its recommendations. The result, we believe, are a coherent set of recommended reforms, whose implementation may be feasible within the constraints of our democratic political system and governmental structure, and yet help realize in significant measure, the overarching objective of greater professionalism.

The group was tasked, in respect of its mandate, to cover all Group A services

of the Government of India. Given the time available, it has been possible to cover the three All-India Services only, i.e. the Indian Administrative Service (IAS), the Indian Police Service (IPS), and the Indian Forest Service (IFoS). However, the group feels that the approach and recommendations of the group would broadly apply to all other Group A (non-technical) services. Divergences, as may be necessary to accommodate the specific characteristics of these services may be identified by a separate exercise. The group is also aware that significant detailing work would be necessary before the recommendations can be embodied in the relevant rules, regulations, and guidelines.

We hope that this work would help in some tangible way in restructuring the Civil Services to contribute to the realization of good governance and economic reforms in the country.

On behalf of the Group, I would like to thank the Honourable Prime Minister, the Cabinet Secretary and the Department of Personnel & Training, for giving us an opportunity to deliberate on an extremely important issue relating to the career management of the senior most civil servants in the country. Given the rapid changes taking place in the area of public management, the need for having an extremely efficient and competent group of civil servants cannot be understated.

We would like to thank all those who have responded to our request for suggestions and sent valuable contributions. The Group benefited immensely from the views that it received from a wide cross-section of people. We would particularly like to thank all those who spared their time to meet the Group and give us their ideas. In particular, we would like to thank the Government of Andhra Pradesh, who hosted the Group during its visit to the State. We would also like to thank the Director of the LBSNAA and all its faculty members and staff for the excellent arrangements made during the meetings of the Group at the LBSNAA.

The Group would like to place on record the valuable assistance provided by the Department of Personnel & Training, the Ministry of Home Affairs and the Ministry of Environment and Forests in nominating senior officers to liaise with the group for providing information in respect of the All India Services.

We would like to thank the staff of the Training Division of the DOP&T as well as the ISTM, who facilitated all the meetings of the Group in the Training Division. In particular, we would like to place on record the immense support and assistance provided by Shri K.S. Saha, Deputy Secretary, without whom the meetings could not have been organised as efficiently as they were.

Finally, I would like to thank the members of the group for all the time they have spared in making the deliberations so meaningful and enlightening. The fact that the group met over 40 times and yet almost every meeting was fully attended is testimony to the time devoted to this extremely important task by all the members.

The Department of Personnel & Training (DoPT) constituted a group, in December 2002, under the Chairmanship of Lt. Gen. (Retd.) Surinder Nath, former Chairman of the UPSC, to review and make recommendations with regard to the

present systems of performance appraisal, promotions and lateral movement in respect of the All India Services and other Group A services. The terms of reference of the Group were as follows:

Executive Summary

To comprehensively review the present system of recording Annual Confidential Reports so as to bring greater transparency and efficiency in order to motivate good officers.

To develop a system of recording of ACRs so that better performance or lack of performance gets properly and fairly reflected. There is need to bring about a culture where a superior officer does not hesitate in recording the weakness in an officer merely due to the possible 'risk' of having to convey adverse remarks and subsequently respond to the representation received against adverse entries.

To evolve a new system for performance appraisal after looking at practices being followed elsewhere, particularly in the Defense Services, some of the leading corporate houses, some multi-lateral organizations as well as the civil services of some other countries.

To make recommendations/suggestions for a performance appraisal system for the All India Services and subsequently, for the Group 'A' Central Services.

To review the present system of promotion of All India Services and other Group 'A' officers, at the level of Joint Secretary, Additional Secretary and Secretary to Govt. of India (and their equivalents), to ensure greater transparency, objectivity, and a more clearly defined linkage with the performance appraisal system.

To make recommendations for establishing a more clearly defined linkage between the performance appraisal system and the background and 7 experience of officers at these levels, and their lateral movement, in respect of All India Service, and other Group 'A' Services.

2. Given the short time available, the Group focused attention on the All India Services. While the recommendations of the Group would broadly apply to all the other Group 'A' services, a separate detailed exercise would be necessary to factor in the individual service characteristics.

3. The recommendations of the Group are in two parts, the first relating to the system of performance appraisal and the second to promotions and placement (including empanelment and posting) in the Central Government, under the Central Staffing Scheme.

Performance Appraisal System Objectives Given the rapidly evolving challenges of public management, the present 4. objectives of performance appraisal need to be widened and deepened to respond to the emerging needs of governance. In this context, performance appraisal cannot serve only as a tool to assess suitability for vertical movement, but should be primarily used for the overall development of an officer, and for his placement in an area where his abilities and potential can be used to best advantage. There is, thus, a need for a paradigm shift in the philosophy of appraisal and the objectives should be the following:

0 To make an assessment of the officer's professional capabilities, with a view to determining capacity building needs and suitability for particular areas of responsibility/assignments. (Training and Placement Function)

0 To counsel the officer on directions for improving performance, professional capabilities, and conduct with peers, juniors, elected representatives, and the general public (Feedback and Counseling function)

To be a tool for developing a work plan for the year (Planning of work function)

To make an objective assessment of the officer's performance in the current assignment, including performance in training, study courses and deputation outside the government, based on monitor able inputs, relative to his/hers peers, with a view to determining suitability for higher responsibilities and special assignments. (Promotion Function)

0 To identify genuinely exceptional work accomplished, including innovations, with a view to giving due recognition (Recognition function)

0 To enable officers to identify systemic shortcomings in the organization with a view to improving governance standards (Strengthening Governance Function)

(see para 4.17)

5. At the beginning of each year, each appraisee and his reporting officer would prepare a work plan for the coming year, setting forth the key tasks to be accomplished in order of priority, the specific deliverables for each task (in quantitative financial or qualitative terms) and the key assumptions made in arriving at the plan. This work plan would be updated at mid year, to take account of changed circumstances, if any. The initial and mid-year work plans would be filed with the review officer.

(see para 4.12.10)

Better monitoring and scrutiny through computerization

6. A delay in recording appraisal reports is a major weakness in the current system. In order to have such an effective system of monitoring, it is, first of all, important to assign overall responsibility for monitoring and maintenance of the performance appraisal dossiers to one agency. It is recommended that the monitoring function be assigned to the respective cadre controlling authority. In respect of the All India Services this may be assigned to the cadre controlling

authority in the Central Government, who, in turn, would work through the cadre controlling departments in the State Governments.

7. The agency assigned the responsibility of monitoring the timely writing of annual performance reports should then put in place a computerized system for more effective monitoring. Computerization would be useful for the following purposes:

9 0 Monitoring the timely writing of the appraisal report by the appropriate Reporting and Reviewing Officers.

Facilitating the development of a master data sheet (MDS), which could be used by any promotion screening committees, for various personnel actions.

0 Providing assistance to promotion/empanelment committees in accounting for systematic variations in grading standards across different State cadres of the same service, and identifying inconsistencies between overall grades and grades for individual attributes.

Aggregating numerical scores on the basis of frequency distribution or fuzzy set analysis.

0 Drawing panels/shortlist of officers for specific assignment training programs.

Maintaining an effective database of officers, that can be tapped for various purposes.

(see para 5.2)

Staggering cut off dates

Another useful method of ensuring that the PARS are written in time is to 8. require higher levels to certify that they have initiated the reports in respect of their subordinates, while submitting their own self-appraisals. To facilitate this, staggering cut off dates for report writing at different levels should be introduced. While the period of report may remain the same, i.e., 1st April to 31st March, the cut-off dates by which the different stages of the performance appraisal system should be completed could be staggered. The Group has suggested a calendar of the cut-off dates. (see para 5.3)

Need for greater openness

9. Three issues are salient in this context: (i) to disclose or not to disclose (any part of) the PAR, and if disclosure is preferred; (ii) to disclose "everything but the overall grade" or "everything including the overall grade"; and (iii) stage at which disclosure should be made.

10. The Group, after weighing the pros and cons of the various options, favors disclosure of the entire PAR, including the overall grade. The disclosure should only be after review by the Reviewing Officer.

11. The appraisee may be given the option to give his comments on the PAR, which may, however, be restricted to the specific factual observations made by the Reporting and Reviewing Officers. In case the appraisee submits any comments, it would be open to the reporting and reviewing officers to accept the comments of the appraisee and modify the PAR accordingly. In case they do not accept the representation of the appraisee, the same, along with the entire report (and the comments by the Reporting and Reviewing Officers, if any), may be placed before a

designated "Referral Board" who would consider the matter and make any changes, as considered necessary in any part of the PAR, including the overall grading.

Numerical Grading

(see para 5.5)

12. A system of numerical grading may be introduced for evaluating the work output, the personal attributes, the functional competencies and the overall assessment. These may be done on a 1-10 scale, with 1 referring to the poorest grade and 10 to the highest.

State of Health

(see para 5.7)

13. In order to ensure that health/physical fitness aspects are given due consideration in making placements, it is necessary that information on the state of health should be provided by a formal medical examination, (rather than non-professional impressions by the Reporting Officer). Accordingly, a comprehensive health check up, at least once in two years, should be insisted upon. A summary of the medical report, should be placed in the PAR dossier.

"360 degree" reporting

14.

performance and qualities by peers, subordinates and clients (termed 360 degree assessments). The group considered that it would be useful to supplement the (see para 5.10)

As yet there is no established modality for evaluation of an officer's

11 formal PAR regime with an institutionalized means of ascertaining the reputations of civil servants, consistent with our culture and ethos. Accordingly, each cadre controlling authority may, at its discretion, set up a "Eminent Persons Group" (EPG) whose names would be kept strictly confidential), i.e. persons of acknowledged character and wisdom who clearly do not (no longer) have any personal stakes in the civil service career of anyone in particular. The EPG may, through appropriate means (e.g. discreet personal enquiries or more structured surveys) ascertain from a range of peers, juniors, and clients (e.g. public representatives, media persons, NGO functionaries, business persons, etc.), the reputation (in respect of financial and moral integrity), professional competence, attitudes, and personal qualities of each civil servant of the concerned cadre once every five years, starting from the 1st year of service. It would set out their findings in a confidential report to the concerned cadre controlling authority. This information may be compiled separately from the PAR dossier, and may be useful in the following contexts, besides others:

(i)

(ii)

(iii)

Personal Dossier

15. The cadre controlling authority should maintain a comprehensive personal dossier on each officer, which should comprise of the following documents:

0 A Curriculum Vitae of the officer, to be updated by means of the annual

PAR and a five yearly CV update submitted by the appraisee.

0 The set of PARS earned in service throughout one's career.

Placements to sensitive or special appointments.

Counseling officers at 20 years of service or 50 years, whichever is earlier, regarding the advisability of their accepting VRS. Confidential counseling of officers regarding their attitudes or conduct (e.g. with respect to juniors or public representatives), or activities that have a bearing on moral or financial integrity, so that they may remedy themselves.

(see para 5.12)

12 16.

Structure of the PAR:

17.

performed would apply for all levels equivalent to that of the Chief Secretary (in the case of IAS)/ Director General of Police (in the case of IPS)/ Principal CCF (in the case of IFoS). For the remaining levels there would be a second proforma. The recommended performed are included in the report.

18.

comprise of the following four sections:

Only 2 sets of performed may be used for the All-India Services. One

The set of PARS (or similar appraisal) earned by the officer on deputation on foreign service to organizations outside the Indian governmental system.

0 The set of records of performance from the concerned institution during training and academic courses attended, including while on Study Leave.

Reports of biennial medical check ups

The Curriculum Vitae may comprise of the following sections:

Section I: Personal Data

0 Section II: Academic and Professional Qualifications

Section III: Professional Publications Record:

0 Section IV: Work Experience (Job content of position held):

0 Section V: Exceptional work accomplished/ Recognitions earned and reprimands/ strictures/ penalties received

(see paras 6.3,6.4 & 6.5)

1 Basic information

Self appraisal

Appraisal

Review

13 Section II would require the appraise to indicate his achievements against the pre-set work plan as well as achievements against unforeseen tasks during the year. He would be required to identify and comment on any one significant contribution made by him in some detail. He would also be required to indicate his training and skill upgradation needs.

Section, III WOJIC require an assessment of his work output as well as a series of (see para 6.6)

21. At junior levels, when officers are in the formative years of their service careers, they should be guided, counseled and trained so as to help them realize their potential. Promotions should be assured to them, subject to generally

satisfactory and may be on a time-scale basis. However, as the officer grows in service and is to be considered for positions dealing with policy and program implementation, there should be deep selection and only those who can demonstrate a creditable record of actual Performance, and possess the necessary knowledge and skills required for higher responsibilities, should be promoted. Promotion norms should be stringent and the process of promotions based on merit and competition rather than on simple attainment of a-priori benchmarks.

22. Another consideration in redesigning the promotions system is that officers must be evaluated not only on their performance in the feeder (lower) positions, but also in respect of their level of preparation by way of acquiring the necessary skills and knowledge for the higher level positions.

The Group addressed the following issues: 23.

1. The composition of the Screening Committee - it should be in a position to resist pressures to promote certain favored candidates who otherwise lack merit.

2. Models for the promotion process.

Composition of the Screening Committee in States

24. With a view to enhancing the credibility and impartiality of the Screening Committee, involvement of a senior officer from outside the State cadre is recommended. The composition of the Screening Committee may, therefore, be the following:

Chief Secretary Super Time Scale

Recommended composition-

Chief Secretary

Two Principal Secretaries or Officer of the rank of Principal Secretary or of the State higher, of the relevant service, serving in the state

Grade One senior most officer Senior most Officer other than the Chief Secretary, of the service concerned and

serving in the state, being himself at least in 1 working

Chief Secretary

in the grades

25. Two models may be considered for the process of promotions to the super-time scale and above. Both models are based on the principle of merit cum seniority, with the zone of consideration taken as $(1.5n + 2)$ officers, rounded off to the next higher integer (n = number of anticipated vacancies). The difference between the two models lies in the assessment parameters and basis for evaluation, as explained below:

Satisfactory completion of all the required training programs (including approved substitutes) for the higher positions Evaluation of performance appraisal reports of the last 10 years, which should be moderated to ensure consistency between': (see para 9.8)

16

Model A

In this model the criteria and process for selection for the higher positions may be the following:

0

1 Necessary adjustments may be made by the Screening Committee where the PARs are not in a consistent format, for example, the transition years during which ACRs (old format) and PARs (new format) are to be evaluated, or alternatively, the PARs relate to agencies outside the Indian governmental system. Adjustments may also be necessary where systematic biases in evaluations are noticed between different State cadres, or where a single Reporting Reviewing officer has furnished the PAR of a particular officer an unusually large number of times. (para 9.9.3)

Model - 6

In this model, a greater emphasis is placed on acquisition of necessary skills and experience for the higher positions than in the case of Model A. The following evaluation criteria, with corresponding weight for each, may be adopted:

An evaluation of the officer from his performance appraisal reports (including performance in positions outside the Indian Governmental

1. The overall grading secured
2. The assessment against work performance
3. The assessment against different attributes
4. The pen picture of the officer

The evaluation of the PARs should yield a single score on a 10 point scale (the higher the better) for each candidate officer. This may be the mode or preferably the median, but not the average, of the moderated scores, as evaluated above.

0 Officers may be identified for selection, starting with the officers attaining the highest score, and moving down, until the number of anticipated vacancies is (just) reached.

The merit list of officers may then be arranged in their order of inter-se seniority for promotions in turn against vacancies.

The cases of such officers who are not included in the merit list in a given year may be reconsidered after a period of two years, i.e. after two more annual PARs have been added to their dossiers, and they have qualified in the required career courses (if not done earlier). The case of each officer may be considered three times in all (once as a fresh case and twice under reconsideration). After three unsuccessful attempts, the officer need not be considered for promotion any further. (For promotions to the grade of Chief Secretary in the States cases would be reconsidered in each subsequent year, i.e. after one year's PAR has been added to their dossier.

1.

system) for the last 10 years - weight of 50%

2. "Richness of work experience", as determined from his entire service record - weight of 20%

17 3. Evaluation of significant achievements or failures ("critical events") in his entire service period - weight of 5%

4. Acquisition of formal professional skills for the higher positions - weight of 25%

The evaluation from the performance appraisal reports would primarily be an assessment made from his overall grades and the ratings against the work output, different attributes, remarks from the pen picture, etc. as for Model A. The richness of work experience would be an assessment of the job content of his previous assignments that would contribute towards his ability to perform in the higher position by way of experience based skills and knowledge. This would involve the substance of job content (i.e. discounting for purely staff jobs, enhanced weightage to substantive field or secretariat positions), sufficient but not excessive diversity of job content (i.e. avoidance of long-periods spent in a single sector or type of position, or insufficient time spent in a large number of different sectors), as well as sufficient focus on particular sectors (e.g. education, tribal welfare, public finance [IAS]), or roles (e.g. crime detection, intelligence, security [IPS]; management [IFoS]). The significant achievements or failures ("critical events") would primarily relate to out-of-the-ordinary positive or negative achievements, which may also have been recognized through rewards or penalties from the relevant authorities or agencies.² The assessment of skills for the higher assignments would be based on his successful efforts at improving his relevant formal professional qualifications, including career training other relevant programs, including those pursued during study leave, and his portfolio of published research, all of which would be reflected in his CV. Actual performance in these efforts and not simply the fact of successful completion, would be taken into account. The weights proposed for the different criteria of evaluating merit reflect equal consideration to performance in the lower grade and extent of preparation for higher level responsibilities. 75% of the total weight arises from information available in the PARs. Generally, not invariably, these would be available in the PARs. Some exceptional achievements may not

relate strictly to one's official work, for example outstanding and

18 As in case of Model A, officers who are not selected in the first attempt, may be re-considered upto twice more, provided that they have earned at least two year's PARS in the interim for super-time and Principal Secretary scales, and at least one year's PAR for higher levels and enhanced their relevant formal qualifications.

26. the different All India Services may be as follows:

28. There is no benefit in retaining in service officers who lack demonstrated competence, or who are unqualified, or of doubtful moral or financial integrity or who are in unacceptably poor health. It is accordingly, important that an effective system of screening such officers be put in place. Provisions already exist for the (see paras 9.9.4, 9.9.5 13 9.9.6)

The models that may be adopted at the different functional levels in respect of
27. The proposed system cannot be introduced immediately, as time would have to be given for officers to take necessary action to upgrade their skills and for the requisite training programs to be put in place. Hence, in all cases where Model A is to be adopted for promotions, a period of three years may be allowed before the new

system is implemented. Where, Model B is to be used, a phased process of implementation may be introduced so that officers may have reasonable time to prepare for the new system. A graduated weightage for different aspects, during this transition period, has been recommended.

(see para 9.10)

19 compulsory retirement of those who have completed 50 years of age or 30 years of service³. However, this provision has not been adequately utilized so far.

29. In order to implement the system, a Standing Committee may be set up under the Cabinet Secretary, which should, by a given date each year, review the records of all officers who have reached the age of 50 years, or have completed 20 (twenty) years of service. These records would comprise the Performance Appraisal Reports, report of performance in specified career courses, results of vigilance enquiries, in person urn court proceedings, and disciplinary proceedings faced by the officer in higher career. It would also include a statement of pending proceedings in each of these categories.

The following norms may be adopted for identifying the officers to be 30. screened out:

1. An officer who has failed to make the select list for promotion to the next higher grade 3 times.
2. An officer who has encountered 3 proceedings resulting from vigilance enquiries (i.e. major disciplinary proceeding, or criminal proceeding in court) in respect of alleged lapses of moral or financial integrity in the course of higher career, even if the officer is cleared on completion of the proceedings in each of these, may be screened out as lack of moral or financial integrity would be considered as "highly probable" in his case.
3. An officer who has failed 3 times to qualify in the requisite career course(s) for his next promotion.
4. An officer who is permanently medically unfit to perform the normal duties of the service, as revealed from the biennial medical examination

31. Officers screened out should be informed of the fact and advised that they may, if they wish, avail of a voluntary separation package (as already available to surplus staff). If they choose to remain in service, their cadre controlling authorities would be advised of the findings of the Standing Committee, so that the same may be appropriately taken into account in planning future postings of the officer.

2 As provided under FR 56jj) and Rule 16(3) of All India Services (Death-cum-Retirement Benefits) Rules, 1958

20 32. A second review may be carried out after a further period of five years, i.e. after the officer has completed 25 years of service or 55 years of age. If the performance of the officer does not show any marked improvement and the chances of further career advancement continue to be dim, the available provisions for compulsory retirement should be invoked.

(see para 9.11)

Career Courses

The job profile of an AIS officer undergoes significant change as the officer 33. moves from program implementation levels in the first few years of his career to program formulation and policy making levels in subsequent years. It is, therefore,

essential that all services must specify career training programs, which would equip an officer with the necessary skills for positions likely to be held in the next 9-10 years. Accordingly compulsory training programs at suitably timed in-service levels would be necessary so that the performance in these programs could be taken into account for the next promotion.

34. These career-training programs would need to be more rigorous and of greater duration than the one/two week programs currently being offered to IAS officers. Performance in these programs must be evaluated in terms of the norms followed for professional training programs.

(see para 9.12)

Empanelment and Placements in the Government of India

Domain Assignment

35. Assigning particular domains to officers is a key step in accomplishing this objective. The following 11 domains may be adopted for assignment to officers for selection to Central Staffing Scheme posts:

1. Agriculture and rural development
2. Social sectors (Education, Health, Tribal Welfare, etc.)
3. Culture and Information
4. Natural Resource Management including Environment (green side).
5. Energy and Environment (brown side)
6. Communication systems and Connectivity Infrastructure
7. Public Finance and Financial management
8. Industry and Trade
9. Domestic Affairs and Defense
10. Housing and Urban Affairs
11. Personnel and General Administration, Governance Reform and Regulatory systems

Officers may be assigned to a maximum of three domains out of the eleven given above.

(see para 10.2)

36. The assignment of Domains may be part of the empanelment process at JWAS levels, which would identify officers for posting to the GoI at levels of JS and above. Officers empanelled as Secretaries to GoI may carry their Domain assignments at the AS level empanelment, unless there is a significant change in their qualifications or work experience at the AS level. Officers due for consideration for empanelment may submit a write-up (not more than 1000 words), summarizing their experience, academic background, training courses undergone, research accomplishments, recognitions relevant to the Domain areas, and significant achievements during their career relevant to these areas. These write-ups may be scrutinized by the Empanelment Committee which may be assisted by several eminent academics/experts in the respective fields for evaluation of work experience, academic and training courses undergone, research accomplished, etc. The Committee would evaluate the claims of the officers to specific Domains, which may be accepted or denied. (see para 10.3)

Empanelment

37. Since empanelment is a select list of those who have already been promoted

in their respective cadres, for manning positions of great responsibility, the criteria for empanelment have to be more stringent than that for promotion. Accordingly, the following recommendations are made:

22 1. The output of the empanelment process would be a list of officers found suitable for selection to specific positions under the Central Staffing Scheme, together with their respective Domain assignments. All empanelled officers must be informed of the fact of their empanelment, including Domain assignment.

2. Individual batches may be taken up sequentially along with those from previous batches who are due for review. Thus, there would be a fresh batch to be considered each year and some review batches. Cases of such officers who are not empanelled when their batch is taken up for consideration on the first occasion, may be reviewed up to twice more. Before each review, for the Joint Secretary's level, an officer should have earned two more annual PARS and for higher levels one more annual PAR. .

3. A norm of empanelling not more than 50% of the officers of the fresh batch, for the Joint Secretary level, should be adopted. All the non-empanelled officers of the review batches, who secure higher overall scores in the evaluation, compared to the last empanelled officer of the fresh batch, may also be empanelled. Thus, the percentage of empanelment within a batch may go over 50% after the review stage. The percentage of officers of the fresh batch empanelled at higher levels would be lower, and would need to be worked out on the basis of the likely vacancies as well as a cushion to allow meaningful selection for particular positions depending upon skills and background.

4. In awarding scores to each officer for empanelment at all levels, the formulation suggested in Model B for promotions may be adopted, with the same transition provisions, except that the zone of consideration would not be $(1.5n + 2)$, but the entire batch and review cases from previous batches.

5. The UPSC should be involved in the empanelment process and should include an interview. The interview would validate the claims of skills for the higher position, and would not be a personality test.

6. The empanelment committee should be chaired by the Chairman/ member of the UPSC and should include at least two eminent professionals and other suitable senior officers as may be agreed between the Cabinet Secretary and Chairman of the UPSC.

23 7. The exercise of domain assignment should be done first and then followed by evaluating suitability for higher positions (both being components of the empanelment process). The domain assignment when the officer was first considered for empanelment may hold at the review stage also, unless the officer has made a specific request for reassignment of the domain.

8. The approval of ACC should be obtained for the entire output of the empanelment process, i.e., suitability for the higher positions and Domain assignment.

(see para 10.4)

Placement

For selection to particular positions under the Central Staffing Scheme, at the 38. level of Joint Secretary and above, the following procedure may be adopted:

Step 1: Notification of vacancies likely to arise in the course of the forthcoming year

Step 2: Identifying the relevant Domain Competency and job requirements for each post

Step 3: Publication of the list of vacancies and invitation of interest from prospective candidate officers of up to 3 specific positions

Step 4: Generation of long-lists for each position, on the basis of interests expressed and the assigned domains

Step 5: Generation of Short-Lists by the CSB by matching the requirements of the position with the specific backgrounds and experience of the officer

Step 6: Final Selection for the post by the ACC
(see para 10.6)

1.3 The final terms of reference were as follows:

Training (DoPT) constituted a group, under the Chairmanship of Lt. Gen. (Retd.) Surinder Nath, to review and make recommendations with regard to the present systems of performance appraisal, promotions and lateral movement in respect of the All India Services and Group A services. The composition of the Group Group was as follows:

I Introduction & Methodology Adopted

On the directions of the Cabinet Secretariat, the Department of Personnel & The terms of reference were first notified by the DoPT on December 19th, To comprehensively review the present system of recording Annual Confidential Reports so as to bring greater transparency and efficiency in order to motivate good officers.

To develop a system of recording of ACRs so that better performance or lack of performance gets properly and fairly reflected. There is need to bring about a culture where a superior officer does not hesitate in recording the weakness in an officer merely due to the possible 'risk' of

1.4 The Group held its first meeting on the 26th of December, 2002 and has since met 43 times.

1.5 The Group had several meetings with representatives of the cadre controlling authorities of the three All India Services. It also met several officers from the All India Services to elicit their views and suggestions. Letters were sent to all the State Chief Secretaries and Secretaries of the Ministries in the Govt. of India for their views. A set of reminders was also sent to those who did not respond.

1.6 Given the short time available, the Group focused attention on the All India Services. The Group felt that within the time available it would not be possible to make specific suggestions with regard to all the Group 'A' services. While the recommendations of the Group would broadly apply to all the other Group 'A' services, a separate detailed exercise would be necessary to factor in their individual service characteristics. having to convey adverse remarks and subsequently respond to the representation received against adverse entries.

To evolve a new system for performance appraisal after looking practices being followed elsewhere, particularly in the Defence Services, some of the leading corporate houses, some multi-lateral organizations as well as the civil services of some other countries.

To make recommendations suggestions for a performance appraisal system for the All India Services and subsequently, for the Group ' A Central Services.

To review the present system of promotion of All India Services and other Group 'A' officers, at the level of Joint Secretary, Additional Secretary and Secretary to Govt. of India (and their equivalents), to ensure greater transparency, objectivity, and a more clearly defined linkage with the performance appraisal system.

To make recommendations for establishing a more clearly defined linkage between the performance appraisal system and the background and experience of officers at these levels, and their lateral movement, in respect of All India Service, and other Group ' A Services.

26 1.7 The Group also visited Hyderabad where it met the Chief Secretary and other Officers of the State of Andhra Pradesh. A presentation was made on behalf of the IPS by the National Police Academy. The Group also met the Hon'ble Finance Minister of Andhra Pradesh. Members of the IAS, IPS and IFoS associations, as also officers from the IA&AS, IRAS, etc. met the Group in Hyderabad.

1.8 The Group visited the LBSNAA and interacted with the faculty. At New Delhi, the Group met a number of senior officers, including the Chairman of the UPSC and the Cabinet Secretary, from whom extremely useful suggestions were received. The Group was given a presentation on the system prevailing in the armed forces by the Military Secretary's branch. A list of persons met by the Group met is at annex - 4.

1.9 The Group also invited suggestions from members of the services. A web site was set up, highlighting the issues being considered by the group. Views were invited over the web site as well as by letters to all State Chief Secretaries and Secretaries to the Government of India.

1 .10 The Group also took note of the comments received from some of the State Governments on the N.C. Saxena committee report that had been constituted in 1999.

1.1 1 A summary of major received by the Group along with its views on each, is at Annex 5.

1 .I 2 The Group collected material on the prevailing performance appraisal system in several organizations, including some corporate houses, international agencies, and civil services of a few other countries. A list of such organizations is at Annex 6. In making its recommendations, the Group drew important lessons from the practices followed in each of these agencies.

1.13 The Group first went into the system of performance appraisal. It studied the present system of appraisal and based on the comments received as well the experience of its own members, identified its strengths and weaknesses. It also identified several issues that needed to be addressed in making its recommendations. The Group has tried to deal comprehensively with the identified weaknesses of the present system, without diluting its existing strengths.

27 1.14 Thereafter, the Group went into the issues of promotion, and placements, including empanelment and selection for particular positions under the Central Staffing Scheme. It again identified the weaknesses of the present system and tried to evolve an approach that would best meet the needs of public management in the present context, while providing signals to officers that both actual performance and enhancement of relevant skills would count. In doing so, it drew on lessons from the practices followed in the civil services of some other countries and multilateral agencies.

1 .I 5 Part I of the report, comprising of Chapters 2 to 6 deals with the performance appraisal system. Chapter 2 gives the salient features of the existing system and also highlights when and how it was introduced. In Chapter 3, the strengths and weaknesses of the current system have been presented. Also highlighted in this chapter are the specific issues that the Group dealt with in addressing these issues. Chapter 4 contains the recommendations of the Group with regard to the purposes for which the performance appraisal could be used. Chapter 5 contains recommendations with regard to other issues. Chapter 6 presents the format that the Group recommends for adoption as also the associated guidelines.

1.16 Part I of the report, comprising Chapters 7 to 10, deal with the terms of reference relating to promotions and lateral movement (placement). Chapter 7 describes the present system and Chapter 8 presents the strengths and weaknesses as identified by the group. Chapter 9 contains recommendations on promotions and empanelment, whereas Chapter 10 contains the recommendations with regard to selections for particular positions under the Central Staffing Scheme.

1 .I7 This is followed by the annexes referred to in the main body of the report.

28 Part I - Performance Appraisal 2. The Present System

2.1 Present system of writing Annual Confidential Reports (ACRs), for the All India Services, is governed by the All India Services (Confidential Roll) Rules 1970. These rules provide that a confidential report, assessing the "performance, character, conduct and qualities of every member of the service shall be written for each financial year, or calendar year, as may be specified by the Government". They also provide that the confidential report shall be written by the reporting authority "in such form as may be specified by the Central Government."

2.2 The ACR format has undergone several changes over the years. Till 1985, a single form was prescribed for writing the reports of the IAS officers at all levels. This was a simple two page form requiring only a general assessment by the Reporting Officer and a validation of these remarks by the Reviewing Officer. The only other requirements were a comment on the "State of Health", attitude towards weaker sections, and integrity. All other traits and qualities were to be covered in a descriptive general assessment. There was no requirement of an overall wading, but the Reviewing Officer was required to indicate whether or not the appraise was "fit", "not yet fit", or "unfit" for promotion. The Reviewing Officer was also required to indicate whether the officer had qualities justifying special selection for higher appointment out of turn.

2.3 The performance appraisal is required to be done for each financial year and only an officer who has supervised the performance of an appraise for a period of at least 90 days is eligible to give his appraisal. The appraisal is entirely confidential, with the exception that "adverse remarks", if any, are required to be conveyed to the

appraise by the Department of Personnel, giving him an opportunity to represent against such remarks to the cadre controlling authority (i.e. the Government). If his representation is (partly) accepted, the adverse remarks are (modified) expunged.

The following are the major changes made in 1985:

Separate preformed was introduced for three levels, i.e. one for all levels upto the supertime scale; second, for the supertime scale; and third, for officers above the supertime scale.

30 0 Quantifiable targets were required to be set at the beginning of the year, jointly by the Reporting Officer and the appraise (except for the above super time level).

A self appraisal was required from the appraise (except for the above supertime level).

0 Upto the supertime level, appraises were to be reported upon on eight diverse attributes. Those with more than 12 years of service were to be appraised on four additional attributes. At the supertime level the appraise was assessed on a different set of 10 attributes.

0 An overall grade had to be recorded by the reporting officer and validated (or altered) by the Reviewing Officer and Accepting Authority.

0 While the broad structure of the preformed was the same for the IPS and IFoS, as for the IAS, there were differences with regard to the specific attributes evaluated, given the differences in the nature of the work of the IPS and IFoS in relation to the IAS.

2.4 The system of appraisal, including the preformed, introduced in 1985 have remained more or less unchanged since then. They were last studied by a committee constituted under the chairmanship of Dr N.C. Saxena, which made the following major recommendations:

0 There should be only two sets of forms, with one being applicable for officers up to and including those in the super-time scale and the other applicable to officers in the grade of Additional Secretary to Go1 or Principal Secretary to a State Government.

0 The self appraisal by the appraise should be in a highly simplified format where the officer is only required to indicate the highlights of the work done by him. In addition he should be required to indicate when he submitted his last immovable property return and whether he is submitting his self assessment in time. In case of delay in submitting the self assessment, he is required to give reasons.

0 In the event of any adverse remark being expunged, the overall grade should also be expunged and the assessing authorities should make an

31 0

0

2.5 The recommendations of the N.C. Saxena Committee have not been implemented as it was felt by the Go1 that the systems prevailing in other countries also need to be studied.

independent assessment of the overall grade by taking into account the remaining portions of the appraisal.

The appraisal by the reporting officer is also to be in a highly simplified

format and may include only an assessment of the appraiser's performance with regard to his duties and responsibilities and a general assessment of his job relevant attributes. In addition, the reporting officer is required to indicate if the report is being submitted in time and, if not, record reasons for the delay.

There should be a separate section in which the appraisee could record his training needs. With the comments of the reporting officer, this section should be sent to the Training Division of the Opt.

The Joint Secretary (Administration) in the Ministries of the Government of India and the Secretary (Personnel) in the State governments should be made responsible for the timely completion of the ACRs.

A statutory time limit of 6 months may be considered for disposal of all representations against adverse remarks.

No report needs to be written in respect of Secretaries to Government of India.

3.2.3. Strengths and Weaknesses of the Current System of Performance Appraisal

3.1 Based on feedback received during its meetings with several officers, the responses received through letters, e-mail, and over the web, as well as from the experience of its own members, the Group identified the following strengths in the present practice of performance appraisal:

The system had been tried and tested over several years and everyone was familiar with it.

0 It did encourage a certain degree of consciousness of the need to pre-set one's annual work plan.

0 Being co-terminus with the financial year, it permitted work plans to be drawn up for a financial year.

0 It encouraged a certain degree of discipline in the system and a sense of respect for authority and the chain of command.

Unfortunately, however, several weaknesses existed in the original design of 3.2 the system and Others crept in over the years. These are:

0 Since the system is non-transparent, except in respect of communicating "adverse" entries, it does not give feedback to officers about their areas of strength and potential. It also does not motivate officers through recognition of good work accomplished.

0 The monitoring system for the timely writing of the reports is extremely weak. As a result there is considerable delay in the writing of annual reports, even though there are instructions specifying cut off dates for different stages in the reporting process. The delays often go undetected till promotions become due. In many cases, reports of several years are written together, thus eroding the objectivity of the assessment. Besides, the evaluations of Reviewing Officers and Accepting Authorities are often not available on account of their having demitted office, in which case the reports are deprived of valuable inputs.

There is generally no report on officers who are on deputation outside the governmental system, even though existing instructions require reports to

be written for such periods also. Besides, performance in training study courses is not taken into account, even though officers often attend such courses at a substantial cost to the government and, in any case, on government time.

There is an acute problem of grade inflation, with a very large proportion of the officers being graded as "very good" or "outstanding". Under a normal distribution curve, the most frequent grading should be in the "good" category whereas, in actual practice the distribution is skewed towards the "Very Good" and "Outstanding" categories. This is largely due to the tendency of maintaining a Group of subordinates in good humor (referred to as "the happy family syndrome"). This makes it very difficult to identify the really outstanding officers and reward them suitably or weed out the incompetent. As a result, almost all officers get promoted and a high proportion of officers also get empanelled for holding very responsible positions in the Government of India.

Adverse remarks are rarely given due to the hassles of having to defend such remarks subsequently. Even advisory remarks are not recorded for fear that they would be construed as adverse remarks and will need to be subsequently defended.

Although the present system requires an annual set of quantifiable targets to be agreed upon in advance between the appraisee and his supervisor, this is rarely done. In most cases the annual targets are decided at the end of the year, after the achievements are already known. As a result, evaluation of performance is not based on monitorable inputs.

There is little moderation for differing standards of assessment of different assessors and personal likes and dislikes tend to intervene.

There is no clear linkage between evaluation against individual parameters and the overall grading. Implicit weights for different attributes are subjective and variable.

In light of these perceived strengths and weaknesses, the Group decided to address the following issues:

There is no focus on exceptional work accomplished or manifestly revealed incompetence (e.g. in crisis situations). There is also no provision for innovation and creativity.

There is no provision for feedback from juniors and peers on leadership, teamwork skills, behavioral and reputation aspects.

There is insufficient variance in the structure of the format across differing types of jobs, for example, field versus secretariat assignments, program implementation versus policy formulation assignments, etc.

There is virtually no evaluation of the core professional competency.

The current system of records management does not facilitate a trend (individual level) or macro (cadre level) analysis.

Objectives of Performance Appraisal

Need for greater openness

Better monitoring and scrutiny

The imperative of computerization

Staggering cut-off dates to enable higher levels to certify that they have reported on their subordinates before they submit their own report forms
Number of forms for different levels
Methods of correcting upward bias and insufficient variance in grading
Numerical vis-a-vis descriptive system of appraisal
The possibility of the review being done by a Board to enable better moderation of possible grade inflation degree reporting
As an instrument to identify training needs
Appraisal against monitor able inputs
35 4.2

4. Objectives of Performance Appraisal

4.1 The current objectives of the ACR system, as spelt out in the relevant rules guidelines applicable to different organizations studied by the group, vary considerably in wording but not too much in essence. For example, the objectives of performance appraisal in respect of the All India Services have been spelt out as follows:

1. "To provide basic and vital input for assessing the performance of an officer and for higher advancement in his/her career"
2. "To be use& as a tool for human resource development so that an officer realizes higher time potential"

Similarly, in the case of the Indian Army the objectives have been spelt out as follows:

1. "To have an objective assessment of an officer's competence, employability and potential, primarily for organizational requirements".

The objectives of the ACR system in the Indian Railways are:

counseling to him to improve his performance"
feedback and guidance for higher responsibilities"

In the Japanese Civil Services, performance appraisal has the following ability and suitability connected to their work"
performers "

4.3

1. "To assess the performance of the subordinate and provide guidance and
2. "To assess potential and to prepare an employee through appropriate
3. "To be a tool for human resource development"

4.4

objectives:

1. "To evaluate the standard of accomplishment of work, including character,
2. "To decide on promotion, transfer, change, special raise in salary"
3. "To help give recognition to good performers and to counsel under

36 A sampling of the objectives of performance appraisal, in case of some of the 4.5 other organizations studied by the group, is given at Annex 7.

4.6 Given the rapidly evolving challenges of public management, the Group felt that the present objectives of performance appraisal, especially for the All India Services, need to be widened and deepened to respond to the emerging needs of governance. In this context, performance appraisal cannot serve only to assess suitability for vertical movement, but should be primarily used for the overall development of an officer, and for his placement in an area where the most

advantage can be taken of his abilities and potential. The Group is of the view that performance appraisal should be constructive and advisory in nature, to be used as a tool for the development and career planning of the officer, as opposed to a simple judgmental exercise, which is largely the case at present. There is, thus, a need for a paradigm shift in the philosophy of appraisal. To distinguish the new system, we refer hereafter to the "performance appraisal report (dossier)" (PAR) in place of the "annual confidential report (dossier)" (ACR). The term "ACR" is hereafter employed only when the present, rather than the prospective system is being referred to. After detailed discussions the Group was of the view that the objectives of 4.7 performance appraisal of AIS and Group 'A' services should be the following:

- To make an assessment of the officer's professional capabilities, with a view to determining capacity building needs and suitability for particular areas of responsibility/assignments. (Training and Placement Function)
- To counsel the officer on directions for improving performance, professional capabilities, and conduct with peers, juniors, elected representatives, and the general public (Feedback and Counseling function)
- To be a tool for developing a work plan for the year (Planning of work function)
- To make an objective assessment of the officer's performance in the current assignment, including performance in training, study courses and deputation outside the government, based on monitor able inputs, relative 37 to higher peers, with a view to determining suitability for higher responsibilities and special assignments. (Promotion Function)
- To identify genuinely exceptional work accomplished, including innovations, with a view to giving due recognition (Recognition function)
- To enable officers to identify systemic shortcomings in the organization with a view to improving governance standards (Strengthening Governance Function).

The ways in which the performance appraisal system can perform each of the 4.8 above functions, except the promotion and placement functions, have been highlighted in the rest of this chapter. The ways in which it may be used for the promotion and placement functions are presented in the relevant chapters of Part In the State governments the ACR is rarely used, as an officer is better known through his general reputation.

There is insufficient variance in the structure of ACRs across differing types of jobs, (for example, field vs. secretariat assignments, program implementation vs. policy formulation assignments, etc.) There is considerable delay in the writing of ACRs, even though there are instructions regarding cut-off dates for this purpose. In many cases, ACRs of several years are written together. As a result, objectivity of the assessment is suspect and promotions often get delayed, Besides, the remarks of reviewing and accepting authorities are often not available on account of their having demitted office. This

is largely due to a weak monitoring mechanism.

There is no provision for feedback from juniors and peers on leadership, teamwork skills, behavioral and reputation aspects.

The present system of appraisal is not based on monitorable inputs (relationship to accomplishment of an agreed work plan). And without moderation for differing standards of assessment of different assessors (personal likes and dislikes intervene).

Adverse remarks are rarely given due to the hassles of having to defend such remarks subsequently.

In many cases the rating of officers is below the benchmark for promotion but since it was not adverse it was not communicated to the officer. Such cases have been challenged in the courts of law, who have held that such recording, in effect, worked adversely to an officer and should have been conveyed like an adverse entry.

There is no clear linkage between evaluation for individual parameters and overall grading (implicit weights for different attributes are subjective and variable).

There is insufficient variance in the structure of ACRs across differing types of jobs, (for example, field versus secretariat assignments, program implementation versus policy formulation assignments, etc.) In the State governments the ACR is rarely used, as an officer is better known through his general reputation.

There is no system for a trend (individual level) or macro (cadre level) analysis.

There is an acute problem of a very large proportion of the officers being graded as very good or outstanding. This makes it very difficult to identify the really outstanding officers.

ACRs of officers who are on deputation outside the governmental system are generally not available for the period of such deputation. Besides, performance in training study courses is not taken into account.

There is considerable delay in the writing of ACRs, even though there are instructions regarding cut off dates for this purpose. In many cases, ACRs of several years are written together. As a result, the objectivity of the assessment is suspect and promotions often get delayed. Besides, the remarks of reviewing and accepting authorities are often not available on account of their having demitted office. This is largely due to a weak monitoring mechanism.

Recognition ' * There is an acute problem of a very large proportion of the officers being graded as very good or outstanding. This makes it very difficult to identify the really outstanding officers.

There is no focus on exceptional work accomplished or manifestly revealed incompetence (e.g. in crisis situations). There is also no

provision for recognition of innovation and creativity.

Strengthening Governance Although there are enabling powers for screening non-performers at

the age of 50 (or after 20 years of service), the lack of clear norms for I such screening seems to constrain this activity.

Core professional competency is not evaluated adequately.

There is no system for a trend (individual level) or macro (cadre level) analysis.

' * There is no provision for feedback from juniors and peers on leadership, teamwork skills, behavioral and reputation aspects. There is no focus on exceptional work accomplished or manifestly revealed incompetence (e.g. in crisis situations). There is also no provision for recognition of innovation and creativity.

4.10 Training function

4.10.1 Every well-governed country needs a highly professional civil service to meet the needs of public policy formulation and public management. Several countries have recognized this need and have invested significant resources in upgrading the quality of their public service personnel. Given our myriad challenges of development, governance and changes in technology and the external environment, we cannot afford to lag behind. The performance appraisal system should, therefore, be an effective tool to identify gaps in an officer's capabilities, so that such gaps can be addressed through proper skill development.

4.10.2 In the current system, the ACR forms provide for a column in which the Reporting officer gives recommendations for training with a view to further improving the effectiveness and capabilities of an office, but only upto the selection grade and not beyond. Besides, there is no effective system of ensuring that officers are able to attend training programs to meet their identified skill gaps. Even in cases where officers attend long duration training programs (often abroad at high cost to the 40 government), many officers tend to take them lightly, since either there is no appraisal of performance during such training, or if any is made by the training institution, it is not reflected in the performance appraisal, and accordingly does not count in future career advancement. Besides, selections for foreign and other prestigious training courses are not necessarily made on merit but on other factors-like regional and service spread, etc.

Necessary features:

4.10.3 In this context, it may be recognized that training needs are of two kinds: (1) that needed to meet the requirements of an officer's current or immediately forthcoming assignment, and (2) that needed to strengthen or impart the requisite skills and competence to discharge responsibilities at higher levels and in different thematic areas during one's service. While the responsibility for sponsoring the officer for the first type of training should rest with the immediate supervisor/department, responsibility for sponsorship for the second category should rest with the training unit of the cadre controlling authority.

BOX 1: Functions of Civil Service Positions:

The functions of professional level civil service positions can be classified into three categories, i.e. Implementation; Program/Project Preparation; and Policy

Formulation. The first relates to operations involving execution of existing policies, schemes, orders, guidelines, regulations, and laws (i.e. "the detailed execution of the public law"[Woodrow Wilson's definition of "Public Administration"]). The second relates to preparation of action plans, under which distinct activities relating to accomplishment of specified policy objectives are encapsulated in a coordinated set of concurrent and sequential activities which are bound in space, time, required resources. The third relates to identification of problems, which may be addressed by public action, and in * Often the same is true of periods spent on "Study Leave", when officers are paid leave salary; the leave being

granted on the consideration that there would be an enhancement of relevant skills.

41 relation to these problems, identification of objectives, resources required, constraints, instruments, and strategic (i.e. long-term or not easily reversed) themes for public action (including public investments and regulatory and legislative measures). Policy formulation should precede the preparation of programs/projects in the strategic themes identified; the latter should precede their implementation. Each of these functions involves a body of formal knowledge, comprising methodologies, techniques, skills and norms, apart from practical experience.

Typically, in the early phase of a civil service career, the Implementation function dominates. The mix of functions of different positions gradually changes with ascending hierarchy of positions, with, first, increasing dominance of the program/project formulation function, and later increasing dominance of the policy formulation role.⁵ Accordingly, in case of the IAS, field positions upto and including the Deputy Commissioner/Collector largely focus on implementation; positions of Heads of Line Agencies (e.g. Agriculture or Education) have a greater component of program/project preparation (with perhaps some exposure to policy formulation); while positions of Secretary in the State Governments/Joint Secretary (and above) at the Centre have increasing focus on policy formulation (while retaining some aspects of the other two functions).

The formal training at initiation into the civil services concentrates largely on acquisition of Implementation skills (besides acculturation into the civil service ethos and traditions). There is very little attention to program/project preparation or policy formulation skills at that stage. The deficiency is not made good in any systematic manner later in the typical civil service career.

Accordingly, there is need to work out mid-career training schedules to address these needs at the appropriate stage(s). Satisfactory completion of the required training programs should be mandatory for promotions, at least at the Super-Time Scale and above!

⁵ While we state this progression as a stylized fact, it is neither uniform over positions at the same hierarchical

level, nor inexorable as one rises in the official hierarchy.

⁶ However, some of these courses may be substitutable by equivalent (or higher) formal University programs, which may be pursued on study leave.

42 4.1 1 Amendments proposed to the present system:

4.11.1 Given these requirements, the annual performance appraisal would be a ' useful tool for identifying training needs for an officers current forthcoming assignment. To facilitate such identification, the appraisal system should provide for the officer to indicate his training needs as he perceives them. Thereafter, the Reporting Officer may comment on this stated requirement, and if he agrees with the identified needs, indicate (in the next annual cycle) the steps taken by him to enable the officer to attend the requisite training program(s).

4.1 1.2 With regard to the training requirements for occupying higher positions and in different thematic areas, these have to be met through a combination of mandatory career courses' and optional training programs, organized by the training unit of the cadre controlling authority. The performance in such career courses should be one of the criteria for various personnel actions (e.g. promotions, placements, etc.) .

4.11.3 Thus, the responsibility for deputing an officer for such training should primarily rest with the reporting officer. The training unit of the cadre controlling authority should be responsible for making a wide menu of training programs available. Based on the (agreed) identified needs, Reporting officers should choose specific training programs from the menu and ensure that the officer reported upon is given the opportunity to attend the requisite training identified by/for him. The information contained in the year-to-year performance appraisal reports should be used, by the training unit of the cadre controlling authority, to ensure that the menu of training options covers the required topics.

BOX 2: Evaluating the acquisition of professional skills:

Professional skits of officers may relate to the three functional categories (Implementation, Program/Project Preparation, and Policy Formulation) as well as t o specific themes (e.9. Domain Areas, Specializations). Skill acquisition is Some of these mandatory courses may be substitutable by suitable formal academic courses which may be pursued on study leave.

43 through two distinct processes. I n the f i r s t , formal knowledge relating t o the skill may be acquired through courses of institutionalized training and/or academic study (including research). In the second, the formal knowledge acquired may be validated and strengthened through work experience. I n general, formal knowledge and work experience are complements, rather than substitutes. Thus, a claim to Domain or Specialized knowledge, or policy formulation skills solely on the basis of either formal training or work experience would be less plausible than a claim based on both.

Indicators o f the level of skill acquisition would, accordingly, relate to performance in each of the processes of skills acquisition. Thus, the indicators would be performance levels in relevant training/academic study (including re~earch)~, as well as in work performance revealed in the PARS.

Currently, in respect o f training/study courses participated in, a record is (supposedly) maintained in the ACR dossier, without, however, recording the performance levels. The existing practice is sought to be enhanced by also recording the levels of performance in these courses. I n respect of research completed, the current practice is t o list all publications o f the officer

(professional or otherwise, peer reviewed or not). This practice is sought to be restricted to peer reviewed published research in the relevant professional fields, in order that the information is actually of value in determining whether relevant skills have been acquired. The proposed changes in practice would also be consistent with the principle that officers are accountable for their accomplishments during all time spent on Government account.

4.12 Planning Work and Setting Work Expectations

4.12.1 This objective of the performance appraisal system refers to identification of performance expectations of the appraisee in relation to the goals, targets and functions of the organization, as also of self-realization and development of the appraisee. It is not, of course necessary that all officers conduct research and build a portfolio of published peer reviewed papers. However, to the extent that officers take Study Leave for conducting research, or proceed on deputation to research institutions, their research output would indicate the skills enhanced during such periods. In general, accomplishing published peer reviewed research while holding full-time non-academic assignments should not be expected.

In respect of research as an indicator of formal knowledge, performance may be adjudged in terms of the quality of research publications, for which a ready yardstick is whether or not they are published in peer reviewed publications of repute, and frequency of citations of the work in published research by others.

4.12.2 Performance expectations furnish one benchmark against which actual performance may be judged. The main weakness in the present system of performance appraisal which stymies the realization of this objective is that currently (at least in practice), the appraisal is not based on monitorable inputs of accomplishment of an agreed Work Plan.

Necessary features:

4.12.2 In order to be useful, performance expectations must be verifiable, i.e. at the close of the assessment period, it should be possible to determine, without ambiguity, whether or not the expectations have been realized. This is separate from the issue of giving credit for satisfactory or exceptional realization, or holding to account if realization is partial or absent. Verifiable expectations may involve quantitative targets (e.g. percentage of budget allocations spent in particular schemes, number of child immunizations accomplished, etc.) or may be qualitative descriptions of tasks to be accomplished (e.g. a particular policy document finalized and passed through the Cabinet; a major project completed on schedule and within budget). The performance expectations should be subject to updating over the appraisal period, as new information becomes available, or if circumstances change significantly ("flexible"). Performance expectations may be prioritized in order of importance to the overall performance appraisal ("ranked"). Performance expectations should also be set in an interactive process, involving the appraisee, appraiser, and perhaps key colleagues whose support is essential to realization of these expectations ("consensual and achievable"). On the other hand, performance expectations cannot be established ex-post, after the appraisal period, nor can they be set without reference to the expectations of similarly placed appraisees ("fair and equitable").

Problems:

4.12.3 At present, while the current PAR form has a provision for ex-ante setting of

work targets and of reckoning achievements against the targets, this is generally not
It may also involve appraise participation in setting the agenda of the agency itself, but
this may not be feasible
in many situations.

45 followed. Performance appraisal typically proceeds without reference to monitorable
expectations. Some reasons for this situation are as follows:

4.12.4 The problems noted above may be addressed as follows:

Option 1:

4.12.5 At the beginning of each appraisal period, each appraisee should be required to
prepare and submit for confirmation a draft Work Plan to the Reporting Officer.
The Work Plan should provide quantitative targets where feasible, or qualitative but
unambiguous statements of non-quantifiable tasks proposed to be accomplished, or both.
The target tasks may relate to those of the appraisee, or of a defined Group
of which the appraisee is a member. Where the targets or tasks relate to a Group as a
whole, rather than of the individual, the specific responsibilities of the appraisee in It is
difficult to set individual work expectations in many situations, e.g. Secretariat
assignments. Where it is feasible to set expectations on an organization-wide, or unit
(group) basis, it may be difficult to translate them to individual targets. This may be on
account of extensive
requirements of cooperation from other team members to fulfill one's
targets. Alternatively, the target tasks may be conceptually meaningful
only as the output of teams, rather than of individuals.

There is a prevailing misconception that only quantitative targets are to be
furnished in setting performance expectations. The notion that qualitative
descriptions of tasks to be accomplished is an alternative, legitimate way
to set performance expectations, against which actual accomplishment
may be evaluated, is not clear to many. Government agencies are generally cultured to
reacting to situations as they emerge, rather than anticipating and planning for them.
Further, there is little interest in pro-actively seeking improvement in the functioning of
Government agencies, and most officers are content with the status-quo in terms of
systems, practices and functions. This results in an inability to identify meaningful, non-
routine tasks which may be accomplished.

There is no mechanism to ensure that the task of setting annual work
plans at the beginning of the appraisal period is actually done.

46 ensuring that the Group is able to deliver on the work plan should be spelt out. In
case of individual targets tasks, it should set forth the requirements of inputs from
colleagues or other agencies, as well as the staff, material and financial resources.
needed. The target tasks, whether of the appraisee or group, may also be prioritized
in order of importance to the overall appraisal, and this prioritization should reflect the
priorities attached by the agency itself to accomplishment of the target tasks. It is
not necessary (and it may not be possible) for the work plan to be exhaustive; the
target tasks may, for example, relate to the 8-10 target tasks that are most salient,
listed in descending order of priority (most important first). The Work Plan may be
finalized in consultation with the Reporting Officer, who in turn, may consult other

colleagues as necessary, within a specified time, and promptly placed on record with the Reviewing Officer. The Work Plan may be updated by mutual consultation during the course of the appraisal period, if and when significant changes in the situation occur.

4.12.6 In the PAR itself, the self-assess merit by the appraise should consist primarily of recapitulation of the targets tasks set forth in the Work Plan as well as the actual realization of the targets tasks, whether by the individual or group, as applicable. Where departures are significant, the appraise may explain the reasons for the divergences.

4.12.7 During the appraisal exercise, the Reporting Officer should comment specifically on the claims explanations by the appraise in respect of realization of the Work Plan. These observations should comprise a significant input to the overall grading".

li This approach is followed in some multilateral financial institutions. The Work Plans usually relate to qualitative descriptions of tasks to be accomplished (e.g. preparation of projects and obtaining Board approval; implementation of technical assistance programs). In many cases, the targets tasks are those of teams which are generally inter-departmental or inter-disciplinary (e.g. a project team may comprise of a sector specialist, a financial analyst, an economist, an environmental specialist, a social development specialist, a legal counsel, and a country specialist, any one of whom may be the Team Leader. The overall product, i.e. a project document which meets Board approval involves contributions by each team member). In other cases (e.g. implementation of a technical assistance program), the output may be largely the work of an individual (who may actually manage a team of consultants from outside the organization). The PAR exercise for a past year is simultaneous with the preparation of a work plan for the coming year.

47 Option 2:

4.12.8 This option is premised on the assumption that there are positions in which it is typical for rapid changes in the situation to confront the appraise, on account of which it is difficult to set out a cogent work plan at the beginning of the appraisal period. (This may be the case, for example, of field officers responsible for security or law and order). In such cases, the appraise would list ex-post, 8-10 significant tasks actually accomplished (by the Group of which she is a part, or individually), including an explanation of why these tasks could not be anticipated and listed in the Work Plan. In case of Group tasks, the specific role of the appraise in accomplishing the tasks should be set forth.

4.12.9 The Reporting Officer would, in such cases, comment on the claims of the appraise, and may add other significant tasks not reported by the appraise, and give his opinion on the appraiser's role in the accomplishment or failure to accomplish these additional tasks. These observations should form a significant input to the overall grading.

Choice between options

4.12.10 recommends that a combination of the two options be The Group

adopted. The performance appraisal report should provide for a Work Plan to be set, as suggested in Option 1, but should also provide for an ex-post listing of significant tasks actually accomplished.

4.13 Feedback and Counseling Function

4.13.1 The exercise of providing feedback and counseling to the appraisee is to be undertaken essentially by the superior in recognition of his duties and responsibilities to develop the subordinate. Such feedback is important for the appraiser's growth because it helps him to know his strengths, potential, and areas where improvement is required. Clearly, this would help better performance. Counseling is undertaken to encourage the appraisee to grow in maturity, to his potential, and to utilize his resources towards definite goals.

48 Necessary features:

4.13.2 The feedback and counseling function has to be conceived as being divided into three broad phases of an officer's career life cycle: the early phase, the middle phase and the top phase. Clearly, the requirements of feedback at each stage will be different because the officer will be at different stages of the career life cycle and therefore, will need to be handled differently.

A positive critical incident would relate to: (a) accomplishments outside reasonable expectations for the post; (b) how a top priority performance dimension has been demonstrated beyond expectations and over a sustained period of time; or (c) work that has led to substantial benefits or improvements reorganizes, streamlines, and prioritizes the work; thereby improving work flow and reducing stress among remaining staff.

Following a major natural calamity, a relatively junior district officer organizes relief promptly and effectively, without awaiting evaluation and directions from his superiors, and thereby reduces distress of a large number of persons.

A negative critical incident documents: (a) work below reasonable expectations for the post; (b) how a top priority performance dimension has been demonstrated below expectations and over a sustained period of time; or (c) work behaviors that led to substantial losses, disruption in the work of the unit, or damage to the organization. Some examples are:

A supervisor consistently displays unprofessional conduct towards staff members, resulting in a climate of high tension and low morale in the organization.

Unnecessarily strict adherence to regulations causes serious friction with an important client organization.

9 A senior district officer fails to correctly anticipate and decisively pre-empt an outbreak of sectarian violence.

4.16 Performance appraisal as a tool for strengthening governance

4.16.1 This objective of the performance appraisal system refers to identification of performance expectations of the appraisee in relation to furtherance of "good governance" within the organization. Realization of "good governance" may involve either enhancing time and cost efficiency, and professional integrity of decision making going by existing decision making processes, or through process/procedural

innovations to enhance good governance. Inclusion of these aspects in the performance appraisal system is premised on the belief that: (i) officers have sufficient information, knowledge, and creative impulse to innovate for, or otherwise accomplish improved governance; and (ii) that providing a means of recognition of such creativity or accomplishment would both help officers achieve self-realization, and help the organization better realize good governance. The following considerations are relevant to assessment of good governance accomplishments:

52 e The appraiser's personal contribution to enhancement of governance standards of the organization, both within existing systems and through innovation.

0 Perception of clients' (internal and external) regarding enhancement of governance standards.

The extent to which the enhancement of governance standards through innovation can be institutionalized, are sustainable, and of general applicability (i.e. to other public organizations).

Necessary features:

4.16.2 Although it has been obvious to informed observers of development programs for decades, it is only in the past few years that good governance has occupied center-stage among public management concerns. While several accounts exist of what are the essential features of good governance in procedures of public organizations, the following are generally accepted as the core: (i) clearly defined and legally tenable organizational mandates; (ii) unambiguous decision rules to accomplish just these mandates (and no occult objectives), which also specify responsibilities of officers at each stage of the decision process; (iii) clearly specified and minimal requirements of information and documentation from the client to SUP~OI? just these decision rules and no more; (iv) decision-making processes to be bound (and minimal) in time and costs; (v) transparency in that clients are provided with sufficient information once a decision is reached to enable them to represent meaningfully against the decision if they so wish; (vi) automatic internal mechanisms

for determining responsibility in case the specified procedural and substantive requirements of decision making, including specified time-lines are not correctly followed, and (vii) at least one stage of official review or appeal against the decision. Evaluation of procedural innovations for good governance may rely on the above criteria.

4.16.3 Apart from procedural enhancements, good governance, may also relate to qualitative improvements in the outputs of organizations that are not in the nature of case-by-case decision-making on application from clients.

4.16.4 Contributions of an appraise to good governance, either individually, or as a member of a team, would relate to enhancements, both in design and execution, of 53 the existing regime in one or several of these dimensions. Good governance objectives could, in principle, be set forth in the individual organization Work Plan (e.g. reduction of mean and variance (or upper limit) of time required for disposal of specific categories of cases; reduction in costs incurred either aggregative or on average over individual cases). Alternatively, they may be addressed as issues arise or events unfold during the work cycle.

Problems with the present system:

4.1 6.5 Several problems have been identified as potentially impeding the realization of good governance:

The present system of appraisal is not based on monitor able inputs, i.e. relationship to accomplishment of an agreed work plan. The agreed Work Plan may include setting performance standards (e.g. cost time reductions, and their variance, in delivery of specified functions), or a plan of innovation in practices/procedures for good governance, including assessment of their reliability.

There is no focus on exceptional work accomplished, whether within or outside the Work Plan, including in particular, that relating to innovations for good governance. Professional competencies are not sufficiently evaluated in the current performance appraisal process. This leads to attrition of professional competencies over time, in turn leading to sub-optimal performance by the organization.

There is no systematic feedback from juniors and peers on leadership, teamwork skills, besides behaviour pattern and reputation, , i.e. the personal and professional attributes.

There is no provision for feedback from clients on behaviour patterns and reputation, or enhancements of organizational Performance. This fact may lead to complacency, or worse, apathy, on the part of officers.

Exceptional work accomplished by officers is rarely noted in the Performance Appraisal Reports. This lacuna may lead to officers not being sufficiently motivated to innovate, or alternatively, unconcerned 54 about the consequences of serious errors of judgment, omission, or commission.

"Deadwood" is not screened out and given incentives to seek placements outside the Government, because of lack of clear norms and processes in this regard.

A time trend of the evaluations of officers is not done, which would enable already improvement or deterioration in performance to be detected, and in case of the latter, appropriate measures to be taken.

4.16.6 Possible approaches to dealing with each of the above problems have been dealt with in the appropriate sections of this report and hence not repeated here.

5. Other recommendations relating to performance appraisal In this chapter we take up some of the other weaknesses and issues that were identified in Chapter 3 and suggest options for those that have not been dealt with elsewhere in the report.

Better monitoring and scrutiny through computerization

5.2.1 As stated earlier, delays in recording appraisal reports is a major weakness in concluded that the current system. From the feedback received, the Group delays take place on account of one or more of the following reasons:

Low priority is accorded to recording the appraisal reports, as there is no visible pinch for delays. Even a system of gentle reminders does not exist except when an appraisal is due for promotion and such promotion gets held up for want of his annual report.

Filling up the appraisal form is complex and officers tend to delay this in order to avoid a difficult task.

Sometimes appraisals seek to avoid having their reports written by a (particular) superior on account of an apprehension that the report would not be good enough. In some cases, the ACR form is submitted to an officer, who, while higher in the hierarchy than the appraisee, is not in fact the actual reporting officer. There is no systematic means of monitoring such practices.

Some superiors being unhappy with certain subordinates tend to delay writing reports as a means of harassment. This is often resorted to as a substitute for giving adverse entries in order to avoid the hassles of having to subsequently justify the adverse remarks.

5.2.2 These problems may be resolved if an effective system of monitoring the receipt of performance appraisal reports is put in place and, at least, a reminder is issued wherever there is a delay. Such reports would convey a signal that someone at a higher level is monitoring the timely recording of performance appraisal reports and repeated delays may adversely impact those responsible for the delay.

5.2.3 In order to have such an effective system of monitoring, it is, first of all, important to assign overall responsibility for monitoring and maintenance of the performance appraisal dossiers to one agency. It is recommended that the monitoring function be assigned to the respective cadre controlling authority. In respect of the All India Services this may be assigned to the cadre controlling authority in the Central Government, who, in turn, would work through the cadre controlling departments in the State Governments.

5.2.4 The agency assigned the responsibility of monitoring the timely writing of annual performance reports should then put in place a computerized system for more effective monitoring.

5.2.5 Computerization would be useful for the following purposes:

5.2.6 With regard to the problems in filling up a complex form, it would be best if the parts relating to the Reporting and Reviewing Officers are simplified. The Group has kept this in mind in redesigning the preformed. Further, the entire form should be Monitoring the timely writing of the appraisal report by the appropriate Reporting and Reviewing Officers.

Facilitating the development of a master data sheet (MDS) which could be used by the committees authorities concerned in the various personnel actions, including promotions, selection for particular positions, selection for training programs, etc.

Providing assistance to promotion/empanelment committees in accounting for systematic variations in grading standards across different State cadres of the same service, and identifying inconsistencies between overall grades and grades for individual attributes.

Aggregating ordinal numerical scores on the basis of frequency distribution or fuzzy set analysis.

For drawing panels/shortlist of officers for specific assignment training programmes.

Maintaining an effective data base of officers, that may be tapped for various other purposes.

57 available as a computer file, both for ease of filling in, and to facilitate electronic record keeping.

Staggering cut-off dates 5.3

5.3.1 Another useful method of ensuring that the reports are written in time is to provide for higher levels to certify that they have initiated the reports in respect of their subordinates for whom they are the Reporting Officers, while submitting their self-appraisals. To facilitate this the Group is of the view that staggering the cut off dates for report writing at different levels should be introduced. The period of report could remain the same, i.e., 1st April to 31st March. Only the cut-off dates by which the different stages of the performance appraisal system should be completed could be staggered. A calendar of the cut-off dates has been suggested separately in this

5.4

5.4.1 While the pre-1985 ACR system did not require an overall grade to be given, subsequently the ACR form was revised requiring an overall grading in qualitative terms in specified categories. The main advantage of an overall grade is that provides a summary index of the performance of the appraisee over all evaluation parameters. On the other hand, it has the following disadvantages:

Need for an overall grade

The existence of a summary grade focuses everyone's attention primarily on this aspect, leaving out other attributes and evaluative parameters from the reckoning during various personnel actions.

An overall grade provides a focus for grade inflation.

0 There is (at present) no consistency in the implicit weights attached to different evaluative parameters in arriving at the overall grade across different evaluators.

At present, there is no specified requirement of distribution of overall grades across the set of appraisals (e.g. "Outstanding" grade not to be given to more than 5% of the appraisals, "Very Good" to not more than 10%, etc.). This fact provides a further stimulus to grade inflation.

58 5.4.2 The group, however, considered that the existence of an overall grade as a summary indicator of performance remains an important advantage, and the disadvantages may be countered by other measures. These may be aimed firstly, at addressing grade inflation, and secondly, specifying the substantive considerations for various personnel actions (e.g. promotions, empanelment, placements) in a way

as to ensure that other relevant information from the PAR dossier, and not just the pattern of overall grades is utilized. These changes too, would help shift attention away from an exclusive pre-occupation with the overall grade.

5.5 Need for greater openness

5.5.1 Three issues are salient in this context: (i) to disclose or not to disclose (any part of) the PAR, and if disclosure is preferred; (ii) to disclose "everything but the overall grade" or "everything including the overall grade"; and (iii) stage at which disclosure should be made. These are discussed below:

To disclose or not to disclose

5.5.2 Communication of the positive (or negative) remarks about the appraises would help to motivate them towards even better performance (or furnish needed correctives to their performance). As against this, making the system open may lead to accentuating the problems of grade inflation. What is needed is to provide enough openness so as to ensure the benefits of improved motivation (or needed correctives) for appraises, while strengthening the PAR process in a manner that reduces the pressure for grade inflation by the evaluators.

To disclose "everything but the overall grade" or "everything including the overall grade":

5.5.3 In our ACR system as it has emerged since 1985, the overall grade has acquired a certain mystique, particularly since it (or its aggregation) has (or is perceived to have) an overriding importance for personnel actions, in particular, empanelment to Go1 positions. It is, accordingly, plausible that disclosure of the overall grade would lead to neglect of the other aspects of the PAR (on account of which the benefits of disclosure would be lost), and invite a spate of representations against the actual overall grade itself. Against this, non-disclosure of only the overall grade may result in the appraise being misled as it will be extremely difficult to make a judgment on whether the overall grade is a true summary index of the rest of the report.

In this regard, the Group looked at the policies relating to transparency in several Indian and foreign organizations and found that the general trend was towards a greater degree of openness in the performance appraisal system. Annex 8 gives the status with regard to transparency in several of the organizations studied by the group.

5.5.5 After weighing the pros and cons of the issue, the Group favors disclosure of everything, including the overall grade.

At what stage is disclosure to be made

5.5.6 It is considered that in the chain of appraisal, the Reporting Officer is most susceptible to the "happy family syndrome" (see below), and thus apt to inflate his assessment. On the other hand, the Reviewing Officer being in less contact, is less susceptible, and moreover is able to judge the appraiser's performance in relation to a larger set of peers.

5.5.7 Accordingly, the Group feels that the disclosure should be after review by the Reviewing Officer, and in full (i.e. including the overall grade). The appraise may then be given the option to give his comments, which may, however, only relate to the specific factual observations made by the Reporting and Reviewing Officers.

Comments would not be admissible on the evaluations made, either in respect of

work output, or the personal attributes and competencies, or the pen-pictures, or the overall grade, unless the evaluations are explicitly based on the factual observations commented upon. In case the appraise submits any comments, these, along with the entire report (and the comments by the Reporting and Reviewing Officers, if any), may be placed before a designated "Referral Board" who would consider the matter and if necessary, make any changes necessary in any part of the PAR, including the overall grading. The revised PAR in turn should be communicated in full to the appraise. In considering the claims of the appraise, the Referral Board should take note of the fact that the appraise can only comment on specific factual observations of the Reporting and Reviewing Officers, and not on their evaluations. (It would be open to the Reporting and Reviewing Officers to accept the comments of the 60 appraise, and amend the PAR in light of these comments, in which case the matter need not be referred to the Referral Board).

5.5.8 A single Referral Board may be designated for a state cadre as a whole for all AIS, or separately by service, for all officers serving in the state (including officers on state deputation). In case of officers on GoI deputation, the Referral Boards may be similarly designated for all officers on central deputation and on foreign service.

5.5.9 It has been noted that at present, in representing against adverse remarks in the ACR, some officers allege malaise in-persona against the evaluating authorities. In the new system, it is suggested that in case the appraiser alleges such malaise against the reporting and/or review officers, the Referral Board would examine the claim. In case it is found that the allegation is without factual basis, the Referral Board would enter the finding and, if necessary, record an appropriate stricture in the PAR for that year. At the same time, if the claims are found to be true, it may report the same to the cadre controlling authority for suitable action against the concerned reporting/review officer.

Process of Disclosure of the FAR to the Appraise

5.5.10 The following sequential steps may be followed:

The Reporting Officer gives an assessment in respect of the work output, personal attributes and competencies, a pen-picture and an overall grade. The Reviewing Officer may modify the assessments in respect of work output, personal attributes, and competencies. He would also provide his own pen-picture and if necessary, modify the overall grade.

The appraise is given a copy of the PAR after the review stage. The appraise may, if he wishes, comment on the factual observations made by the Reporting and Reviewing Officers, and any evaluations explicitly based on these factual observations (but not on any other aspects) in writing to the Reporting Officer within 15 days.

In case of representation, the Reporting Officer would, within 15 days, of receipt of the representation from the appraise, forward the same, together with his own views on the same, to the Reviewing Officer.

61 The Reviewing Officer would consider the representation of the appraise, the views of the Reporting Officer, and convey them to the Referral Board with his comments. It would be open to the Reporting and Reviewing Officers to accept the comments of the appraise and modify

the PAR accordingly, in which case the matter need not proceed to the Referral Board.

The Referral Board would consider the claims of the appraisee in light of the comments of the Reporting and Reviewing Officers, and confirm or modify the PAR, including the overall grade. The PAR process would be complete at this point, and further relief may only be sought by way of a Memorial to the President, as provided under Rule 25 of the All India Services, Discipline & Appeal Rules, 1969.

The entire PAR, may then be disclosed to the appraisee

5.5.1 In this formulation, the Reporting and Reviewing Officers accomplish the performance appraisal, while the third level only adjudicates any claims of the appraisee after considering his comments on factual assertions contained in the PAR and only those evaluative aspects, which are impacted, by the factual aspects commented upon, as well as those of the Reporting and Reviewing Officers.

5.5.12 The reasons for eschewing a third level of evaluation ("Accepting Authority") are the following: One effect of multiple levels of performance appraisal is that the numbers of PARs that need to be considered at the higher levels typically cascades in geometric progression, leading to unreasonable demands of time and effort on the part of higher authorities in considering these PARs." This is also a major reason for delay in completion of PARs. Further, it is unlikely that authorities at higher levels would have much personal interaction with officers more than two levels below, and accordingly, would have little basis for making their appraisals. Accordingly, an original performance appraisal by a third level (Accepting Authority) is generally difficult to accomplish in the majority of cases. A two level performance appraisal is also the international norm. 12 Frequently, the number of officers and staff for which a senior officer is the Accepting Authority may run into the hundreds, and he may not have (or be able to recall) any actual interaction with the majority of them. Sometimes he may be unable to associate a name with the individual.

62 5.5.13 The different stages in the performance appraisal system would, thus, be as given at Annex 9.

5.6.2 In order to deal with this problem, and in particular, the possible effect of transparency in further stimulating grade inflation, and the susceptibility of the Reporting Officer to this syndrome, the Group proposes several measures:

Grade inflation and Insufficient Variance in Grading

First, that the appraisee may be revealed the assessment only after the stage of review, on the premise that the Reviewing Officer being two levels removed from the appraisee would be relatively more objective.

Second, a system of numerical grading (see below) rather than qualitative grading, on a 10 point scale, which furnishes sufficient space to distinguish between levels of accomplishment.

Third, that very high (9,10) or very low (1,2) overall grades would have to be specifically explained by the evaluators in terms of work accomplished, or concrete evidence of exceptional achievement (or lack of passable achievement) as the case may be.

Fourth, with computerization, systematic upward or downward biases in assessment (across State cadres or evaluators) may be detected, and

necessary corrections effected at the time of relevant personnel actions (e.g. promotion).

Fifth, that the evaluation of work accomplished would necessarily relate to a pre-determined (and filed) work plan, and thus less subject to discretionary assessment.

Sixth, that of clearly specifying to the Reporting/Reviewing/ authorities that the assessment must be made relative to the peer Group of officers similarly placed, and not in relation to the general public, or some undefined group.

Finally, by eliminating the need to separately convey an "adverse remark, and permitting comments by the appraiser only in relation to factual observations and the specific evaluations actually impacted by these factual observations.

63 Numerical Grading 5.7

5.7.1 The Group was concerned that in gaining the benefits of numerical Scoring (i.e. greater spread of scores, ease of computer operations), conceptually incorrect interpretations should not be placed on the scores, and that there should be no excessive cognitive effort required of the appraiser in awarding the numerical scores. median (i.e. below and above which the frequencies of the scores are identical). (Between median and mode, the former may be considered to be less prone to ambiguity, and hence preferred). Alternatively, the scores may be aggregated by classifying appraisals (over a period of time) into a smaller number of defined categories (e.g. "A", "B", "C", etc.) through techniques of "fuzzy set analysis" (which are well-known in empirical work in social science, and for which standard software are available).

13 The implication of lack of inter-personal comparability is that numerical scores awarded by different persons (e.g. overall grades in PARS of different years) cannot be averaged.

14 An analogy may be made with the concept of "utility functions" or "preference functions" which underlie economics. The economic rationale is that while there may indeed be significant variation in strength of preferences over different consumption baskets in terms of some underlying value scale, it is cognitively extremely difficult to do more than assign relative ranks to the baskets. Also, as noted above, cardinal valuations made by different individuals are not inter-personally comparable.

64 5.7.3 The same restriction on summing (or averaging) such scores across different value dimensions also arises if one considers that they are in respect of distinct and incommensurable (i.e. not comparable) value entities (e.g. "credibility" and "citizen focus"). In such case, even if for the sake of argument scores in each value dimension were considered to be cardinal quantities, it would be impermissible to sum quantities of dissimilar entities ("adding apples and oranges"). However, there would be no conceptual objection to determining the median or modal score across different value entities.

5.7.4 The Group also considered that while, in principle, there is no conceptual difficulty in scoring in terms of real numbers (e.g. integers as well as decimals), in practice, the cognitive burden of distinguishing ranks in decimal places would be too great, and accordingly prone to error. Accordingly, it is felt that all scoring must be restricted to integer values (i.e. 1, 2, 3, ... etc.). A scale of 1 to 10 would provide

sufficient space for distinguishing between different levels of performance in each value category.

5.7.5 The Group also considered whether as a guide to evaluators, a mapping of the verbal categories now prevalent to the numerical grades would be useful. It was felt that these verbal categories are themselves not inter-personally comparable, and the observed frequency distribution of these categories (preponderance of "very good" and "outstanding", demonstrating grade inflation) would simply be perpetuated if such mapping were done, nullifying the impact of the other measures for addressing the problem of grade inflation.

5.8 Dealing with Adverse and Advisory Remarks 5.8.1 - The concept of "adverse remark", and the process currently followed to address these is responsible for innumerable cases of long delays in finalization of ACRs, frequently leading to missed promotion chances and other adverse consequences. Various court rulings have set forth the principle that an entry is 15 While our objection to summing (and averaging) the grades is based on conceptual grounds, an added, pragmatic reason is that such averaging easily leads to a situation where officers are sought to be distinguished on the basis of the second place of decimal on the average score, which is essentially meaningless on account of various sources of error in subjective evaluations, even by the most perceptive and dispassionate of evaluators.

65 "adverse" if it would act as a barrier to promotion (in the strict usage of the term of advancement to a higher grade of pay, and not for other personnel actions, e.g. placement, including empanelment). The Group considered the question at considerable length. It was felt that the problem may be resolved through & chewing the very concept of an "adverse remark by a combination of two approaches: (i) removing the stipulation of a-priori "benchmarks" for promotion or any other personnel action conferring benefits on officers, all such personnel actions being conducted by strictly competitive processes without need of benchmarks; and (ii) devising the PAR process in such manner as to provide opportunity for comment by the appraisee after he receives the entire assessment, but limited to factual Observations and only those evaluative aspects actually impacted by these factual observations; and completing its consideration within the PAR process itself.16

5.9 Dealing with insufficient variance in the performed across levels and job

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types

5.9.1 As stated in Box 1, the functions of professional level civil service positions (AIS and other Group A services) can be classified into three categories, i.e. Implementation; Program/Project Preparation; and Policy Formulation. Typically, in the early phase of a civil service career, the implementation function dominates. The mix of functions of different positions gradually changes with ascending hierarchy of positions, with, first, increasing dominance of the program project formulation function, and later increasing dominance of the policy formulation r01e.1~ Accordingly, in case of the IAS, field positions upto and including the Deputy Commissioner/Collector largely focus on implementation; positions of Heads of Line Agencies (e.g. Agriculture or Education) have a greater component of program project preparation (with perhaps some exposure to policy formulation);

while positions of Secretary in the State Governments Joint Secretary (and above) at 16 This would mean that the current practice of the Personnel Department identifying "adverse remarks" in the ACRs, communicating them to the appraisers, receiving representations against the adverse remarks from the appraisers, and examining them in-extensor, would also be terminated. The relief from a finding by the Referral Board would be by way of Memorial to the President.

17 While we state this progression as a stylized fact, it is neither uniform over positions at the same hierarchical level, nor inexorable as one rises in the official hierarchy. The Centre have increasing focus on policy formulation (while retaining some aspects of the other two functions).

5.9.2 Accordingly, it has been considered that the PAR form (and perhaps process) should take account of these differences in functions as one moves up in the civil service hierarchy. At higher-level positions, several attributes that are necessary for field positions may not be relevant. Besides, at junior levels, where promotions are mostly time bound, the format could be simpler as it should be used largely as a tool for development and counseling. This would call for separate appraisal performed for different levels. These may vary from field positions, which are focused on programme implementation to higher-level positions involving responsibilities for programme formulation and policy analysis. However, the Group was of the view that having a large number of forms would create avoidable confusion. In the interest of simplicity it would be better to have fewer forms but with suitable provisions that indicate which portions are relevant for which assignments. Through this method it would be possible to bring in sufficient variance in the PAR across job types. Further, since functional requirements do not change inexorably with hierarchy, it would enable relevant portions to be identified by function, rather than only by level. It is therefore recommended that a single form may be used or all levels except those of (or equivalent to) a Secretary to Govt. of India chief Secretary to the State Government, where a very simple form would be adequate. However, taking into account the relevance of different attributes at different levels and the differences in the nature of jobs at these levels, some portions of the form would not be relevant for some functional positions or levels of seniority. These may be specified against the relevant columns.

5.10 State of Health

5.10.1 The state of health and physical fitness of officers is a relevant consideration in placements on account of factors such as the climate of a location, requirements of touring in the field, level of work-related stress, etc. However, this is rarely taken into account, except when representations are received against postings to areas with extreme climate or poor medical facilities. In order to ensure that health/physical fitness aspects are given due consideration in making placements, it is necessary ⁶⁷ that information on the state of health should be provided by a formal medical examination, (rather than non-professional impressions by the reporting officer). ,

5.10.2 Accordingly, the Group is of the view that a comprehensive health check up, at least once in two years, should be insisted upon. A summary of the medical report, should be placed in the PAR dossier. Accordingly, the column on state of health, in the existing

performed may be deleted and replaced by the medical report obtained at least once in two years. The appraise should also be required to certify as to when he had undergone the last medical check up. Provision should also be made for conduct of such biennial medical examinations at Government or other authorized hospitals.

5.10.3 The conduct of periodic medical examinations, and the inclusion of the findings in the PAR dossier would, it is expected, lead to greater health consciousness among the officers. This would conduce to greater efficiency, and also reduce costs of illnesses to the Government.

5.11 Review by a Board

5.11.1 As noted earlier, grade inflation is a severe problem. It is usually the Reporting Officer who is most susceptible to recording inflated grades.

5.11.2 One suggestion that was made to rectify this problem was that the review may be conducted by a board rather than by an individual. This was premised on the expectation that a board would be in a better position to review the appraise against a wider sample of his peers and thereby effect more reliable moderation of the rating given by the Reporting Officer.

5.11.3 After considerable discussion, the Group was of the view that while the suggestion has considerable merit, it may not be feasible to implement in practice. As such, for the present the idea of review by board may not be pursued.

5.12 "360 degree" reporting

5.12.1 It is often considered that the reputations of professionals/civil servants among their peers, juniors, members of the public, public representatives, businessmen, journalists, etc. are an accurate index of their capabilities, attitudes, and personal qualities. In many international organizations and foreign governments, accordingly, the formal PARs are supplemented by "360 degree evaluation", in which the reputations of the officers among the persons they encounter in the course of their work is ascertained. These assessments may provide a valuable cross-check on the accuracy of the PARs, and may also be more directly used in selections to positions which require some specific qualities (e.g. very high level of integrity, sensitivity to needs of the disadvantaged, flair for public relations, etc.), and for other purposes. Several suggestions were received by the Group to institute 360-degree assessments.

5.12.2 As yet there is no established modality for making 360 degree assessments. The Committee nevertheless considers that it would be useful to supplement the formal PAR regime with an institutionalized means of ascertaining the reputations of civil servants, consistent with our culture and ethos. Accordingly, we propose that each cadre controlling authority may, at its option, set up an "Eminent Persons Group", (EPG) i.e. persons of acknowledged character and wisdom who clearly do not (no longer) have any personal stakes in the civil service career of anyone in particular.

Such persons (say, 5, who may serve of 3 years at a time on a pro-bono basis) may be drawn from retired civil servants, public figures, and academics. This EPG (names to be kept strictly confidential) may, through various means, e.g. discreet personal enquiries or more structured approaches such as personal interviews or administration of questionnaires, from a range of peers, juniors, and clients (e.g. public representatives, media persons, NGO functionaries, business persons, etc.),

ascertain the reputation (in respect of financial and moral integrity, professional competence, attitudes, and personal qualities of each civil servant of the concerned cadre once every five years, starting from the 10th year of service. It would set out their findings in a confidential report to the concerned cadre controlling authority. This information may be compiled separately from the PAR dossier, and may be useful in the following contexts, besides others:

Placements to sensitive or special appointments.

Counseling officers at 20 years of service or 50 years regarding the advisability of their accepting VRS.

69 Confidential counseling of officers regarding their attitudes or conduct (e.g. with respect to juniors or public representatives), or activities that have a bearing on moral or financial integrity, so that they may remedy themselves.

6. Redesigning the PAR Format and Personal

Dossier For various personnel actions (e.g. promotions, placement, selection for 6.1 Special assignments, selection for training programs), different kinds of information about an officer would be required. At present, the Personnel Dossier of officers comprises the compilation of the ACRs over one's career. The rules provide that in addition, the first page of the dossier should comprise information about the officer's academic qualifications, languages known, papers and books published, recognition earned, awards received, etc. This requirement is not usually observed, largely on account of such information not being generally used for any significant personnel actions, such as promotion and empanelment.

6.2 It is proposed to adhere to the existing broad structure, with some enhancements to make the Personnel Dossier a comprehensive source of information about an officer for different personnel actions (except for the 360 degree evaluation, which is at the option of each cadre controlling authority)¹⁸ An illustration of the kinds of information required for different personnel actions is given in the table below:

6.3 Accordingly, the PAR Dossier may comprise the following documents: Curriculum Vitae of the officer (detailed below), to be updated periodically (some entries) by means of the annual PAR.

The set of PARs earned in service throughout one's career.

The set of PARs (or similar appraisal) earned by the officer on deputation on Foreign Service to organizations outside the Indian governmental system. Reports of the biennial medical examination The set of records of Performance made by the concerned institution for training courses and academic courses attended, including while on Study Leave. The Personnel Dossier may comprise the following sections:

6.4 Part A: Curriculum Vitae:

6.4.1 Section I: Personal Data: Such data would comprise the name, gender, parentage, State of domicile, place of birth, date of birth, and particulars of the nuclear family of the officer (names, gender, date of birth, nationality [if different from that of the

officer], and specific relationship to the officer), whether or not they are dependants. Such data would be compiled at entry into service, and updated each year during the PAR process.

6.4.2 Section 11: Academic and Professional Qualifications: Such data would comprise the particulars of all academic degrees earned and training courses completed, the period during which attended, degrees earned (if any), major and minor fields, thesis title (if relevant, Institution/University and location, overall grade/division (if applicable). (No distinctions should be made between academic degrees earned prior to and during the service career. Such data would be compiled at entry into service, and updated each year during the PAR process

72 6.4.3 Section 111: Publications Record: A listing of all peer reviewed professional research publications (including published seminar papers), giving title, in which published, publisher, date of publication. Purely literary work or articles published in newspapers or magazines for the general public must be excluded. Such data would be compiled at entry into service and updated each year during the PAR process 6.4.4 Section IV: Work Experience: Such data will comprise a listing of all positions held (title, organization, period held, description of work content), including those held in organizations outside the Indian governmental system. Such data would be updated each year during the PAR process.

6.4.5 Section V: Recognitions Earned and Reprimands/ Strictures/ Penalties Received: Such recognitions would include letters of commendation/medals/honours received from the State or Central Government for particular actions or accomplishments, and recognition from prestigious bodies either for public service or other accomplishment. (Such recognitions need not be limited to accomplishments related to one's strictly official responsibilities, but may comprise, for example, literary or scientific or sports or community service accomplishments). Additionally, letters of reprimand, punishment by disciplinary authorities including courts, and strictures from courts would be included. Such data would be included as and when each such recognition dessert arises.

6.4.6 Since for the most part, the information relating to Sections I-V above are not entered in the personnel dossiers at present, it is suggested that at the start of the new system, each officer should compile a comprehensive CV in terms of the structure given above, supported by relevant documentation. Subsequently, each of these sections would be updated through the PAR process and, in any case, at least once every five years as well as prior to important personnel actions such as promotions or empanelment.

6.5 Part 6: Performance Reports:

6.5.1 For periods in the service of the Government (State, Centre, or local), the PARS will be compiled for each reporting period in the format set forth below. Specific sections in the PAR would be used to update each of the sections in the CV. While 73 the PARs in the new format may be prepared and compiled in the future, the existing ACRs would be

retained till start of the new system (i.e. for past periods for which the ACRs are missing, they should be prepared in terms of the old ACR format).

6.5.2 In case of periods spent on training courses or Study Leave or deputation on foreign service to organizations outside the Indian governmental system, the performance reports from the institution or organization should be compiled in the Part B of the Personnel Dossier in chronological order with the usual PARs.

6.6 Structure of the PAR:

6.6.1 Taking note of the discussion and recommendations contained in Chapters 4 and 5, the Group recommends that only 2 sets of preformed be used for each of the All-India Services. One preformed would apply for all levels equivalent to that of the Chief Secretary (in the case of IAS)/ Director General of Police (in the case of IPS)/ Principal CCF (in the case of IFoS). This would be a common preformed applicable to all the three All India Services. For the remaining levels there would be only oriel preformed, with the IAS and IFoS having a common preformed and the IPS having a slightly different version to accommodate some of the specific requirements of the service. The recommended preformed are Annex 10A (for the top levels) and at Annex 10B (for remaining levels). Annex 11 is a set of general guidelines that could be adopted for filling up the performance appraisal reports. Due to shortage of time the Group has not been able to design suitable preformed for the other Group 'A' Services. An exercise may be carried out to make any necessary amendments in the preformed suggested for the All India Services, to reflect service specific requirements of the other Group A services.

6.6.2 The Group also recognizes that once a decision is taken to computerize the performance appraisal management system, suitable changes may be needed in the PAR preformed to facilitate easier and more accurate data entry. However, the exact Performance reports (grade cards) from training academic institutions would, in general, vary widely from the PAR format. In case of organizations outside the Indian governmental system, the choice of the format of performance appraisal (and process), i.e. whether to follow the format process for the concerned service, or their own, should be left to the borrowing organization.

6.6.3 The computerized performance management system may be designed to update the CV automatically, by drawing on the data items available from each years

7.2.7 For Joint Secretary level positions the CSB comprises of the following:-

Chairman Cabinet Secretary

Member Secretary, Department of Personnel

Member One other Secretary to Govt of India

Establishment Officer Member - Secretary

Co-opted member Secretary of the Administrative Department

7.2.8 The practice in respect of Additional Secretary and Secretary level positions is similar, except that recommendations for appointment are made to the ACC by the Cabinet Secretary, rather than by a Committee.

7.2.9 Placements in the State Governments, at the levels equivalent to Joint Secretary, Additional Secretary, and Secretary to the Government of India, are generally decided by the Chief Secretary and the Chief Minister after consultation with the respective head of the relevant service (DGP for IPS/ Principal CCF for IFoS) and the concerned departmental Minister. There is no civil service board or other similar committee. In general the capabilities of officers are well known to the State authorities, and officers are placed on the basis of their known competencies.

8.1.1 The Group identified the following major weakness in the current system of promotions:

8. Weaknesses of the current system This chapter covers the weaknesses in the present systems of promotion, and placement, including empanelment and selection for particular positions, under the Central Staffing Scheme.

1. Since suitability for promotion is judged solely on the basis of the ACRs, which in turn are afflicted by a serious problem of grade inflation (most officers typically obtaining "Very Good" or "Outstanding" grades), it is difficult to distinguish between officers on the basis of merit, and almost all officers are routinely promoted. Promotions are generally denied only if there are vigilance cases pending or contemplated against the officer.

2. This breeds complacency among mediocre, status-quo minded officers, coupled with frustration on the part of competent, pro-active officers, who see that the system makes no distinction between them and their non-performing colleagues. On the other hand, they are more vulnerable to criticism and attack as their pro-active actions may lead to occasional, bona-fide mistakes ("those who do nothing make no mistakes"). Hence, officers try to "play safe" by inaction rather than pro-actively addressing administrative and policy issues. Thus, a system where non-performance is safe and may be rewarded while performance is risky and may be punished (or at least not recognized) has emerged.

3. There has been a growing tendency to resort to sycophancy and unhealthy networking as the means to obtain "outstanding" assessments, and hence promotions, rather than proving one's merit through actual performance.

4. There is no formal evaluation of an officer's ability to perform at the higher level, where the required skills, mindset, knowledge base, aptitudes, and other attributes may be significantly different. The current promotion system only evaluates how the officer performed at the lower level. This is clearly inadequate, especially for senior positions.

8.1.2 The result is that many officers who reach senior positions involving program and policy formulation are ill-equipped by way of skills, knowledge, aptitude, and mindset for these roles.

8.2 Placements:

8.2.1 The weaknesses in the empanelment system are similar to those of the promotion system, although a significantly higher proportion of officers fail to be selected for the panel. Here again, the sole dependence on the ACR, from which, owing to pervasive grade inflation, it is difficult to distinguish between the performance levels of officers, is the principal source of the problems. The result, once again, is that many officers in the panel are ill-equipped for the program and policy formulation positions that they come to occupy.

8.2.2 Yet another problem arises from the fact that the members of the Screening Committee, being all serving civil servants, are not perceived to be sufficiently independent. Accordingly, unstructured influences are believed to prevail in the empanelment of otherwise undeserving officers. The empanelment process is also not seen as transparent, in that the criteria for inclusion in the panel is not revealed, leading to speculation on the extent to which pressures have been brought to bear on the Screening Committee.

8.2.3 The empanelment process and criteria do not take into account the capacities of an officer to undertake policy-making and program formulation roles, and only evaluates officers on how they performed at lower levels (which, in practice, may mean how few mistakes they committed instead of what they actually achieved at the lower level).

Selection for Particular Positions under the Central Staffing Scheme:

9.2 This would be in line with the practice followed in most advanced countries, where promotions are neither automatic, nor based on a-priori benchmarks. Every one has to strive hard to earn them. For example, in the UK a system has been introduced whereby all posts are advertised internally within the department. Officers have to apply, and compete for higher positions on merit. Those not selected are superseded. The practice in multilateral development banks (MDBs) is similar, except that the positions are, in principle, open to all staff working in the institution, and not confined to particular department. In Australia and New Zealand, where major reforms have been introduced in the civil services, all posts are required to be openly advertised (unlike in UK/Multilateral Development Banks where they are only advertised internally). Selections are made competitively on merit alone from out of the applications received. In determining merit, the demonstrated competence to hold the higher position carries considerable weight". Candidates who have relevant professional academic qualifications to demonstrate their competence for policy making positions have a definite edge in selections. This clearly indicates the

2o This explains the large number of academic programs in Public Policy in several universities of UK, Australia and New Zealand. importance attached to acquisition of relevant skills for senior level appointments where an officer is required to formulate programs and develop policies that place at stake the interests of an entire nation or a whole state.

9.3 While there is clear merit in a rigorous, competitive selection process for promotion to high level positions, a word of caution is essential. It is essential that the selection process be fully insulated from unstructured influences and there must not be any doubt in respect of its integrity. A set of fair and transparent criteria have, therefore, to be developed and employed for selection for higher positions.

9.4 Yet another factor to be borne in mind is that officers who have been superseded are often frustrated elements within the system and can be a serious nuisance. They can impede the smooth functioning of the organization by giving vent to their frustration in various ways. It is, therefore, essential that dignified methods of persuading them to leave the system should be found, either through reasonably attractive compensation packages or by finding placements for them outside the policy-making structure. Consistently poor performers should be weeded out and procedures for such weeding out should be streamlined".

9.5 Another consideration in redesigning the system of selections to higher positions is that officers must be evaluated not only on their performance in the feeder (lower) positions, but also in respect of their level of preparation by way of acquiring the necessary skills and knowledge for the higher level positions.

9.6 A final consideration is that the practice of "promotion without competition", i.e. automatic promotion in order of seniority subject to meeting (typically modest) a- priori benchmarks of performance, which has led to complacency among officers, must be firmly eschewed.

9.7 The recommendations of the Group are, therefore, based on the above principles. The Group addressed the following issues:

1. The composition of the Screening Committee to ensure that it is not susceptible to unstructured influences. if These issues are addressed later in the report.

86 2. Models for the process of selection for higher positions to ensure consideration of performance in the lower positions and acquisition of knowledge and skills for higher positions, and competition..

9.8.1 With a view to enhancing the credibility and impartiality of the Screening Committee, involvement of a senior officer from outside the cadre is recommended. The composition of the Screening Committee may, therefore, be the following: Candidate officers may be identified for selection, starting with the officers attaining the highest score, and moving down, until the number of anticipated vacancies is (just) reached. The merit list of officers may then be arranged in their order of inter-se seniority for promotions in turn against vacancies. The cases of such officers who are not included in the merit list in a given year may be reconsidered after a period of two years, i.e. after two more annual PRS have been added to their dossiers, and they have qualified in the required career courses (if not done earlier). The case of each officer may be considered three times in all (once as a fresh case and twice under reconsideration). After three unsuccessful attempts, the officer need not be considered for promotion any further. (For promotions to the grade of Chief Secretary in the States cases would be reconsidered in each subsequent year, i.e. after one year's PAR has

been added to their dossier. assignments that would contribute towards his ability to perform in the higher position by way of experience based skills and knowledge. This would involve the substance of job content (i.e. discounting for purely staff jobs, enhanced weightage to substantive field or secretariat positions), sufficient but not excessive diversity of job content (i.e. avoidance of long-periods spent in a single sector or type of position, or insufficient time spent in a large number of different sectors), as well as sufficient focus on particular sectors (e.g. education, tribal welfare, public finance [IAS]), or roles (e.g. crime detection, intelligence, security [IPS]; wildlife management [IFoS]). The significant achievements or failures ("critical events") would primarily relate to out-of-the-ordinary positive or negative achievements, which may also have been recognized through rewards or penalties from the relevant authorities or agencies.²⁴ The assessment of skills for the higher assignments would be based on his successful efforts at improving his relevant formal professional qualifications, including career training, other relevant study training programs, including those pursued during study leave, and his portfolio of published research, all of which would be reflected in his CV. Actual performance in these efforts and not simply the fact of successful completion, would be taken into account. The weights proposed for the different criteria of evaluating merit reflect equal consideration to performance in the lower grade and extent of preparation for higher level of the total weight arises from information available in the PARs.

9.9.6 As in case of Model A, officers who are not selected in the first attempt, may be re-considered upto twice more, provided that they have earned at least two year's PARs in the interim for super-time and Principal Secretary scales, and at least one year's PAR for higher levels and/or enhanced their relevant formal qualifications.

9.10 Analysis of the models

9.10.1 Both the models presented above have their respective advantages and disadvantages. While Model A has the disadvantage that it may not yield a select list of the most qualified officers, on account of being based entirely on performance at Generally, but not invariably, these would be available in the PARs. Some exceptional achievements may not relate strictly to one's official work, for example outstanding and nationally internationally recognized literary and scientific work. ⁹⁰ the lower level as reflected in the PARS, except for the requirement of qualifying in prescribed career courses, it has the advantage of being simple to implement. On the other hand, Model B has the advantage of ensuring that the better qualified officers are selected, thus furnishing clear signals to the officers that they must perform well, enhance their qualifications, and plan their careers, if they aspire to higher positions.

9.10.1 The Group felt that for promotions in the State to the super time scale, Model A may be adopted. However, for the scales of Principal Secretary and Chief Secretary, Model B would be more appropriate.

9.10.2 This system of promotion that may be adopted at the different functional levels in respect of the different All India Services, is, accordingly, as follows:

9.10.3 The Group recognized that the proposed system cannot be introduced immediately as time would have to be given for officers to take necessary action

upgrade themselves and for the requisite training programs to be put in place. Hence, in all cases where Model A is to be adopted for promotions, the Group recommends that a period of three years be allowed before the new system is enforced. Where, Model B is to be used, a phased process of implementation may be introduced so that officers may have reasonable time to prepare for the new system. The weights for different aspects, during this transition period, may be as follows:

9.11 Screening deadwood

9.11.1 There is no benefit in retaining in service officers who lack demonstrated competence, or who are unqualified, or of doubtful moral or financial integrity or who are in unacceptably poor health. It is, accordingly, important that an effective system of screening such officers be put in place. Provisions already exist for the compulsory retirement of those who have completed 50 years of age or 30 years of service.²⁵ However, this provision has been utilized only very rarely so far. The only occasion when it was used significantly was during the Internal Emergency of 1975-77. On that occasion, while a number of officers of different services were compulsorily retired, almost all were reinstated, following interventions by the Courts. In light of the past experience, procedures have been laid down for operating this revision.

9.11.2 The group felt that owing to the revealed practical difficulties or reluctance on the part of cadre controlling authorities in operating this provision, a supplementary mechanism may be put in place to persuade officers to leave the service at a stage when they may still have some career prospects outside the Government.²⁶

However, two notes of caution are in order. First, the screening should be by an independent mechanism and transparent process. Second, after identification of the officers proposed for separation, they should be induced to retire through a voluntary separation scheme, as opposed to mandatory termination or retirement.

²⁵ As provided under FR 56Cj) and Rule 16(3) of All India Services (Death-cum-Retirement Benefits) Rules, 1958

²⁶ At age 50, or 30 years of service, when they would have been promoted to senior positions, it is unlikely that they may be able or inclined to pursue a career outside the Government.

9.11.3 In order to implement the system, the Group recommends that a Standing Committee be set up under the Cabinet Secretary, which should, by a given date each year, review the records of all officers who have reached the age of 50 years, or have completed 20 years of service, in the past year.* These records would comprise the Performance Appraisal Reports, report of performance in specified career courses, results of vigilance enquiries, in person or court proceedings, and disciplinary proceedings faced by the officer in his/her career. It would also include a statement of pending proceedings in each of these categories. The objectives of this review would be to identify those who have only a low possibility of further promotions and need to be screened out.

9.11.4 The following norms may be adopted for identifying the officers to be screened out:

1. An officer who has failed to make the select list for promotion to the next higher grade 3 times.
2. An officer who has encountered 3 proceedings resulting from vigilance enquiries (i.e. major disciplinary proceeding, or criminal proceeding in court) in respect of alleged lapses of moral or financial integrity in the

course of his/her career, even if the officer is cleared on completion of the proceedings in each of these, as lack of moral or financial integrity would be considered as "highly probable" in such cases.

3. An officer who has failed 3 times to qualify in the requisite career course(s) for his next promotion.

An officer who is permanently medically unfit to perform the normal duties of the service, as revealed from the biennial medical examination

9.1 1.5 Officers screened out should be informed of the fact and advised that their chances of further advancement in their career are not bright. Further, that they may, if they wish, avail of a voluntary separation package (as already available to surplus staff). If they choose to remain in service, their cadre controlling authorities would be advised of the findings of the Standing Committee, so that the same may appropriately taken into account in planning the future postings of the officer.

27 Most officers, at the time of completing 20 years of service would be in their mid-forties, when there may still be reasonable prospects of making a career outside the Government.

93 9.1 1.6 A second review may be carried out after a further period of five years, i.e. after the officer has completed 25 years of service or 55 years of age. If the performance of the officer does not show any marked improvement and the of further career advancement continue to be dim, the available provisions for compulsory retirement should be invoked.

9.12 Career Courses

9.12.1 The job profile of an AIS officer undergoes significant change as the officer moves from program implementation levels in the first few years of his career to program formulation and policy making levels in subsequent years. There is no guarantee that an officer who performs well in program implementation roles level would perform equally well in program policy formulation roles. Unfortunately, despite this change in job profile, there is no system by which officers are imparted the requisite training to undertake the differentiated responsibilities at the higher levels. It is, therefore, essential that all services must specify career-training programs, which would be mandatory for promotion to different levels. These training programmes should aim to equip an officer with the necessary skills for the positions likely to be held in the next 9-10 years. Accordingly compulsory training programmes at suitably timed in-service levels would be recessing' so that the performance in these programmes could be taken into account for the next promotion.

9.12.2 These career-training programs should lead to significant enhancement of an officer's skills and competence. Accordingly, they would need to be more rigorous and of significantly greater duration than the one two week programs currently being offered to IAS officers. Performance in these programs must be evaluated in terms of the norms followed for professional training programs.

28 As noted above, some mandatory training courses may be substituted by other formal training academic programmes that may be pursued on Study Leave. There may also be a cafeteria of training courses, of which officers may choose a specified number. The cafeteria approach may help address differentiated backgrounds and career plans of officers.

94 10. Recommendations relating to Empanelment and Placements in the Government of India 10.1 Given the time available, the recommendations of the Group relating to placements in the Central Government cover only positions under the Central Staffing Scheme, at the level of Joint Secretary and above.. The approach followed, which marks some departure from current practice, is to more carefully match the skills and backgrounds of officers to the requirements of particular positions, while preserving a broad spectrum orientation of the services as a whole across a range of sectors, while not confining individual officers to narrowly defined tasks or sectors.

10.2 Domain Assignment

10.2.1 Assigning specific Domains to officers is a key step in accomplishing this objective. Domain competency relates to sufficient background in a certain context of policy making. It differs from general skills of policy program formulation in that such general skills would relate primarily to knowledge of formal techniques of policy analysis/program formulation and experience of policy/brogan formulation generally, while "Domain Competence" would involve. in addition, significant subject matter knowledge, gained from work experience, academic study, training, and research ["backgrounds"].

10.2.2 In defining and assigning Domains to officers, two broad alternatives are possible. In the first, the number of Domains may be very few, say 3-4 (e.g. economic, social development, political and security, and culture and media) and officers may qualify for (not more than) one Domain each. In the second, Domains are defined more finely, say 10-12 (e.g. agriculture and rural development, natural resources management, social sectors, culture and information, public finance and financial management, energy, etc.), and officers are assigned to several (say, 3) Domains. In the first alternative, significant differences in the backgrounds and requirements of formal knowledge in different sectors (e.g. public finance versus energy) are not captured. Also, if officers are confined to a single Domain, they may have fewer opportunities to pursue their career interests. Additionally, long-lists generated for particular positions on the basis of officers available in a given Domain 95 may be too large, imposing strain on the process of short listing. The second alternative is, accordingly, preferred.

10.2.3 Domain knowledge may also to be distinguished from Specialized Knowledge (in the context of the business of the different AIS) in that the latter relates to more specific policy relevant (as opposed to strictly technical) knowledge within a given Domain, but is also based on relevant backgrounds. In addition, definition of areas of specialized knowledge is more difficult, given that issues are numerous, and typically gain (and lose) salience in policy making rather rapidly.³⁰ The group, therefore recommends that the following 11 Domains be adopted for assignment to officers for selection to Central Staffing Scheme posts but not earmarked for particular services (e.g. Central Police Organizations, Forest Department positions):

- 1 . Agriculture and rural development
2. Social sectors (Education, Health, Tribal Welfare, etc.)
3. Culture and Information
4. Natural Resource Management including Environment (green side).
5. Energy and Environment (brown side)
6. Communication Systems and Connectivity Infrastructure

7. Public Finance and Financial management
8. Industry and Trade
9. Domestic Affairs and Defense
10. Housing and Urban Affairs

29 In the view of the group, the second alternative is also more consistent with the approach set forth at the beginning of this chapter.

30 However, some examples of specialized knowledge within particular Domains are: (i) Agriculture: APRs on plant varieties; (ii) Social sectors: Population and Family Welfare; (iii) Energy and Environment (brown side): Climate Change; (iv) Public Finance and Financial Management: Monetary Policy, etc.
96 11. Personnel and General Administration, Governance Reform and Regulatory systems

10.2.4 A matrix giving the relevant departments where each of the above Domains would be broadly relevant by way of acquiring the necessary background and posting, is at Annex 12. A matrix giving an indicative set of academic backgrounds and areas of training, higher study or research that would be relevant for each of the domains is at Annex 13.

10.3 Process of assigning Domains

103.1 The assignment of Domains may be part of the empanelment process at Jules levels, which would identify officers for posting to the Go1 at levels of JS and above. Officers empanelled as Secretaries to Go1 may carry their Domain assignments at the AS level empanelment, unless there is a significant change in their qualifications or work experience at the AS level. Officers due for consideration for empanelment may claim (and be assigned) upto three Domains. They may submit a write-up (not more than 1000 words), summarizing their experience, academic background, training courses undergone, research accomplishments, recognitions earned , and significant achievements during their career relevant to these areas.

The factual material in these write-ups should reflect the contents of the PAR dossiers. These write-ups may be scrutinized by the Empanelment Committee (see below) which may be assisted by several eminent academics/experts in the respective fields for evaluation of work experience, academic and training courses undergone, research accomplished, etc. The Committee would evaluate the claims of the officers to specific Domains, which may be accepted or denied. No quota system need be imposed in respect of how many empaneled officers may figure in each Domain, as the interests of efficient personnel management would require that the pool of officers who may be considered for particular positions should be sufficiently large.

10.3.2 In the unlikely event that one or more of the listed Domains do not attract sufficient applicants, the Committee may assign these Domains to officers with the relevant backgrounds, exceeding the limit of 3 Domains in their case, if necessary.

97 10.4 Empanelment

10.4.1 Empanelment is the process of preparing a select-list of officers suitable to be considered for selection to positions under the Central Staffing Scheme at the levels of Joint Secretary, Additional Secretary, and Secretary to the Government of India.

Empanelment is not promotion to a particular grade. Promotion to the relevant level, which is earned in the respective cadres, would typically precede empanelment.

10.4.2 Since empanelment is a select list of those who have already been promoted, the criteria for empanelment have to be more stringent than that for promotion. It must also be recognised that empanelment means that an officer is found fit to occupy positions at national policy/program formulation levels. This is indeed an extremely responsible level and only the best available talent should be identified for these positions. Accordingly, there is no alternative but to use merit and demonstrated competence as the basis for empanelment.

10.4.3 The Group also noted that Empanelment is not an assurance of posting under the Central Staffing Scheme. The numbers of empaneled officers need not, therefore, strictly correspond to the number of vacancies likely to arise in a year.

10.4.4 After detailed discussions, the Group makes the following recommendations with regard to Empanelment:

1. The output of the empanelment process would be a list of officers found suitable for selection to specific positions under the Central Staffing Scheme, together with their respective Domain assignments. All empanelled officers must be informed of the fact of their empanelment, including Domain assignment.
2. Individual batches may be taken up sequentially along with those from previous batches who are due for review. Thus, there would be a fresh batch to be considered each year and some review batches. Cases of such officers who are not empanelled when their batch is taken up for consideration on the first occasion, may be reviewed up to twice more. Before each review, for the Joint Secretary's level, an officer should have earned two more annual PARS and for higher levels one more annual PAR. .
3. A norm of empanelling not more than 50% of the officers of the fresh batch, for the Joint Secretary level, should be adopted. All the non-empanelled officers of the review batches, who secure higher overall scores, in the evaluation, compared to the last empanelled officer of the fresh batch, may also be empanelled. Thus, the percentage of empanelment within a batch may go over 50% after the review stage. The percentage of officers of the fresh batch empanelled at higher levels would be lower, and would need to be worked out on the basis of the likely vacancies, as well as the cushion to allow meaningful selection for particular positions depending upon the skills and background.
4. In awarding scores to each candidate, for empanelment to positions of Joint Secretary and above, the empanelment committee may adopt the formulation suggested in Model B (above) for promotions except that the zone of consideration would be the entire fresh batch and review batches. The transition provisions may also be the same as for promotions under Model 9.
5. The UPSC should be involved in the empanelment process. Interviews for empanelment to the positions of Joint Secretary and above should be introduced." The interview would validate the claims of skills for the higher position, and would not be a personality test.
6. The empanelment committee should be chaired by the Chairman/ member of

the UPSC and should include at least two eminent professionals and other suitable senior officers as may be agreed between the Cabinet Secretary and Chairman of the UPSC.

10.4.5 In making its recommendations that only 50% of the primary batch should be empanelled for the level of Joint Secretary, the Group has taken into account The Group considered three options with regard to the process of empanelment. One was to involve the UPSC and introduce a process of interview in which the interview committee could make an assessment of the performance claims made by the candidate officer in his annual performance appraisal reports as also his claims to competence for the higher position. The second was to involve the UPSC but not have an interview process but ask a committee to make an evaluation from the performance appraisal dossier (including CV) made available to them. The third was to use the present screening committee of Secretaries itself. Keeping in view that there can be no compromise on quality at such responsible positions, the Group was of the view that stringent selection procedures need to be in place and hence the recommendation that the UPSC be involved along with an interview process. The recommendations of the UPSC would not only be with regard to the suitability for empanelment but also the appropriate domains to be assigned. The recommendations should be submitted to the Cabinet Secretary

for obtaining the approval of the ACC.

99 average number of officers appointed to the different levels in any particular year, the average number of officers available in a particular batch, as well as the average tenure of officers at different level. The Group is of the view that restricting empanelment to only 50% of the batch would help in reducing unhealthy competition for specific positions and would, instead, introduce healthier competition for empanelment itself. The information made available to the Group on the average number of appointments made at each of the levels of Joint Secretary, Additional Secretary and Secretary, in a year, is placed at Annexure 14.

10.5 Combining Domain Assignment and Empanelment

10.5.1 The Group also discussed the merits of combining the domain assignment and the process of evaluating suitability for the higher positions (both being components of the Empanelment) into a single exercise, particularly since the necessary information for each would be contained in the PAR dossiers (including CV). This would help reduce the workload. However, the Group is of the view that domain assignment requires scrutiny by several professionals who would be in a better position to judge demonstrated skills and background of an officer for a particular Domain. On the other hand, the suitability for higher positions may be better judged by fellow practitioners. It is for the above reason that the Group recommends that the domain assignment and determination of suitability for higher positions should be taken up as separate exercises and not as a common exercise.

10.5.2 This raised the question of inter-se sequencing between the two exercises . If domain assignment were to precede determining suitability for higher positions, it would mean that the entire batch would have to be assigned domains , including, those officers not ultimately found suitable. This would mean extra workload in the domain assignment process. Against this, if determining suitability were to be done first, assignment of a domain would not be available for non-empanelled officers.

10.5.3 After considerable discussion, the Group was of the view that it would be better to first accomplish the domain assignment and then take up the process of determining suitability for higher positions. This would have the following advantages:

100 It would enable the approval of the ACC to be obtained for the entire output of the empanelment process, i.e. suitability for the higher positions and Domain assigned. This would make it very difficult to post an officer to an area for which where he is not well suited.

It would provide useful information of an officer's capabilities to the cadre who may like to take note of the fact in deciding his authorities, placement within the cadre.

It would give an indication to the officer of the areas in which he should grow for being considered or empanelment in subsequent years.

10.5.4 The domain assigned when the officer was first considered for empanelment may hold at the review stage also, unless the officer has made a specific request, with supporting justification, for reassignment of domain. In case the officer makes such a request, the same may be examined as part of the domain assignment process.

10.6 Selection for specific positions under the central Staffing Scheme

10.6.1 With regard to placements in the Government of India, at the level of Joint Secretary and above, the Group has been guided by the need to ensure that the skills and backgrounds of officers are optimally used. The Group also feels that unhealthy competition for specific positions, on account of which unstructured influences are brought to bear on the selection process, may be avoided through greater transparency in the placement process. The group, therefore, recommends the following procedure for placements:

Step 1: Notification of vacancies likely to arise in the course of the forthcoming year

10.6.2 Each Administrative Ministry would convey to the Department of Personnel & Training (DoPT), 3 months prior to the start of the year, the vacancies at each level likely to arise during the year. Each notice would include a job description of the subjects themes functions of the position.

Step 2: intensifying the relevant Domain Competency for each post

10.6.3 The DoPT would tentatively identify the appropriate Domain competency for each post notified on the basis of the job descriptions. This identification would be confirmed by the CSB.

101 Step 3: Publication of the list of vacancies

10.6.4 Following Steps 1 & 2, the DoPT would publicize the list of likely vacancies during the year (through its website and other means), together with the job descriptions and identified Domain competencies, for access by all prospective candidate officers. The candidate (empanelled) officers may, in turn, indicate by mail to the website itself, or by other means, their interest in being considered for (upto 3) particular positions. (A software would have to be developed for consolidating all such responses, and confirming to each officer the registering of their expressions of interest, as well as restricting access for expressions of interest through passwords).

Step 4: Generation of Long-Lists

10.6.5 For each post, a long-list would be generated by the Department of Personnel listing all the officers who are still available from among those who have indicated their

interest in the post and with the requisite Domain competency. In case sufficient officers who have indicated their interest in the post are no longer available, or an insufficient number had expressed interest in the first place, the DoPT may generate add to the long-list other available officers with the requisite Domain competency. This long-list, together with the Performance Appraisal dossiers of the officers would be forwarded to the CSB.

Step 5: Generation of Short-Lists

10.6.6 The long-list for each post would be pruned by the CSB by matching the requirements for the post as revealed in the respective job descriptions and the specific background of each officer, and considering their overall suitability for the particular position. The output would be a short-list for each post.

Step 6: Final Selection for the post

10.6.7 The CSB would transmit this short-list to the ACC for final selection to the post. It has been decided to constitute a Group under the chairmanship of Lt. Gen. @etd.) Surendra Nath to look at the performance appraisal system being followed elsewhere and then come up with suggestions for a performance appraisal system that could be adopted for the All India Services and, subsequently, for Group 'A' Central Services.

- (i) To comprehensively review the present system of recording Annual Confidential Reports so as to bring greater transparency and efficiency in order to motivate good officers.
- (ii) To develop a system of recording of ACRs so that better performance or lack of performance gets properly and fairly reflected.
- (iii) To develop a new system for Performance appraisal after looking at practices being followed elsewhere, particularly in the Defence Services Jading corporate houses, multi-lateral organizations as well as the civil services of other countries.

104 To make suggestions for a performance appraisal system for NI India Services and subsequently, for Group 'A'

The Group shall finalize its recommendations/suggestions positively by February, 2003 so that the same could be placed before Hon'ble Prime Minister by February, 2003 and the decisions are from April, 2003 onwards.

GOVERNMENT OF INDIA
MINISTRY OF PERSONNEL, P.G & PENSIONS
(DEPARTMENT OF PERSONNEL & TRAINING)
NEW DELHI, Dated the 97 January, 2003

Subject: Review of the system of Performance appraisal for the All India Services and Group 'A' Services. In continuation of this Department's note of even number dated 18.12.2002 on the subject mentioned above the undersigned is directed to say that the Prime Minister has approved the proposal to hither enhance the Terms of Reference of the Group. The Terms of Reference of the Group

mentioned under para 3 of the note 18.12.2002 now stands revised as follows:-
To comprehensively review the present system of recording Annual Confidential Reports so as to bring greater transparency and efficiency in order to motivate good officers. To develop a system of recording of ACRs so that better performance or lack of performance gets properly and fairly reflected. There is need to bring about a culture where a superior officer does not hesitate in recording the weakness in an officer merely due to the possible 'risk' of having to convey adverse remarks and subsequently respond to the representation received against adverse entries. To evolve a new system for performance appraisal to looking at practices being followed elsewhere, particularly in the Defence Services, some of the leading corporate houses, some multi-lateral organizations as well as the civil services of some other countries. Recommendations/ suggestions for a performance appraisal system for the All India Services and subsequently, for the Group 'A' Central Services. To review the present system of promotion of All India Service and other Group 'A' officers, at the level of Joint Secretary to Govt. of India (and their equivalents), to ensure greater transparency, objectivity, and a more clearly defined linkage with the performance appraisal system. 106 (vi) To make recommendations for establishing a more clearly defined linkage between the performance appraisal system and the background and experience of officer at these levels, and their lateral movement, in respect of All India Service , and other Group 'A' Services.

finalize shall Group 4. The its recommendations suggestions by the scheduled date mentioned therein so that the same could be placed before the Hon'ble P.M within the prescribed time limit. In continuation of this Department's note of even number dated 27" January, 03 on the subject mentioned above the undersigned is directed to state that the Prime Minister has approved the proposal to further enhance the Terms of Reference of the Group constituted for review of the system of performance appraisal for the All India Services and group 'A' Services. Accordingly, Para 5 of this Department's note dated 27' January, 03 may please be treated as modified and it will now read as follows :

(V) "To review the present system of promotion of All India Service and other Group "A" officers, at the level of Joint Secretary, Additional Secretary and Secretary to Govt. of India (and their equivalents)? to ensure greater transparency, objectivity, and a more clearly defined linkage with the performance appraisal system."

It has also been decided to give the Group three months for completing the report. The other contents of this Department's note of same number dated 27" January, 03 will remain unchanged.

1. Shri Y. Ramarishnu, Minister for Finance, Planning, Small Gavings, Lotteries and Legislative Affairs, Govt. of Andhra Pradesh (since the Chief Minister was out of town, the Minister for Finance had been advised to meet
2. Shri P.C. Hota, Chairman, UPSC.
3. Shri Kamal Pande, Cabinet Secretary
4. Smt. Sathi Nair, Chief Secretary, Govt. of Andhra Pradesh

5. Lt. Gen. Mahesh Vij, Military Secretary, Army Headquarters.
 6. Director General of Police, Govt. of Andhra Pradesh
 7. Chief Conservator of Forests, Govt. of Andhra Pradesh
 8. Shri Binoy Kumar, Secretary (Services) Govt. of Andhra Pradesh
 9. Shri Gyaneshwar Jha, Director, SVP National Police Academy
 10. Shri M.K. Kaw, IAS(Retd)
 11. Dr. E.A.S. Sarma, IAS(Retd.), Principal, ASCI, Hyderabad
 12. Dr. Trinath Mishra, IPS(Retd.)
 13. Shri N. Velluri, IAS(Retd.)
 14. Shri R.R. Shah, Secretary, Department of IT, Government of India
 15. Shri D.C. Gupta, Secretary (Expenditure), Government Of India
 16. Shri Binod Kumar, Director, Lal Bahadur Shastri National Academy of Administration, Mussoorie.
 17. Shri P.L. Sanjeeva Reddy, IAS(Retd.) and Director, IIPA
 18. Shri R.K. Sharma, Special Secretary, Ministry of Home Affairs.
 19. Shri S.K. Purukayastha, Additional Seretary (S&V), Department Of Personnel & Training, Government Of India
 20. Smt. Chitra Chopra, Establishment Officer & Additional Secretary, Department Of Personnel & Training, Government Of India
 21. Shri M.K. Sharma, IFoS, DG(Forests), Government Of India
- Annex 4
- 110 22. Shri A.K. Jain, Joint Secretary (Police), Ministry of Home Affairs, Government Of India
 23. Shri Vivek Rae, Joint Secretary, CBDT, Department of Revenue, Ministry of , Finance, Government Of India
 24. Shri R. Chandramohan, Joint Secretary, Ministry of Environment & Forests, Government of India
 25. Shri A.K. Rana, Director, Indian Forest Research Institute, Dehradun
 26. Shri Himanshu Kumar, Addl. DG, CRPF.
 27. Shri Vikram Srivastava, IG, CRPF
 28. Shri Surya Prakash, Director, Ministry of Environment & Forests, Government Of India
 29. Shri Jagdish Kishwan, Inspector General of Forests,
 30. Shri V.K. Bahuguna, , Inspector General of Forests, Ministry of Environment & Forests, Government of India
 31. Shri L.R. Thanga, Dy. , Inspector General of Forests, Ministry of Environment & Forests. Government of India
 32. Ms. B.V. Uma Devi, IFoS, Dy. Director, LBSNAA.
 33. Shri Maithili Sharan Gupta, DIG (Admn.) ITBP
 34. Shri D.M. Mitra, Dy. Director, BPR&D
 35. Shri Salim Haque, Indian Postal Service, Director, Training Divn. Department Of Personnel & Training, Government Of India
 36. Shri S.N. Pradhan, Dy. Director, Indian Police Academy, Hyderabad.
 37. Shri Bharat Prasad, Deputy Secretary, Estt. Officers Office, Department Of Personnel & Training, Government Of India.
 38. Dr.J.C.Mohanty, IAS, Centre for Good Governance, Govt. of Andhra Pradesh

39. Officers of IAS/IPS/IRAS, IA&AS and ASCI in a Meeting organized at ASCI, Hyderabad.
40. Officers of IAS, IPS, IRAS, IA&AS and ASCI in a Meeting organized at ASCI, Hyderabad.
41. Faculty members of LBSNAA, Mussoorie.

Current provisions relating to integrity have been retained. A system of numerical grades has been proposed. Computerisation of the performance appraisal system has also been proposed. One of the possibilities through computerisation would be a more scientific moderation of variations in the culture of writing performance appraisal reports. It has been provided that for poor and outstanding grades, clear justification should be provided with references to

specific failures/accomplishments.

114 The proposal is for the entire performance appraisal report to be shown to the appraisee, after review. Adverse comments should be read out or communicated to the officer by the Reporting officer himself and his reply representation should be incorporated in the CR itself. The next higher authority should then decide on whether to expunge the adverse Grading column in the ACRs should be done away with while retaining the subjective nature of the ACR. Alternatively, numerical system should be adopted. The Group discussed the issue of doing away with an overall grade. However, it was felt that since the reporting and reviewing officers had a close knowledge on the abilities of the officer, there should be a provision for an Overall grade to be recorded by them. Reporting officer/reviewing officer should be precluded from grading the officer.

This has not been agreed to, as it would accentuate and mediocrity at the highest levels. In fact, empanelment procedure is being proposed. Empanelment being merit based, the concept of reservation acceptable. more rigorous empanelment procedure is being proposed, with an interview through the UPSC.

Empanel everybody unless serious charges are pending against an officer or whose less than CRs are in outstanding/very good Empanel officers statewide in proportion to number to be empanelled and officers of the batch in the particular State Cadre. For Empanelment hold informal retinal of the concerned batch under few retired eminent bureaucrats. consider five-yearly reports conduct interview written test in some basic papers.

The Group does not agree to this as it would be extremely complex to implement Promotion should be on the basis of ACRs and interview by neutral panel comprising of officers whose State cadres are different from that of the officer Empanelment should be a selection process rather than elimination process based on ACRs alone High benchmark for empanelment as Joint Secretary

Every five years, all reports to be considered by a small Group of officers senior to the officer reported upon. The Group of officers would bring a balancing impact into the Performance appraisal system and produce one report on the officer encapsulating his performance in 5 years. 115 Postings should be decided based on an officer's domain knowledge. A new system of streaming officers at the super-time scale is being proposed so that postings can be decided based on an officer's domain knowledge.

This is a good suggestion and was discussed by the group. It was, however, felt that in the present context this might not be practical. However, this could be considered for adoption after the new system stabilizes.

A system of interviews, through the UPSC, is being proposed for empanelment. Similarly, it is being suggested promotions should include an officer from a different State. This is being proposed for promotions at certain levels.

Promotion

Promotion empanelment should be on the basis of ACRs and interview by neutral panel comprising of officers whose State cadres are different from that of that the Screening Committee for recommending the officer cadre. In the DPC, outside members should be associated. Introduction of other parameters in addition to CRs should be introduced for promotion. Evaluation of a special attribute, namely "Citizen Focus" is being included. This has not been agreed to. However, a simpler form is being proposed for Secretary level officers. This has not been agreed to. However, by removing the third level of evaluation, the political executive will be excluded for several lower positions. There is a provision for representation against such remarks and hence decisions are taken at higher levels. Expectation of papers is only after about 12 years of service. The officer could highlight all papers written by him. It is being proposed that the entire report, after review, should be shown to the officer.

Other comments Stronger outward accountability is essential for greater responsiveness to the needs of the public and thus to improved service quality.

For Additional Secretaries and Secretaries and for officers having completed 30 years of service, there should not be any Patriarch Performance appraisal of officers should be made upto Secretary and not the political executive.

Adverse comments should not be decided by the authority who made the adverse remarks. Instead of focusing on professional papers, the focus could be on any papers written by the officer including newspaper articles, internal policy papers, This is being clarified in the proposed guidelines. reports of committees and task forces, etc. The final grading of the Reviewing & Accepting officer should be communicated to the concerned officer.

Time limits should be specified for different stages of This is being done. the appraisal process.

A detailed procedure for appeals should be set out and a decision taken regarding the number of appeals permitted.

I performance appraisal report.

In order to avoid undue pressure on the reviewing I It is being proposed that the report may be shown to the

officer, the level at which the appraisal may be done after the review stage shown the comments of the reporting officer can be raised to that of reviewing officer. A system of streaming officers into different areas of specialization is being proposed from the super-time scale. Criteria for placement should be made transparent to avoid many of the pitfalls of the present system. At a certain level, the area of interest / specialization onwards of the officer should be ascertained and the officer placed in such a stream. 118

List of Organizations/Agencies whose performance appraisal systems were studied
Government Agencies: All India Services

This assessment should rate the officer vis-a-vis his peers and not the general population. Grades should be assigned on a scale of 1 - 10, in whole numbers, with 1 referring to the lowest grade and 10 to the best grade.

133 for I Assessment of Attributes

The sample of possible work plans for different positions has been developed and is placed at Annex-I 1-A. This may be used as a guide for officers to develop their own annual work plans. Ideally, individual work plans should be drawn from the annual action plan of the Ministry/deptt./organization. Aggregation of the individual work plans should really be the work plan of the Ministry/Deptt./Organization.

139 ,

It is possible that an officer has accomplished certain major tasks which were not foreseen either at the commencement of the year or even during the mid year review. Examples of these may be relief and rescue work following a natural calamity or dealing with some other kind of emergency. Section II provides for such unforeseen work accomplished during the year to also be recorded by the appraisee to project higher complete achievements during the year.

Section II also provides an opportunity for the officer to reflect upon his/her performance during the year and indicate one item which he/she thought was a significant contribution made by him/her during the year. It is not possible for any officer to make such significant contribution every year and hence this need not be attempted for each year of higher service. Examples of such contribution may be the successful organization of a major event like the Kumbh Mela or successful conclusion of an activity that has been going on for a long time, or even successful dealing of an emergency (e.g. major earth quake/flood).

In all such cases, the officer should reflect upon and record factors that helped in his/hers performance or hindered higher performance. Higher reflection should also enable him/her to record higher specific learning from the experience and possible systemic changes that could be made. Section II provides an opportunity for the officer to mention all of these.

This section also requires the appraisee to indicate specific areas in which he/she feels the need to upgrade skills and attend training programs. He/she should also mention the specific steps that he/she has taken or proposes to take to upgrade higher skills in the identified area.

There is an increased emphasis on competency building in the new performance appraisal and career progression system. There would be a premium on competency and skill upgradation. Hence, all officers are advised, through a note in Section II, to keep the cadre controlling authority informed, at least once in five years, of all educational and training programs attended, including the details of mark grades

secured in such programs. Similarly, all officers are advised to intimate details of professional papers published, with all relevant details. These would be taken into account in the future career progression and hence the need to keep the records of the cadre controlling authority updated.

In this context it is to be noted that officers would not normally be expected to publish papers during their first 12 years of service, when they would be in their field postings. Even at subsequent levels, publication of papers would, at best, be an ancillary activity and not something that takes up a substantial part of an officer's time, who obviously has a responsibility to discharge. This information is being sought primarily to assess the ability and willingness of an officer to think and research independently as well as structure higher thoughts into a meaningful document.

Section II also requires the appraisee to record certain certificates. Apart from certifying submission of property returns, this section requires the officer to certify that he/she has undergone a medical check up within the last two years. Such a medical certificate is being insisted upon in the larger interest of the officer and the organization. The appraisee is also required to certify that he/she has agreed upon an annual work plan with all higher immediate subordinate officers for whom he/she would be the reporting authority.

Another certificate is with regard to having submitted the annual performance report of all higher subordinate officers for the period under report. In case the annual performance report of any subordinate officer could not be submitted, the reasons for the same need to be indicated in the table provided. This could be due to the concerned appraisee not having submitted higher self-appraisal or some delay having taken place due to emergent work. In this connection, it is clarified that this certificate is required only in respect of those officers for whom the appraisee is the reporting authority.

Section-III

This section relates to the actual appraisal and is to be recorded by the reporting authority. The reporting authority must first indicate the actual period, out of the year under report, during which the appraisee has served under him/her. In entering this information, the reporting authority may see information in Section I, where the date from which the appraisee has been in higher present position would be available.

Section III then requires the reporting authority to comment on section II as filled out by the appraisee, and specifically state whether he/she agrees with the responses relating to the accomplishments. In case of disagreement the reporting authority should highlight the specific portions with which he/she is unable to agree and the reasons for such disagreement.

This section then requires the reporting officer to comment on the skill upgradation needs as identified by the officer. In case, the reporting officer agrees with the training needs indicated by the appraisee, he/she is required to indicate specific steps taken/proposed to be taken by him/her to enable the appraisee to have the skill upgraded. In case, he/she disagrees with the appraisee, he/she should record the reasons for such disagreement.

Thereafter, this section requires the reporting authority to record a numerical grade in respect of the work put of the appraisee both in respect of the planned work as

well as the unforeseen tasks. A numerical grade is also required in respect of the "quality" of the output. In doing so, the reporting authority should take into account the costs incurred (whether the appraisee has been cost conscious), the time taken and whether the laid down rules/procedures have been adhered to in accomplishing the tasks.

The reporting authority is also required to record a numerical grade in respect of certain personal attributes and functional competencies. As mentioned in the preformed, some of the attributes only relate to some of the posts and need not be given in respect of officers occupying different posts.

Section III requires the reporting officer to comment on the integrity of the appraisee. In recording remarks with regard to integrity, he/she need not limit him/herself only to matters relating to financial integrity but could also take into account the moral and intellectual integrity of the appraisee. The following procedure should be followed in filling up the column relating to integrity:

- (i) If the Officer's integrity is beyond doubt, it may be stated.
- (ii) If there is any doubt or suspicion, the column should be left blank and action taken as under

142 (a) A separate secret note should be recorded and followed up. A copy of the note should also be sent together with the Confidential Report to the i e x t superior officer who will ensure that the follow up action is taken expeditiously. Where it is not possible either to certify the integrity or to record the secret note, the Reporting Officer should state either that he/she had not watched the officer's work for sufficient time to form a definite judgment or that he/she has heard nothing against the officer, as the case may be.

(b) If, as a result of the follow up action, the doubts or suspicions are cleared, the officer's integrity should be certified and an entry made accordingly in the Confidential Report

(c) If the doubts or suspicions are confirmed, this fact should also be recorded and duly communicated to the officer concerned.

(d) If as a result of the follow up action, the doubts or suspicions are neither cleared nor confirmed, the officer's conduct should be watched for a further period and thereafter action taken as indicated at (b) and (c) above.

(Ministry of Home Affairs OM No.51/4/64-Estt(A), dated 21 6/1965.)

The reporting authority is then required to comment on the attitude of the appraisee towards Scheduled Castes and Scheduled Tribes.

The reporting officer is also required to record a descriptive pen-picture on the overall qualities of the appraisee and his/her performance. This need not exceed about 100 words and should try to cover qualities which the reporting officer feels have not been adequately covered through the specific attributes and the work assessment. The pen-picture is also meant to be a qualitative supplement to the quantitative assessments made earlier part of this section.

143 Finally, the reporting authority is required to record an overall grade. This should also

be done on a scale of 1-10, with 1 referring to the lowest grade and 10 to the highest.

Section-IV

This section is to be filled up by the review officer and is self-explanatory. Again, as in the case of the reporting authority, the review authority is first required to indicate the time for which the appraisee has served under him/her.

Thereafter he/she is required to indicate if he/she agrees with the assessments made by the reporting officer. In case he/she does not he/she may record higher own assessment against the work output or any of the attributes, in the column specifically provided for the purpose in the table in Section II. In case he/she agrees with the assessment he/she need not fill in the column meant for him/her in the attributed work output tables.

The review officer is required to record a pen-picture, not exceeding about 100 words. Finally he/she is required to record an overall grade in the scale of 1-10.

Numerical Grades

At several places, numerical grades are to be awarded by reporting and review authorities. These should be on a scale of 1-10, where 1 refers to the lowest grade and 10 to the highest. It is expected that any grading of 1 or 2 (against work output or attributes or overall grade) would be adequately justified in the pen-picture by way of specific failures and similarly, any grade of 9 or 10 would be justified with respect to specific accomplishments. Grades of 1-2 or 9-10 are expected to be rare occurrences and hence the need to justify them. In awarding a numerical grade the reporting and review authorities should rate the officer against a larger population of higher peers that may be currently working under them or would have worked under them in the past.

The new performance appraisal system is no longer a confidential process and the entire appraisal is now required to be revealed to the appraisee. This fits in with the primary objective of the performance appraisal being a tool for the development of the officer. As such, the final report, after review, is required to be communicated to