

UNITED STATES OFFICE OF PERSONNEL MANAGEMENT Washington, DC 20415

January 30, 2006

MEMORANDUM FOR CHIEF HUMAN CAPITAL OFFICERS

FROM: LINDA M. SPRINGER,

DIRECTOR

Subject: Building a Results-Oriented Performance Culture

This is to follow up on our ongoing discussions regarding establishing results-oriented performance cultures in agencies. I want to be clear that agency SES appraisal systems will not be certified for calendar year 2006 if the performance plans do not hold executives accountable for achieving measurable business outcomes.

By aligning employee performance plans with organizational goals and holding employees accountable, agencies are well on the way to establishing a results-oriented performance culture. We must now place an even greater emphasis on <u>achieving</u> results.

While Senior Executive Service (SES) appraisal and certification regulations require executives to be appraised based on their performance, we have found some plans in some agencies that are weak in measuring results or setting targets. These agencies have been told they must improve those performance plans. This emphasis applies to non-SES appraisal programs as well. Your agencies are currently completing the Office of Personnel Management's (OPM) Performance Appraisal Assessment Tool (PAAT) for your non-SES appraisal programs, including the beta sites you identified last quarter. The PAAT provides a process for assessing how well programs meet the criteria identified to support a strong performance culture, including an assessment of employee performance plans and their focus on measurable outcomes. Your programs will not score well if your performance plans do not include this focus, nor will your beta sites meet the green standard for performance culture. OPM is scoring the PAATs as they are submitted and will be working with the agencies to improve any weaknesses in their appraisal programs.

As I indicated at our January 12, 2006, discussion, all assessments of appraisal programs for both SES and non-SES employees, whether through certification or the PAAT, will review how well the agency has incorporated a results-focus into its appraisal process. For programs being certified for 2007, OPM expects to see well over 50 percent of an executive's or employee's performance plan focuses on achieving results. OPM has tools and training that can help you develop or strengthen your performance appraisal programs. My staff has been providing technical guidance and assistance to you in the past and will continue to do so. Please contact your Human Capital Officer, as needed.

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