U.S. Office of Personnel Management

Quick Guide: Understanding the Role of Organizational Performance in Performance Management

Why Organizational Performance Matters

Federal agencies exist to achieve mission outcomes. While employees perform individual assignments and responsibilities, those efforts contribute to broader organizational goals such as delivering services to the public, supporting national priorities, improving operational effectiveness, increasing efficiency, managing taxpayer resources responsibly, and achieving strategic objectives.

Considering organizational performance helps agencies:

- Better understand the broader impact of employee contributions.
- Strengthen alignment between employee performance and mission outcomes.
- Improve accountability for organizational results.
- Encourage collaboration across offices and programs.
- Support more consistent calibration decisions.
- Better recognize contributions that advance agency priorities.

Individual Performance Remains the Primary Consideration

The most important principle to understand is this:

Individual performance remains the foundation of every performance rating.

Employees continue to be evaluated based on:

- Performance standards and critical elements.
- Individual accomplishments and results.
- Quality of work.
- Demonstrated contributions throughout the appraisal period.
- Documented performance evidence.

No employee receives a performance rating based solely on organizational outcomes.

Supervisors remain responsible for evaluating employee performance, providing feedback, documenting accomplishments, and assessing performance against established standards. Organizational performance does not replace the evaluation of individual performance. Rather, it provides additional context during calibration and other performance discussions.

Calibration and Organizational Performance

Calibration is a structured review process in which leaders review ratings and supporting evidence across organizations to promote fairness, consistency, and accurate differentiation of performance.

Organizational performance provides useful context during calibration by linking individual employee performance with mission priorities.

Individual Performance	Organizational Performance
How did the employee perform against established performance standards? What were the documented accomplishments?	How did those accomplishments contribute to achieving mission outcomes, strategic priorities, and organizational goals?
Serves as the primary basis for performance ratings.	*Provides additional context when evaluating and differentiating performance.*

What This Means for Employees

Employees should continue to focus on individual performance while understanding how their work contributes to their organization's goals. Employees don't need to track agency-wide metrics. The most effective thing employees can do is document their own work thoroughly.

Employees can strengthen performance discussions and demonstrate the full impact of their contributions by:

- Documenting accomplishments and results.
- Demonstrating how their work supported organizational priorities.
- Identifying mission impacts and outcomes.
- Highlighting collaboration that contributed to organizational success.

Key Takeaways

- Individual performance remains the primary determinant of performance ratings.
- Employees continue to be evaluated against established performance standards and critical elements.
- Organizational performance provides context but does not replace evaluation of individual performance.
- No employee receives a rating based solely on organizational outcomes.
- Organizational performance will be considered during calibration to help distinguish levels of performance and recognize mission impact.
- Strong performance management recognizes both individual achievement and its contribution to organizational success.