



March 26, 2026

Mr. Scott Kupor
Director, Office of Personnel Management
1900 E St. NW
Washington, D.C. 20415-1000

Re: RIN 3206-AP06, “Performance Appraisal for Non-SES Federal Employees”

Dear Mr. Kupor:

The Partnership for Public Service submits these comments on the rule proposed by the Office of Personnel Management entitled “Performance Appraisal for Non-SES Federal Employees,” RIN 3206-AP06, published in the Federal Register on February 24, 2026. The Partnership is a nonprofit, nonpartisan organization committed to building a better government and a stronger democracy. We believe that a merit-based, nonpartisan civil service is central to our system of government, and for more than two decades we have advocated across administrations for changes to federal law, regulations and programs that improve the government’s ability to attract, hire and retain a talented workforce that effectively serves the public.

We agree with OPM that the current performance management system for non-SES employees is overdue for reform, and support evidence-based reform that takes a holistic view, aiming to create a system that ensures public servants are aligned and accountable to deliver on their agency’s missions. However, the proposed rule takes a piecemeal approach with unproven elements—including forced distribution and removing grievance rights, Level 2 ratings and Level 1 mandatory reviews —that together are unlikely to achieve the high-performance, accountable and motivated federal workforce that OPM seeks. We encourage OPM to use its demonstration project authority to test reform ideas first before implementing governmentwide and work with agencies to identify policy changes or other support they need to better utilize any performance management system.

Forced Distribution Is Unproven and Likely Counterproductive to Driving Long-term High Performance in Government

OPM’s own cited literature to justify removing the prohibition on forced distribution (with intent to then require standardized distribution of ratings) concludes that for organizations

like the federal government that rely on long-term collaboration within their workforce, "the risks associated with forced distribution tend to outweigh the benefits."¹

Research shows that while these systems might increase task performance in the short term, over time they increase counterproductive behavior and dysfunction, particularly in organizations with high task interdependence.² Employees who know they are competing for a fixed share of top ratings have a structural incentive to hoard information, avoid risk and undermine peers. OPM points to private sector firms as exemplars but most of these companies have moved away from stack ranking: Microsoft abandoned the practice in 2013 after employees and observers described it as the single most destructive internal process at the company³ and General Electric — the originator of the "vitality curve" OPM references — dropped forced ranking entirely by 2015, transitioning to a continuous feedback model.⁴ Even more than the private sector, federal agencies depend on cross-agency coordination, long-term planning, information-sharing and mission continuity — attributes shown to be incompatible with forced distribution.

Forced distribution will also negatively affect the federal government's ability to hire and retain non-SES employees. Federal compensation already lags significantly behind private-sector equivalents at most grade levels.⁵ A system that structurally limits the share of employees who can receive top ratings — independent of actual performance levels — removes one of the few meaningful tools agencies have to recognize and motivate employees. Because of those limits, forced distribution risks demotivating and losing high performers, operating within high-performing teams or organizations, who cannot be appropriately rewarded and recognized.

¹ Wijayanti, A., Sholihin, M., Nahartyo, E., & Supriyadi. "What do we know about the forced distribution system: a systematic literature review and opportunities for future research." *Management Review Quarterly* 75, pp. 747–788 (2025), <https://doi.org/10.1007/s11301-023-00396-8>.

² Moon, S.H., Scullen, S.E., & Latham, G.P. "Precarious Curve Ahead: The Effects of Forced Distribution Rating Systems on Job Performance." *Human Resource Management Review* 26, no. 2, pp. 166–179 (2016), <https://doi.org/10.1016/j.hrmr.2015.12.002>.

³ "Ranking workers can hurt morale and productivity. Tech companies are doing it anyway," *Fast Company* (Feb. 2023), <https://www.fastcompany.com/90850190/stack-ranking-workers-hurt-morale-productivity-tech-companies>. See also "Microsoft's Lost Decade," *Vanity Fair* (Aug. 2012), <https://www.vanityfair.com/news/business/2012/08/microsoft-lost-mojo-steve-ballmer>.

⁴ "Why GE had to kill its annual performance reviews after more than three decades," *Quartz* (Aug. 2015), <https://qz.com/428813/ge-performance-review-strategy-shift>. See also "General Electric shifts away from annual performance reviews," *CNBC* (Aug. 19, 2015), <https://www.cnbc.com/2015/08/19/general-electric-rethinks-from-annual-job-reviews.html>.

⁵ Congressional Budget Office, *Comparing the Compensation of Federal and Private-Sector Employees in 2022* (April 2024), <https://www.cbo.gov/publication/60235>.

OPM Should Use Its Demonstration Project Authority Before Implementing Untested Reforms Governmentwide

To justify the rule components eliminating the Level 2 rating, prohibiting union grievance arbitration of performance ratings, and removing the mandatory higher-level review of Level 1 ratings, OPM has identified real problems to be addressed but has not demonstrated sufficient supporting evidence that its proposed solutions will be effective or that they will not produce unintended consequences at scale. Before implementing changes that will affect millions of federal employees, we urge OPM to use its existing statutory authority under 5 U.S.C. 4703 to design, conduct, and evaluate demonstration projects to test reforms. The case for piloting before implementing is especially strong for the three provisions noted above:

- On eliminating the Level 2 rating: OPM's argument that this rating is rarely used and logically redundant could be correct but does not mean its removal will produce better outcomes. Managers may be underusing it as a tool for addressing and improving underperformance. One alternative could be to train supervisors on using Level 2 as an improvement phase and placing constraints on its use – e.g., an employee cannot receive a Level 2 in consecutive years without some performance-based action. A pilot could test whether eliminating or adjusting the Level 2 rating improves supervisory clarity and rating accuracy.
- On removing union grievance rights for performance ratings: OPM cites no data on how frequently such grievances are filed and how much supervisory time they consume, seeming to base its argument mainly on the assumption that implementing other parts of this rule (forced distribution) is likely to increase the instances of union grievances. If OPM's suggestion that there are other avenues for redress refers to employees appealing to MSPB or agency inspectors general monitoring for politicized removals – both avenues have been weakened by the administration.⁶ More data is needed to understand if removal of union grievances would actually improve performance management outcomes.
- On eliminating mandatory higher-level review of Level 1 ratings: While we appreciate that OPM preserves agency discretion to conduct such reviews voluntarily, the mandatory review exists as a guardrail against erroneous or retaliatory ratings. OPM

⁶ Partnership for Public Service, "President Trump's Firing of Inspectors General Threatens Government Accountability and Efficiency" (Oct. 21, 2025), <https://ourpublicservice.org/blog/president-trumps-firing-of-inspectors-general-threatens-government-accountability-and-efficiency/>.

provides no evidence for how often this review changes outcomes or what removing it will mean for employees in agencies that choose not to replicate it on their own.

OPM has used its demonstration project authority productively in the past—including to successfully test pay-for-performance systems.⁷ GAO has recommended that OPM continue to lead in sharing personnel management innovations across government⁸ and MSPB recommends OPM take a strong leadership role, including developing concepts for demonstration projects and collaborating with agencies to carry them out.⁹ Performance management reforms to address the issues that OPM rightly raises of lowering administrative burden and increasing system integrity are a prime target for demonstration projects.

Effective Performance Management Reform Requires Clear Outcomes, Capable Supervisors and Streamlined Processes

Performance appraisals and ratings are one piece of a complex system, not the system itself. Based on our research and experience working with federal agencies on workforce issues, the Partnership believes that a well-functioning federal performance management system relies on three interdependent attributes: purpose, people and process. Meaningful reform requires addressing all three together, not in a piecemeal approach.

1) Purpose – There must be clear outcomes from performance management.

Employee performance goals must be tied to organizational performance which must, in turn, be focused on mission delivery and continuous improvement. Definitions of high and low performance must be clear, agreed upon across leadership and managers, communicated to employees, and consistently reflected in appraisals. The performance management system must follow through on its implicit promises: high performers are recognized and rewarded; low performers receive feedback and support to improve or are removed if they do not; and all employees receive ongoing development and recognition to stay motivated and grow. The current system falls short on each of these dimensions — but changing a rating scale or a distribution formula does not, by itself, fix any of them.

⁷ GAO, *Human Capital: Implementing Pay for Performance at Selected Personnel Demonstration Projects*, GAO-04-83 (Jan. 2004), <https://www.gao.gov/products/gao-04-83>.

⁸ GAO, *Federal Workforce: Opportunities Exist for OPM to Further Innovation in Performance Management*, GAO-19-69 (Nov. 2018), <https://www.gao.gov/assets/700/695639.pdf>.

⁹ MSPB, *Federal Personnel Research Programs and Demonstration Projects* (Dec. 1992), https://www.mspb.gov/studies/studies/Federal_Personnel_Research_Programs_and_Demonstration_Projects_Catalysts_for_Change_817994.pdf.

- 2) People – Supervisors and managers must have the competency, commitment and capacity to make the system work in practice.
- a. Supervisors need the competencies and skills to lead, motivate and develop their employees; to stay aligned with agency leadership on priorities; and to navigate the stakeholders — including unions, HR offices, and employees themselves — who are part of any performance conversation.
 - b. Supervisors must be committed to their role. Too often, federal employees are promoted into supervisory roles because it is the only path to advancement, not because they have the aptitude or desire to lead people.
 - c. Supervisors must have capacity and resources to supervise well. They cannot manage their teams effectively if they are overwhelmed by technical portfolio demands and lack access to meaningful incentives for their employees.

The proposed supervisory critical element is a welcome step, and we commend OPM for including it. But a critical element in a performance plan is not a substitute for the investment in training, workforce planning and structural reform that building genuine supervisory capacity requires.

- 3) Process – The performance management system must be user-friendly and efficient while maintaining due process and fairness. The administrative burden that most undermines effective performance management is not within the adverse actions and appeals parts that this rule focuses on—which affect a small fraction of employees—but on the upstream steps that every supervisor and employee must navigate every year: drafting performance plans, setting goals, documenting progress, conducting feedback conversations, and submitting appraisals through systems that are often cumbersome. Streamlining these processes—making them faster, clearer and better supported by user-friendly technology—would significantly improve the quality and consistency of performance management. At the same time, streamlined processes must retain the essential elements of fairness and due process. Speed and simplicity are not ends in themselves; they must be balanced against the legitimate interest of employees in knowing that their ratings reflect their actual performance and that they have meaningful recourse when they do not.

Durable performance management reform requires more than changes to rating scales and distribution formulas. It requires investment in supervisory capacity, goal-setting practices, HR infrastructure and administrative processes that determine whether any performance



management system actually improves employee and organizational performance. The proposed rule addresses some of these elements in promising ways, but its centerpiece proposal to implement forced distribution of performance ratings is not supported by the evidence and will be counterproductive to developing a more accountable, high-performing federal workforce.

Thank you for the opportunity to submit these comments. As always, the Partnership stands ready to assist as OPM considers and evaluates reforms to improve the effectiveness of our government.

Sincerely,

A handwritten signature in black ink, appearing to read "Max Stier".

Max Stier
President & CEO
Partnership for Public Service