

# OPM Moves to Tighten Federal Employee Performance Ratings, Limit Appeals - MeriTalk

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## Executive Summary

This article reports on a proposed rulemaking by the U.S. Office of Personnel Management (OPM) aimed at overhauling performance management systems for non-Senior Executive Service federal employees. The central argument, as articulated by OPM, is that the current federal performance review system has produced inflated ratings and insufficient accountability, failing to keep pace with modern workforce demands. Key proposals include consolidating performance rating levels, removing a ban on forced distribution of ratings, capping the proportion of employees eligible for the highest ratings, restricting formal challenges to performance scores, and eliminating mandatory second-look reviews for the lowest-rated employees. OPM also proposes requiring biennial agency certification of review systems. The justification frames these changes as necessary to reward high performers, accelerate identification of poor performers, and build a results-oriented government. The proposals are contextualized within the broader Trump administration workforce agenda, including a 2025 executive order promoting merit-based hiring and removing DEI criteria. A public comment period was set to close March 26.

## Key Insights

1. OPM proposes removing the existing prohibition on forced distribution of performance ratings, which would allow — and potentially require — agencies to limit the proportion of employees receiving the highest marks.
2. The proposed rules would restrict employees' ability to formally challenge their performance scores and eliminate automatic second-look reviews for the lowest 'Level 1' ratings, reducing procedural protections.
3. OPM frames rating inflation as a systemic problem that undermines motivation, recognition, and accountability across the federal workforce, though no independent data is cited to substantiate the scale of this problem.

## Practical Takeaways

- Federal agencies would be required to seek OPM certification of their employee review systems every two years if the proposed rules are finalized, adding a compliance layer to existing performance management processes.
- The proposed cap on highest-rating distributions means that even high-performing units could have employees rated lower than their individual performance might otherwise warrant under current systems.

## Critical Analysis

**Strengths:** The article accurately and concisely reports on a concrete regulatory action, citing the Federal Register notice as a primary source and quoting OPM directly. It contextualizes the proposal within the broader administration workforce strategy. **Limitations:** The article does not include independent expert analysis, union or employee advocacy perspectives, or empirical evidence on the prevalence of rating inflation in the federal system. The OPM's core justification — that ratings are inflated and accountability is weak — is reported as asserted fact rather than verified finding. No data on historical rating distributions or comparative benchmarks is provided. **Bias:** The framing largely reflects OPM's stated rationale without counterbalancing views from federal employee unions, HR scholars, or prior GAO or inspector general findings on federal performance management.

## Organizational Practice

The article describes OPM's proposed transition from an unrestricted ratings distribution model to one that consolidates rating levels, caps top-rating eligibility, restricts appeals, removes mandatory second-look reviews for lowest-rated employees, and requires biennial OPM certification of agency review systems.

## Strategic Implications

The proposed rules signal a directional shift in U.S. federal PMS toward differentiation-forcing mechanisms, mirroring private-sector debates around forced ranking and calibration. If finalized, the changes would structurally limit grade inflation and reduce employee recourse, raising questions about workforce morale, legal challenges from unions, and the validity of forced-distribution models in public-sector contexts where performance measurement is often less quantifiable than in commercial environments.

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**Validation Status:** passed

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