Template Instructions on Briefing Deck for Supervisors

- The purpose of this briefing deck is to provide agencies with a customizable template to assist with the implementation of OPM's final regulations on Performance Appraisal for General Schedule, Prevailing Rate, and Certain Other Employees.

- In this template, brackets to show template instructions or notes that would not be part of the policy document issued by the agency. Those instructions and notes are intended to assist agencies as the use the template to create a briefing deck.

Changes to Performance Management

What It Means for You as a Supervisor

U.S. Office of Personnel Management

Today's Briefing

We will cover the following topics:

- Why performance management is changing
- Key changes to OPM's regulations and **new supervisor responsibilities**
- What stays the same
- Higher-level review and grieving ratings
- Changes to ratings and the "Holding Employees Accountable" critical element
- Standardized Distribution and explaining your new supervisory responsibilities (preliminary ratings and calibrating employees' performance)
- Common myths and facts
- Our agency's process
- Where to get help and more information

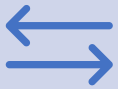
Why We're Talking About Performance Management



OPM recently modified its regulations concerning performance management



These changes significantly change how agencies distinguish performance and reward employees



This briefing explains these changes and how they impact you

Changes to OPM's Regulations

- Removed the prohibition on forced distribution of performance ratings. OPM may establish a standardized distribution of some or all rating levels
- Elimination of Minimally Successful (Level 2) as a rating beginning with the FY27 performance appraisal cycle
- Optional higher-level review for Unacceptable (Level 1) ratings at agency discretion
- Ratings of record no longer grievable under negotiable procedures; however, agencies may create an administrative process for rating review request

Changes to OPM's Regulations (Cont'd.)



Mandatory critical element for supervisors on holding employees accountable.



Linked performance awards spending to the agency's successful implementation of performance appraisal requirements.



Effective for FY27: most employees will be on a 5-4-3-1 or 5-3-1 rating pattern. Pass-fail rating patterns limited to certain employee groups.

The New Rating Process Now Begins with YOU

Under the Standardized Distribution of Ratings, supervisors take on 2 new responsibilities

Here is an early look – both are explained in detail later in this briefing:

1. **Preliminary Rating** — Your initial rating of each employee, made independently of distribution caps; it becomes the baseline for the agency's review; this rating is **NOT** communicated to the employee
2. **Relative Ranking** — Your ranking of employees from highest to lowest performer; a higher-level calibration panel uses it to ensure consistency across the agency

What's next: You'll be trained on our agency's implementation process before the appraisal cycle closes — keep both responsibilities in mind as you plan

What Stays the Same?

Many important elements do not change under OPM's performance management regulations:

- **Performance plans** must still contain clear, job-related performance standards
- **Performance ratings** must be based on objective and measurable results
- **Award programs** remain unchanged. Employees will continue to be rewarded for high performance including end-of-year performance bonuses and special act awards consistent with agency policy
- **Employees rated "Unacceptable"** still receive a formal opportunity to improve before any action is taken
- **Existing employee protections** remain including EEO, whistleblower, and prohibited personnel practices
- **Disabled veterans** are still protected from having ratings lowered due to absences for medical treatment

Higher-level Review of Ratings and Grievances

- OPM eliminated the requirement that Level 1 (Unacceptable) ratings must be reviewed by a higher-level official
  - Agencies may still choose to require higher-level review under agency policy
    - [Insert agency-specific policy and process]
  - Agencies may also establish processes for employees to request informal review of their assigned rating of record
    - [Insert agency-specific policy and process]
- For bargaining unit employees, they may no longer utilize their negotiated grievance procedure to grieve ratings of record
  - Note: collective bargaining agreements that provide bargaining unit employees with the right to grieve ratings of record may continue to do so up until the term of the agreement expires
  - Employees may submit an "informal request" to request a change of rating of record according to agency policy
    - [Insert agency policy and process defining "informal request" and process]

Changes to Ratings

- OPM standardized rating patterns:
  - Most employees will be placed in a system that assigns the following ratings: 5-4-3-1 or 5-3-1
  - Some employees will be placed into a pass/fail system that uses only Level 3 (Fully Successful) and Level 1 (Unsuccessful)
- OPM eliminated the availability of agencies to provide Level 2 (Minimally Successful) as a performance rating
  - Employees need to improve their performance to Level 3 (Fully Successful) to avoid being placed on a performance improvement plan and maintain eligibility for a within-grade increase (step increase)
- These changes will be effective after the close of the FY26 performance appraisal cycle

Supervisory performance plans

- Implemented at the beginning of FY26, all supervisors have a mandatory critical element: “Holding Employees Accountable”
- Agencies should use this critical element to ensure their supervisors:
  - Model self-accountability
  - Recognize and reward high performance
  - Address poor performance in a timely, effective manner
  - Take appropriate action when employees raise concerns
- OPM is not mandating that agencies measure their supervisors by establishing a quota for terminations, demotions, or other related actions
- [Include your agency’s application of the requirement and if you are requiring an additional agency-specific supervisory critical element]

Standardized Distribution of Ratings – What Is It?

- Standardized Distribution is a calibration-based approach that creates a performance management system that is fair, transparent, and consistently applied
- Calibration is a structured review process in which leaders within your agency review individual performance across work units to ensure similar levels of performance receive similar ratings
- The standardized distribution approach ensures ratings are based on documented accomplishments, demonstrated results, and meaningful contributions to organizational success
- Beginning with the closeout of the FY26 performance appraisal cycle, all agencies will be required to meet OPM-issued ratings distribution caps

Standardized Distribution of Ratings – Key Reminders

- Individual performance remains the cornerstone of appraisals
- Employees are evaluated based on actual performance against established performance standards, critical elements, and expectations
- Employees have opportunities to document accomplishments and contributions such as the self-assessment
- Standardized Distribution helps agencies ensure that ratings accurately reflect distinctions in performance across the agency
- Agency Standardized Distribution processes will be transparent and applied in a consistent manner

Standardized Distribution of Ratings – Key Terms

- **Rating Population** – Group of employees in which distribution caps are applied
- **Preliminary Rating** – Supervisor's initial rating independent of distribution caps
- **Relative Ranking** – Supervisor's stratification from highest to lowest performer
- **Calibration** – Agency-designed process that reviews relative rankings, compares performance evidence, resolves discrepancies, and ensures consistency
- **Calibration Panel** – Pre-established group of senior agency employees that reviews agency distribution caps with respect to calibration results
- **Rating of Record –** Final performance rating

Standardized Distribution of Ratings – Step by Step

1. Employee drafts self-assessment highlighting accomplishments that align to pre-established performance requirements
2. Supervisor evaluates employee's individual performance while also considering organizational success
   - Supervisor assigns a Preliminary Rating
3. Supervisor stratifies employees within the group to establish Relative Rankings
   - Agency policy determines qualitative method for ranking
4. Calibration Panel reviews Preliminary Ratings, Relative Rankings, and organizational performance to stratify ratings within set group of employees
5. Calibration Panel assigns Rating of Record in accordance with agency caps

Preliminary Ratings and Relative Ranking

Supervisor Role and Responsibilities Have Evolved: 2-Step Process

1. Prepare and Assign a Preliminary Rating
   - Evaluate performance against documented standards considering measurable outcomes
   - Assess how accomplishments supported organizational priorities and mission outcomes
   - Consider entire rating period including: self-assessment, progress reviews, customer feedback, and work products
   - Do not consider Calibration Factors or rating distribution caps when assigning a preliminary rating
   - Refer to *OPM's FY26 Closeout Supervisor's Quick Guide* for tips on preparing a rating and common errors to avoid
2. Rank All Employees from 1-N Using Agency-Determined Calibration Factors
   - [Insert agency-determined Calibration Factors]
   - Ensure Relative Rankings are based on the evaluation of employee's performance relative to impact on factors
   - Rankings are a comparative application of employees' performance and impact within a supervisor's population

Myths and facts about Standardization of Ratings

Myth: "My supervisor will be forced to give low ratings due to a quota"	**Fact:** OPM intends to limit the application of standardized distribution of ratings to the highest rating levels (Levels 5 and 4). There is no quota on the remaining levels.
Myth: "A level 3 rating means I'm a poor performer and my job is at risk"	**Fact:** Level 3 (Fully Successful) means exactly what it says — you are successfully performing your job and meeting the standards established for your position. It is a **positive rating** that reflects solid, valuable federal service.

Myths and facts about Standardization of Ratings (part 2)

Myth: "Standardized distribution will pit coworkers against each other and destroy teamwork."	**Fact:** Employees will not compete within their teams or work units for a limited number of ratings. Agencies will apply the standardization of ratings at an appropriate aggregate level.
Myth: "I'll have no way to challenge my rating if I think it's unfair."	**Fact:** Employees retain **multiple meaningful avenues** to raise concerns about a rating they believe is inaccurate, biased, or improperly assigned, including requesting an informal review if available through agency policy.

Agency-Specific Process

[Insert overview of agency's finalized process and procedures]

- **Agency Decision Framework**
- **Organizational Performance Alignment Framework**
- **Calibration Program and Factors**
- **Calibration Panel Levels and Members**
- **Agency Distribution Caps (Including any Component-level caps)**

Where to Get Help and More Information

If you have questions about what these performance management changes mean for you, contact your Human Resources office for more information.

[Insert appropriate POC email]

[Insert link to supervisor PM training]

[Insert links to agency-specific guidance or tools]