Evaluation of the Policy Effects of the Rank-and-Yank System in Public Institutions—A Case Study of Graduate Thesis Policies in Chinese Universities

Feifan Shan

School of International Affairs and Public Administration, Ocean University of China, Qingdao, 266100, Shandong, China

Keywords: Rank-and-yank system; Policy transplantation; Academic quality evaluation; Institutional efficacy; Graduate education

Abstract: The rank-and-yank system, as a performance management tool transplanted from corporate sectors to public institutions, requires its efficacy to be examined within a multidimensional evaluation framework. Drawing on the paradigm evolution of policy evaluation theory, this study constructs a multidimensional effectiveness evaluation framework encompassing policy objective, implementation efficiency, stakeholder perception, and ethical concern to systematically assess the rank-and-yank system applied to graduate thesis evaluations in universities. The findings reveal that while the system marginally enhances formal compliance (e.g., reducing formatting errors and improving citation standards), it exhibits diminishing marginal benefits in achieving its core objectives. Significant institutional attrition is observed during implementation, alongside negative externalities such as fragmented stakeholder consensus, alienation of academic relationships, academic misconduct, and ethical dilemmas. The study proposes that public institutions should establish adaptive mechanisms for policy transplantation and develop a collaborative governance system integrating "process evaluation-developmental support-flexible exit" strategies. This research contributes a novel analytical framework for evaluating the effectiveness of policy transplantation in public sectors and offers practical insights for optimizing higher education quality management.

1. Introduction

The rank-and-yank system, also known as the forced ranking system, refers to a performance management approach that periodically eliminates a fixed proportion of underperforming members to optimize organizational efficiency. Originating from Jack Welch's "vitality curve," this system was designed to accelerate merit-based competition in corporate settings[1]. When transplanted into public institutions, particularly academia, its application diverges significantly due to divergent value orientations. Unlike corporate environments prioritizing economic efficiency, public institutions face multifaceted challenges involving diverse stakeholders and ethical considerations. Consequently, evaluating the rank-and-yank system in academic contexts necessitates transcending simplistic economic metrics and incorporating multidimensional indicators. This study adopts a mixed-methods approach, using graduate thesis policies as a case study, to assess the policy effects of the rank-and-yank system in Chinese universities. By identifying practical dilemmas and proposing exploratory solutions, this research aims to reconcile the inherent tension between competitive incentives and academic collaboration.

2. Theoretical Foundations and Analytical Framework

Policy evaluation theory has evolved from positivist paradigms emphasizing quantitative metrics (e.g., Suchman's "input-output-impact" model[2]) to post-positivist frameworks integrating value rationality and instrumental rationality[3]. William N. Dunn's hybrid evaluation model underscores the need to assess policy effectiveness through multiple dimensions: efficiency, equity, responsiveness, and ethical implications[4]. Concurrently, Dolowitz and Marsh's policy transfer

  DOI: 10.25236/icssem.2025.020

framework highlights the importance of institutional adaptability, emphasizing the "triple alignment" of institutional environments, organizational cultures, and technical conditions[5].

The transplantation of the rank-and-yank system into academia—a shift from "competitive corporate logic" to "knowledge production ecosystems"—reveals fundamental contradictions. Quantifiable performance metrics clash with the ambiguous, cumulative nature of academic research. UNESCO's 2015 report *Rethinking Education: Towards a Global Common Good* advocates for humanistic, collaborative educational practices[6]. Yet Chinese universities increasingly prioritize hyper-competition. Empirical studies indicate that forced ranking exacerbates academic opportunism, erodes collaboration, and triggers institutional alienation[7].

Building on these theoretical insights, this study employs a multidimensional evaluation framework (Figure 1) integrating four dimensions:The framework indicates that a comprehensive evaluation of policy effectiveness must encompass both factual and value-based dimensions. On the factual level, it involves assessing the extent to which policy objectives are achieved and the efficiency of policy implementation. On the value level, it requires considering the perceptions of policy actors and stakeholders, as well as the ethical and social issues that arise as a result of the policy. Specifically, the evaluation of policy objectives includes examining the rationality and feasibility of the goals set, as well as the degree to which these goals align with the actual outcomes of the policy. The assessment of implementation efficiency necessitates an analysis of the relationship between the explicit and implicit costs and benefits associated with the policy. Stakeholder perception evaluation focuses on understanding how the policy is perceived by relevant parties and how it influences the relationships among them. Lastly, ethical evaluation pertains to identifying any unintended consequences of the policy or the social problems it may have triggered.

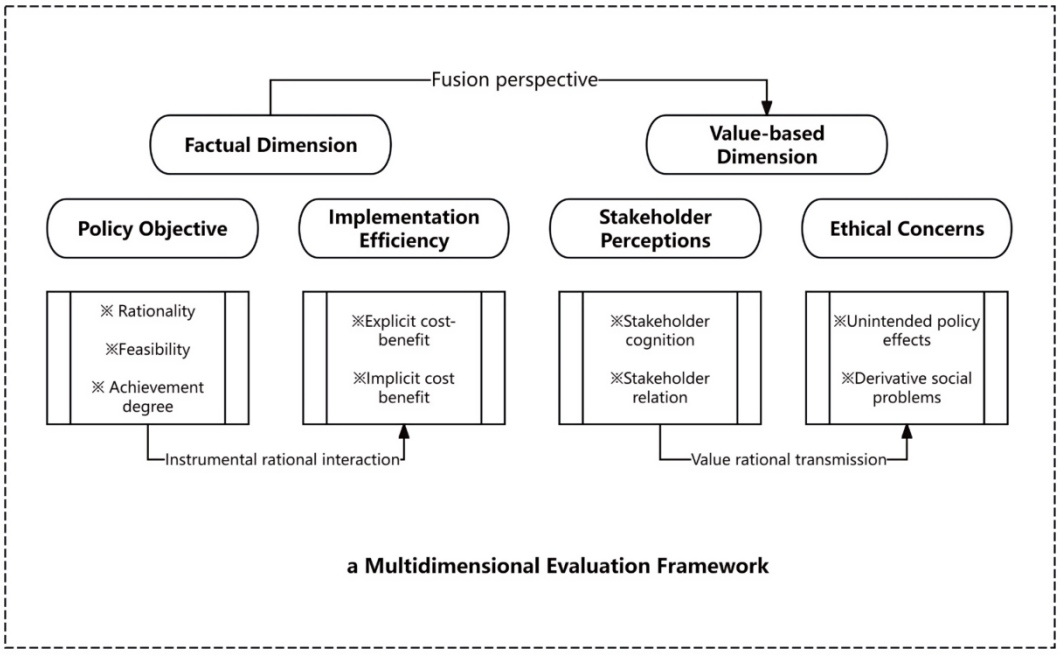

Figure 1 A Multidimensional Evaluation Framework

3. Multidimensional Evaluation of the Graduate Thesis Rank-and-Yank System

The rank-and-yank system in graduate thesis evaluation refers to a policy that sets a 15%-20% elimination threshold for graduate theses, whereby students whose theses fail to meet the required standards are not permitted to graduate on time. This policy aims to leverage the incentive effects of forced ranking to, on the one hand, motivate graduate students to improve the quality of their theses, thereby enhancing the overall quality of education and talent cultivation. On the other hand, it seeks to mitigate institutional risks associated with failing random inspections of doctoral and

master's theses, as repeated failures could lead to formal reprimands or even the revocation of the institution's degree-granting authority.

Using a multidimensional effectiveness evaluation framework to assess the rank-and-yank system in graduate thesis evaluation, the specific operational steps are as follows: Policy Objective Assessment evaluates whether the policy has improved the quality and innovation of graduate theses and whether it has contributed to the overall development of graduate students' competencies. Implementation Efficiency Assessment involves analyzing both explicit and implicit costs and benefits during the policy's design and implementation.Stakeholder Perception Assessment focuses on the subjective perceptions of stakeholders (e.g., university/college administrators, graduate students, and faculty advisors) and how the policy affects their relationships. Administrators adjust policies based on feedback, while the rank-and-yank system directly impacts the psychological well-being and interests of students. Given the faculty-led mentorship model in Chinese universities, thesis quality also influences the dynamics between students and advisors.Ethical Assessment examines whether the policy has produced unintended consequences or triggered new social issues.

Through a multidimensional evaluation of the rank-and-yank system's policy efficacy, the study identifies four major dilemmas in its implementation.

3.1 Policy Objective: Target Deviation

There is a significant gap between the intended objectives and actual outcomes of the rank-and-yank system in graduate thesis evaluation. The structural deviation in goal attainment is manifested in two ways:

First, the quality of graduate theses has not significantly improved since the implementation of the system. While the system has achieved some success in enhancing formal compliance (e.g., reducing formatting errors and improving citation standards), this superficial improvement is accompanied by a deeper suppression of academic innovation. Specifically, there has been a decline in interdisciplinary research topics and methodological innovation. This is because the rank-and-yank system, as a negative incentive, pressures students to avoid elimination by adopting "safe strategies," such as choosing well-established research topics. This phenomenon aligns with the "incentive distortion effect" in policy implementation theory, where rigid performance metrics lead to strategic risk aversion among implementers [8]. Even high-achieving students are discouraged from pursuing innovative or high-risk research, as their behavior shifts toward selecting low-risk topics and conforming to mainstream thesis formats, ultimately stifling creativity.

Second, the system has failed to achieve the anticipated improvement in overall educational quality. While universities intended to use competitive elimination as a mechanism to enhance educational standards, the reality is that educational quality is determined by a multitude of factors. Student competence cannot be solely judged by thesis quality; it should encompass a holistic development of knowledge, skills, and other competencies. The rank-and-yank system merely imposes rigid pressures on students to invest time and effort into thesis writing, neglecting other aspects of their development.

3.2 Implementation Efficiency: Efficiency Loss

By focusing on the explicit and implicit costs and benefits of the rank-and-yank system, the study reveals significant efficiency losses in its implementation:

Explicit Costs: If a thesis fails to meet the elimination threshold, the student must undergo multiple rounds of revisions and redefenses, requiring additional time, financial resources, and administrative effort from both the student and the advisor. Importantly, a thesis that fails to meet the elimination threshold does not necessarily indicate that it is below graduation standards. Even theses that meet graduation requirements may be subject to unnecessary elimination due to the rigid threshold, imposing undue costs and stress on students. Compared to the substantial costs incurred, the observable benefits of the policy are minimal.

Implicit Costs: The opportunity costs associated with the system further underscore its inefficiency. Many students have already secured job offers or admission to further studies before

their thesis defense. For these students, the risk of delayed graduation due to the rank-and-yank system can result in irreversible losses. For faculty advisors, the timely graduation of their students is closely tied to their own career advancement, including promotions, student quota allocations, and research funding applications. Thus, the system also places a significant burden on advisors.

In summary, at the factual level of policy evaluation, the rank-and-yank system in graduate thesis evaluation suffers from both incentive failure and policy inefficiency, largely failing to achieve its intended objectives or deliver measurable efficiency gains. This inefficiency aligns with the "law of diminishing marginal returns" in institutional economics, where policy implementation costs exceed a certain threshold, rendering the system itself a source of systemic inefficiency.

3.3 Stakeholder Perception: Fragmented Consensus

Stakeholders exhibit significant divergence in their value orientations: administrators emphasize risk control, asserting that "a bottom-line approach is essential for quality assurance"; faculty advisors express concerns about academic ethics, fearing that the system "encourages academic opportunism"; and students prioritize developmental rights, protesting that "probabilistic elimination is inherently unfair." This value fragmentation leads to low degree of institutional recognition and exacerbates tensions among stakeholders. The rank-and-yank system increases unnecessary pressure, and some stakeholders perceive the policy as inherently unfair, leading to issues such as academic "involution," malicious competition, and psychological stress, which deteriorate relationships among students and between students and advisors. To avoid elimination, students engage in excessive competition, resulting in unnecessary eliminations. The policy fosters unhealthy competition and interpersonal conflicts among students, creating a highly stressful environment that negatively impacts mental health. Anxiety levels among graduate students have surged, far exceeding clinical thresholds. Additionally, the quality of theses and graduation outcomes are closely tied to the interests of faculty advisors, further straining student-advisor relationships. From the perspective of policymakers (i.e., university or college administrators), the rank-and-yank system has not achieved its intended goals and has instead generated widespread negative feedback from students and faculty, prompting some institutions to modify or abolish the policy.

3.4 Ethical Concern: Emerging Dilemmas

First, the legitimacy and fairness of the policy are widely contested. As higher education becomes more inclusive, diverse, and quality-oriented, the rank-and-yank system undermines the rights of students at the lower end of the performance spectrum. The application of such a system in mass higher education is inherently limited, lacking both legitimacy and fairness.

Second, the policy’s lack of humanistic care increases the risk of collective student protests. The rank-and-yank system conflicts with the traditional educational values of ”people oriented” and ”free development”, creating excessive pressure and anxiety among students. For students who have already secured job offers or admission to further studies, the risk of elimination may lead to extreme actions or collective incidents, harming both individual development and institutional reputation.

Third, inadequate policy oversight can foster corruption. In the thesis evaluation process, lax supervision may lead to favoritism or corruption, such as students using unethical means to pass evaluations, influential advisors securing favorable outcomes for their students, or subjective biases influencing evaluation results. The objectivity and fairness of the rank-and-yank system are compromised, resulting in the retention of underperforming students and demoralizing both students and advisors.

In summary, at the value level of policy evaluation, the rank-and-yank system in graduate thesis evaluation infringes on the rights of stakeholders, undermines their enthusiasm, and exacerbates tensions among them. It also carries the risk of triggering collective incidents and corruption, lacking both ethical and practical feasibility.

4. Pathways for Institutional Optimization

4.1 Constructing a Tiered Evaluation System

In response to the problem of innovation inhibition discovered in the evaluation, a three - level mechanism of "process - based evaluation - development support - flexible control" is established. Firstly, an academic ability development file is introduced, and process indicators such as the quality of the research proposal, mid - term assessment performance, and participation in academic conferences are incorporated into the evaluation system, reducing the weight of the final - stage thesis. Secondly, referring to the tutorial system experience of the University of Cambridge, interdisciplinary guidance teams are allocated for high - risk research topics, and an innovation risk compensation fund is established. Finally, a dynamic elimination threshold is set and adjusted differentially according to disciplinary characteristics. For example, the upper limit for experimental disciplines is set at 5%, and it is reduced to 3% for humanities and social sciences. A "yellow - orange - red" three - color early - warning mechanism is established - when the annual innovation index of a discipline drops by 10%, the threshold - lowering procedure is automatically triggered.

4.2 Enhancing Institutional Support

Based on the conclusions of cost - benefit analysis, a precise intervention plan is designed: Firstly, a three - level intervention mechanism of "warning - assistance - appeal" is established. A stress buffer period is set for students entering the elimination range, and collaborative support from academic advisors, psychologists, and career planners is provided. Secondly, an intelligent monitoring platform is developed, and a mental health support system is set up. The anxiety index is incorporated into the institutional evaluation indicators, and when the system detects that the anxiety index exceeds the standard, the intervention procedure is automatically activated. Finally, academic ethics review is strengthened, a checks - and - balances mechanism between the supervisor responsibility system and anonymous review is established, and at the same time, quantitative indicators and qualitative judgments are balanced.

4.3 Transitioning to Collaborative Governance

Drawing on the quality culture framework of the European University Association (EUA), a three - stage reform is implemented [9]. In the first stage, a quadripartite governance committee is established, consisting of administrators, supervisors, students, and journal editors. Policy hearings are held twice a semester to continuously collect improvement suggestions. In the second stage, an "academic quality contract" is promoted, linking a certain proportion of discipline construction funds to quality culture indicators, such as the proportion of teacher - student co - authored papers and the activity level of the academic field. In the third stage, a flexible exit mechanism is constructed. Graduates who are eliminated can choose to enter a "mobile station" and obtain the qualification for degree reconsideration by completing specified research tasks (such as publishing pre - print papers and participating in horizontal research projects). The transformation from rigid control to consultative governance is realized, and the dynamic optimization of the system is achieved.

5. Conclusion

This study demonstrates that the rank-and-yank system incurs significant institutional dissonance when transplanted into academia, primarily due to incompatibility between corporate competition logic and academic collaboration. While marginally effective in formal compliance, the system suffers from diminishing returns, operational inefficiencies, and ethical hazards. Contributions include: 1) a novel multidimensional evaluation framework; 2) micro-level insights into institutional alienation; and 3) differentiated governance solutions. Future research should explore cross-institutional comparisons and AI’s role in academic evaluation.

References

[1] Giumetti G W, Schroeder A N, Switzer III F S. Forced distribution rating systems: When does “rank and yank” lead to adverse impact?[J]. Journal of Applied Psychology, 2015, 100(1): 180.

[2] Suchman E A. Appraisal and implications for theoretical development[J]. The Milbank Memorial Fund Quarterly, 1967, 45(2): 109-113.

[3] Dryzek J S. A post-positivist policy-analytic travelogue[J]. The Good Society, 2002, 11(1): 32-36.

[4] Dunn W N. Public policy analysis[M]. routledge, 2015.

[5] Dolowitz D P, Marsh D. Learning from abroad: The role of policy transfer in contemporary policy-making[J]. Governance, 2000, 13(1): 5-23.

[6] UNESCO, Rethinking Education: Towards a global commongood[M], Paris: the United Nations Educational, Scientificand Cultural Organization,2015 :36.

[7] Zhang J, Wang C, Zhou M C. Last-position elimination-based learning automata[J]. IEEE transactions on cybernetics, 2014, 44(12): 2484-2492.

[8] Heinrich C J. Outcomes–based performance management in the public sector: implications for government accountability and effectiveness[J]. Public administration review, 2002, 62(6): 712-725.

[9] Ansell C, Gash A. Collaborative governance in theory and practice[J]. Journal of public administration research and theory, 2008, 18(4): 543-571.