United States
Office of Personnel Management

Federal Workforce Overview

FY 1994 - FY 2004

Special Focus Research Brief

United States Office of Personnel Management

Working for America

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Introduction

This research brief provides an overview of observed trends and demographic changes in the Federal workforce from FY 1994 to FY 2004. Topics covered in the following pages range from age distribution of new hires to characteristics of retirees.

Age

Between FY 1994 and FY 2004, the age distribution of full-time permanent (FTP) white-collar federal employees shifted toward older age brackets, as observed in Figure 1 below. This coincides with the average age of white-collar FTP employees increasing from 43.6 to 46.7 years of age during the same ten-year span.

Figure 1:
Age Distribution Trends

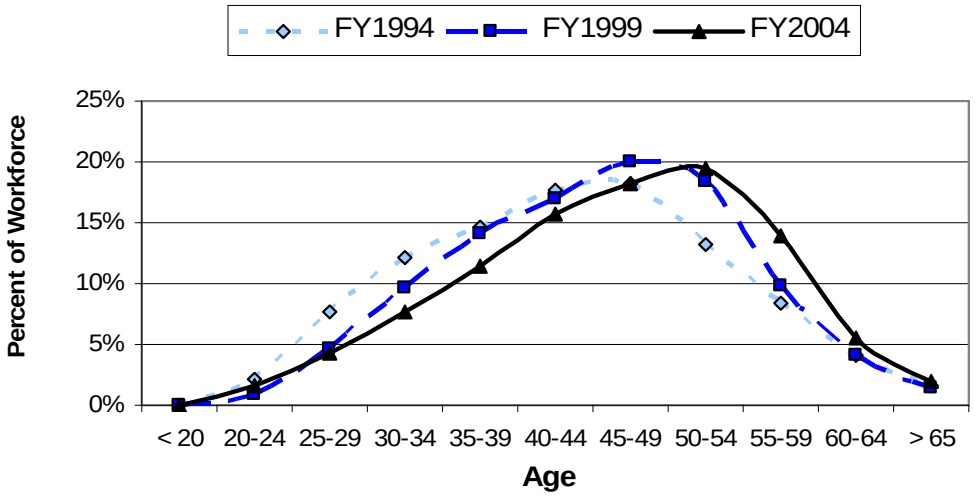
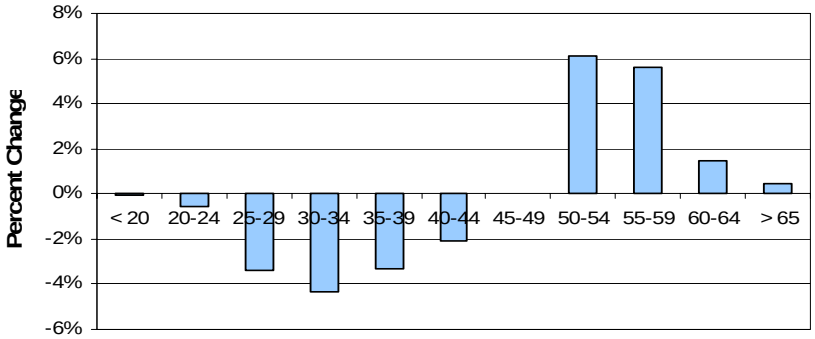


Figure 2 examines the specific percentage changes in defined age brackets. The largest percentage decreases are observed within the 25-29 and 30-34 groups. Between FY 1994 and FY 2004, the number of 30- to 34-year-olds decreased 4.3%, lowering its share of the overall FTP white-collar federal workforce from 12.1 to 7.8 percent. Similarly, the 25-29 age cohort decreased 3.4%, lowering its share from 7.8 to 4.4 percent.

Conversely, the largest percentage increases were seen in the 50-54 and 55-59 age brackets. The 50-54 group increased 6.1% in size, bringing its share of the FTP white-collar federal workforce to 19.3 percent. The second largest increase was seen within the 55-59 group, whose share of the FTP white-collar federal workforce increased 5.6% between FY 1994 and FY 2004, resulting in a share of about 14 percent of the FTP white-collar federal workforce. Together, as of FY 2004, 50- to 59-year-olds comprise roughly one-third of the FTP white-collar workforce.

Figure 2:
FTP White-collar Federal Workforce Percentage Changes FY 1994 to FY 2004



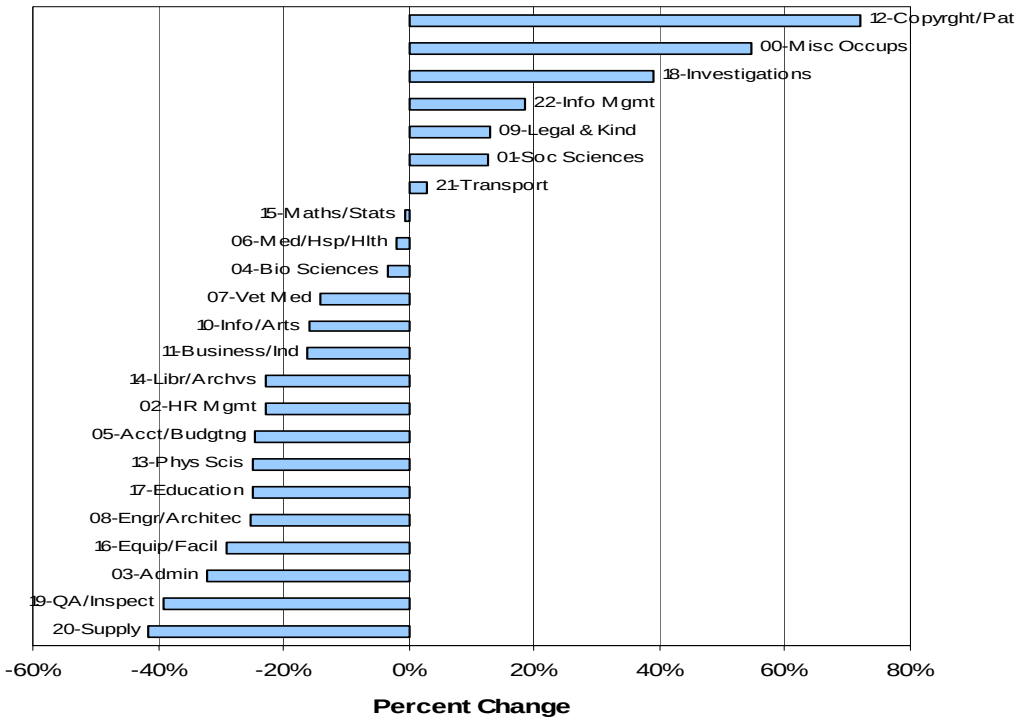
Occupational Family

White-collar occupations are grouped into *families*, represented by the first two numbers of the four-digit occupation series code. The last two numbers of the series distinguish the specific occupation title. For example, 0408 Ecology, 0410 Zoology, 0415 Toxicology, 0430 Botany, and 0460 Forestry are all part of the larger 04xx Biological Sciences family. See the appendix for a complete list of the twenty-three white-collar occupational families with examples of a few of the most populous titles within the family.

Figure 3 demonstrates how only six of the twenty-three occupational families experienced a percentage increase in employment between FY 1994 and FY 2004, whereas seventeen experienced a decrease. Notable increases include the Copyright, Patent, and Trademark family (72%), Miscellaneous Occupations family[1] (54%), and the Investigations family (39%). Notable decreases include the Supply family (-41%), Quality Assurance and Inspection family (-39%), as well as the Administrative and Clerical family (-32%).[2]

[1] Miscellaneous Occupations family consists largely of public safety and enforcement personnel.
[2] A reclassification from 0334 to 2210 was taken into account, yet a decrease in the occupational family is still evident.

Figure 3:
Percentage Changes in Occupational Family FY 1994 to FY 2004

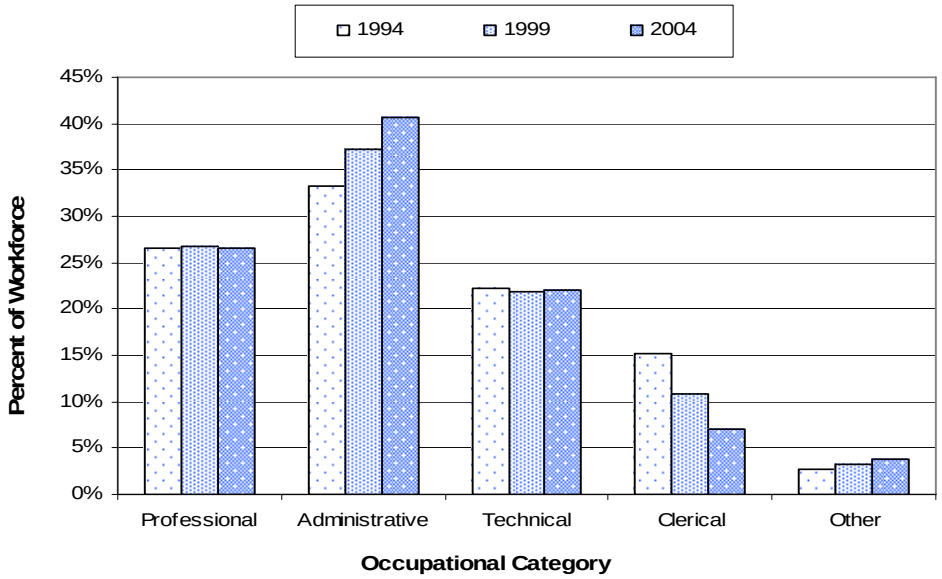


Occupational Category

In an even broader classification than occupational family, all white-collar occupations fall into one of five occupational *categories*: **P**rofessional, **A**dministrative, **T**echnical, **C**lerical, or "**O**ther" (referred to as PATCO).

Figure 4 examines the distributions of occupational categories for FY 1994, FY 1999, and FY 2004. There is an increasing trend in the administrative category, complemented by a decreasing trend in the clerical category. Administrative jobs have increased from 33.2 to 40.7 percent over the ten-year span, while clerical jobs have decreased from 15.1 to 7.1 percent. This trend is likely due to increased automation of tasks within the Federal government.

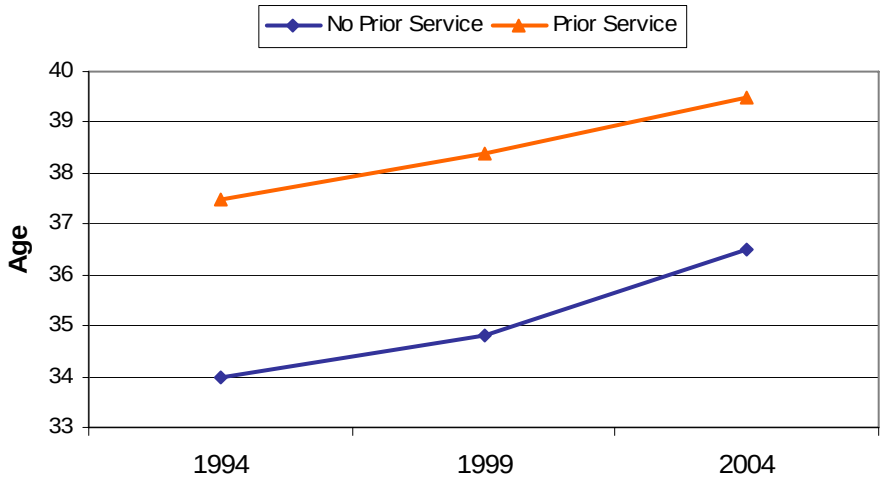
Figure 4:
Occupational Category Trends



Accessions

As Figure 5 below illustrates, the average age of a newly hired Federal employee was older in FY 2004 than it was in FY 1994. At 36.5, the average age of a person hired without prior Federal service was 2.5 years older than the average in 1994. Similarly, the average age of persons hired with prior Federal service rose by 2 years, bringing that figure to 39.5.

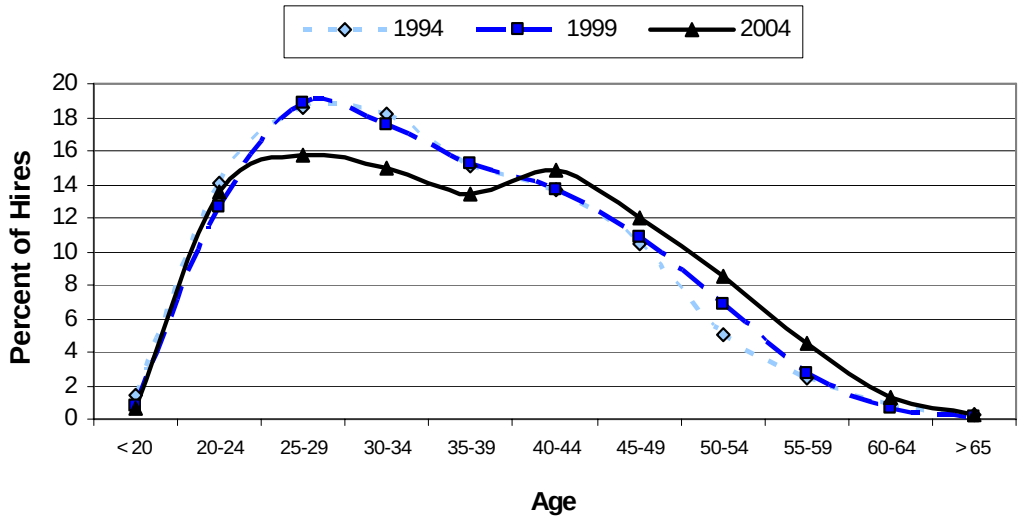
Figure 5:
Average Age at Hire



In FY 1994, 55.5 percent of persons hired had no prior Federal service. By FY 2004, that portion of new hires had grown to 65.7 percent.

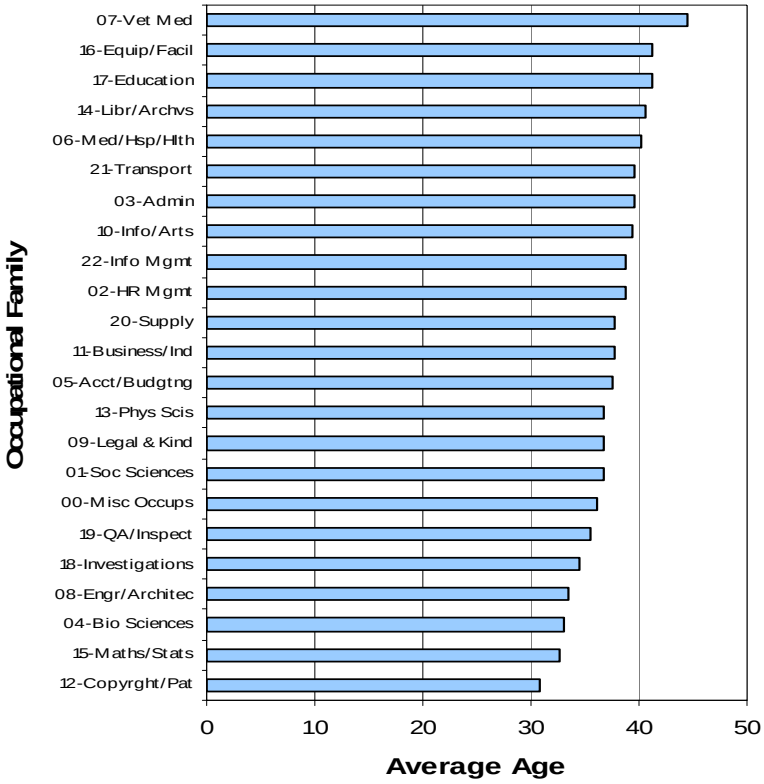
Figure 6 demonstrates that there has been a shift in the age distribution of new hires, consistent with the comments above regarding the increasing average age. In FY 2004, the distribution had begun to flatten out a bit more, tending toward the older age brackets than in FY 1994.

Figure 6:
Age Distribution of New Hires



The occupational family with the highest average age of new hires is the Veterinary Medical Science family. The youngest average age is observed within the Copyright, Patent, and Trademark family. Figure 7 summarizes the FY 2004 average age of all twenty-three occupational families.

Figure 7:
Average Age of FY 2004 New Hires by Occupational Family



Of interest to many people is average salary and grade. As Figures 8 and 9 demonstrate, there has been a steady increase in the average salary and grade of new hires. Those hired with prior Federal service have a higher starting salary, but those hired without prior Federal service have higher starting grades. Any analysis made, however, must consider the changes incurred to the government pay system over the past few decades.

In the early 1970s, nearly all white-collar Federal employees were governed by the General Schedule (GS) pay plan. Since that time, many new pay plans have been created, often at the agency level. To bridge the gap, OPM developed a formula to account for the new pay plans, creating a new data element referred to as "GS and related grade." Still, not all new pay plans can be bridged. By September 2004, fewer than 84 percent of Federal employees worked under the GS pay plan and roughly 6 percent were covered under GS and related. Thus, one must bear this in mind when interpreting Figure 9, which reports on 90% of the FTP white-collar federal workforce.

Figure 8:
Average Salary at Hire

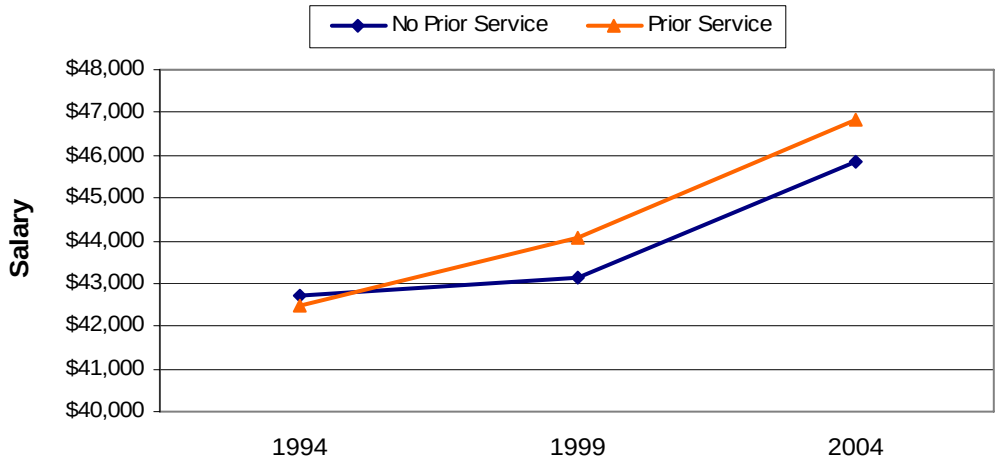
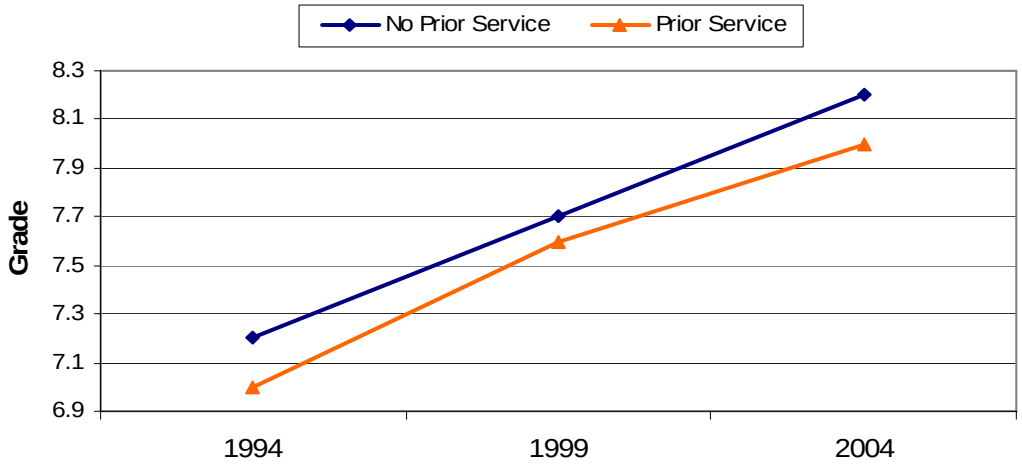
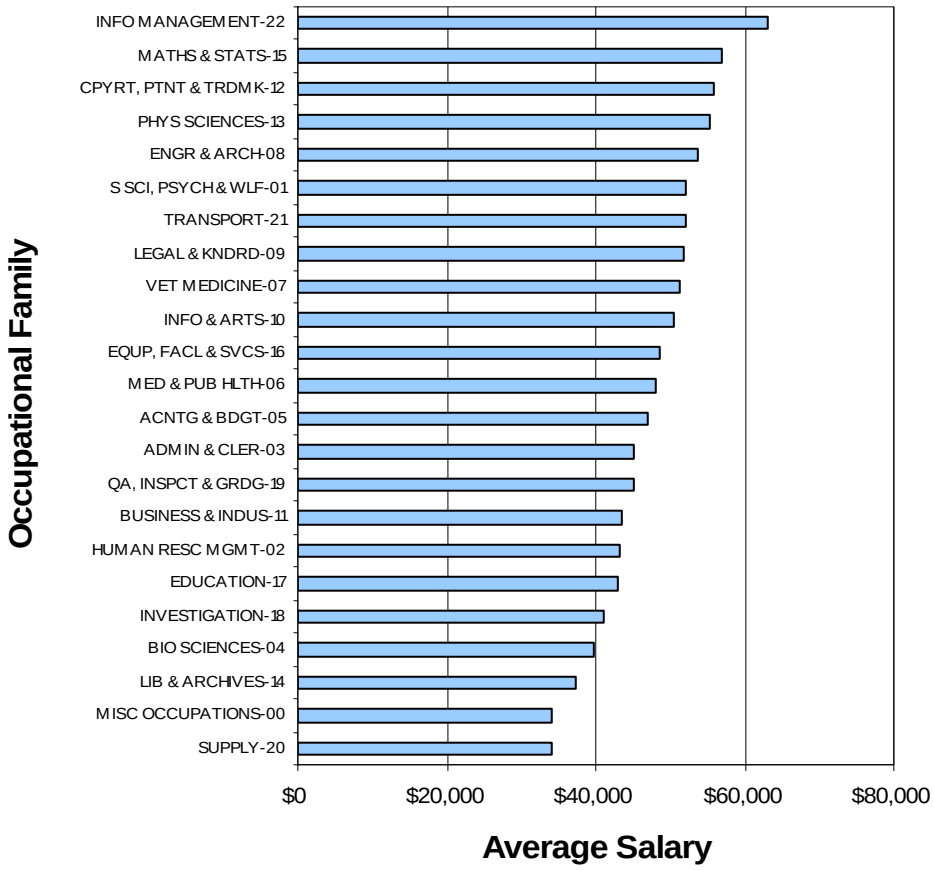


Figure 9:
Average GS and Related Grade at Hire



Of all occupational families, the Information Management family has the highest average salary for new hires. The Supply family has the lowest average salary for new hires. The complete list for all occupational families is given below in Figure 10.

Figure 10:
Average Salary of New Hires by Occupational Family



Separations

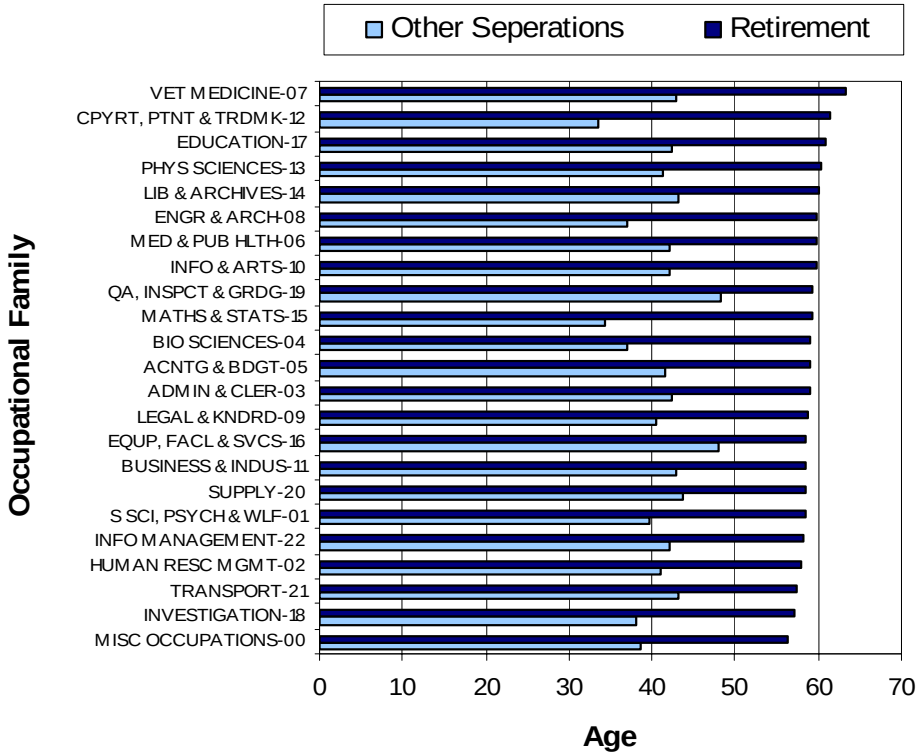
At the beginning of FY 2004, separation rates were highest among the following occupational families: Miscellaneous Occupations; Copyright, Patent, and Trademark; Medical, Hospital, Dental, and Public Health; Education; and Veterinary Medical Science. These families were also among those that hired most aggressively.

Currently, the average age at separation — excluding retirement — is 40.6 years old. This statistic varies considerably between occupational families, ranging from 33.6 years in the Copyright, Patent, and Trademark family to 48.2 years for the Quality Assurance, Inspection, and Grading family.

The average age of separation *by retirement* in FY 2004 is 58.7 years. This figure is lowest in the Miscellaneous Occupation family, where the average age is 56.3, and highest in the Veterinary Medical Science family, where the average age is 63.3.[3]

Figure 11 juxtaposes, at the occupational family level, average age at retirement and at other types of separation.

Figure 11:
Average Age at Retirement and Other Separation FY 2004



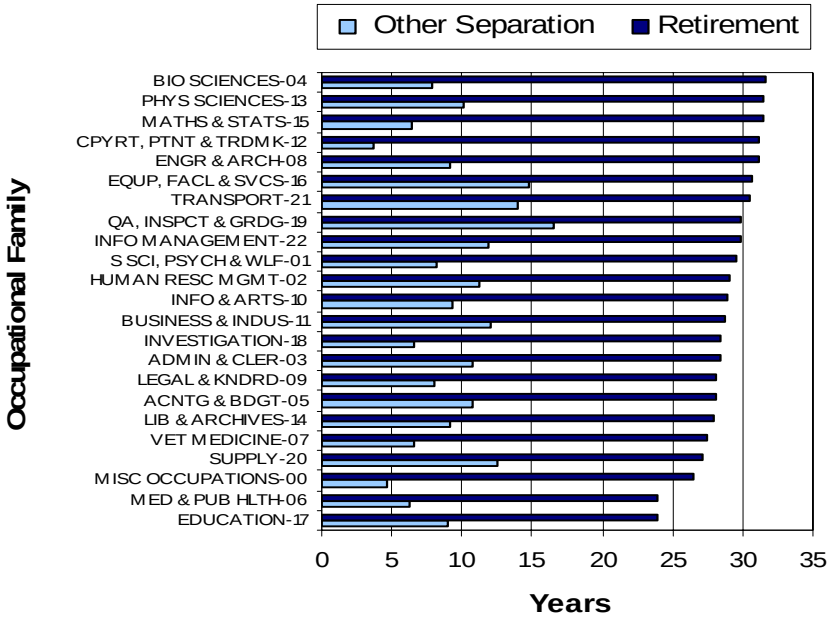
The narrowest differences between average age of retirement and other separation were observed in the Equipment, Facilities, and Services occupational family (10.5 years) and the Quality Assurance, Inspection, and Grading family (11.1 years). Conversely, the widest differences between average age of retirement and other separation were detected in the Copyright, Patent, and Trademark family (27.8 years) and the Mathematics and Statistics family (24.9 years). Recall, also, that the Copyright, Patent, and Trademark family and the Mathematics and Statistics family had the two youngest average ages at time of hire.

As of FY 2004, the average length of service for a departing Federal employee—excluding retirement—is 8.2 years. The average length of service *upon retirement* is 28.1 years. Figure

[3] A significant number of individuals in the Miscellaneous Occupations family, the Investigation family and the Transportation family are covered by lower age and length of service requirements which tend to force the average age at retirement down in these categories.

12 illustrates the varying lengths of service upon retirement or other separations broken down by occupational family.

Figure 12:
Average Length of Service at Retirement and Other Separation FY 2004

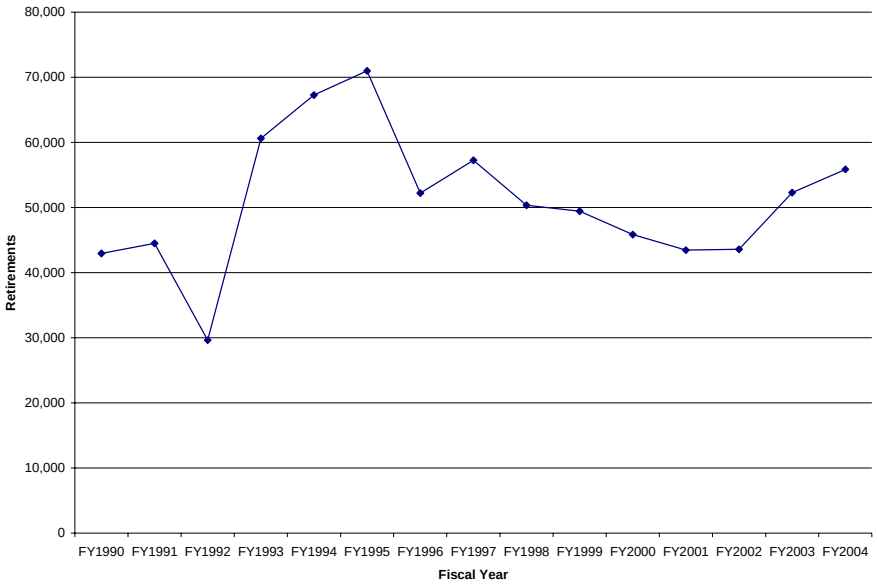


Retirement

In FY 2004, there were a grand total of 55,848 retirements from the entire Federal workforce. The average age of retirees was 58.7. While this number has been slowly increasing in recent years, the overall trend in the past ten years is nearly the same, with an average of 52,124 retirements per year at an average age of 58.0.

Figure 13 below traces the fluctuation in retirement counts in recent years.

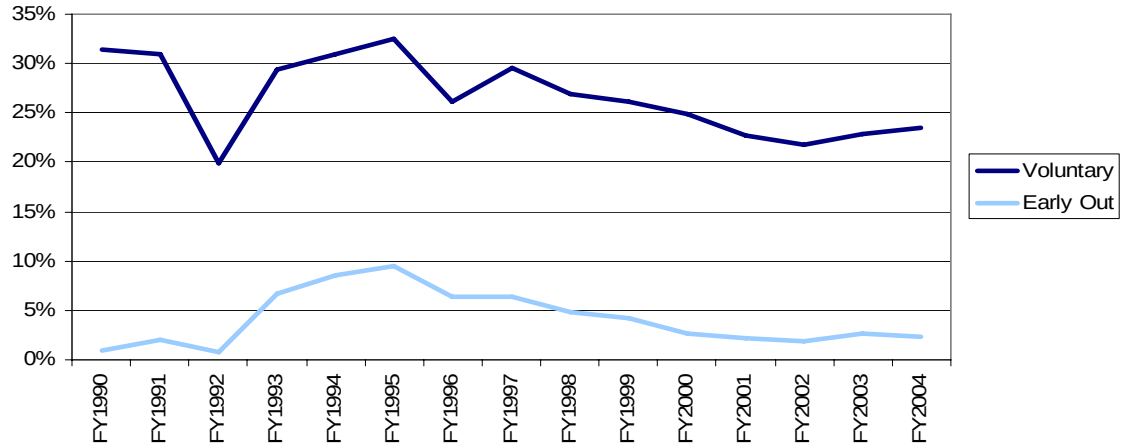
Figure 13:
Yearly Retirement Counts FY 1990 – FY 2004



During 2004, 192,100 Federal employees were eligible for retirement from service, totaling 10.4percent of the workforce. Additionally, 303,000 employees were eligible for *early-out* retirement, or 16.4 percent of the Federal workforce. Combined, these numbers indicate that just over one-fourth of the Federal workforce could be eligible to retire.

An employee will, on average, work for 3.1 years after reaching retirement eligibility — males average 3.3 and females average 2.7 years. Less than one in four employees that are eligible for retirement actually retires in a given year. Figure 14 follows the pattern retirement rates in recent years.

Figure 14:
Retirement Rates among Those Eligible



One important trend to observe from the figure above is the declining rate of early-out retirement, which can alleviate some of the concern raised by the prospect that 303,000 employees could be eligible under this authority. In FY 2004, there were a total of 7,587 early-out retirements as compared to a 10-year average of 12,208.

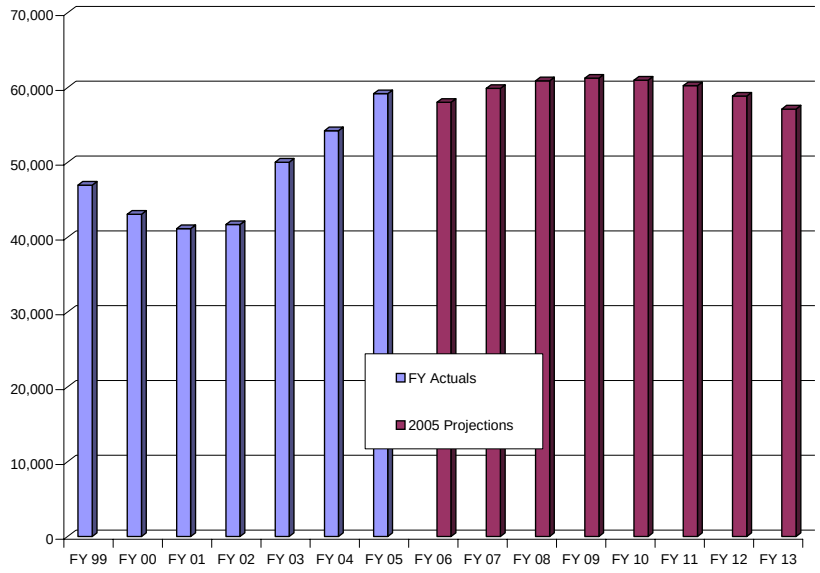
Other interesting facts about retirement include the most popular month to retire is typically January and the least popular month November. In FY 2004, 61 percent of retirements recorded were by males, whereas 39 percent were by females. This compares to a FY 2004 workforce distribution of 56 percent male and 44 percent female

Retirement Projections

Baby boomers heading toward retirement from the Federal workforce are a concern for many human capital managers and planners. Using time series modeling techniques, it is projected that nearly 61,000 non-seasonal full-time permanent Federal employees will retire in FY 2008. It is further predicted that the numbers of retirements will peak around 2008 to 2010.

Another point to be made is that the number of retirements *projected* will continue to increase each year from FY 2005 through FY 2010, capping off at 61,009. Thereafter, the number of retirements is expected to begin decreasing. Again, these estimates are based on time series modeling techniques, which tend to perform well for not-too-distant extrapolation but can rapidly lose precision the further out estimation becomes.

Figure 15:
Actual Retirements versus Retirement Projections
(non-seasonal full-time permanent employees)



Appendix

Occupational Families with Most Populous Occupation(s)

0000	MISCELLANEOUS OCCUPATIONS FAMILY Correctional Officer Safety Technician (e.g., TSA screeners) Environmental Protection Security Administration Fire Protection & Administration Police
0100	SOCIAL SCIENCE, PSYCHOLOGY, & WELFARE FAMILY Social Science Social Insurance Administration Economist Foreign Affairs Intelligence Social Work
0200	HUMAN RESOURCES MANAGEMENT FAMILY Human Resources Management Human Resources Assistant EE0 Wage & Hour Compliance
0300	GEN ADMIN, CLERICAL, & OFFICE SERVICE FAMILY Miscellaneous Administration & Program Miscellaneous Clerk & Assistant Secretary Program Management Management & Program Analysis Logistics Management
0400	BIOLOGICAL SCIENCES FAMILY General Biological Science Biological Science Technician Soil Conservation & Science Forestry Wildlife Biology Fishery Biology

0500	ACCOUNTING & BUDGET FAMILY Financial Administration & Program Accounting Auditing Internal Revenue Agent Budget Analysis Tax Examining
0600	MEDICAL, HOSPITAL, DENTAL, & PUBLIC HEALTH FAMILY Medical Officer Nurse (registered/practical/assistant) Health Aid & Technician Pharmacist & Pharmacy Technician Medical Records Technician Medical Support Assistance
0700	VETERINARY MEDICAL SCIENCE FAMILY Veterinary Medical Science Animal Health Technician
0800	ENGINEERING & ARCHITECTURE FAMILY General Engineering Engineering Technician Civil Engineering Mechanical Engineering Electronics Engineering Aerospace Engineering
0900	LEGAL & KINDRED FAMILY General Legal & Kindred Administration General Attorney Contact Representative Paralegal Specialist Legal Assistance Veterans Claims Examining
1000	INFORMATION & ARTS FAMILY General Arts & Information Public Affairs Audiovisual Production Writing & Editing Technical Writing & Editing Visual Information

1100	BUSINESS & INDUSTRY FAMILY General Business & Industry Contracting Purchasing Production Control Loan Specialist Internal Revenue Officer
1200	COPYRIGHT, PATENT, & TRADEMARK FAMILY Patent Examining Patent Attorney
1300	PHYSICAL SCIENCES FAMILY General Physical Science Physics Hydrology Chemistry Meteorology Geology Cartography
1400	LIBRARY & ARCHIVES FAMILY Librarian Library Technician Technical Information Services Archives Technician
1500	MATHEMATICS & STATISTICS FAMILY Operations Research Mathematics Mathematical Statistician Statistician Cryptanalysis Computer Science
1600	EQUIPMENT, FACILITIES, & SERVICES FAMILY Equipment, Facilities & Services Facility Operations Services Equipment Services
1700	EDUCATION FAMILY General Education & Training Education & Training Technician Education & Vocational Training Training Instruction Instructional Systems

1800	INVESTIGATION FAMILY General Inspection, Investigation & Compliance Compliance Inspection & Support Criminal Investigating Aviation Safety Customs & Border Protection Border Patrol Agent
1900	QUALITY ASSURANCE, INSPECTION, & GRADING FAMILY Quality Assurance Agricultural Commodity Grading
2000	SUPPLY FAMILY General Supply Supply Program Management Supply Clerical & Technician Inventory Management Sales Store Clerical
2100	TRANSPORTATION FAMILY Transportation Specialist Transportation Clerk & Assistant Traffic Management Transportation Operations Air Traffic Control Aircraft Operation
2200	INFORMATION MANAGEMENT FAMILY Information Technology Management