



Highlights of [GAO-09-206](#), a report to congressional requesters

## Why GAO Did This Study

The federal workforce, like the nation's workforce as a whole, is aging, and increasingly large percentages are becoming eligible to retire. Eventually baby boomers will leave the workforce and when they do, they will leave behind gaps in leadership, skills, and knowledge due to the slower-growing pool of younger workers. GAO and others have emphasized the need for federal agencies to hire and retain older workers to help address these shortages. Building upon earlier testimony, GAO was asked to examine (1) age and retirement eligibility trends of the current federal workforce and the extent to which agencies hire and retain older workers; (2) workforce challenges selected agencies face and the strategies they use to hire and retain older workers; and (3) actions taken by the Office of Personnel Management (OPM) to help agencies hire and retain experienced workers. To address these questions, GAO analyzed data from OPM's Central Personal Data File, interviewed officials at three agencies with high proportions of workers eligible to retire, and identified agencies' promising practices to hire and retain older workers.

## What GAO Recommends

GAO recommends that OPM broadly disseminate agency-developed promising practices. OPM said that it has tools on its Web site to assist agencies in recruiting and retaining talented workers, including older workers. Because OPM's Web site does not provide information on agency-developed practices, this information is not readily available governmentwide. GAO continues to believe sharing these practices would be helpful.

To view the full product, including the scope and methodology, click on [GAO-09-206](#). For more information, contact Barbara D. Bovbjerg at (202) 512-7215 or [bovbjergb@gao.gov](mailto:bovbjergb@gao.gov) or Robert Goldenkoff at (202) 512-6806 or [goldenkoffr@gao.gov](mailto:goldenkoffr@gao.gov).

## OLDER WORKERS

### Enhanced Communication among Federal Agencies Could Improve Strategies for Hiring and Retaining Experienced Workers

#### What GAO Found

The proportion of federal employees eligible to retire is growing. While this proportion varies across agencies, in four agencies—the Agency for International Development (USAID), the Department of Housing and Urban Development (HUD), the Small Business Administration, and the Department of Transportation—46 percent of the workforce will be eligible to retire by 2012, well above the governmentwide average of 33 percent. While these eligibility rates suggest that many will retire, the federal government has historically enjoyed relatively high retention rates, with 40 percent or more of federal employees remaining in the workforce for at least 5 years after becoming eligible. Beyond retaining older workers, in fiscal year 2007, federal agencies hired almost 14,000 new workers who were 55 years of age or older and brought back about 5,400 federal retirees to address workforce needs.

The increasing numbers of retirement-eligible federal workers present challenges and opportunities. The three agencies we reviewed (HUD, SSA, and USAID) share common challenges. All have large proportions of employees nearing retirement, and according to officials, due to past hiring freezes all have relatively few midlevel staff to help pass down knowledge and skills to less experienced employees. Officials from all three agencies also told us that they have difficulty attracting qualified staff with specialized skills. To address these challenges, the three agencies rely on older workers in different ways. USAID brings back its knowledgeable and skilled retirees as contractors to fill short-term job assignments and to help train and develop the agency's growing number of newly hired staff. SSA uses complex statistical models to project potential retirements in mission critical occupations and uses these data to develop recruitment efforts targeted at a broad pool of candidates, including older workers. While all three agencies rely on older workers to pass down knowledge and skills to junior staff, HUD officials told us this is the primary way they involve older workers, due in part to the agency's focus on recruiting entry-level staff. In addition, some federal agencies have developed practices that other agencies might find useful in tapping older workers to meet short-term needs. For example, the Department of State has developed databases to match interested retirees with short-term assignments requiring particular skills.

To help agencies hire and retain an experienced workforce, OPM provides guidance, including support tools and training, and has taken steps to address areas of concern to older workers. For example, OPM has initiated actions to streamline the federal application process and to eliminate barriers that deter some federal retirees from returning to federal service or from working part-time at the end of their careers. However, although some federal agencies have developed strategies that could be used effectively by other agencies to hire and retain experienced workers to meet workforce needs, this information is not widely available. And, while OPM has other methods available—such as its human capital and electronic government practices Web sites—that could be used to efficiently package and broadly disseminate this information to a much larger audience, it currently has no plans to do so.