Increasing Separations of Career Senior Executives: Effects of a Baby Boomer Workforce and Recommendations for Growth

Hasan Bhatty | Ryan Taylor | Grace Levin | Shannon Griffin | Benjamin Zaitchik

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Table of Contents

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> *"Competitive pay. Empowerment.*
> *Appreciation for experience."*
>
> *-Senior Executive Service employee's*
> *suggestions for SES improvements, April 2014*

Executive Summary

Over the past five years, there has been a significant increase in the separation rate of the career Senior Executive Service (SES) - a cadre of over 7,000 career federal employees who serve in executive-level leadership roles throughout the federal government. In cooperation with the Senior Executives Association (SEA) – a professional organization whose membership includes current and former SES members – the GW capstone team conducted a research project to examine the validity of the claim that SES employees are, in fact, leaving at higher rates; and if so, to determine who is leaving and why. This paper presents the results of our findings.

Using U.S. Office of Personnel Management (OPM) data to examine employment and separation trends, we found that there has been a 36% increase in career SES turnover since fiscal year (FY) 2009.[1] Subset analysis revealed that this growth has been largely attributed to a surge in SES retirements over the past five years. Drawing on a wide range of extant literature, we determined that several contextual factors and policy decisions have contributed to the "exodus" of the SES, including the federal personnel policies that resulted from the impacts of the recession's financial crisis, pay compression and awards suspension, sequestration, and most notably, the effect of "baby boomers" reaching retirement age. Based on our literature review and comparative analysis, we concluded that increasing turnover among career senior executives is due to these external factors, as well as to agency-specific internal aspects of the SES.

Our literature review findings were cross-referenced and validated using two methodological approaches: secondary data analysis and survey construction and analysis. Our secondary data findings demonstrated that the majority of SES employees who have separated between 2009 and 2013 were non-early, voluntary retirees, suggesting that recent separations from the SES have been primarily due to an aging workforce, regardless of whether or not these separating employees were satisfied with their jobs. However, 21% of career SES employee separations were via other means (e.g., resignation or early retirement) over the same time period.

Our survey methodology included constructing a survey for distribution among current and former SES employees, and using the results to provide insight into why career senior executives may have separated earlier than their personally-optimal retirement dates, why they have stayed if they were unsatisfied, and what reasons might lead current employees to leave prematurely in the future. The most important job aspects to respondents were those related to personal satisfaction, including "feeling of purpose" and "supportive work environment." In addition, among the aspects of the SES that should be improved upon in the future, survey respondents most often cited competitive pay and individual recognition.

After analyzing both the secondary data and survey results, the team recommends that the SEA focus on both the beginning and end of SES careers (at least for the next 1-5 years): retaining current SES employees who are naturally reaching retirement eligibility and encouraging more competitive GS-15 employees to compete for the SES. Specific recommendations include creating internal agency incentive programs for outstanding work, lobbying to instate locality pay for SES employees, and creating a more comprehensive SES mentoring/training program within both each department/agency and the SEA.

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[1] Note that this 36% increase accounts for the number of current career SES employees in federal service each fiscal year, which, like separations, changes each year due various personnel actions, including accessions and transfers.

I. PROJECT RATIONALE

In 1978, as part of the Civil Service Reform Act, Congress established the Senior Executive Service (SES) – a cadre of federal career executives to serve as the link between the politically appointed heads of agencies and career civil servants within those agencies.[2] Given the transient nature of politically appointed federal service members, the SES was designed to "provide leadership for agencies across administrations and ensure productivity and efficiency within the government."[3] Throughout most of its existence, as political appointees have rotated into and out of executive positions every two years on average, the SES has maintained a relatively stable turnover rate. Yet, in recent years, there has been a gradual increase in the separation rate of SES members. From FY2009 to FY2013,[4] the overall SES turnover rate increased from 7.2% to 9.8%, while the raw number of SES employees leaving government rose 44%.[5]

The increasing separation rate of SES members is troubling for several reasons. As a 2012 CRS report explains, the turnover of senior executives can lead to "loss of knowledge and/or skills; a deterioration in organizational loyalty among employees; and a vacancy in the agency that may take some time to fill."[6] The Senior Executives Association (SEA) – a not-for-profit organization that lobbies on behalf of current and former SES employees – characterizes the exodus of its members from federal service as "a huge brain drain and loss of institutional capability at a time when government most needs career executive leadership, expertise and commitment."[7]

Although the increase in SES attrition is demonstrable via comprehensive federal datasets, it is not clear *why* senior executives are leaving federal service in growing numbers. The SEA has offered several possible contributing factors for the trend, including insufficient compensation, lack of recognition, and political gridlock. Yet, there is little evidence to support these assumptions. Therefore, the SEA requested that the GW capstone team conduct a research project to determine the primary causes for separation among SES members. The results of this study will allow the SEA to develop better-informed advocacy priorities and to support its policy positions with quantifiable research. Specifically, we focused on the following research questions:

> How has the rate, nature and causes of career SES employees retiring or resigning
> changed throughout FY2009 – 2013? More specifically:

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[2] Maeve Carey, "The Senior Executive Service: Background and Options for Reform,*" Congressional Research Service* R41801, (2012): 1, accessed February 22, 2014, https://www.fas.org/sgp/crs/misc/R41801.pdf..
[3] *Ibid.*
[4] Fiscal year (FY) is the federal government's annual budgeting period, running from October 1 to September 30.
[5] *"Potential Capstone Projects: The Growing Exodus of Federal Career Senior Executives and Professionals,"* Senior Executives Association correspondence, 1.
[6] Carey, 15.
[7] *"Potential Capstone Projects,"* 1.

- Is the rate of separating career SES employees increasing?
- What types of separations (e.g., retirement, resignation, etc.) have been most prevalent among career SES employees?
- What are the particular individual characteristics (e.g., time in service, location of job) of career SES employees who are retiring or resigning in larger numbers in recent years?
- What are the main reasons of career SES employees separating at higher rates in recent years?
- What are career SES employees choosing or planning to do when they leave government (e.g., work outside of the public sector, volunteer in their communities, etc.)?

II. BACKGROUND

Aggregation of Extant Literature and Information

In order to address the research questions laid out in the agreement with the SEA, the team first conducted a literature review to gain a comprehensive understanding of the SES. The team examined news articles, federal reports, white papers, open source data, and other studies regarding the SES and the policies surrounding this federal employee cohort.

Established by Congress through the Civil Service Reform Act of 1978, the SES was designed as an executive management corps that would serve as the link between politically appointed heads of agencies, other political appointees, and career civil servants.[8] Congress created this management classification as a way to instill shared values, broad perspectives, and solid leadership skills in executives throughout the government. Its designers envisioned the SES as a leadership group whose members "would move across agencies, bringing their expertise and strategic thinking to a range of difficult issues and problems, and operate under a uniform and performance-based pay system."[9] Throughout the existence of the SES, however, "few SES managers have ever worked or even sought to work outside their own agency."[10] In fact, on an annual basis from 2004 to 2008, the number of SES members who made a lateral transition to another agency ranged from 1.8 to 2.3 percent.[11]
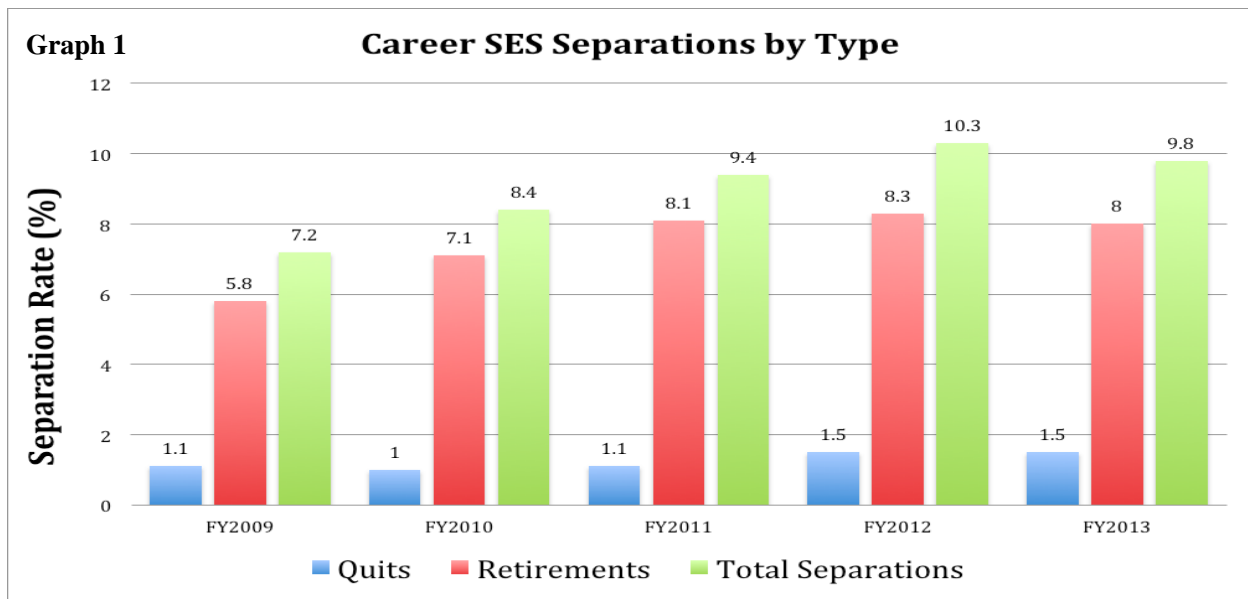
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[8] Carey, 1.
[9] "Unrealized Vision: Reimagining the Senior Executive Service," Partnership for Public Service and Booz Allen Hamilton, (2009): i, accessed February 22, 2014,
http://www.boozallen.com/content/dam/boozallen/media/file/reimagining-the-senior-executive-service-2009.pdf.
[10] *Ibid*, 3.
[11] *Ibid*.

Trends in SES Positions

While the lack of mobility among career senior executives within the federal government has been consistent throughout the history of the SES, increasing turnover rates are a recent trend. As demonstrated in Graph 1, despite a slight downtick in 2013, there has been an overall upward trend in separations since FY2009.

Graph 1 — Career SES Separations by Type

Separation Rate (%)

Year	Quits	Retirements	Total Separations
FY2009	1.1	5.8	7.2
FY2010	1	7.1	8.4
FY2011	1.1	8.1	9.4
FY2012	1.5	8.3	10.3
FY2013	1.5	8	9.8

Source: "Data, Analysis & Documentation," U.S. Office of Personnel Management, http://www.opm.gov/data/index.aspx.

The two primary forms of separation within the federal government (as tracked by OPM) are "retirements" and "quits" (voluntary resignations). According to OPM's employment data on the SES, there have been increases in both forms of separation over the past five years. Since FY2009, the SES quit rate has increased from 1.1% to 1.5% while the retirement rate among SES members has climbed from 5.8% to 8.0%. The overall SES separation rate increased from 7.2% in FY2009 to 9.8% in FY2013 - a 36% growth rate.
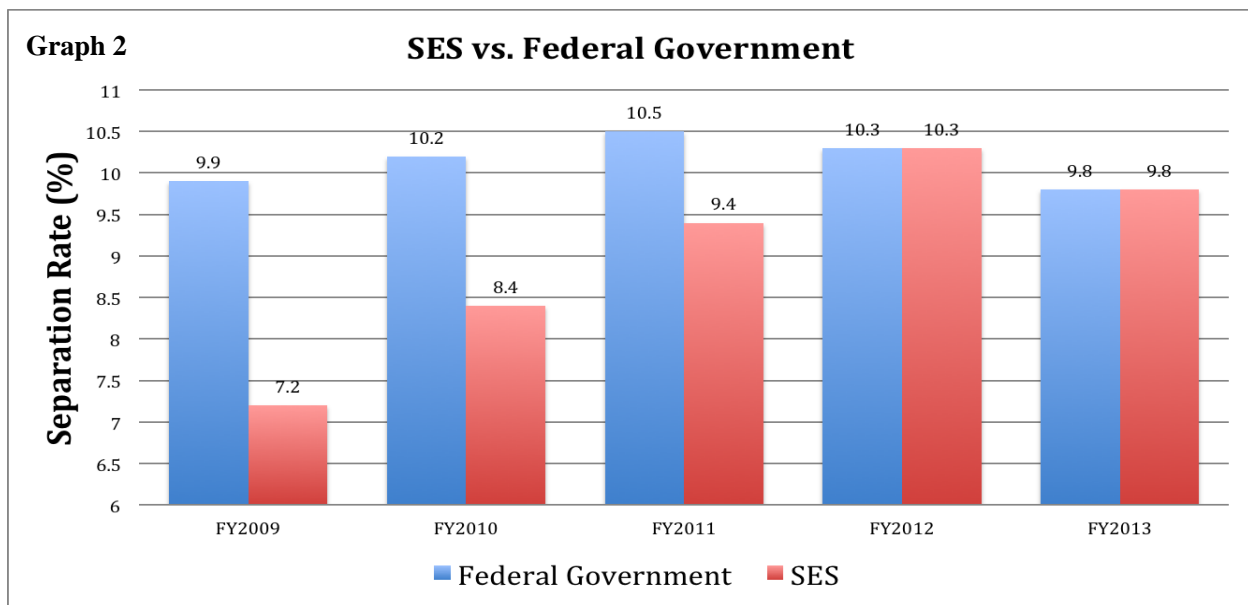
Employment Trends in All Federal Government Positions

Given the increase in turnover rate of career senior executives in the federal government, it is important to examine separation rates within the government overall in order to determine whether increasing attrition is unique to the SES or consistent with employment trends in the public sector.

The recession in 2009 affected all employees - not just SES members - and an increasing number of baby boomers in all sectors have been reaching and will continue to reach retirement age.

However, turnover in the federal government as a whole has been stagnant relative to the drastic rate increase in the SES. As the chart below demonstrates, the federal government separation rate has ranged from 9.8 to 10.5 over the last five years - peaking in FY2011 and reaching its low point in FY2013.

Graph 2

Source: "Data, Analysis & Documentation," U.S. Office of Personnel Management, http://www.opm.gov/data/index.aspx.

An Aging Government Workforce

According to Lewis' and Cho's 2011 study on retention in the federal government, "the probability of leaving federal service drops rapidly with age and federal experience."[12] However, this trend reverses once an individual has completed thirty years of service or has reached the age of fifty-five. For instance, among federal employees who have completed 30 years of federal service, the annual turnover rate is more than 10%. This figure climbs to 18% by the time individuals reach their 35th year of service.

The baby boomer generation, born between 1946 and 1964, has been and will continue to be a significant part of separation rates in all professional sectors. Despite reports of baby boomers throughout the workforce working past age 65 (mainly citing concerns regarding future income and access to health benefits), the federal workforce in particular has seen substantial retirement increases throughout the past five years.[13] In fact, the number of retirees in fiscal year 2013 was

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[12] Gregory B. Lewis and Yoon Jik Cho, "Turnover Intention and Turnover Behavior: Implications for Retaining Federal Employees, *Review of Public Personnel Administration* 32, no. 1 (2012): 5.

[13] Nanci Hellmich, "Boomers working to stay employed during golden years," *USA Today*, accessed May 1, 2014, http://www.usatoday.com/story/money/personalfinance/2014/04/30/baby boomers-retirement-backup-plans/8471659.

roughly twice the amount in 2009.[14] By 2016, over one third of the federal workforce will be eligible to retire, including 3 out of 5 senior executives.[15] Further, many senior managers and "aging baby boomers who held on to their jobs during the economic downturn" may now consider retirement in the near future.[16]

The Financial Crisis

The contextual factors surrounding our research questions are vital to understanding potential causes of increased career SES separation rates. Notably, the financial crisis of the late 2000s led to presidential platforms centered on fiscal awareness and the economy.[17,18] From 2009 through 2011, the unemployment rate hovered above 8%.[19] Moreover, the crisis lead to political gridlock, increased uncertainty, and decreased morale throughout the federal government. Meanwhile, sequestration policies forced government agencies to impose pay freezes, mandate furloughs and sequestration, and decrease/suspend performance awards.[20, 21, 22]

Pay Compression & Reduction in Pay for Performance Funding

Pay issues are often cited as a disincentive for joining the Senior Executive Service and/or as a primary reason for separation from the federal government.[23,24] While there has been a persistent gap in wages between SES positions and executive jobs in the private sector, the divide has widened in recent years partly due to government pay freezes and salary compression. As a result of pay caps on SES positions, there is a financial disincentive for GS-14s and GS-15s to apply for senior executive positions. According to a 2009 Partnership for Public Service report on the Senior Executive Service, pay compression has created a situation in which "GS 15s can

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[14] Lisa Rein, "Wave of Retirements Hit Federal Workforce" *Washington Post*, accessed February 7, 2014, http://www.washingtonpost.com/politics/wave-of-retirements-hitting-federal-workforce/2013/08/26/97adacee-09b8-11e3-8974-f97ab3b3c677_story.html.
[15] *Ibid.*
[16] *Ibid.*
[17] Dylan Matthews, "The Sequester: Absolutely everything you could possibly need to know, in one FAQ, *Washington Post*, accessed March 10, 2014, http://www.washingtonpost.com/blogs/wonkblog/wp/2013/02/20/the-sequester-absolutely-everything-you-could-possibly-need-to-know-in-one-faq/.
[18] "Travis Waldron, "Government Job Losses Still Plaguing Economic Recovery As More Furloughs, Cuts Loom," *Think Progress*, accessed March 10, 2014, www.thinkprogress.org/economy/2013/03/25/1769531/public-sector-job-loss/.
[19] "Unemployment Rate," U.S. Bureau of Labor Statistics, accessed February 22, 2014, http://data.bls.gov/timeseries/LNU04000000years_option=all_years&periods_option=specific_periods& periods=Annual+Data.
[20] "The Sequester."
[21] "Senior Executive Service: Compensation," U.S. Office of Personnel Management, accessed March 10, 2014, http://www.opm.gov/policy-data-oversight/senior-executive-service/compensation/#url=Recognition.
[22] "Wave of Retirements."
[23] *Ibid.*
[24] Nancy H. Kichak, "Testimony: 112th Congress (2011-2012)," U.S. Office of Personnel Management, accessed March 10, 2014, http://www.opm.gov/news/testimony/112th-congress/strengthening-the-senior-executive-service-a-review-of-challenges-facing-the-governments-leadership-corps/.

earn as much as their bosses who are members of the SES."[25]

In addition to pay freezes and salary compression, a government-wide 50% reduction in available pay for performance funding has further diminished SES compensation.[26] In a January 2014 white paper, the SEA explained that "some agencies [DoD most noteworthy] have further reduced the amount of SES performance awards pools to as little as 1%, resulting in drastic reductions in the number and amounts of awards granted."[27] Presidential Rank Awards - which represented the most lucrative pay for performance opportunities for the SES - were suspended by President Obama in 2013. These awards could amount to 20-35% pay of an individual's salary.[28]

Process of Turnover: Private Sector Comparison

In private industry, as in the public sector, most promotions to a leading position (e.g., chief executive officer, CEO) are internal hires. External hires are classified as outsiders, and are generally given less powerful positions upon initial entry. Typically, CEOs are surrounded by senior executives that show high motivation, ambition, and the desire to have power or control; these are classified as contenders. CEO turnover increases when an incumbent's capabilities are questioned and viable replacement candidates exist. Relatedly, turnover is often initiated by poor performance over a given time period.[29]

In private industry, the pervasive ideology is that because executives are limited by their experiences, it is essential for new CEOs to replace executives whose knowledge and skills have become obsolete. Following a senior executive turnover, many of the same practices are maintained as before the executive stepped down. The benefit of this turnover is that there is a continuity of leadership and strategies, which helps to maintain levels of firm performance.

Shen's and Cannella's study shows that the tenure of CEOs has a major impact on firm operational performance. The tenure of a CEO plays a crucial role in establishing strong organizational inertia, which leads to difficulty when successors attempt to make structural changes to the firm. However, if a CEO's tenure is too brief, the firm may not have properly recovered from the previous transition, which leads to further decreases in operational efficiency. CEO tenure has also been proven to significantly influence the power dynamics between top

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[25] "Unrealized Vision."

[26] *Ibid.*

[27] Joe Davidson, "Federal senior execs call for revised awards program," *Washington Post*, accessed January 24, 2014, http://www.washingtonpost.com/blogs/federal-eye/wp/2014/01/13/federal-senior-execs-call-for-revised-awards-program/.

[28] *Ibid.*

[29] Wei Shen and Albert A. Cannella Jr., "Revisiting the Performance Consequences of CEO Succession: The Impacts of Successor Type, Postsuccession Senior Executive Turnover, and Departing CEO Tenure." *The Academy of Management Journal*, Vol. 45, No. August 2002.

managers.

Moving Forward

OPM's employment statistics have demonstrated that career SES employees have, in fact, separated at increasingly higher rates throughout most of the 2009 – 2013 fiscal years (only a small downtick in separations in FY2013). The extant literature has suggested several reasons for this increase, including pay freezes for the entire federal government and a halt in performance-based awards for SES employees; the 2009 recession and its possible effects on employee decision-making; and the fact that the baby boomer generation has reached retirement age throughout the past fifteen years and will continue to reach retirement age throughout the next fifteen.

Although the data show that the vast majority of career SES employees have separated from federal service throughout the past five years via non-early, voluntary retirement (i.e., the most optimal type of separation for employees), figures cannot provide context to individuals' decisions. For example, it is possible that many employees who retired at their personally-optimal time would have retired earlier had it not been for the recession, or wanted to resign unsatisfactory jobs but decided to continue work until retirement rather than find new jobs late in their careers. In the next section, the team will discuss the typical characteristics of career SES employees who have separated via retirement, resignation, or otherwise, as well as the reasons for both why employees separated or wanted to separate in the past.

III. DATA AND METHODOLOGY

The team has employed a multi-method strategy in order to comprehensively explore each of the research questions derived from the literature review and initial collaboration with the SEA, as well as to increase validity of analyses and results. Prior to establishing a methodological strategy, the team determined in its literature review that there has, in fact, been a significant increase in separation in career SES employees, particularly throughout the past five years.

The team first explored secondary data, derived from both the U.S. Office of Personnel Management (OPM) and the Partnership for Public Service, to study *how* career senior executives have separated throughout 2009 - 2013. Next, the team constructed and analyzed a survey sent to current and former SES employees, which provided insight into *why* career senior executives have left federal service or what reasons cause(d) them to consider leaving in the future.

III.a. Methodological Approach 1: Secondary Data and Analysis

Secondary Data Overview

Throughout the background research phase of the project, the team not only compiled qualitative resources, but also studied secondary data sources for potential quantitative analyses. The team's main focus was on the FedScope cross-sectional dataset from OPM, with additional information from the Partnership for Public Service's "Best Places to Work in the Federal Government" survey.[30, 31] These data sources were able to provide general employment-related statistics in the U.S. throughout the past decade, including individual-level information on all federal government sector separations, as well as data on general satisfaction of federal employees. In order to determine specifically how career SES employees are separating from federal service, the team next used these data to build an applied regression model.

Regression Model Overview

In order to create a predictive model that could determine the likelihood of career SES employees leaving federal service, the team employed a multinomial logistic regression model. This type of model allows for the outcome variable to be broken into multiple sub-categories, which provides the odds of certain outcomes relative to a baseline outcome. In this case, the team is estimating the odds that career SES employees will separate from service, with the "separation" outcome variable categorized into *type* of separation (i.e., resignation, early retirement, non-early/voluntary retirement, and all "other" types). The baseline outcome category was separation via non-early, voluntary retirement (see "Dependent Variable" section for theoretical justification of this baseline choice).

As noted earlier, the regression model used secondary data derived from OPM's FedScope dataset, which provides detailed yet non-personally identifiable information on every federal separation that has occurred since 2005. One independent variable was also derived from Partnership for Public Service's most recent "Best Places to Work in the Federal Government" survey by coding each separating employee's department/agency according to whether or not it was a top 10 "best place to work" for their given separation year. The model included the following variables (Table 1):

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[30] "Data, Analysis & Documentation," U.S. Office of Personnel Management, accessed March 8, 2014, http://www.opm.gov/data/index.aspx.
[31] "The Best Places to Work in the Federal Government," Partnership for Public Service, accessed April 11, 2014, http://bestplacestowork.org/BPTW/index.php.
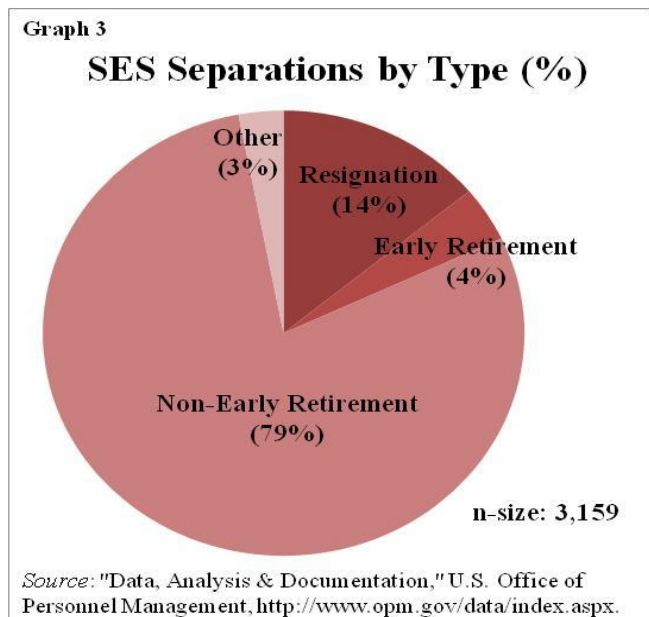
Table 1. Regression Model Datasets and Variables

Dataset (Years Used)	Variables	Variable Type
OPM FedScope Separations Trend Cubes (FY2009 – 2013)	• Type of Separation	Dependent (Outcome) Variable
"Best Places to Work" Survey (2009 – 2013)	• At a top 10 "Best Places to Work" (upon separation)	Independent Variable
OPM FedScope Separations Trend Cubes (FY2009 – 2013)	• Position (upon separation) located in DC, Maryland, or Virginia (DMV) or not	Independent Variable
	• Retirement System (FERS vs. CSRS)	Independent Variable
	• Agency (upon separation)	Independent Variable
	• Fiscal year (of separation)	Control
	• Age (at separation)	Control
	Age * Age	Control
	• Total length of service	Control

The team used R statistical software to clean and re-code FedScope's separations data.[32] After dropping all cases in which one of the included variables was unknown, as well as dropping all instances of transfers between federal departments/agencies, the sample data's n-size was 3,159.[33] As cited in Table 1, this included all career SES employees that separated in the 2009 – 2013 fiscal years (i.e., October 2008 – September 2013).

Dependent Variable: Type of Separation

For the multinomial logistic regression model, the dependent variable (type of separation) was divided into four sub-categories (see Graph 3 for breakdowns of separations by percentage of each type):

Graph 3

SES Separations by Type (%)

Other (3%)
Resignation (14%)
Early Retirement (4%)
Non-Early Retirement (79%)

n-size: 3,159

Source: "Data, Analysis & Documentation," U.S. Office of Personnel Management, http://www.opm.gov/data/index.aspx.

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[32] All references to R refer to: "R: A language and environment for statistical computing. R Foundation for [32]Statistical Computing, Vienna, Austria," R Core Team, 2013, accessed November 2013, http://www.R-project.org/.

[33] By dropping transfers between federal departments/agencies, the dependent variable included only outcomes of career SES employees completely leaving federal service.

1: Separation via resignation
2: Separation via early retirement (i.e., retirement prior to a personally-optimal date)
3: Separation via non-early, voluntary retirement
4: All other types of separation[34]

The team used "retirement (voluntary and non-early) as the baseline outcome category, given that this type of separation would likely be considered most ideal to an employer; i.e., an employer would rather retain an employee throughout the employee's entire career rather than have the employee resign or retire early from service. Thus, the separation categories listed above pertain directly to our research question regarding *how* career SES employees separate by juxtaposing three categories of reasons for premature separation (categories 1-2, 4) with separation via voluntary, non-early retirement (category 3). By using category three as an "optimal scenario" baseline, non-early retirement could be compared to premature types of separation in order to determine what individual characteristics are most conducive to either carrying a career to term or prematurely leaving a position.

Independent Variables

The team included three independent variables in the regression model that would theoretically affect federal employees' type of separation. The following descriptions briefly explain each control variable:

Best Places to Work: The "Best Places to Work" variable summarizes the 2009 – 2013 results of Partnership for Public Service's "The Best Places to Work in the Federal Government" survey,

Graph 4

Career SES Separations at "Best Places to Work"

Source: "The Best Places to Work in the Federal Government," Partnership for Public Service, http://bestplacestowork.org/BPTW/index.php.
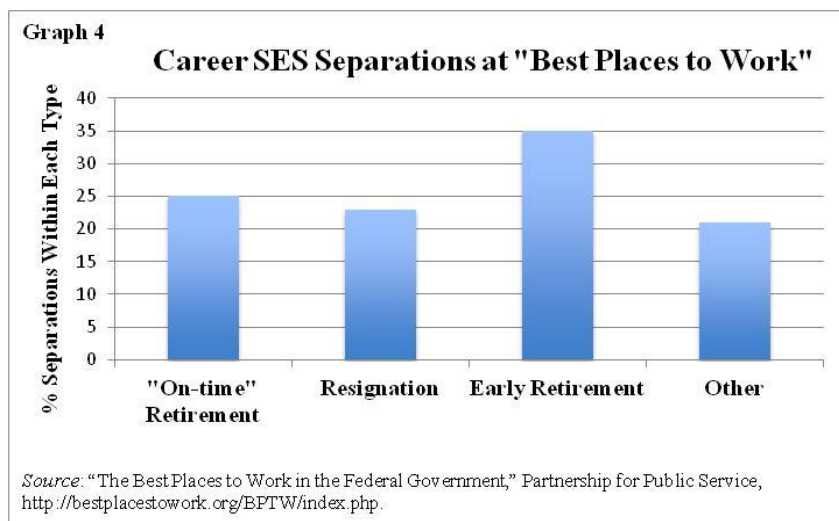
an annual questionnaire focused on satisfaction of federal employees in their current positions. Given that satisfaction with one's job is a latent variable in the model, the "Best Places" variable served as a measurable proxy. See Graph 4 for a contextual depiction of how many separations per type occurred at a "Best Place to Work" department/agency.

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[34] "Other types of separation" include all other potential reasons for separation (excluding internal federal transfers), including separation due to disability, death, or involuntary separation.

The variable is binary, denoting whether or not a department's/agency's overall index score fell within the top 10 best scores. In order to calculate the overall employee satisfaction index, Partnership for Public Service aggregated answers to survey questions directly "related to employee satisfaction and commitment." The three questions were also weighted "according to the extent to which each question predicts 'intent to remain.'" See the Appendix for a list of the top 10 departments/agencies for each year (2009 – 2013).

Job Location: The "Job Location" variable is a binary variable denoting whether or not an employee separated from a job in the DMV; i.e., District of Columbia, Maryland, or Virginia (one of the states/jurisdictions surrounding the capital region). The team included this variable in the model in order to determine whether or not working in the national region increased likelihood of separation, given that almost one quarter of all federal employees and almost 70% of career SES employees work in the DMV. Although there are considerably more federal jobs in the DMV relative to other regions, this could theoretically imply that there are relatively more related jobs in other sectors as well, which may cause higher turnover than for career SES employees in other regions of the U.S. and abroad.

Retirement System: The "Retirement" variable depicts whether or not a separating employee was part of the Federal Employees Retirement System (FERS) or Civil Service Retirement System (CSRS). The FERS system applies to all federal employees who began their service on or after January 1, 1987, and CSRS applied to all federal employees prior to that time.[35] Approximately one third of career SES employees that separated throughout 2009 - 2013 were under FERS. The team would to determine whether or not being part of one retirement system or the other (each with their own advantages and disadvantages) affects the number of separations at personally-optimal retirement age versus premature separations.

Agency: The "Agency" variable denotes each separating employee's agency upon separation. Given the large number of agencies of existing federal departments and agencies, the team coded the variable into twelve categories, including the top 10 federal departments/agencies by employee size, as well as an Armed Forces category and an "other" category that represented all remaining departments/agencies. See Table 2 for a contextual representation of how departments/agencies have been affected by SES separations throughout FY2009 - 2013:

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[35] "CSRS Information," U.S. Office of Personnel Management, accessed April 22, 2014, http://www.opm.gov/retirement-services/csrs-information.

Table 2. Career SES Separations by Department/Agency

Department/Agency	Career SES (Total FY09 – 13)	% Change (FY09 – 13)
Armed Forces	288	16.7%
Agriculture	154	162.5%
Commerce	131	47.4%
Defense	176	-6.1%
Health/Human Serv.	155	36.0%
Interior	102	5.6%
Justice	398	16.9%
Social Sec. Admin.	77	-46.7%
Transportation	94	21.1%
Treasury	226	113.8%
Veterans' Affairs	156	84.0%
All Other	1,202	60.7%

The team felt that a person's agency could affect whether or not they separated prematurely or waited to separate at their optimal retirement age. For example, did certain agencies see disproportionate separation due to the war draw-downs in Iraq and Afghanistan, or did the Department of Health and Human Services see a smaller decrease in turnover coinciding with the creation and implementation of the Affordable Care Act? These are theoretical examples of external factors that may have affected separation rates.

However, after estimating the model with and without the agency variable, the overall model fit and magnitudes of other variables' coefficients changed little enough to suggest that a person's agency does not largely affect how they separate from federal service. The coefficients for the agency variable are also almost never statistically significant--even at the 10% level--possibly due to the small n-size among many of the individual agencies' separations (seven of the categories had less than 200 SES separations throughout the time period). Therefore, the agency variable was ultimately excluded from the model, but remains an important factor when considering how external agency-specific policy changes may have affected and may continue to affect separation rates.

Control Variables

Age: The "Age" variable denotes each separating employee's age upon separation. In the regression model, age is an ordered categorical variable bracketed into groups of five years. As demonstrated in Graph 5, almost 95% of separating career SES employees were 45 and over; therefore, the starting bracket for the dataset is 45 – 49 years. This age range is much tighter relative to all other federal employee separations, which start in the "Under 20" age bracket and

Graph 5

Separations by Age: Career SES vs. All Other Federal Employees

Source: "Data, Analysis & Documentation," U.S. Office of Personnel Management, http://www.opm.gov/data/index.aspx.
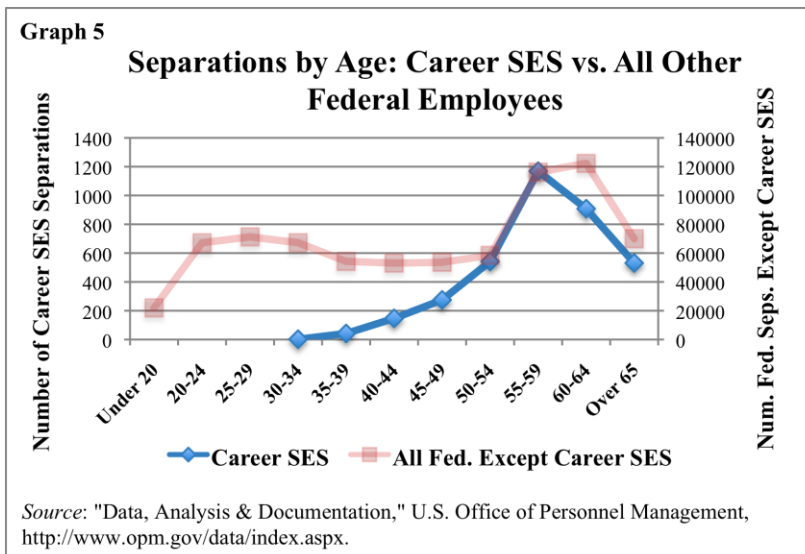
reach their fourth highest rate of separation in the 25 – 29 age bracket. Age was a crucial variable in the regression model given the SES age distribution, which suggests that an increased number of "baby boomer" employees are reaching retirement age.

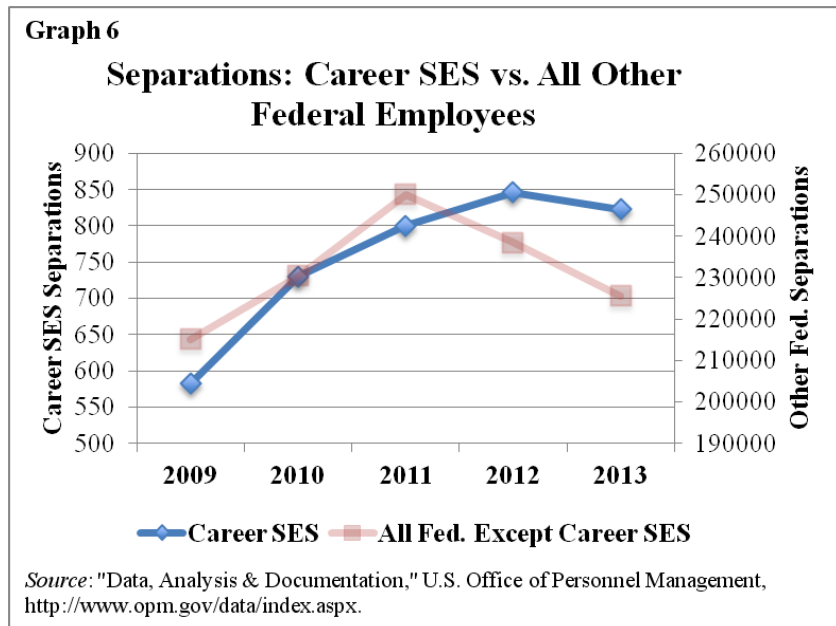As seen in Graph 5, the number of separations by age follows a non-linear trend. Therefore, an age-squared variable was also included in the model to account for the curvilinear nature of SES separations by age.

Time in Service: The "Time in Service" variable denotes each separating employee's number of years in federal service upon separation. In this model, time in service is an ordered categorical variable bracketed into five-year periods. Given potential high correlation between a person's time in service and their age, the team tested for variables for collinearity. The two variables did have a positive correlation (coefficient: 0.35, with 1.00 being perfect correlation); therefore, the team needed to be aware of any model validity that this could pose (see "Threats to Validity" section for a more detailed description of possible validity threats due to collinearity).

Fiscal Year: The "Fiscal Year" variable is a dummy variable denoting in which fiscal year each employee separated, ranging between 2009 and 2013. Graph 6 shows the trends of separation of career SES employees, with all other federal separations included as a contextual trendline.

Regression Analysis

By using a categorized dependent variable as an

Graph 6

Separations: Career SES vs. All Other Federal Employees

Source: "Data, Analysis & Documentation," U.S. Office of Personnel Management, http://www.opm.gov/data/index.aspx.

18

outcome, the model is able to compare different types of separations to the selected baseline category. The non-baseline separation type categories (resignation, early retirement, or otherwise) all reflect a premature separation from an employee's current agency; thus, the model results may be interpreted as the odds of an employee separating prematurely relative to retiring as planned (non-early and voluntarily), holding all other variables constant. The following model incorporates all variables listed in Table 1 in order to predict the likelihood of each separation scenario for career SES employees:

$$Separation_{it} = \beta_0 + \beta_{BPtoW}B_{1(it)} + \beta_{DMV}B_{2(it)} + \beta_{RETIRE\_SYS}B_{3(it)} + \beta_{AGE}B_{4(it)} + \beta_{AGE*AGE}B_5^2{}_{(it)} +$$
$$\beta_{LNGTH\_SERV}B_{4(it)} + \beta_{FY09}B_{6(it)} + \beta_{FY10}B_{6(it)} + \beta_{FY11}B_{6(it)} + \beta_{FY12}B_{6(it)} + \beta_{FY13}B_{6(it)} + \varepsilon_{it}$$

Threats to Validity

Although quantitative methods such as regression analysis are often implemented to support and complement qualitative findings, quantifying research questions does not necessarily lead to absolute answers. There are often data and/or model limitations (i.e., "threats to validity") in quantitative social science models, and it is important that researchers note and address possible limitations in their research and analyses.

The study's primary threats to validity were due to the non-experimental nature of the regression model. All data inputs were derived from existing cross-sectional sources, so there was no opportunity to implement an experimental model with treatment and control groups of both separating and non-separating employees. This model would have provided insight into what types of individual-level characteristics lead to greater separation in general, while the existing regression model demonstrates what types of individual characteristics lead to various types of separation among (only) separating employees.

A threat to construct validity - i.e., how well a model measures the outcome[36] - is the collinearity between age and length of service, which are both positively correlated. As an employee ages, they will naturally acquire more time in service, and vice versa. Collinearity can inflate the standard errors for the affected variables, rendering a coefficient statistically insignificant when it is actually significant.[37] However, as the model results will show in the next section, almost all of the age and time in service coefficients were statistically significant, often at the 1% level.

There were also possible threats to internal validity; i.e., the ability of the model to produce a causal relationship between independent and dependent variables. Although the sample set is

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[36] "Validity Evidence," The College Board 2014, accessed May 8, 2014, http://research.collegeboard.org/services/aces/validity/handbook/evidence#constructvalidity.
[37] "Multicollinearity," Central Michigan University College of Humanities & Social & Behavioral Sciences lecture, accessed May 8, 2014, http://www.chsbs.cmich.edu/fattah/courses/empirical/multicollinearity.html.

comprised of a group of people who share a specific characteristic - separation from federal service - there may also be extraneous factors affecting personal decisions to separate one way versus another for which the model does not account. For example, since the only geographic indicator in the model is whether or not an employee worked in the DMV, state-specific employment trend across the United States would not be captured in the results.

An additional potential validity threat is how the model accounts for the latent variables "happiness" and "satisfaction." The distinction between top 10 and not-top 10 "Best Places to Work" was made by aggregating the responses to three survey questions that the survey creators deemed reflective of employees' personal job satisfaction and subsequently ranking them. The resulting index scores may be somewhat subjective, given that they were derived from survey responses about employees' personal feelings. Thus, the team was aware that the "Best Places" variable was not as robust as the other variables included in the model. However, given that this index score has been used consistently over time by Partnership for Public Service, and considering the general difficulty in objectively quantifying a human emotion, the team determined that this measure was an appropriate proxy.

Regression Model Results

Table 3. Percent of Separation Type: Overall and Adjusted for Controls

Percent of Career SES Separations by Type

	Original Model Values	**Adjusted Values (accounting for controls)**
Non-early Retirement (optimal separation)	79.4 %	91.2 %
Resignation	13.9 %	3.4 %
Early Retirement	3.7 %	2.8 %
Other Separations	3.0 %	2.6 %
Total Separations	100 %	100 %

Table 3 shows a percentage breakdown of separations per type that occurred in the career SES throughout 2009 – 2013. In the "Original Model Values" column, the figures represent the percentages of each type according to the raw separations dataset – the same percentages as seen in the dependent variable pie chart (Graph 3). One key finding is that non-early retirements are considerably more common than all other types of separations, with resignations coming in as second-most common. As discussed in the literature review, this could theoretically be attributed to several reasons, including that non-early retirees may have started making more

conservative professional decisions following the recession, leading them to stay in their current job until retirement rather than find a new job late in their careers. Given that the largest age bracket for separations was 55 – 59 years, it is also possible that career SES employees officially retired as soon as they became eligible and but then went back to work in a different job sector for an additional 5 – 10 years.

The independent variables that the team used to predict the odds of an employee's type of separation included whether or not they worked at a "Best Place," were located in the DMV, and were part of FERS. There were also several controls, including age (and age-squared, due to the non-linear relationship of age-at-separation), total time in service, and fiscal year of separation. When the number of separations is adjusted for these variables, the percentages change somewhat drastically. Non-early retirements now comprise over 90% of separations, and the remaining three categories are all under 4%. In other words, although non-optimal separations account for 20.6% of all separations, once this estimate is adjusted for these control variables (e.g., age, length of service), these non-optimal separations make up only 8.8% of SES separations. Therefore, after controlling for these variables, there is an even starker contrast between optimal and non-optimal separations, with the majority comprised of optimal (i.e., non-early retirements) separations.

The logistic regression model results demonstrate the effect of each individual characteristic on the log odds of separating from government via resignation, early retirement, or otherwise, all compared to the "ideal" separation (i.e., non-early, voluntary retirement).

Table 4. Logistic Regression Model Results

Effect of Individual Characteristics on Career SES Separation

(Dependent variable: separation, by type)

Separation Type :	Resignation	Early Retirement	All Other
"Best Places to Work "	-0.87***	0.10	-0.83***
	(0.20)	(0.24)	(0.29)
Worked in DMV	0.53***	0.26	-0.24
	(0.19)	(0.21)	(0.24)
FERS Retirement	0.24	0.26	0.03
	(0.27)	(0.34)	(0.38)
Age	-1.45*	3.10**	-3.64***
	(0.91)	-1.61	(0.96)
Age*Age	0.005	-0.23***	0.16***
	(0.05)	(0.09)	(0.05)
Time in Service	-0.86***	-0.26***	-0.58***
	(0.06)	(0.10)	(0.08)
Fiscal Year			
2010	-0.58**	-0.56*	-0.29
	(0.27)	(0.30)	(0.36)
2011	-0.84***	-0.50*	-1.14***
	(0.28)	(0.30)	(0.41)
2012	-0.48*	-1.00***	-0.39
	(0.27)	(0.32)	(0.37)
2013	-0.33	-1.03***	-0.02
	(0.27)	(0.33)	(0.35)

Sample size: 3,159

Notes: Standard errors in parentheses | Significance: * $p \leq .10$ ** $p \leq .05$ *** $p \leq .01$

The coefficients in Table 4 demonstrate how each one of the variables listed on the left affects career SES employees separating in various non-optimal ways (resignation, early retirement, other) versus separating via non-early, voluntary retirement (most optimal). The first three variables listed are the independent variables, while the remaining variables are controls.

The results show that career SES employees are less likely to resign from service when they work at a "Best Place," but are more likely to resign when they work within the DMV (both

results statistically significant at the 1% level, with all other variables held constant). It is unsurprising that at a "Best Place" job, employees would be more willing to retain their positions and retire naturally at their personally-optimal time. Given the high percentage of federal positions in the DMV, it may also be expected that employees would be more likely to leave prematurely given the large amount of professional opportunity relative to most other regions of the country. A high number of federal positions likely indicates a high number of jobs for federal private contractors, as well as a large number of non-profit organizations that want to be located in the nation's capital.

For employees who were under FERS, the results show that more were likely to leave their SES positions prematurely rather than stay until non-early retirement; however, non of the results were statistically significant, even at the 10% level. The control variables, which as shown in Table 3 accounted for almost half of the variation in the dependent variable, reflect a downturn in each category of the dependent variable compared to FY2009. Essentially, career SES employees were less likely to prematurely separate following the recession than they were to continue working until their non-early retirement. This could be attributed to employees making more conservative professional and fiscal decisions following the recession; thus, they may have decided to continue in their positions due to economic uncertainty at the time, despite whether or not they were happy.

Relative to non-early retirement, age has very little effect on whether or not a person resigns or retires at their personally-optimal time. Career SES employees are less likely to separate via early retirement as they age, however, suggesting that as employees age, they weigh the benefits of waiting to retire at their personally-optimal age higher than the costs of staying at a possibly unsatisfactory job. As they reach their natural retirement age, they might not consider the benefits of retiring early and starting a new job in a different sector as a worthwhile gamble, particularly after the economic uncertainty of the recent recession.

Unsurprisingly, as time in service increased, career SES employees were less likely to separate prematurely relative to retiring "on time." Similar to age, which is positively correlated with length of service, employees may find greater benefit than cost in staying at a position until non-early retirement relative than trying to separate early and start a new career outside of the federal government. All coefficients for "time in service" were also statistically significant at the 1% level.

Overall, the model results show that career SES separations have occurred mainly as non-early, voluntary retirements rather than premature separations, and that after controlling for age, length of service, and fiscal year, the difference between the separation types is even greater. These results support the literature review findings that a greater number of older career SES employees are naturally retiring, despite the increase in general separations throughout the SES

and federal government as a whole. This could be attributed to baby boomer SES employees naturally reaching their preferred retirement age, regardless of whether or not they are satisfied with their jobs. The survey in the following section will provide greater insight into whether or not this is the case, as well as show why others may have separated prematurely, how all career SES employees feel about their current positions and future prospects, and how all current and former SES employees think the SES could be improved.

III.b. Methodological Approach 2: Survey Data and Analysis

Survey Overview & Construction

The team employed two surveys to current and former members of the SEA in order to determine the main causes and reasons that SES employees have been separating (see Section VI: Appendix for survey protocols). While the aggregation of literature and secondary data helped to determine *who* is leaving the career SES, the surveys was designed to help us understand their *reasons* for leaving.

The team collaborated with the SEA throughout the project, including utilizing the organization's listserv of current and former SEA members for survey outreach. Of the more than 7,900 SES employees serving the federal government (as of September 2012) and many more who formerly served in the SES, approximately 2,500 are current members of the SEA.[38] By using the entire SEA membership list as a sample, the team had a representative sample of SEA members, including those who are currently working for the SES, and those who retired, resigned (voluntarily or involuntarily), or transferred from the SES.

Given the project's time constraints, the team was unable to conduct a preliminary focus group session prior to building the survey. However, the team was able to construct a survey derived from the comprehensive literature and data review, and received critical feedback on content and structure throughout the construction process from Trachtenberg School faculty and advisers, and the team's liaison at the SEA.

The survey questions focused on the types of individual-level responses and opinions that the secondary data sources could not provide. The surveys were crafted based on the audience; former SES employees received a longer, more detailed survey focused on reasons for and nature if separation, while the current SES survey was shorter and focused on what is most important to them in their current positions. There was a maximum 16 survey questions for the former SES survey and 11 for the current SES survey; however, skip patterns may have resulted in respondents being asked fewer than the maximum number of questions for each survey. Both

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[38] "Senior Executive Service: Facts & Figures," U.S. Office of Personnel Management, accessed March 9, 2014, http://www.opm.gov/policy-data-oversight/senior-executive-service/facts-figures/#url=Demographics.

current and former employees had opportunities to rank aspects of their jobs that they consider most important (e.g., salary/benefits, awards for work well-done, sense of purpose, etc.), and give their opinions on what improvements could or should be made to the current SES system.

The surveys were constructed using the SEA's subscription to the SurveyMonkey Platform. The surveys included various response formats, including Likert scale rankings, multiple choice, and free text answers. This variety allowed for more comprehensive results, particularly due to the free text responses, which allowed respondents to comment on anything not already included in the survey questions. After the surveys underwent several critical critiques and were reviewed by SEA contacts and Trachtenberg School advisors, they were distributed to both the SEA's member listserv and several additional SES employees who were professional contacts of group members.

Survey Data Analyses & Results

Responses were received from 261 individuals currently working in the SES; with 273 responses from former SES employees. Due to our sampling frame, most of these individuals were current members of the Senior Executives Association.
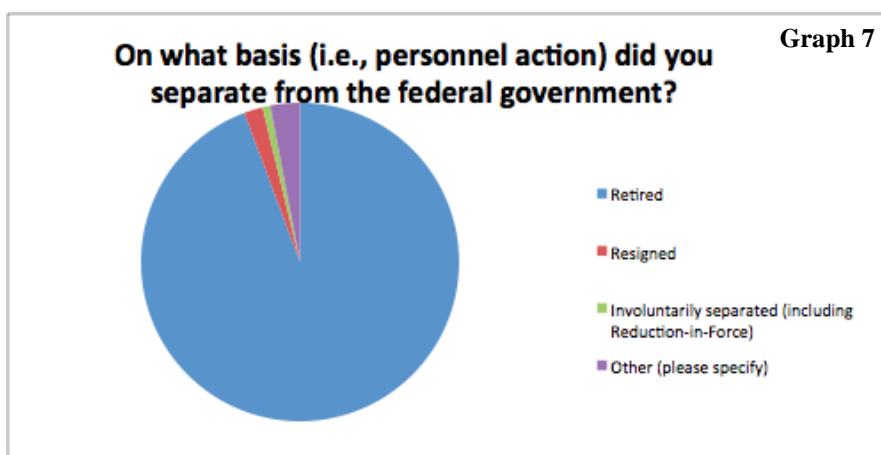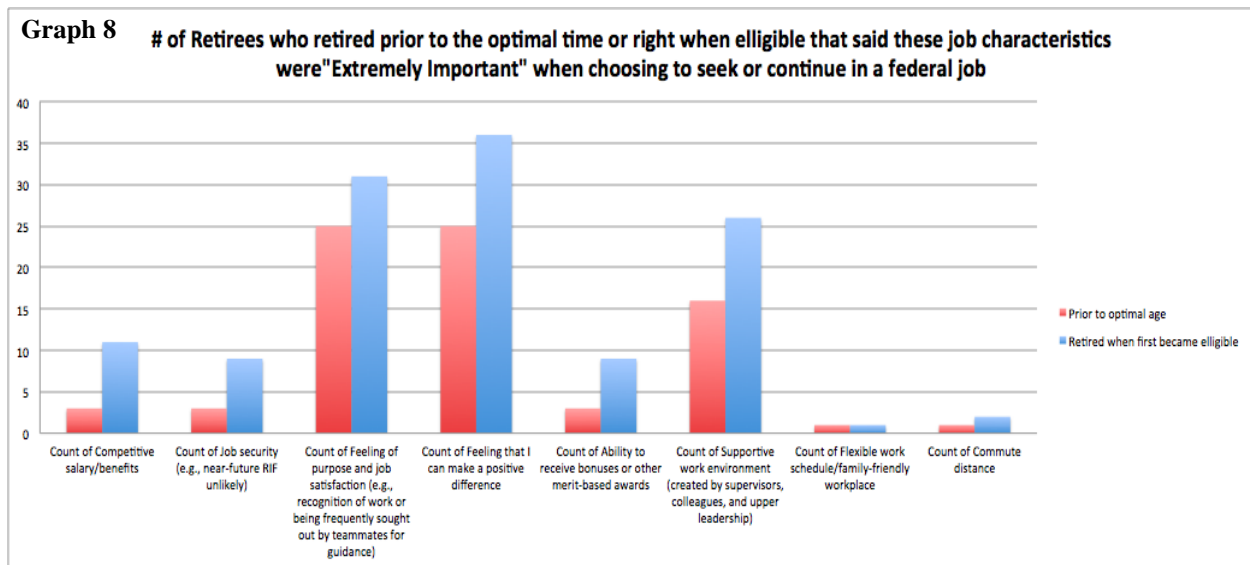

Graph 7

The overwhelming majority of former employees separated from the SES via retirement (94.3%). Of those who retired, 80% of the respondents did so within 5 years of attaining eligibility. Graph 7 reflects the percentage o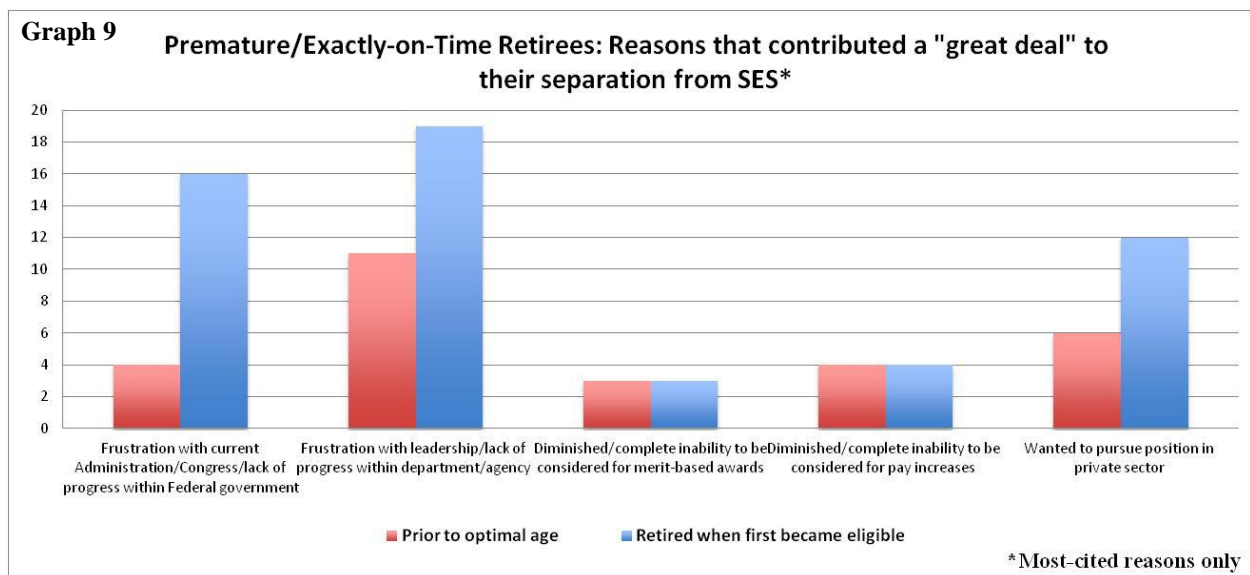f each type of separation for "former SES" survey respondents. The graph results are distributed similarly to the FedScope data used in the secondary data analysis, particularly in that the overwhelming "type of separation" category was non-early retirement.

Since it was clear from both the secondary data analysis and the overall survey results that separations were tied to retirement, the team isolated responses of those who retired at various points in their careers to see what job characteristics were most important to them. The majority of retirees who retired earlier than planned or who retired at the optimal time cited "feeling of purpose and job satisfaction" and "feeling [of making] a positive difference" as "extremely important" job characteristics that they considered while seeking or continuing in their federal positions (Graph 8). For *all* retirees, the results were the similar: characteristics reflecting

satisfaction and self-worth in a job were most commonly cited.

Graph 8

# of Retirees who retired prior to the optimal time or right when elligible that said these job characteristics were"Extremely Important" when choosing to seek or continue in a federal job

Legend:
- Prior to optimal age (red)
- Retired when first became elligible (blue)

Categories (x-axis):
- Count of Competitive salary/benefits
- Count of Job security (e.g., near-future RIF unlikely)
- Count of Feeling of purpose and job satisfaction (e.g., recognition of work or being frequently sought out by teammates for guidance)
- Count of Feeling that I can make a positive difference
- Count of Ability to receive bonuses or other merit-based awards
- Count of Supportive work environment (created by supervisors, colleagues, and upper leadership)
- Count of Flexible work schedule/family-friendly workplace
- Count of Commute distance

Graph 9 reflects the most commonly-cited reasons for *why*, specifically, early retirees or those who retired exactly upon becoming eligible left their positions:

Graph 9

Premature/Exactly-on-Time Retirees: Reasons that contributed a "great deal" to their separation from SES*

Categories (x-axis):
- Frustration with current Administration/Congress/lack of progress within Federal government
- Frustration with leadership/lack of progress within department/agency
- Diminished/complete inability to be considered for merit-based awards
- Diminished/complete inability to be considered for pay increases
- Wanted to pursue position in private sector

Legend:
- Prior to optimal age (red)
- Retired when first became eligible (blue)

*Most-cited reasons only

Former SES employees who left prior to their optimal age for retirement most often cited "frustration with leadership" as what most-contributed to their leaving. Former SES employees who left when first eligible cited the same reason, as well as "frustration with the current Administration and/or Congress and/or lack of progress within the Federal government as a whole."

26

Current SES employees who responded to the survey also indicated that frustration with the federal government and pay complications as a large part of the problem. Of the survey respondents who indicated that they intended to leave the federal government in the next three years, "Frustration with the current Administration and/or Congress and/or lack of progress within the Federal government as a whole," "Frustration with leadership and/or lack of progress within my department/agency," "Diminished or complete inability to receive/be considered for performance bonuses or other merit-based awards," and "Diminished or complete inability to receive/be considered for pay increases" were found to be the greatest factors impacting these decisions.

Qualitative Text Analysis

Two questions posed in each survey type were left open-ended and gave an opportunity for respondents to offer a narrative style response. The team performed a qualitative text analysis on the responses for each question and coded the narrative responses based on references to certain subject areas that are detailed in Table 5 below.

For the first question ("In 1-3 sentences and/or phrases, what changes or improvements do you believe need to be made to the current SES system in order to attract and retain high-quality career executives?"), the following categories were identified from a qualitative review of the open-ended responses, which determined the frequency of the most commonly-occurring words and phrases (Table 5):

Table 5. Free Text Survey Categories: "Changes and Improvements"

Category	Topics Included
Administrative Requirements	• Paperwork • Performance evaluations
Lack of Internal Support	• Within agency • Within Congress • Within Presidential Administration
Mentoring	
Mobility	• Within agency • Between agencies
Pay Issues	Lack of: • Bonuses • Rewards • Pay increases • Not enough pay • Pay not comparable to private sector leadership positions
Lack of Recognition	• By the public • By Congress

Responsibility/Control	• By others within agency
Training	• Professional development opportunities, including sabbaticals, training, education
Political Appointee Issues	• Frustrations or negative experiences with political appointees
Easier Personnel Changes	• Need for lessened barriers to hiring by managers

For the second open ended question, "Please use this space to add any additional thoughts/comments/concerns regarding the current SES personnel system or your previous SES employment:" the same categories were used, as well as the following additional categories (Table 6):

Table 6. Additional Free Text Survey Categories: "Any Additional Thoughts"

Category	Topics Included
Merit-based Pay/Selection	• Need for pay and selection criteria to be based on professional qualifications and performance
Positive Experience	• Respondent noted positive experience(s) while working in the SES

As highlighted in Graphs 10 and 11, former SES most cited "pay issues" and "lack of recognition" for both open ended questions. Additionally, 17% of former SES respondents noted they had a positive experience in the SES. Overall, a great sense of frustration with the executive and legislative branch political climates, as well as the idea that the SES has become politicized, is present throughout the responses. One former SES employee felt that "there cannot be improvement until the political [...] parties disabuse themselves of the firm belief that SES is the enemy." Another cited the legislative branch, in particular, in their opinion of what needs to be improved in the future: "There is a need for Congress to recognize the importance of [the] SES and equate [members] to CEO and leaders in the private sector."
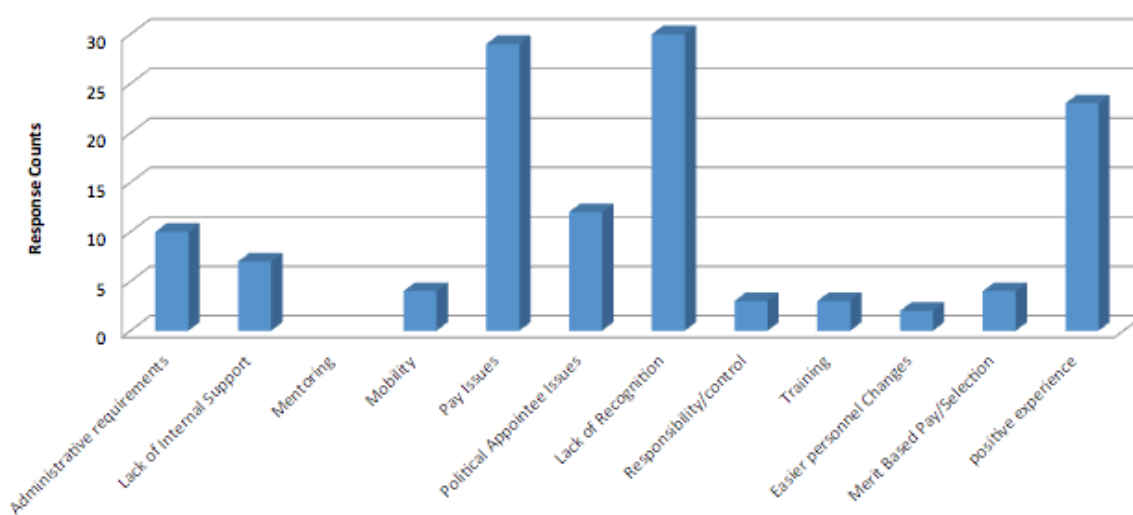
Graph 10

Former SES - Frequency of Cited Changes Needed to the SES System
N= 215
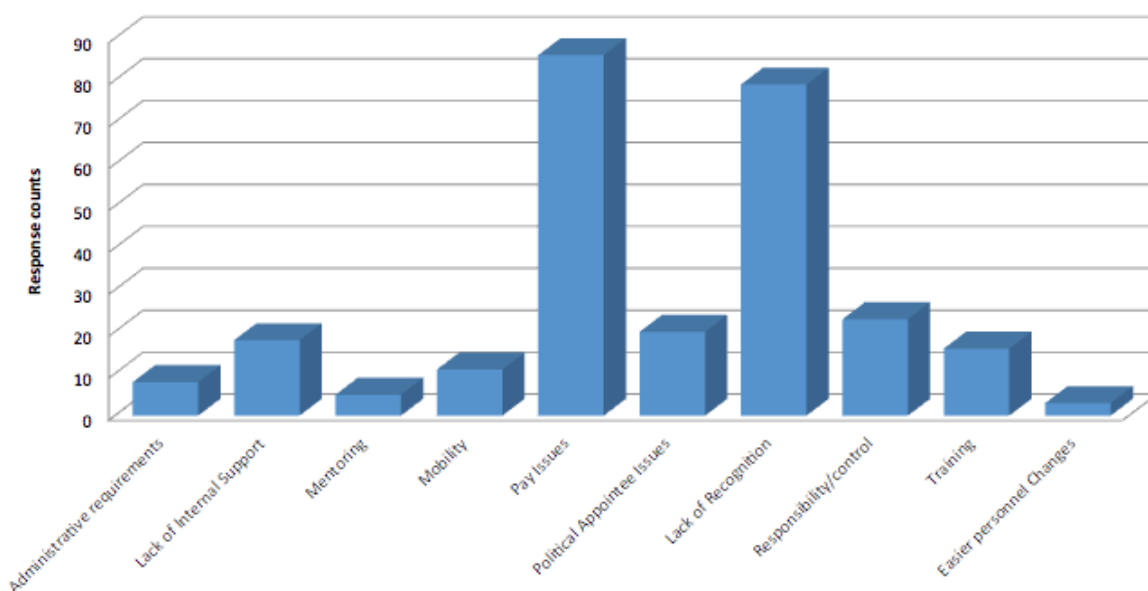
Graph 11

Former SES - Frequency of Cited Additional Comments/Concerns
N=135

Therefore, the survey results show that both current and former career SES employees consider compensation and feelings of purpose to be extremely important factors in their jobs. One current SES employee succinctly summarized their (and many others') suggestions for

improvement of the current executive system: "Competitive pay. Empowerment. Appreciation for experience." While the secondary data show that the most separations from the career SES have occurred due to natural retirement attrition, the surveys still provided a critical perspective of why the premature separations have occurred and for what reasons non-early retirees may have wanted to separate early, as well as for what reasons separations may continue to occur in the near future.

IV. RECOMMENDATIONS AND CONCLUSIONS

According to secondary data results (determining *how* career SES employees are separating), the team has found that as career SES employees age and increase their time in service, they are less likely to prematurely separate than stay in their position until they reach personally-optimal retirement. This suggests that career SES employees may see a greater benefit to staying at their position until their optimal retirement age than leaving early (and likely starting a new job), whether or not they are satisfied with that position. With each consecutive fiscal year between 2009 – 2013, career SES employees were also less likely to separate prematurely than to retire voluntarily at a personally-optimal time. This could be attributed to economic uncertainty following the 2009 recession, leading to more employees choosing to "tough out" an unsatisfactory position until they feel financially stable enough to retire. Overall, the results demonstrate that a considerable majority of career SES employees are simply retiring as planned, likely as a result of the "baby boomer" generation reaching general retirement age, which will continue throughout the next 10 – 15 years. Thus, despite the striking increase in career SES separations throughout the past five fiscal years, the majority of these separations are caused by an SES cohort – comprised of an employee majority between the ages of 50 – 65 – naturally reaching retirement eligibility.

The team's findings in the SEA survey results (*why* career SES employees are separating) confirmed many points discussed in the related extant literature: Career SES employees often cite relatively low pay and individual agency and/or federal government gridlock as reasons for separation. The survey results support that a main issue is lack of recognition and frustrations with the current administration and congress failure to give credit to the Career SES cadre. Both the open-ended questions, as well as those asking SES employees to rank reasons for separations and important characteristics for seeking a federal position, supported this idea.

Recommendations

Based on these analysis results, the team recommends that the SEA focus on policy changes that encourage growth at both the *beginning and end of a career SES employee's career*; that is, a focus on both retention of employees who are naturally reaching their personally-optimal retirement age, and encouragement of GS-15 employees to compete for SES positions. The SEA

and other stakeholders cannot prevent career SES employees from reaching retirement age, which will continue to happen at a rapid rate in the near-term future. However, there are proactive ways to decrease SES separations despite this issue. More specifically:

1. Encourage departments/agencies to create internal incentives for baby boomers to continue working 1-5 years past their personally-optimal retirement date.
- Baby boomers will continue to reach their natural retirement age throughout the next fifteen years. Given that the highest cause of separation is non-early retirement, a focus on retention of employees considering retirement should be a foremost focus in decreasing career SES separations.
- Low-cost incentives include:
    - Internal agency-specific souvenirs
    - Hanging employee photos on an agency "Brag Wall"
    - Issuing 4-hour time-off awards
    - Nominating outstanding employees for recognition in the SEA newsletter

2. Create SEA and internal incentives to make the SES more appealing to competitive GS-15 employees who would be potential SES candidates.
- According to survey results, some current GS-15 employees will not compete for an SES position due an increase in work without appropriate compensation increases, inability to receive locality pay adjustments, and/or inability to receive awards based on outstanding work.
- Incentives may include the agency-specific incentives outlined in Recommendation 1

3. Lobby for locality pay for SES employees.
- According to survey results, current and former SES employees cited "pay issue" as an area of improvement within the Service. While a general increase in SES salary may not be feasible for the near future due to political gridlock, lobbying for the introduction of locality pay for SES employees is realistic.

4. Create mentoring/training process for SEA members, and encourage departments/agencies to create mentoring/training programs for prospective and current SES employees.
- Survey results reflected the need for a greater training/mentoring presence from the SEA for preparing future SES employees and assisting current executives to advance professionally and personally in their positions.
- Training prospective SES employees within each department/agency could increase the quality and competition of applicants by better-preparing them to lead (particularly to lead within their GS-15 agency).
- Greater outreach of mentoring programs within the SEA could also improve membership.

- Providing ongoing training for SES members could help create inter-agency managerial knowledge, as was the initial goal of SES

Conclusions

While the issue of senior executives nearing (or exceeding) their non-early retirement age cannot be avoided, implementing proactive measures, like the recommendations outlined above, could encourage current SES employees to delay their retirement. Increasing pay to SES members may be difficult due to current political pressures and budget limitations; however, non-monetary acknowledgements of SES efforts and successes are low-cost ways to improve satisfaction and morale within the Service. This newfound satisfaction could result in SES members remaining with their respective agencies beyond their initial retirement dates. This assures that institutional knowledge remains within the organization for a longer period of time by reducing turnover. As baby boomers reach retirement age, the goal of government agencies should be to extend their tenures while mentoring and training new talent (as many survey respondents suggested) to assume the role of a Senior Executive, thus reducing the chance that productivity will drastically decrease during the transition period between Senior Executives.

A second positive outcome of attaining recognition for SES efforts is the potential increase in the number of GS-15 level workers pursuing a career in SES. Many survey respondents indicated that GS-15 level workers currently have no incentive to pursue a career as a Senior Executive because the disadvantages (e.g., stress, minimal pay increases, and scapegoating) far outweigh the benefits. If public recognition by major political figures was given to SES members, high-achieving GS-15 employees may be inspired to pursue a promotion to the SES. By restoring a level of prestige to SES membership, the positions will be seen as more valuable and worthy of the effort one must dedicate to becoming a Senior Executive of an agency. Inspiring a new generation of Senior Executives is essential, particularly in an era when baby boomers are rapidly retiring and institutional knowledge is steadily decreasing.

To further assure that this new generation of SES members is effective, thorough training and mentoring is essential. Survey respondents repeatedly discussed the lack of training and mentoring programs available to Senior Executives. This lack of support could lead to institutional frustration, loss of control, and a reduction in productivity. By creating a new array of training and mentoring programs for up-and-coming Senior Executives, agencies could assure that transitions between old and new SES members are done smoothly. This also ensures that new Senior Executives are comfortable in their positions and have the necessary resources to face any challenges they may experience within their agencies.

Thus, implementing recommendations like introducing low-cost incentives and more comprehensive mentoring programs for SES employees throughout all departments/agencies, as

well as a progressive lobby for locality pay, may not only decrease separations (both non-early retirements and premature separations), but will also focus on the career aspects that members of the Senior Executive Service consider most important. This, in turn, should create an Executive Service with greater institutional knowledge, higher satisfaction among employees, and strong capabilities to lead federal government employees in the future.

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VI. APPENDIX

VI.a. "The Best Places to Work in the Federal Government" results, 2009 – 2013

TABLE 1. *Best Places to Work in the Federal Government* **Survey: Top 10 Results by Calendar Year**

Rank	2009[39]	2010[40]	2011[41]	2012[42]	2013[43]
# 1	Nuclear Reg. Comm. (NRC)	NRC	FDIC	NASA	NASA
# 2	Gov't. Account. Office (GAO)	GAO	NRC	IC	**DoC**
# 3	Nat'l Aero./Space Adm. (NASA)	Fed. Deposit Ins. Corp. (FDIC)	GAO	DoS	IC
# 4	Intelligence Community (IC)	Smithsonian Institution	Smithsonian Institution	**DoC**	DoS
# 5	Dept. of State (DoS)	NASA	NASA	EPA	**DoJ**
# 6	Environmental Protection Agency (EPA)	**SSA**	**SSA**	**SSA**	**SSA**
# 7	**Dept. of Justice (DoJ)**	DoS	DoS	**Dept. of the Treasury**	**Dept. Health/Human Services (DHHS)**
# 8	General Services Adm. (GSA)	GSA	IC	**DoJ**	**DoT**
# 9	**Social Security Adm. (SSA)**	**DoJ**	Office of Personnel Management (OPM)	**Dept. of Transportation (DoT)**	**Dept. of the Treasury**
# 10	**Dept. of Commerce (DoC)**	IC	GSA	**Dept. of the Navy**	EPA/**Dept. of the Navy** (tie)

*Note: Agencies appearing individually in regression model dataset are in bold font.

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[39] "The Best Places to Work in the Federal Government: 2009 Rankings," Partnership for Public Service and American University Institute for the Study of Public Policy Implementation, accessed April 11, 2014, http://www.bhsu.edu/Portals/0/studentlife/careerServices/BPTW09_brochure.pdf.

[40] "The Best Places to Work in the Federal Government: 2010 Rankings," Partnership for Public Service and American University Institute for the Study of Public Policy Implementation, accessed April 11, 2014, http://www.federalnewsradio.com/pdfs/bestplacestowork2010.pdf.

[41] "The Best Places to Work in the Federal Government: 2011 Rankings," Partnership for Public Service, accessed April 11, 2014, http://www.federalnewsradio.com/pdfs/2011bestplaces.pdf.

[42] "Best Places to Work in the Federal Government: 2012 Rankings," Partnership for Public Service and Deloitte, accessed April 11, 2014, http://bestplacestowork.org/BPTW/assets/BestPlacestoWork2012.pdf.

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VI.b. SEA Survey Protocols

<u>SURVEY 1</u>: SEA Members Survey (FORMER SES) - for SEA

Introduction/Confidentiality Paragraph:

Thank you for taking the time to complete this survey for our George Washington University Masters of Public Policy capstone project. The results of this survey will be a significant contribution to our current analysis on the patterns of employment and separation among members of the career Senior Executive Service.

The survey should only take approximately 5-10 minutes of your time. **All survey responses are anonymous, will be kept strictly confidential**, **and will only be seen and analyzed by the five members of the George Washington University capstone team.**

Thank you for taking the time to contribute to this important research.

I. Demographic/Background Information

Q1. What is your age?

-Under 30 years
-31-35
-36-40
-41-45
-46-50
-51-55
-56-60
-61-65
-66-70
-Over 70 years

Q2. What is your gender?

-Female
-Male
-Prefer not to say

II. General SES Affiliation and Tenure

Q3. For how long were you an SES employee?

-Less than 1 year
-1-3 years

-4-6 years
-7-10 years
-11-15 years
-Over 15 years

Q4. How many years did you work in the federal government (if you left and came back, add all years working for the federal government together)?

-0-5 years
-6-10
-11-15
-16-20
-21-25
-26-30
-31-35
-Over 35 years

Q5. In which Department/Agency did you first become an SES employee? (Drop down)

Q6. In which Department/Agency were you last an SES employee? (Drop Down)

Q7. In 1-3 sentences and/or phrases, what changes or improvements do you believe need to be made to the current SES system in order to attract and retain high-quality career executives?

_____
_____

Q8. On a scale of 1-5, how important are the following characteristics to you personally when choosing to seek or continue in a particular job?
(1) Not at all important   (2) Slightly important   (3) Moderately Important   (4) Important   (5) Extremely important   (6) Indifferent

- Competitive salary/benefits
- Job security (e.g., near-future RIF unlikely)
- Feeling of purpose and job satisfaction (e.g., recognition of work or being frequently sought out by teammates for guidance)
- Feeling that I can make a positive difference (i.e., being a public servant serving the nation)
- Ability to receive bonuses or other merit-based awards
- Supportive work environment (created by supervisors, colleagues, and upper leadership)
- Flexible work schedule/family-friendly workplace
- Commute distance
- Other (please specify): _____

III. Federal Government Affiliation

Q9. In which fiscal year did you separate?

-Earlier than October 2004 (e.g., before FY 2004)
-October 2004 - September 2005 (FY 2005)
-October 2005 - September 2006 (FY 2006)
-October 2006 - September 2007 (FY 2007)
-October 2007 - September 2008 (FY 2008)
-October 2008 - September 2009 (FY 2009)
-October 2009 - September 2010 (FY 2010)
-October 2010 - September 2011 (FY 2011)
-October 2011 - September 2012 (FY 2012)
-October 2012 - September 2013 (FY 2013)
-October 2013 - present (FY 2014)

Q10. On what basis (i.e., personnel action) did you separate from the federal government?

-Retired [continue to Q11]
-Resigned [skip to Q12]
-Involuntarily separated (including Reduction-in-Force) [skip to Q16]
-Other (please specify: _____) [skip to Q12]

Q11. When did you retire? (Please choose all that apply)

-When I first became eligible
-Within 3 years of becoming eligible
-Within 5 years of becoming eligible
- I retired prior to my planned retirement age

Q12. Did your Department/Agency experience a Reduction-in-Force (RIF), furlough, or threat of RIF or furlough in the fiscal year in which you separated or the fiscal year before you separated?

-Yes; I was directly affected.
-Yes; I was not directly affected but some/many of my colleagues were directly affected and/or I thought I/they might be.
-No; My Department/Agency did not experience a RIF, furlough, or threat of RIF or furlough in the year (or year before) I separated.
-No; My Department/Agency did not experience a RIF, furlough, or threat of RIF or furlough in the year (or year before) I separated, but there was a chance of RIF/furlough in the following fiscal year.
-Other (Please explain: _____)

Q13. Did your Department/Agency offer a buyout package in the fiscal year in which you separated?

-Yes [continue to Q14]
-No [skip to Q15]
-Other (Please explain: _____) [skip to Q15]

Q14. Did you accept the buyout package prior to separation?

-Yes
-No

Q15. On a scale of 1-5, how much did each of these reasons contribute to your decision to separate?
(1) Not at all   (2) Very little   (3) Indifferent   (4) Somewhat   (5) A great deal   (6) Did not apply

- Frustration with current Administration/Congress and/or lack of progress within the federal government as a whole
- Frustration with leadership and/of lack of progress within my department/agency
- Diminished or complete inability to receive/be considered for bonuses or other merit-based awards
- Diminished or complete inability to receive/be considered for pay increases
- Department/agency offered a buyout package
- Wanted to pursue a position in the private sector
- Wanted to pursue a position in a sector other than the private sector (e.g., non-profit)
- Wanted to continue my education
- Wanted more leisure/vacation time
- Needed to care for a family member/friend
- Wanted to spend more time with family/friends
- Other (please specify): _____

IV. Additional Information/Thoughts

Q16. Please use this space to add any additional thoughts/comments/concerns regarding your previous SES employment:
_____
_____

End-of-Survey Message:

Thank you for taking the time to complete our survey. Your time and input is sincerely appreciated.

SURVEY 2: SEA Members Survey (CURRENT SES) - for SEA

Introduction/Confidentiality Paragraph:

Thank you for taking the time to complete this survey for our George Washington University Masters of Public Policy capstone project. The results of this survey will be a significant contribution to our current analysis on the patterns of employment and separation among members of the career Senior Executive Service.

The survey should only take approximately 5-10 minutes of your time. **All survey responses are anonymous, will be kept strictly confidential**, **and will only be seen and analyzed by the five members of the George Washington University capstone team.**

Thank you for taking the time to contribute to this important research.

Q1. What is your age?

-Under 30 years
-31-35
-36-40
-41-45
-46-50
-51-55
-56-60
-61-65
-66-70
-Over 70 years

Q2. What is your gender?

-Female
-Male
-Prefer not to say

Q3. For how long have you been an SES employee?

-Less than 1 year
-1-3 years
-4-6 years
-7-10 years

-11-15 years
-Over 15 years

Q4. How many years have you worked in the federal government (if you left and came back, add all years working for the federal government together)?

-0-5 years
-6-10
-11-15
-16-20
-21-25
-26-30
-31-35
-Over 35 years

Q5. In which Department/Agency did you first become an SES employee? (Drop down)

Q6. In which Department/Agency are you currently or were you last an SES employee? (Drop down)

Q7. On a scale of 1-5, how important are the following characteristics to you personally when choosing to seek or continue in a particular job?
(1) Not at all important   (2) Slightly important   (3) Moderately Important   (4) Important   (5) Extremely important   (6) Indifferent

- Competitive salary/benefits
- Job security (e.g., near-future RIF unlikely)
- Feeling of purpose and job satisfaction (e.g., recognition of work or being frequently sought out by teammates for guidance)
- Feeling that I can make a positive difference (i.e., being a public servant serving the nation)
- Ability to receive bonuses or other merit-based awards
- Supportive work environment (created by supervisors, colleagues, and upper leadership)
- Flexible work schedule/family-friendly workplace
- Commute distance
- Other (please specify): _____

Q8. How likely is it that you will separate from the SES in the next 3 years?

- Very likely [continue to Q9]
- Somewhat likely [continue to Q9]
- Unlikely [skip to Q10]

Q9. If you answered Very likely or Somewhat likely, on a scale of 1-5, how much would

each of these reasons contribute to your decision to separate?
(1) Not at all   (2) Very little   (3) Indifferent   (4) Somewhat   (5) A great deal   (6) Did not apply

- Frustration with current Administration/Congress and/or lack of progress within the federal government as a whole
- Frustration with leadership and/of lack of progress within my department/agency
- Diminished or complete inability to receive/be considered for bonuses or other merit-based awards
- Diminished or complete inability to receive/be considered for pay increases
- Department/agency offered a buyout package
- Wanted to pursue a position in the private sector
- Wanted to pursue a position in a sector other than the private sector (e.g., non-profit)
- Wanted to continue my education
- Wanted more leisure/vacation time
- Needed to care for a family member/friend
- Wanted to spend more time with family/friends
- Eligible for retirement
- Other (please specify): _____

Q10. In 1-3 sentences and/or phrases, what changes or improvements do you believe need to be made to the current SES system in order to attract and retain high-quality career executives?
_____
_____

Q11. Please use this space to add any additional thoughts/comments/concerns regarding your current SES employment:
_____
_____

End-of-Survey Message:

Thank you for taking the time to complete our survey. Your time and input is sincerely appreciated.