

News From The Employee Benefit Research Institute

While Median Tenure During Past 40 Years for Workers Remains Around Five Years, a Significant Decrease Is Seen for Men and an Increase Among Women

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(Washington, D.C.) – A new research report released today by the Employee Benefit Research Institute (EBRI) found during the past nearly 40 years, the median tenure of all wage and salary workers ages 25 years or older has stayed at approximately five years. However, the overall trend masks a significant decrease in median tenure among men and an offsetting increase in median tenure among women.

The report, “Trends in Employee Tenure, 1983–2024,” examined data about employee tenure (the amount of time an individual has been with his or her current employer) of American workers. It used U.S. Census Bureau data from the Current Population Survey to examine the tenure with current employers of wage and salary workers from 1983–2024.

“A common perception of past generations of American workers was that they held career jobs, staying with the same employer for most of their working years and then retiring. In contrast, current American workers are viewed to change jobs more frequently,” explained Craig Copeland, director, Wealth Benefits Research, EBRI. “Data on employee tenure show that career jobs never actually existed for most workers and continue not to exist for most workers. Furthermore, when the labor market has been strong, such as in 2024, the tenure of workers has tended to be shorter, as more individuals start new jobs by being newly employed or by changing jobs due to more opportunities from a tight labor market.”

Key findings in the report include:

- During the past 40 years, the median tenure of all wage and salary workers ages 25 years or older has stayed at approximately five years.
- This overall trend masks a small but significant decrease in median tenure among men and an offsetting increase in median tenure among women.
- The fact that the gender-distinct trends have generally moved in opposite directions has led to constancy in the overall tenure statistics. However, the median tenures by gender have been moving together in recent years.
- The distribution of tenure levels among workers ages 20 years or older showed increases in those with the shortest tenures (one year or less) in 2020 and 2022. However, in 2024, the share of workers with the shortest tenure levels decreased, while those with tenure levels of more than one to two years increased, resulting in an increase in those with two years or less of tenure.
- The difference between private-sector and public-sector workers’ tenure distributions is quite striking. While private-sector employers in general have been able to maintain a near-constant and small percentage of very long-term employees (25 or more years of tenure), public-sector employers saw this group grow significantly through 2004 before trending down through 2024. Consequently, public-sector employers have seen a significant share of their most experienced workers retire or otherwise leave their jobs.
- These tenure results indicate that, historically, most workers have changed jobs during their working careers, and all evidence suggests that they will continue to do so in the future. This persistence of job changing over working careers has several important implications — reduced or no defined benefit plan payments due to vesting schedules, reduced defined contribution plan savings through lost vested benefits and lower contribution rates after job change, and lump-sum distributions at job change — all leading to potentially lower retirement incomes of the elderly population.

“Although tenure is not a good measure of job security, it does provide insight into how long workers choose to or are allowed to remain with their current employers. These ideas are particularly relevant in the strong labor market from 2022–2024. When unemployment remained high from 2009–2012, tenure levels were generally increasing. However, with the low unemployment rates and increased quit rates that began after 2020 and remained through 2024, tenure trended downward,” said Samita Thephasit, research associate, EBRI. “It is clear from these results, even with the ups and downs in median tenure, that workers will be faced with many decision points about their retirement benefits along their career paths, as workers will most likely not be with one company their entire career. As a consequence, employers and benefits providers need to account for these job changes when designing retirement plans and participant advice or education programs.”

To view a summary of the research report, “Trends in Employee Tenure, 1983–2024,” visit <https://www.ebri.org/publications/research-publications/issue-briefs/content/trends-in-employee-tenure--1983-2024>.

The Employee Benefit Research Institute is a non-profit, independent and unbiased research organization that provides the most authoritative and objective information about critical issues relating to employee benefit programs in the United States. The organization also coordinates activities for the Center for Research on Health Benefits Innovation, Financial Wellbeing Research Center and Retirement Security Research Center and produces a variety of leading industry surveys during the year. For more information, visit www.ebri.org.

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(Media Note: To receive the complete research report, email Ron Dresner at dresner@ebri.org)