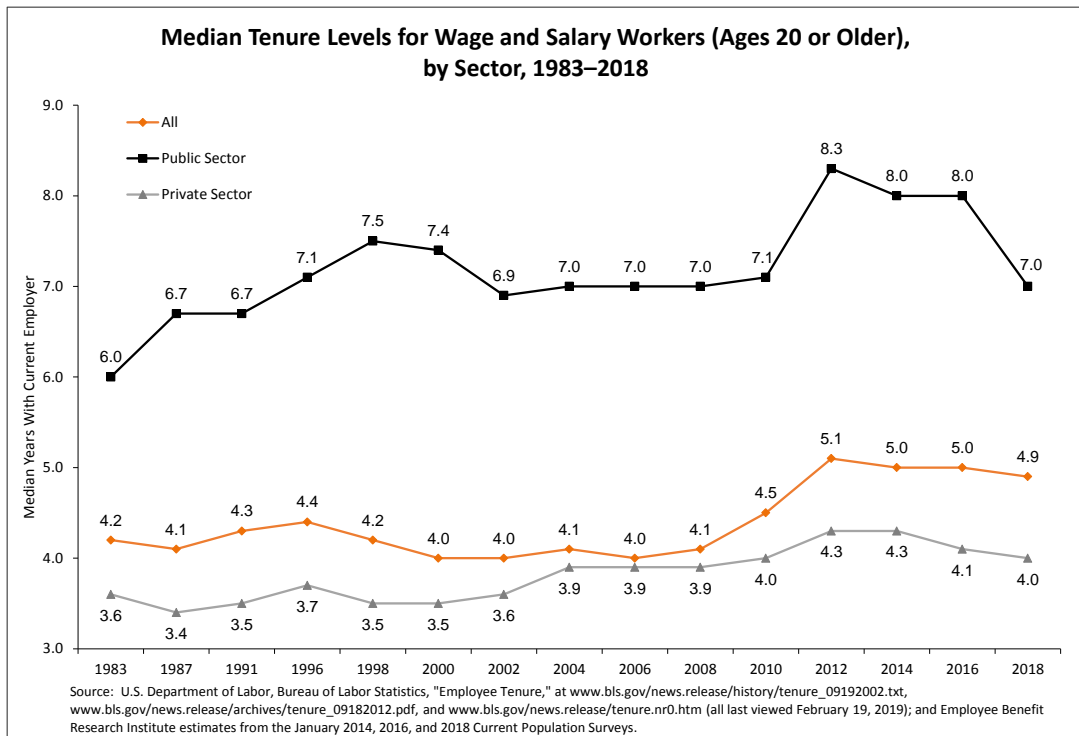


The Recent Declining Tenure of Public-Sector Workers and Its Implications

The tenure of public-sector workers has been on the decline recently. There may be a significant downside to this: in certain cases, the loss of tenured workers means the loss of institutional knowledge and those workers’ grasp of complex regulations. A depletion in institutional knowledge can be an issue for private-sector employers as well. However, arguably, within the private sector, shorter tenures can be a positive for the development of new ideas and within businesses that need a higher level of dynamism.

First, among *all* wage and salary workers ages 20 or older, the median tenure level for the most part hovered around 4.2 years between 1983 and 2010. Since then, the median tenure increased to as high as 5.1 years in 2012, declining afterward to 4.9 years in 2018. However, when splitting workers into public and private sectors, significant differences in tenure levels emerge.

- Between 1983 and 2010, the median tenure of private-sector workers ranged around 3.7 years, peaking at 4.0 years in 2010.
- In contrast, for public-sector workers over that period of time, median tenure levels ranged around 6.9 years but were as high as 7.5 years in 1998.
- Since 2010, private-sector-worker median tenure has declined from 4.3 years in 2012 to 4.0 years in 2018 (7 percent decline).
- However, median tenure levels of public-sector workers have declined even more — from 8.3 years in 2012 to 7.0 years in 2018 (16 percent).



The median tenure of public-sector workers is still considerably higher than that of private-sector workers — 1.8 times as high in 2018. But that is down from two times the level of private-sector workers in 2016 and as high as 2.1 times in 2000.

Likewise, the percentage of workers with the very longest tenure (25 or more years) is much higher within the public sector vs. the private sector. In 2018, 9.0 percent of public-sector workers had 25 or more years of tenure compared with 5.2 percent of private-sector workers. However, the proportion of public-sector workers with the longest tenure is down in 2018 from a peak of 12.4 percent in 2004.

Implications— Public-sector employers are facing the retirement of a significant number of their most experienced workers during a period when social programs are beginning to face tremendous increases in enrollment due to the aging of the population. Challenges in the administration of these social programs will likely result unless public-sector employers can retain their longer-tenure workers in order to pass on their knowledge to newer workers.

The full EBRI report, “Trends in Employee Tenure, 1983–2018,” is published as the February 28, 2019, *EBRI Issue Brief* and is available online [here](#).

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