July 2020

VETERAN FEDERAL EMPLOYMENT

OPM and Agencies Could Better Leverage Data to Help Improve Veteran Retention Rates

GAO Highlights

Highlights of GAO-20-592, a report to the Chairman of the Subcommittee on Government Operations, Committee on Oversight and Reform, House of Representatives

Why GAO Did This Study

Approximately 200,000 servicemembers transition from military service to civilian life each year, according to the Department of Defense. A 2009 executive order created a government-wide initiative to increase veteran federal employment. While veteran hiring has increased since 2009, OPM has raised concerns about retention and job satisfaction of newly hired veterans.

GAO was asked to analyze veteran federal employment data. This report analyzes (1) recent trends in attrition for veterans and non-veterans, and (2) key factors that may affect a veteran employee's decision to leave federal employment. GAO conducted a statistical analysis comparing attrition for veterans and similar non-veterans for fiscal years 2014 through 2018 (the most current data available). GAO conducted a literature review to identify potential drivers of retention and used regression methods to analyze OPM FEVS data to identify key drivers for veterans and non-veterans. GAO also interviewed OPM officials and veteran service organizations.

What GAO Recommends

GAO recommends that OPM assist the 24 CFO Act agencies by using OPM FEVS data to analyze the key drivers of veterans' retention. OPM partially concurred with the recommendation because of concerns about its scope and, in response, we modified it.

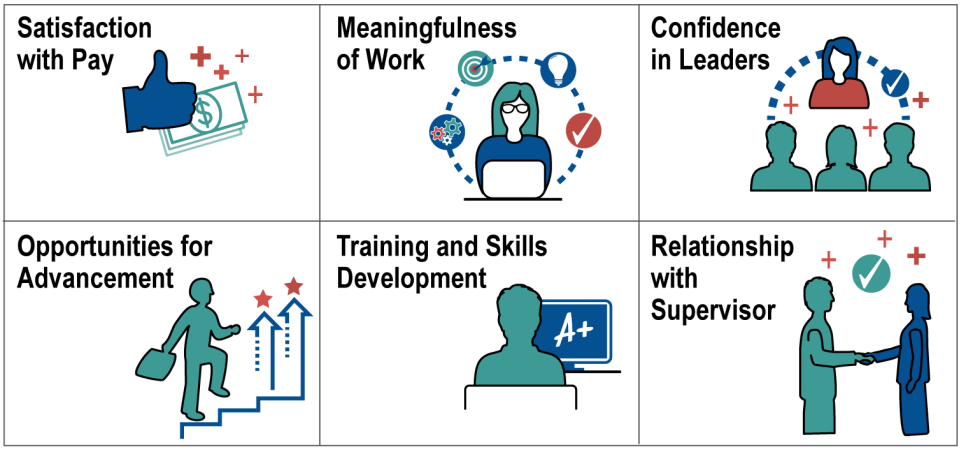
View GAO-20-592. For more information, contact Yvonne D. Jones at (202) 512-2717 or jonesy@gao.gov.

What GAO Found

From fiscal years 2014 through 2018, veterans left federal government jobs at a higher rate than non-veterans, according to GAO analysis of Office of Personnel Management (OPM) data. After controlling for key demographic and employment factors, GAO estimated that on average, 6.7 percent of veterans left the federal government compared to 5 percent of similar non-veterans. While veterans primarily left to retire, veterans resigned from federal service at 1.6 times the rate of similar non-veterans. GAO also estimated that 18.7 percent of veterans resigned within their first 5 years of federal service compared to 11.1 percent of similar non-veterans. Each of the 24 Chief Financial Officer Act agencies experienced higher rates of attrition among veteran employees than similar non-veteran employees.

GAO identified six workplace factors associated with veterans' intentions to leave federal service. These factors—or drivers of retention—are based on an analysis of data from the OPM Federal Employee Viewpoint Survey (OPM FEVS), a tool for collecting employees' perceptions of their federal work experiences.

Key Workplace Factors Associated with Veterans Considering Leaving Federal Service



Source: GAO analysis of 2017 Office of Personnel Management Federal Employee Viewpoint Survey data. | GAO-20-592

More than half of both veterans and non-veterans reported being satisfied with five of the six factors. More than half of both veterans and non-veterans reported not being satisfied with opportunities for advancement at their agencies. Overall we found that veterans were slightly less satisfied with these factors than non-veterans, which could in part explain the higher attrition rates for veterans. Improvements in employee satisfaction in these areas may lead to higher retention rates.

Performing analyses similar to those in this report could help agencies identify and strengthen strategies for improving veteran retention. However, challenges exist for agencies using OPM FEVS data on their own to identify drivers of retention among their workforces. OPM could help agencies with these analyses so they could use data to address veteran retention issues and other workforce challenges.