National Institute on Retirement Security

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Workforce Turnover and Retention in the Public Sector:

Insights from Public Pension Plans

October 15, 2026

Agenda

- Logistics
- Speaker Introductions
- Presentation
- Q&A



Logistics

- Attendees in listen-only mode
- Submit questions via Q&A function throughout presentation
- Recording in progress
- Replay will be available at https://www.nirsonline.org/webinars/



Speakers



Dan Doonan

NIRS Executive Director



Barb Butrica

NIRS Research Director



Kevin Lindahl

Executive Director, FPPA of CO

About This Research

- **Motivation**: Workforce turnover is costly, and retaining public sector employees is important for sustaining essential public services.

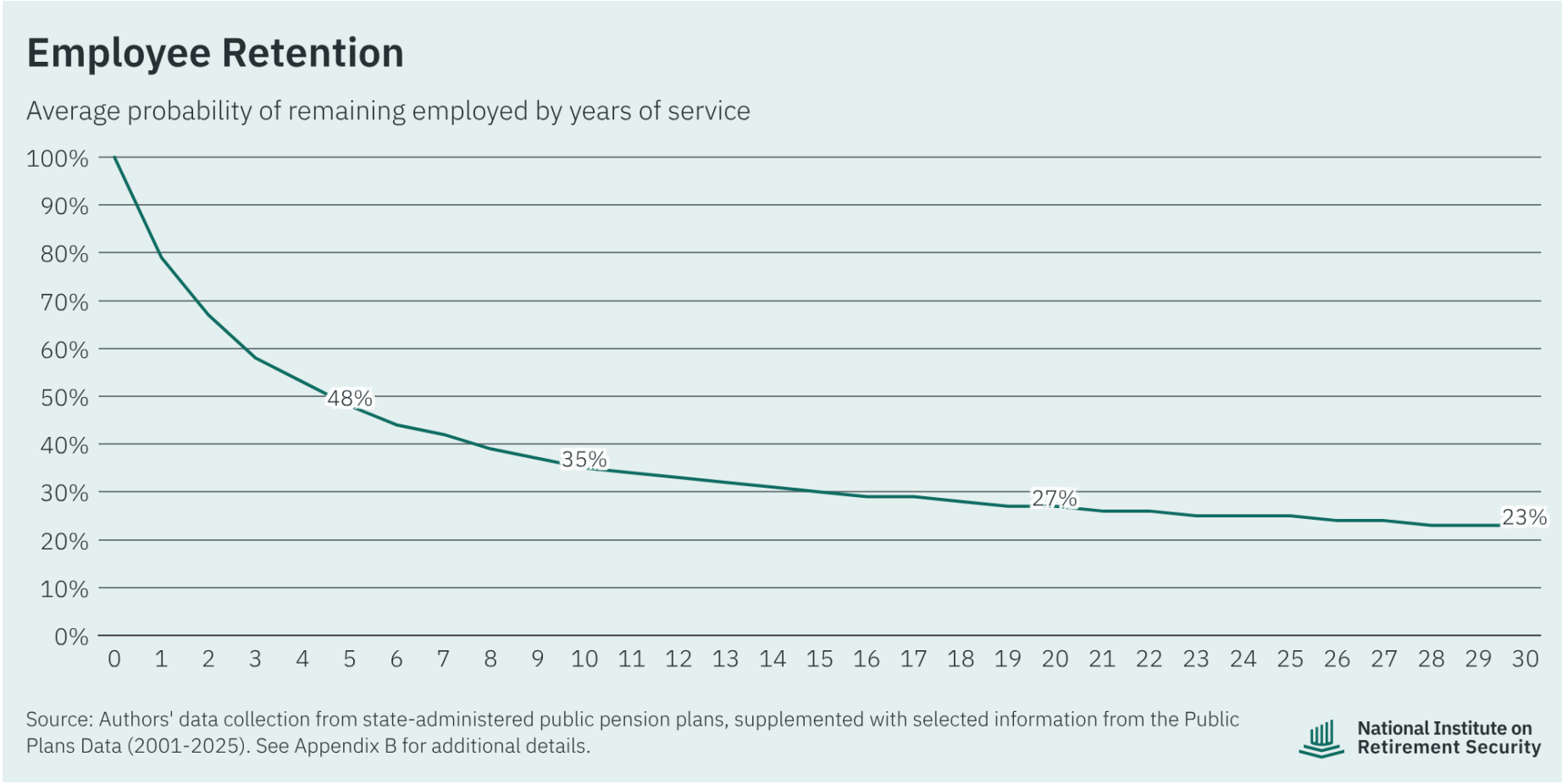
- **Data**: Information collected from state-administered public pension plans, including turnover assumptions, supplemented with Public Plans Data (2001-2025).

- **Analytical Sample**: 136 state-administered public pension plans representing 203 plan-employee groups and 12.8 million active members.

Key Finding

Public Workforce Retention Stabilizes After the Five-Year Mark

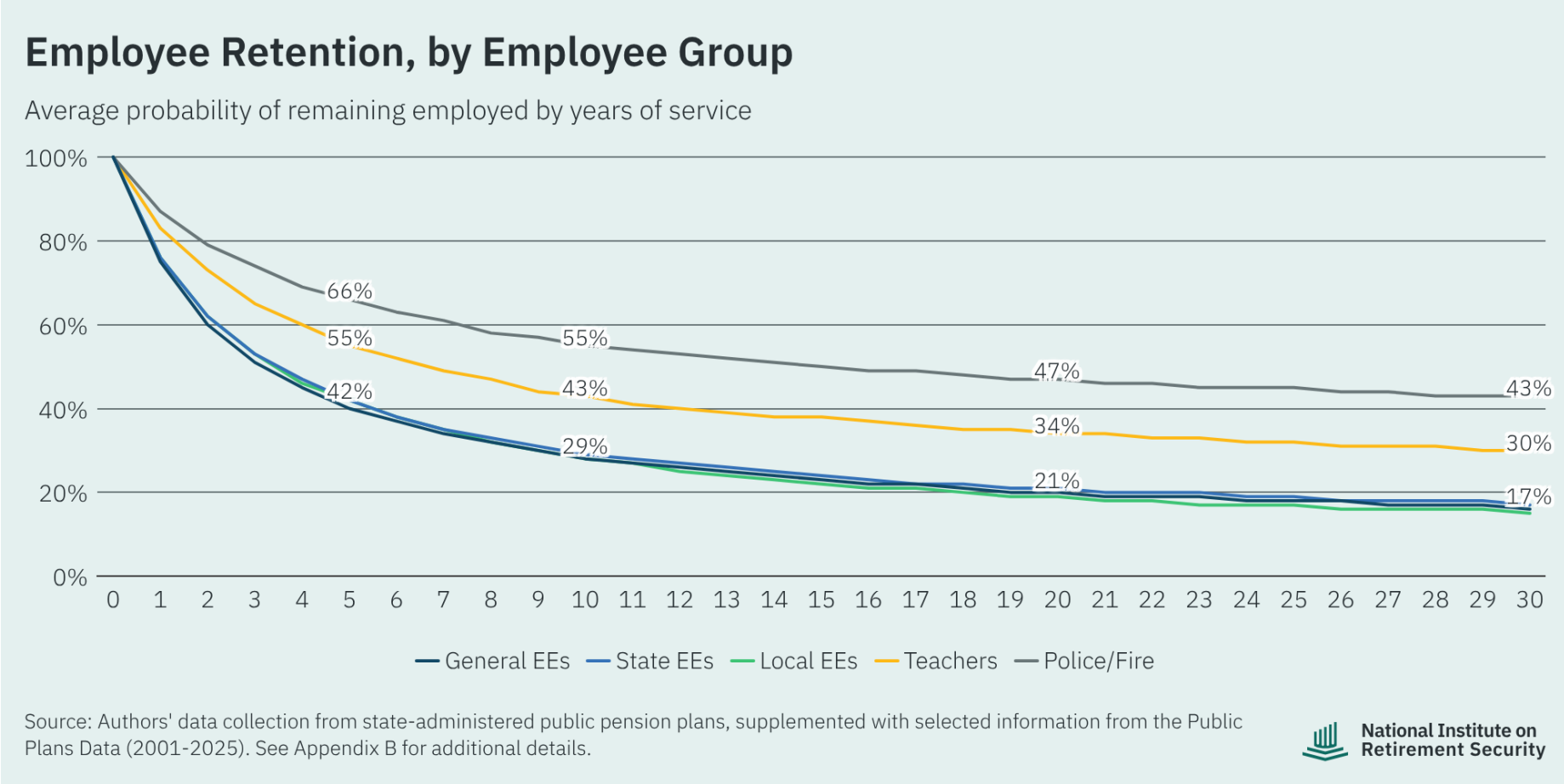
More than half of new hires leave within 5 years with retention, but retention stabilizes thereafter



Key Finding

Retention Varies by Workforce and Pension Plan Characteristics

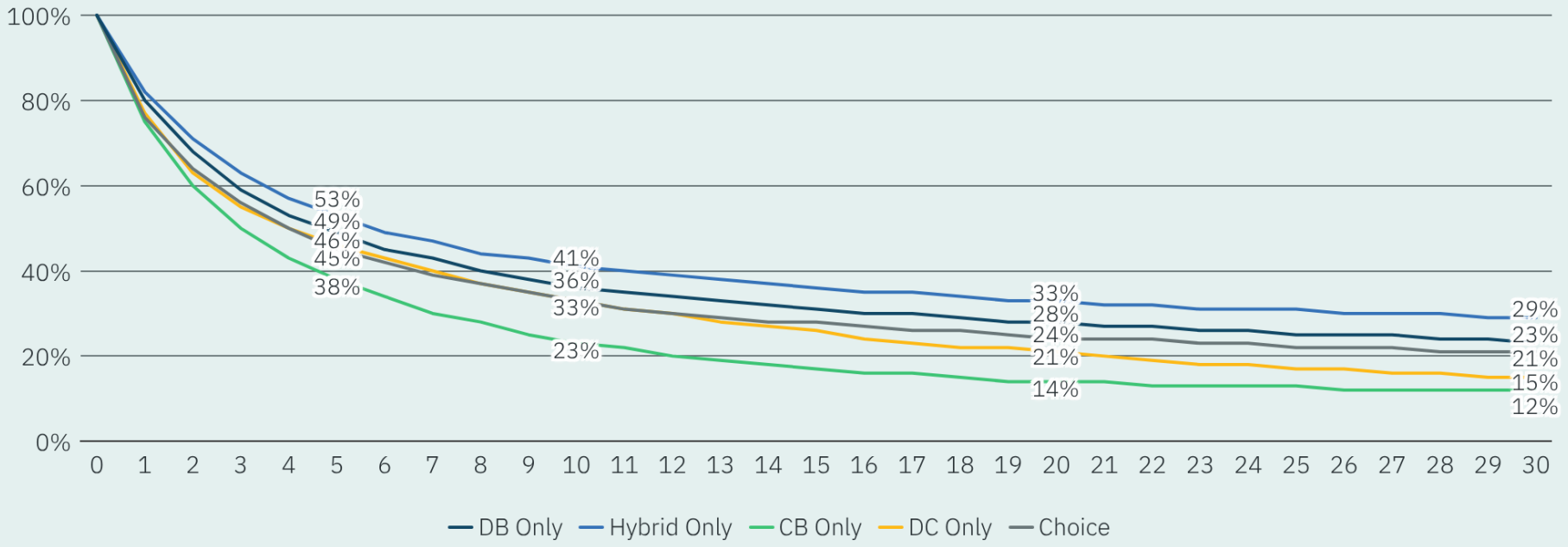
Retention is highest in police/fire plans, followed by teacher plans



Retention is highest in hybrid-only and DB-only plans

Employee Retention, by Plan Type

Average probability of remaining employed by years of service



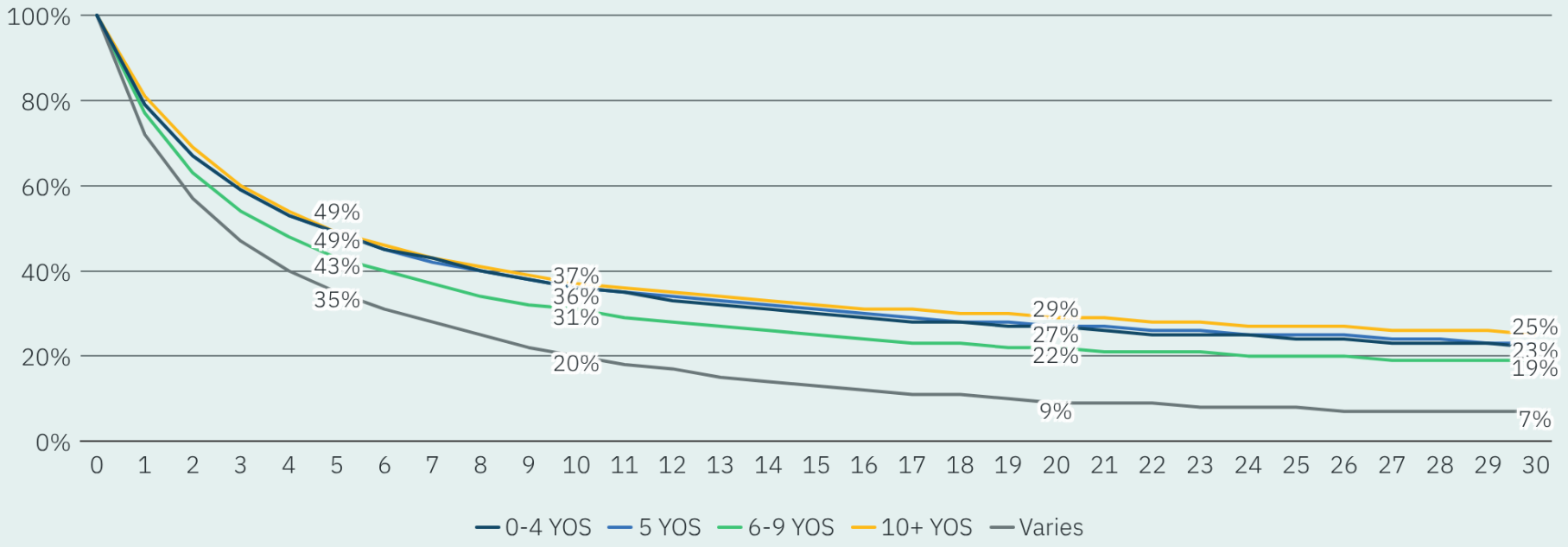
Source: Authors' data collection from state-administered public pension plans, supplemented with selected information from the Public Plans Data (2001-2025). See Appendix B for additional details.

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Retention differs relatively little by vesting period

Employee Retention, by Vesting Period

Average probability of remaining employed by years of service



Source: Authors' data collection from state-administered public pension plans, supplemented with selected information from the Public Plans Data (2001-2025). See Appendix B for additional details.

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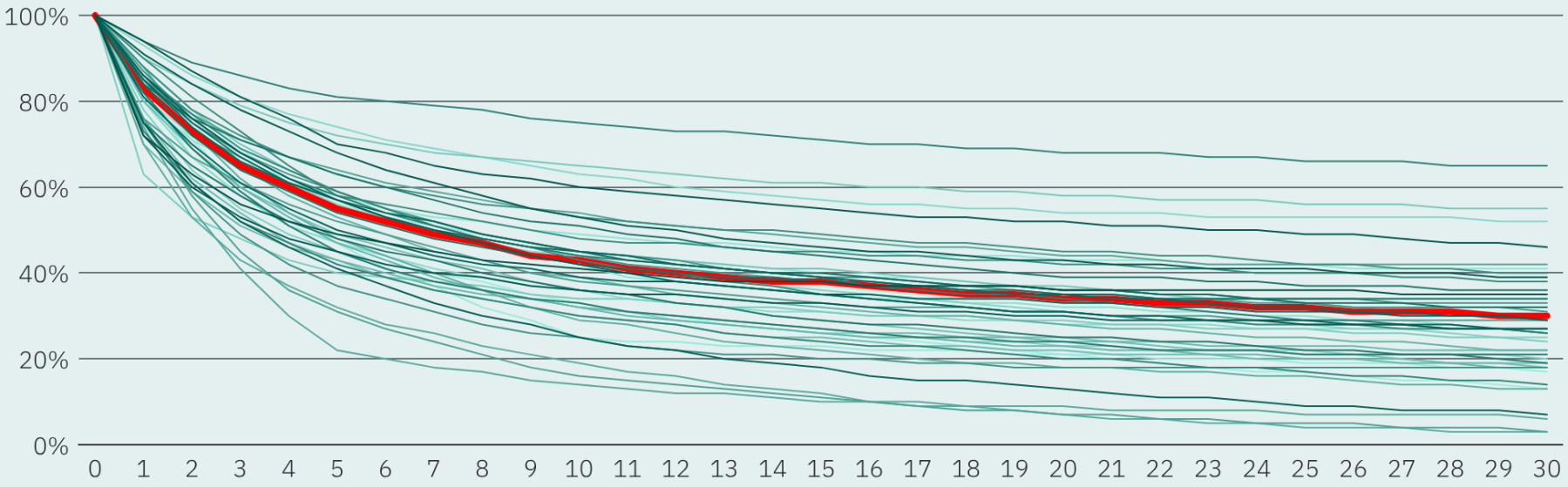
Key Finding

Average Retention Masks Substantial Variation Across Individual Pension Plans

Retention varies substantially across individual teacher plans

Employee Retention in Individual Plans Covering Teachers, by Years of Service

Probability of remaining employed in each plan

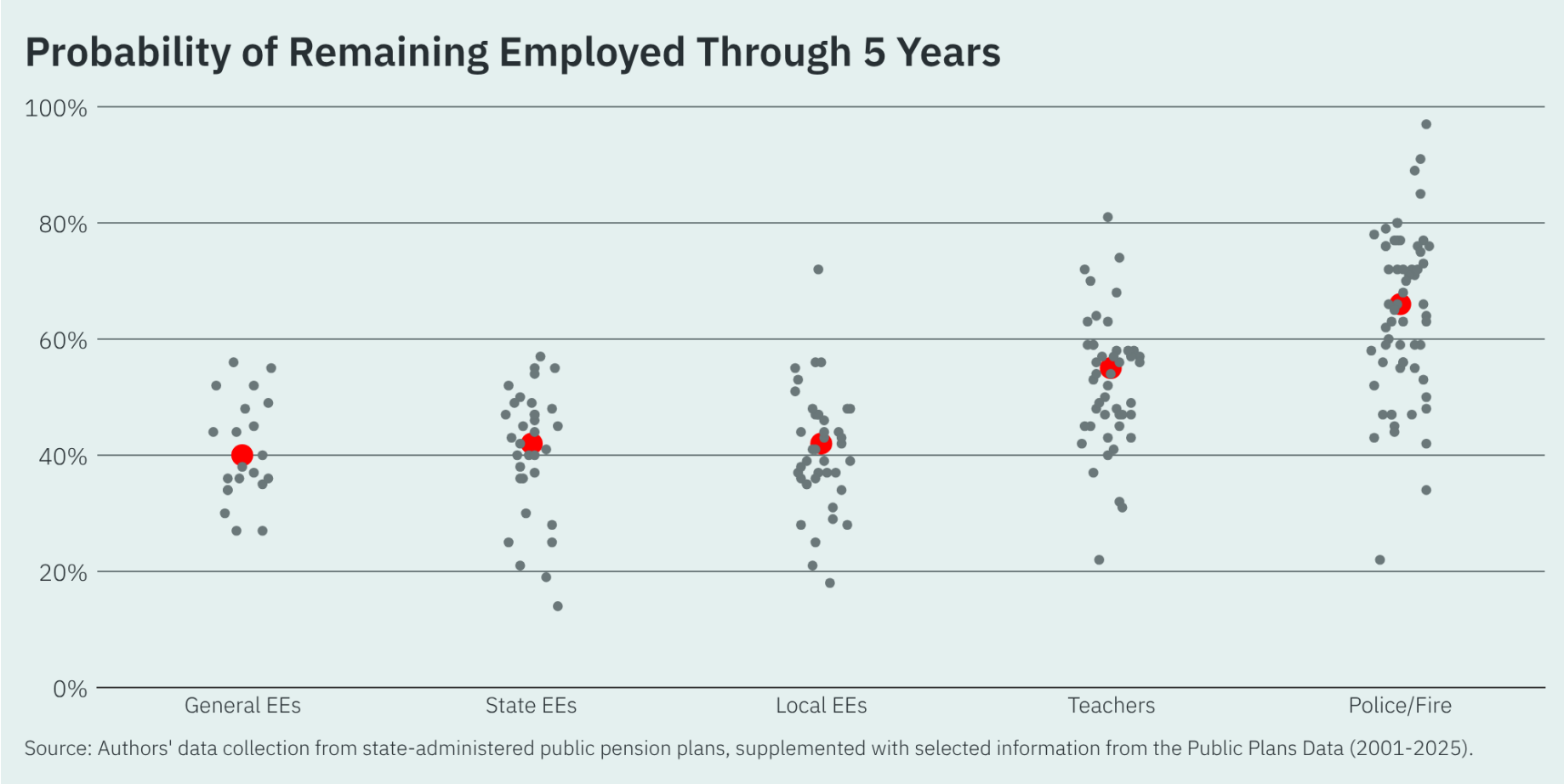


Note: Individual plan curves are shown in green. The red line represents the average across plans, weighted by the number of active members.

Source: Authors' data collection from state-administered public pension plans, supplemented with selected information from the Public Plans Data (2001-2025). See Appendix B for additional details.

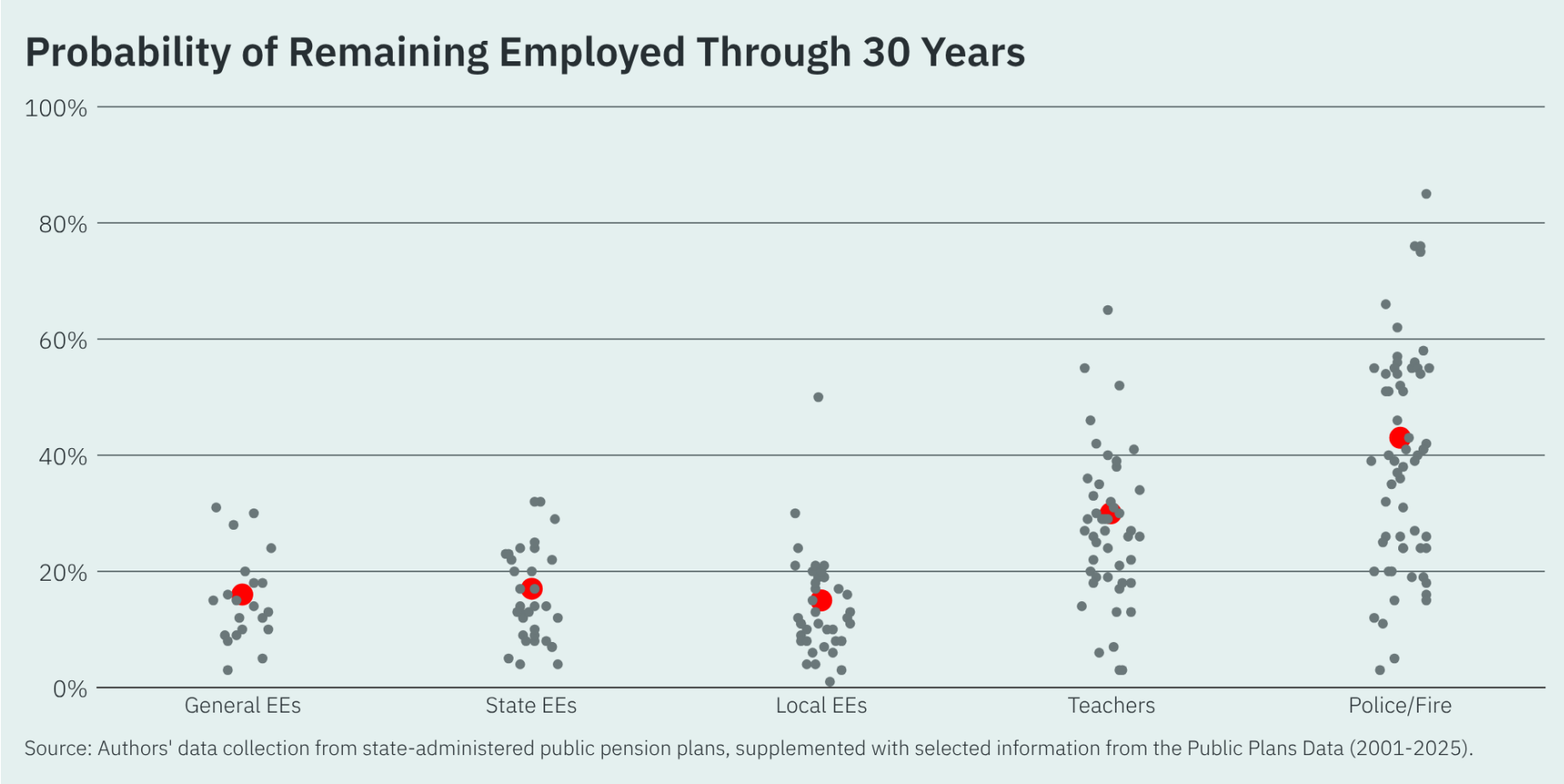
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Retention varies least for general employees and most for police/fire plans



Source: Authors' data collection from state-administered public pension plans, supplemented with selected information from the Public Plans Data (2001-2025).

Over career horizons, variation in retention increases among police/fire plans

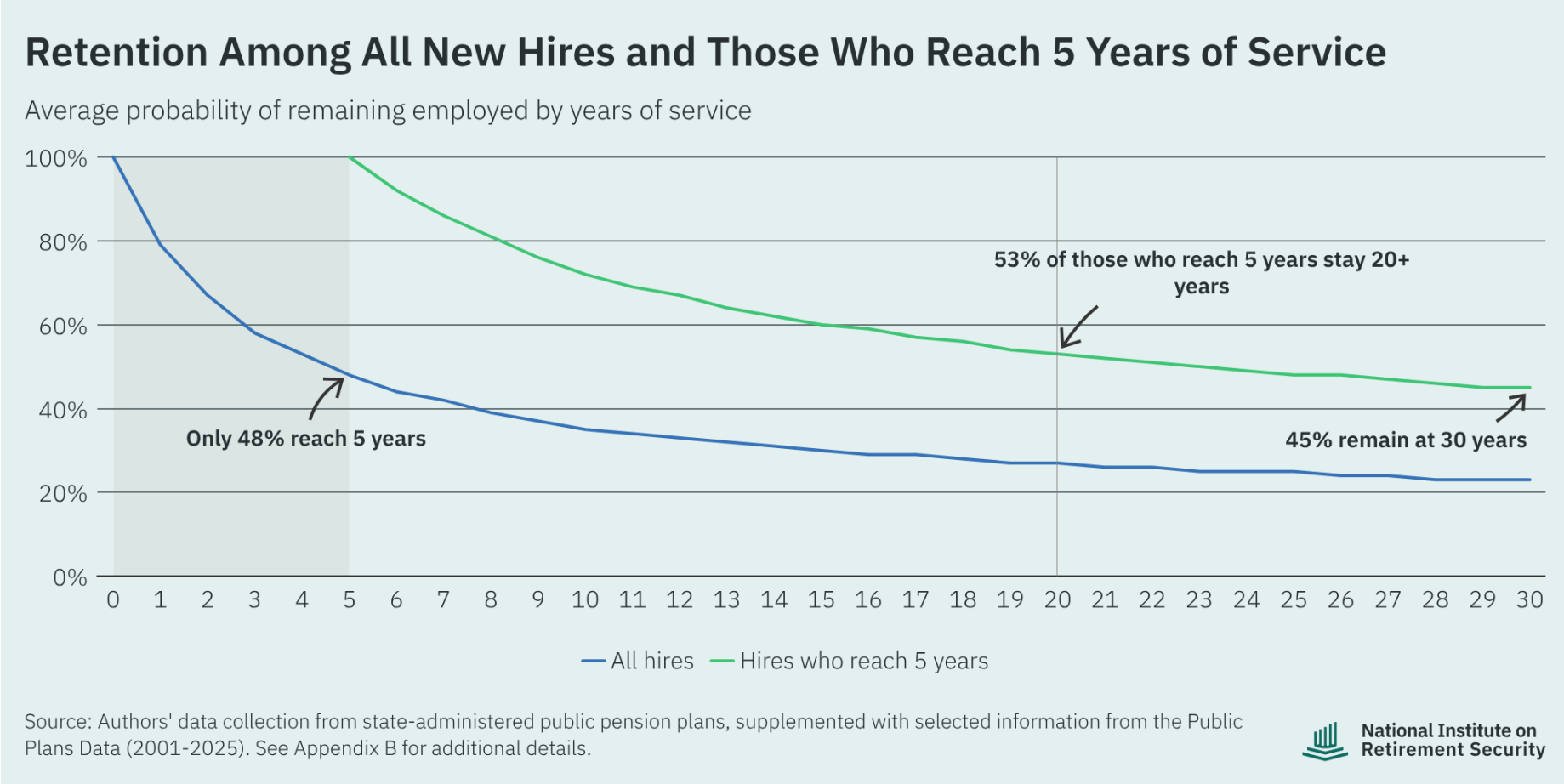


Source: Authors' data collection from state-administered public pension plans, supplemented with selected information from the Public Plans Data (2001-2025).

Key Finding

Early-Career and Later-Career Retention Are Distinct Workforce Challenges

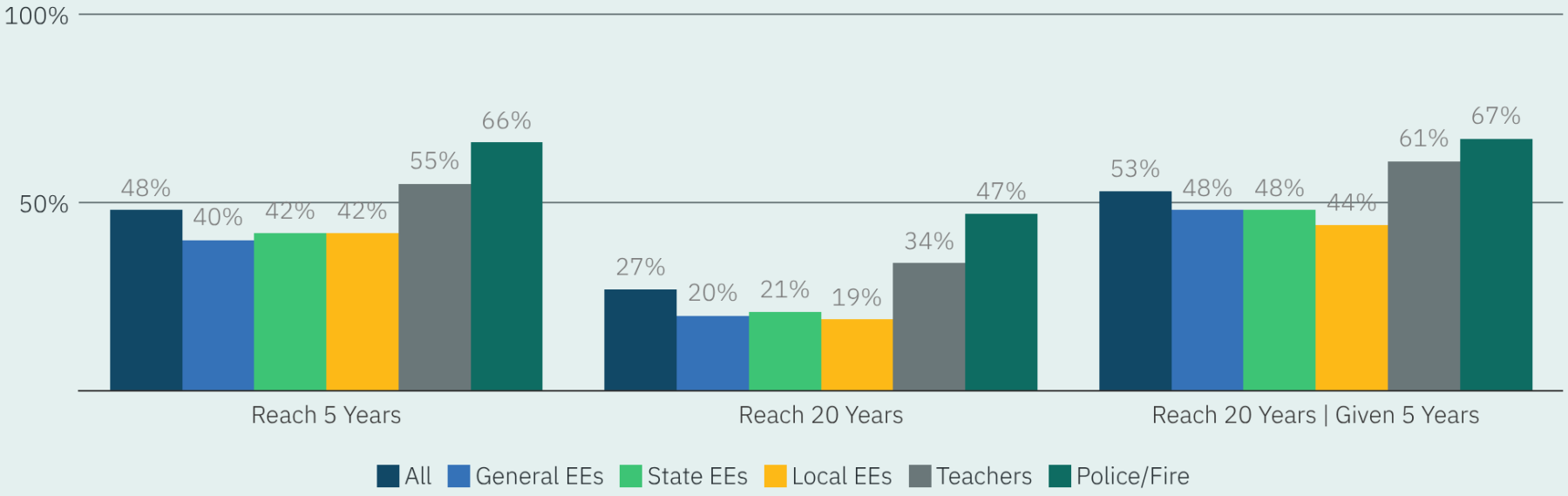
Employees who reach 5 years have much higher long-term retention



Differences in retention across employee groups narrow substantially among those who reach 5 years

Retention Among All New Hires and Those Who Reach 5 Years of Service, by Employee Group

Average probability of remaining employed at selected years of service



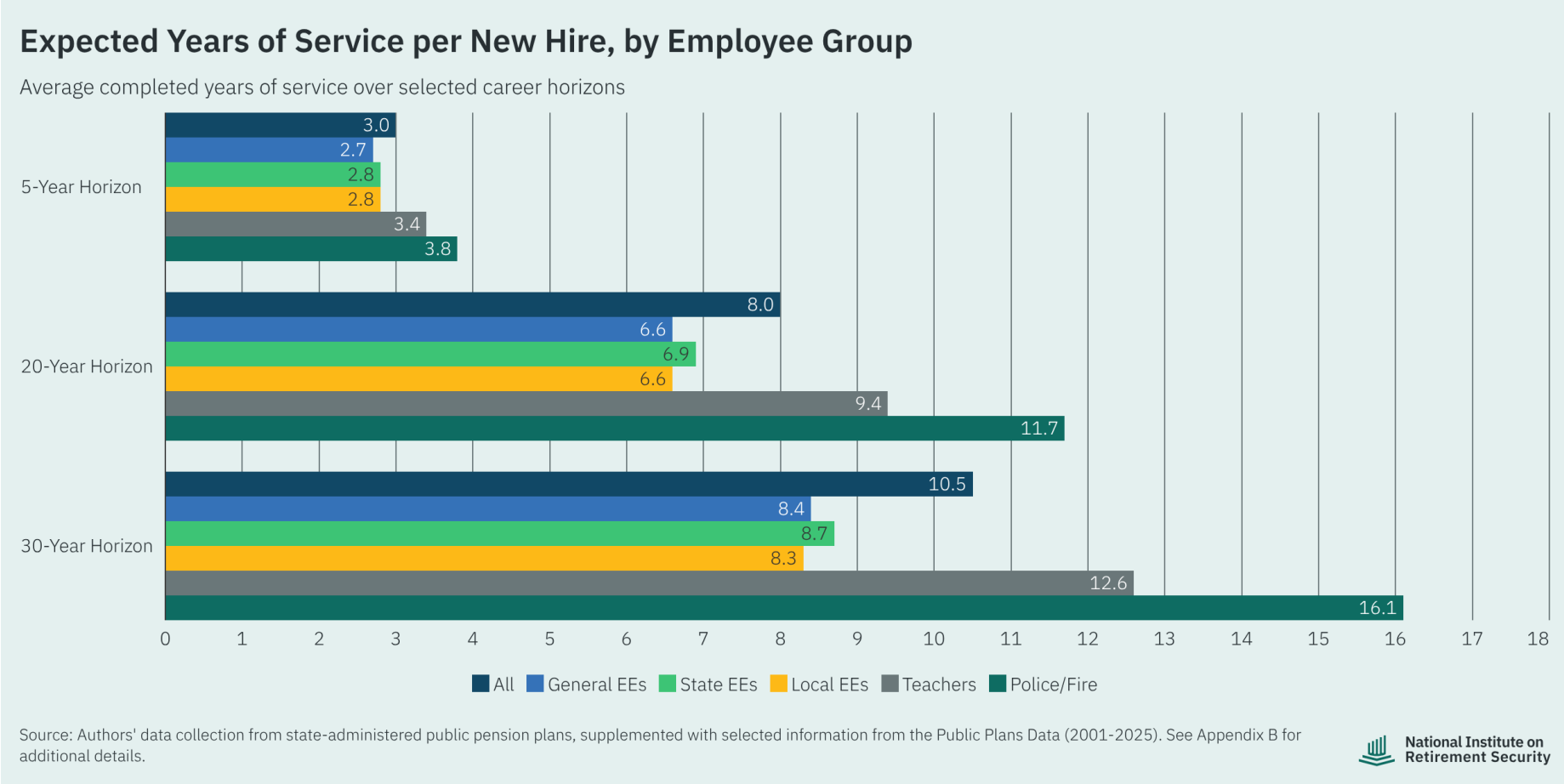
Source: Authors' data collection from state-administered public pension plans, supplemented with selected information from the Public Plans Data (2001-2025). See Appendix B for additional details.

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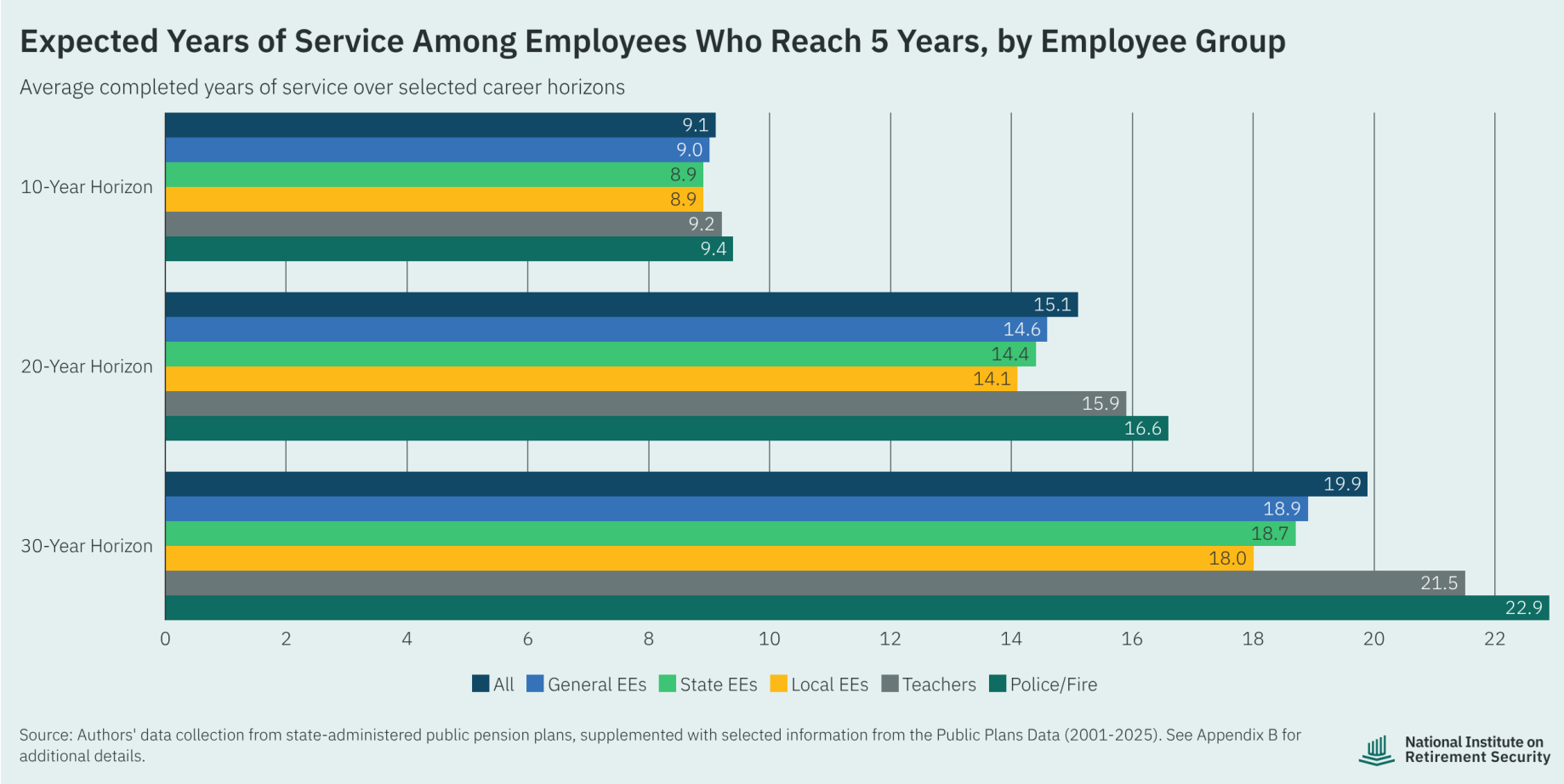
Key Finding

Differences in Retention Translate Into Substantial Differences in Expected Years of Service Over a Career

Police/fire and teacher plans have the highest expected years of service per new employee



Differences in expected years of service narrow among employees who reach 5 years



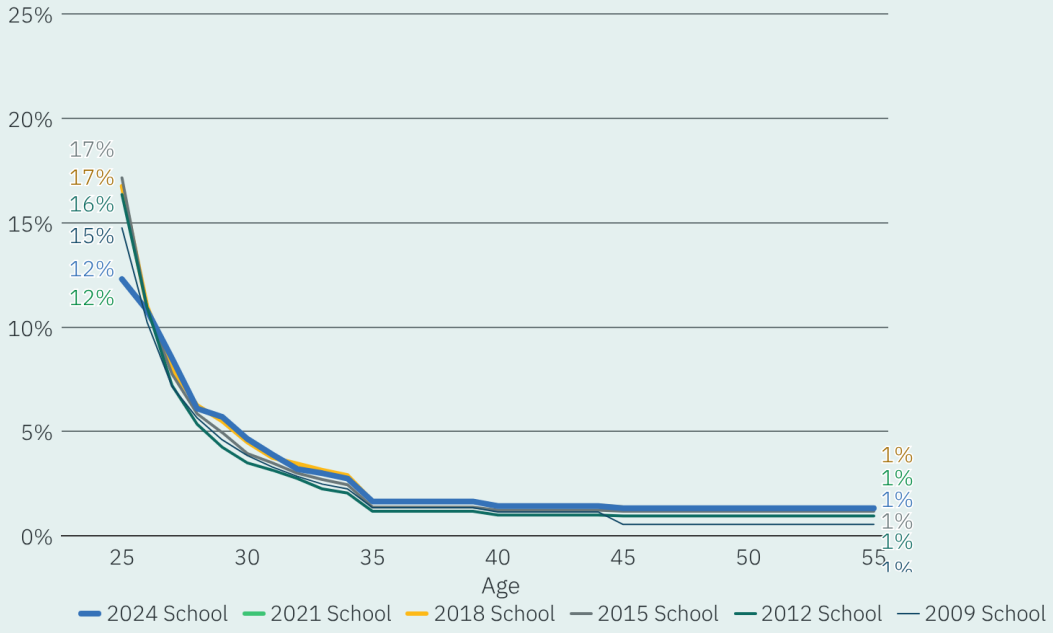
The FPPA Experience

- Fire & Police Pension Association of Colorado (FPPA) was established in the late 1970s to administer a new DB plan for police officers and firefighters
- Approximately 79 departments withdrew at that time
- Since the early 2000s, 48 of the original 79 departments have returned
- Another 11 departments have voluntarily affiliated
- Recruitment and retention are among the primary reasons departments return or affiliate

Measuring the Impact of High Turnover Over Time: Long-Term Retention

WRS public schools have enjoyed consistently strong retention

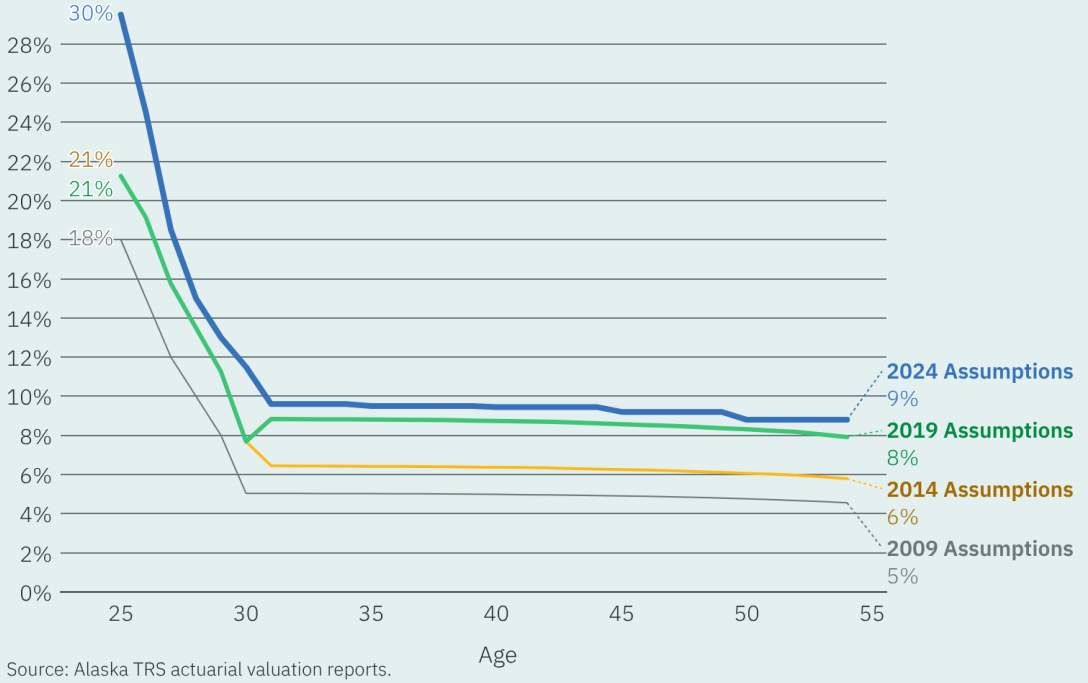
Retention is strongest among older and more experienced workers, but changes in turnover have been modest over 2005-2023.



Source: WRS actuarial valuation reports.

Alaska TRS has seen rising turnover since the DB plan closed

Turnover has increased at every age across experience studies; under the 2009 assumptions, 51% of new hires were expected to reach 5 years, compared with 32% under today's assumptions.

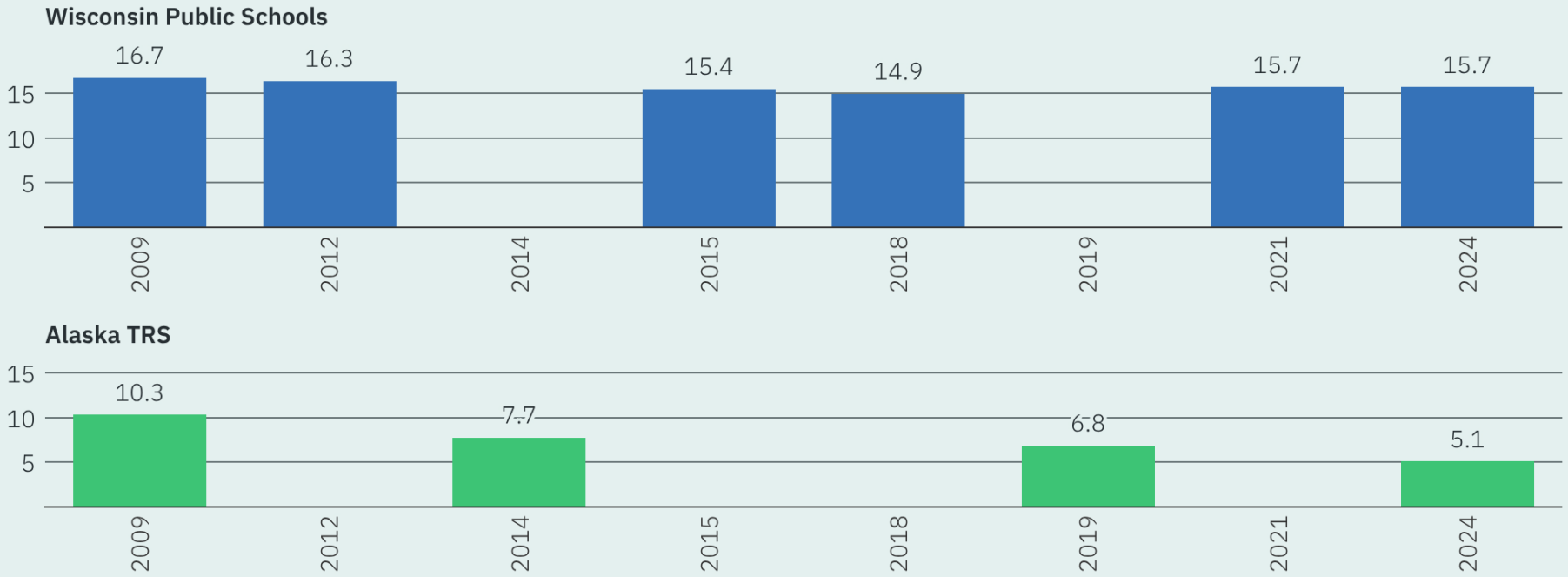


Source: Alaska TRS actuarial valuation reports.

Measuring the Impact of High Turnover Over Time: Expected Years of Service

Expected Years of Service per New Teacher

Even small changes in retention can impact the average continuous service that a new hire is expected to provide.



Source: Authors' data collection from WRS and Alaska TRS actuarial valuation reports.

How Plans Can Use These Metrics

- Distinguish early-career from later-career retention concerns
- Use the pension plan's actual vesting period
- Consider the pension plan's actual age at hire



The Turnover Feedback Loop

A self-reinforcing cycle that makes turnover worse over time.



Coming Soon

NEW Research: What Do Americans Think About Social Security?

NEW Podcast Episode: Retirement Insecurity 2026

Featuring Doug Kinkaid, Greenwald Research





Questions?

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