



Delaware Department of
Human Resources

State of Delaware

RETIREMENT ELIGIBILITY REPORT

FISCAL YEAR 2022

PRESENTED BY
Delaware Department
of Human Resources

State of Delaware Retirement Eligibility Report – Fiscal 2022

June 2023

EXECUTIVE SUMMARY

Workforce Planning is part of the Delaware Department of Human Resources (DHR) Talent Management Division.

A critical part of workforce planning is analyzing and strategizing in preparation for the number of employees eligible to retire at the end of each fiscal year and evaluating the number of state employees eligible to retire within the next five years. These workforce planning efforts enable agencies to evaluate current staffing levels, be prepared for staff losses due to retirements, and inform DHR's employee recruitment, retention, and job marketing initiatives.

Over the past nearly 20 years, data related to workforce planning of the Executive branch has been shared with these agencies. Starting with this report, DHR's Division of Talent Management is issuing a comprehensive Workforce Planning Retirement Report. Due to the lag in collecting state employee retirement data, this report is based on data from Fiscal Year 2022 (July 1, 2021 to June 30, 2022). An acronym table is located at the end of this report. Please see Appendix A.



RETENTION AND RECRUITMENT STATUS

As Delaware's largest public employer, the State of Delaware -- like many other public and private employers -- faces continuing labor shortage challenges to recruit and retain employees. Factors contributing to these labor challenges include:

- A shortage of skilled workers;
- Individuals not wanting to return to work after the pandemic;
- Individuals accepting unemployment or underemployment rather than seeking employment;
- Demographically shrinking talent pool.

The hiring landscape remains highly competitive. According to LinkedIn research, "the demand for skilled workers has outpaced supply in almost every industry," which makes recruiting increasingly more difficult.

Retaining employees is equally as challenging. The leading online job site, Indeed, summarized the top reasons employees reported for leaving their current positions as follows:

- Needing more of a challenge and feeling uninspired;
- Looking for a higher salary;
- Seeking a better management relationship and needing more feedback or structure;
- Searching for job growth and career advancement or wanting a different work environment; and,
- Needing a better work-life balance and wanting more independence to do the work¹.

Early retirements are another consequence of the COVID-19 pandemic. According to IPUMS-CPS, University of Minnesota, www.ipums.org:

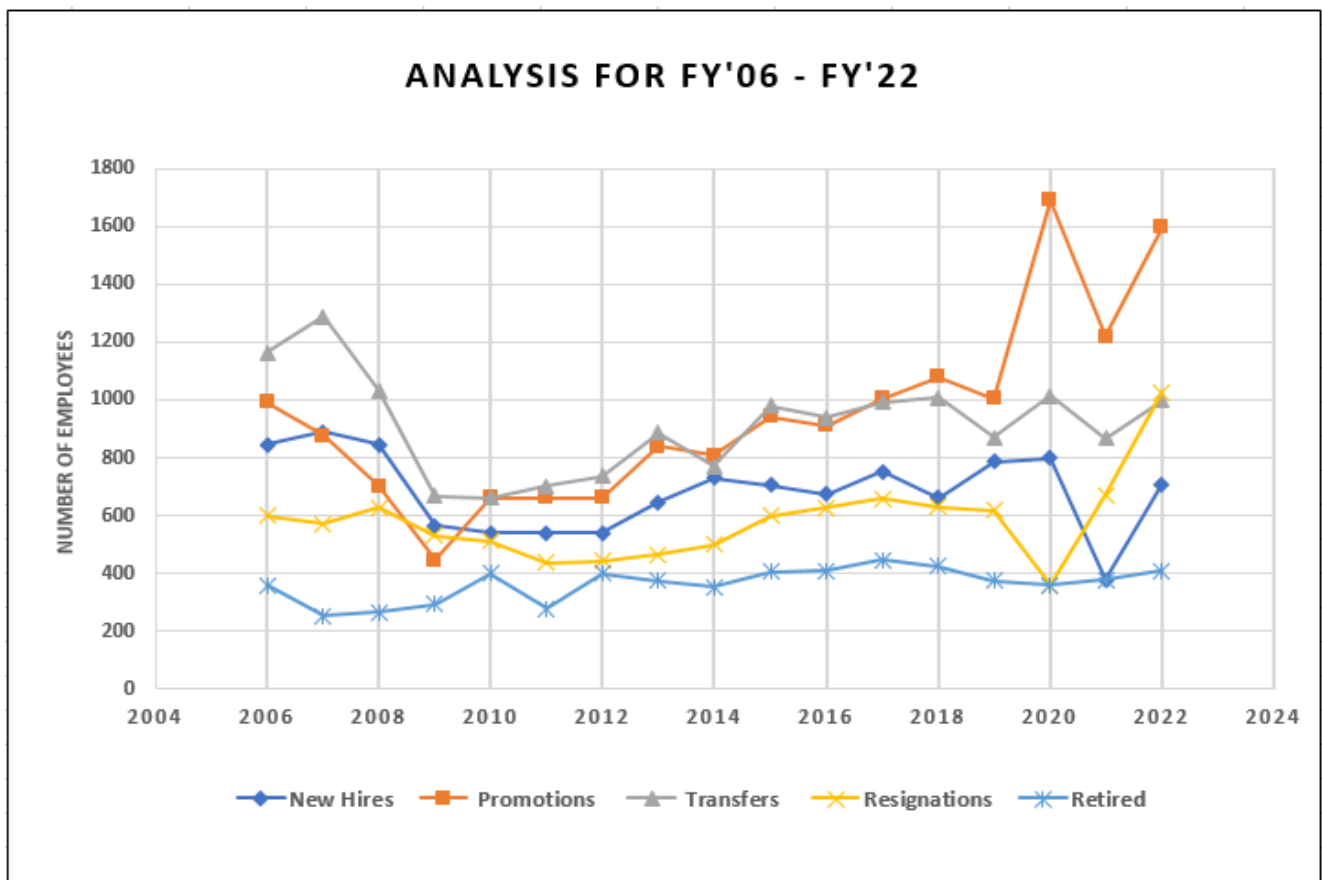
- Retirements were much more common among older white women without a college education;
- Male workers were less likely to be retired than their female counterparts;
- Black, Hispanic, and Native American workers were less likely to be retired than their white peers of similar ages;
- Workers who were married or widowed were more likely to be retired than their never-married, single peers;
- Workers with at least some college education were less likely to be retired than their peers with a high school diploma or less education;

¹ <https://www.indeed.com/career-advice/career-development/reasons-employees-leave#:~:text=Common%20reasons%20employees%20leave%20their%20job%201%201.,Wanting%20a%20different%20work%20environment%20...%20More%20items>

- Results by income show a declining likelihood of retirement as household income increases; and,
- Veterans were more likely to be retired versus nonveterans.

National reports suggested that the COVID-19 pandemic created the so-called “Great Resignation,” with reports of up to 40% of employees in the public and private sector resigning. Further research shows, however, that the so-called “Great Resignation” was inflated. Recent research from Goldman Sachs’ economists shows two-thirds of the people leaving jobs during the pandemic retired, not resigned.² Some opted for early retirement, but there has not been a critical mass of resignations nationally or in state government.

The State workforce has experienced an average number of retirements, even through the height of the pandemic years of 2020 – 2022. Data shows the number of state employees retiring has remained steady from 2006 through 2022, as seen in the chart below. On average, about 32.5 percent of state employees eligible retired each year from 2006-2022.



² <https://www.forbes.com/sites/avivahwittenbergcox/2021/11/16/the-great-resignation-actually-a-mass-retirement/?sh=357bd4c418ba>

STATE AGENCIES' RETIREMENT STATUS

Retirement Eligibility and Benefits

State of Delaware employees hired before January 1, 2012, are eligible to receive a service pension with any of the following combinations of years of service and age after five years of consecutive service:

- 30 years of credited service at any age
- 15 years of credited service at age 60
- 5 years of consecutive credited service at age 62.

Employees hired on or after January 1, 2012, are eligible to receive a service pension with 10 years of credited service at age 65 or 20 years of credited service at age 60 with five years of consecutive credited service.

Employees in specific classifications, such as Correctional Officers and 911 Operators, are eligible to retire with 25 years of pension-credited service without a reduction. These employees must acquire at least 20 years of pension-credited service within specific job classifications listed on the Office of Pension website.

More detailed information can be found in the State Employees' Pension Plan Summary Plan Description on the Office of Pensions website, www.delawarepensions.com



State Agencies

For a better picture of the number of state employees eligible to retire, we reviewed data of employees in the Executive Branch and affiliated state agencies and Elected Offices and calculated eligible retiree percentages of total agency-filled positions. The findings reported exclude the Judicial and Legislative Branches.

The table and graph below show agencies with employees eligible to retire as of June 30, 2022 in Column 5, those that can retire within five years of June 30, 2022, in Column 6, and a total in Column 7 on the right.

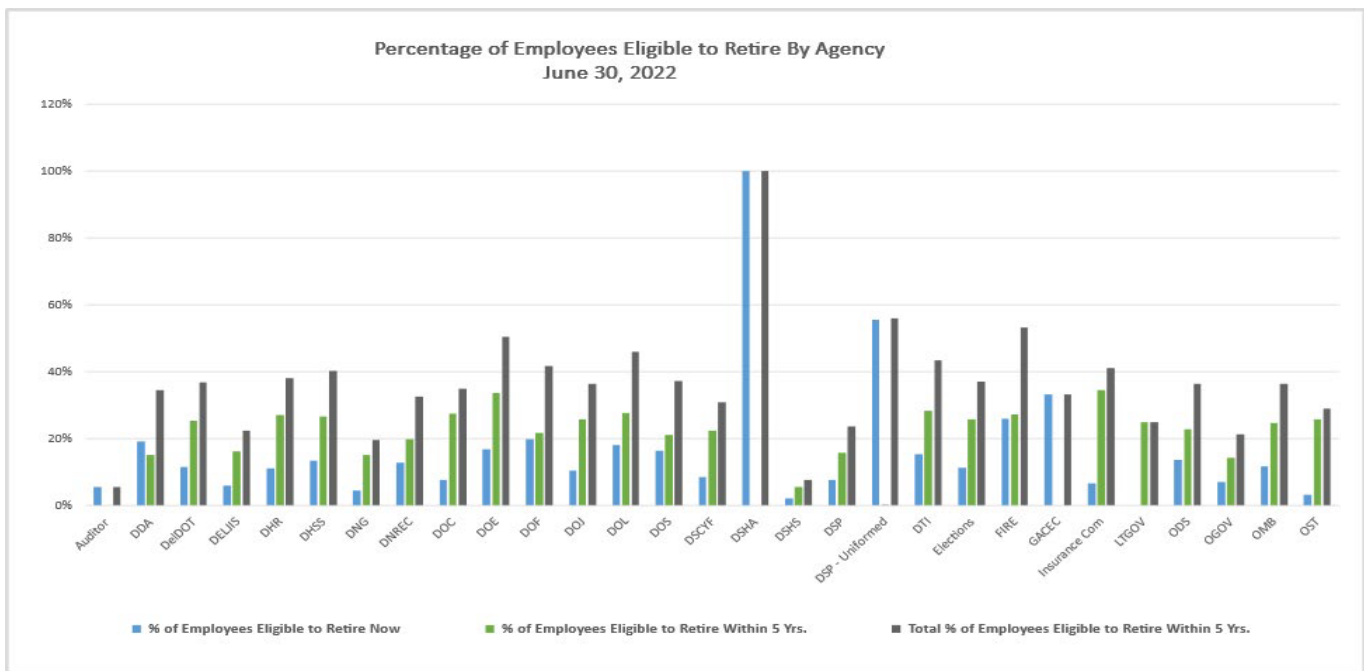
State Agencies Retirement Eligibility Status - June 30, 2022							
Column	1	2	3	4	5	6	7
Agency	Eligible Now	Eligible Within 5 Yrs.	Total Eligible to Retire	Total # of Employees	% of Employees Eligible to Retire Now	% of Employees Eligible to Retire Within 5 Yrs.	Total % of Employees Eligible to Retire Within 5 Yrs.
Auditor	1	-	1	18	6%	0%	6%
DDA	24	19	43	125	19%	15%	34%
DelDOT	189	412	601	1,628	12%	25%	37%
DELJIS	3	8	11	49	6%	16%	22%
DHR	24	58	82	215	11%	27%	38%
DHSS	418	821	1,239	3,085	14%	27%	40%
DNG	5	17	22	112	4%	15%	20%
DNREC	85	131	216	661	13%	20%	33%
DOC	174	625	799	2,282	8%	27%	35%
DOE	45	90	135	268	17%	34%	50%
DOF	54	59	113	271	20%	22%	42%
DOJ	47	115	162	445	11%	26%	36%
DOL	64	98	162	353	18%	28%	46%
DOS	77	99	176	471	16%	21%	37%
DSCYF	92	242	334	1,080	9%	22%	31%
DSHA	2	-	2	2	100%	0%	100%
DSHS	27	67	94	1,205	2%	6%	8%
DSP	28	57	85	359	8%	16%	24%
DSP - Uniformed	208	1	209	374	56%	0%	56%
DTI	46	85	131	301	15%	28%	44%
Elections	4	9	13	35	11%	26%	37%
FIRE	20	21	41	77	26%	27%	53%
Exceptional Citizens	1	-	1	3	33%	0%	33%
Insurance Com	6	31	37	90	7%	34%	41%
LTGOV	-	2	2	8	0%	25%	25%
Defense Svcs	22	37	59	162	14%	23%	36%
OGOVS	2	4	6	28	7%	14%	21%
OMB	33	69	102	280	12%	25%	36%
Treasurer	1	8	9	31	3%	26%	29%
Totals	1,702	3,185	4,887	14,018	12%	23%	35%

The “State Agencies Retirement Eligibility Status” chart highlights the following statistics:

- 12% of State agency and elected office employees are eligible to retire immediately.
- 23% of State agency and elected office employees are eligible to retire within five years.

Reviewing the data for individual agencies and elected offices, 17 of the 29 have 35% of their employees that can retire within five years.

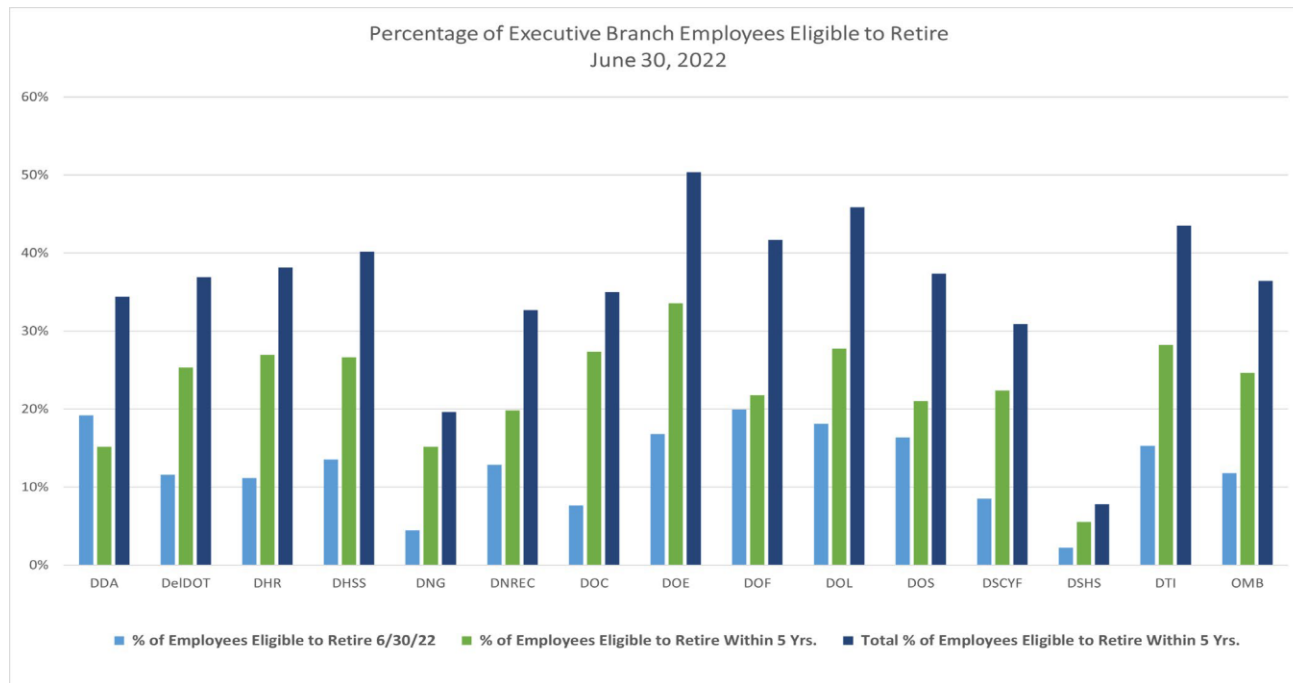
- A few agencies, such as DSHA, with a relatively small number of employees, show high percentages of retirement-eligible employees.
- The four largest agencies with the potential of **30% or more** of their staff eligible to retire in the next five years include:
 - Department of Health and Social Services (DHSS): 40%
 - Department of Transportation (DeIDOT): 37%
 - Department of Correction (DOC): 35%
 - Department of Services for Children, Youth and Their Families (DSCYF): 31%
- The Department of Safety and Homeland Security (DSHS) is one of the larger agencies with 1,205 employees, but it has the **lowest percentage** of eligible-to-retire employees in the next five years at only **8%.**
- Smaller state agencies (200-400 employees) with the potential for more than **40% or more** of their staff to retire in the next five years include:
 - Department of Education (DOE): 50%
 - Department of Labor (DOL): 46%
 - Department of Technology and Information (DTI): 44%
 - Department of Finance (DOF): 42%



Executive Branch Agencies

Reviewing this data for Executive Branch agencies, the table and graph below show that 11% of staff were eligible to retire immediately effective June 30, 2022; and 34% are eligible to retire within five years of June 30, 2022.

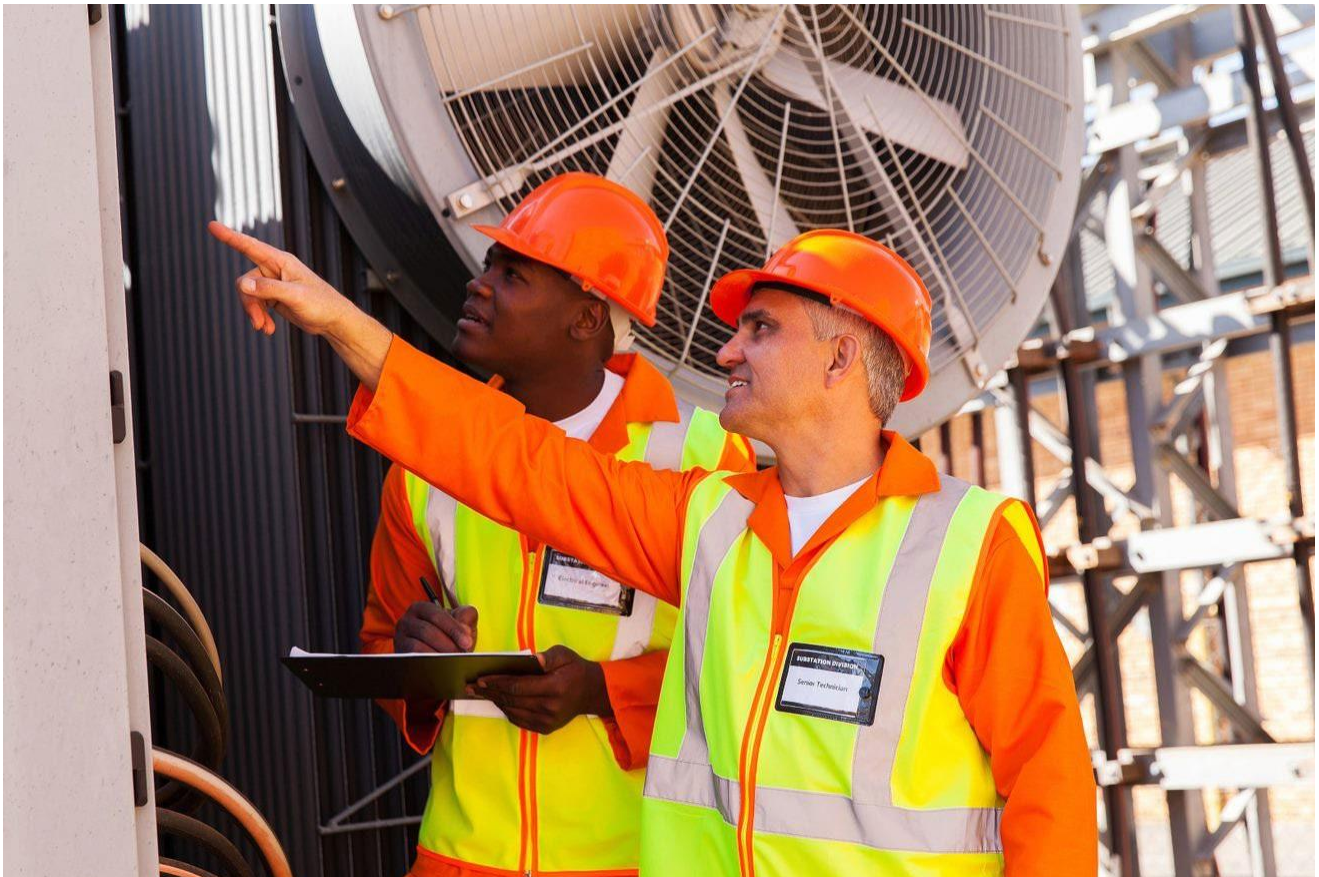
Executive Branch Agencies Retirement Eligibility Status - June 30, 2022							
Agency	Eligible Now	Eligible Within 5 Yrs.	Total Eligible to Retire	Total # of Employees	% of Employees Eligible to Retire Now	% of Employees Eligible to Retire Within 5 Yrs.	Total % of Employees Eligible to Retire Within 5 Yrs.
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DSCYF	92	242	334	1,080	9%	22%	31%
DSHS	27	67	94	1,205	2%	6%	8%
DTI	46	85	131	301	15%	28%	44%
OMB	33	69	102	280	12%	25%	36%
Totals	1,357	2,892	4,249	12,337	11%	23%	34%



In-Demand

The State designates certain jobs with recruitment and retention challenges issues as In-Demand or Hard-to-Fill classes, including:

- Correctional Officers
- Nursing Positions
- Telecommunications Specialist/911 Operators
- Department of Services for Children, Youth and Their Families Positions
- Engineering Positions
- Trades – HVAC/Maintenance Technicians
- Corporation Assistants



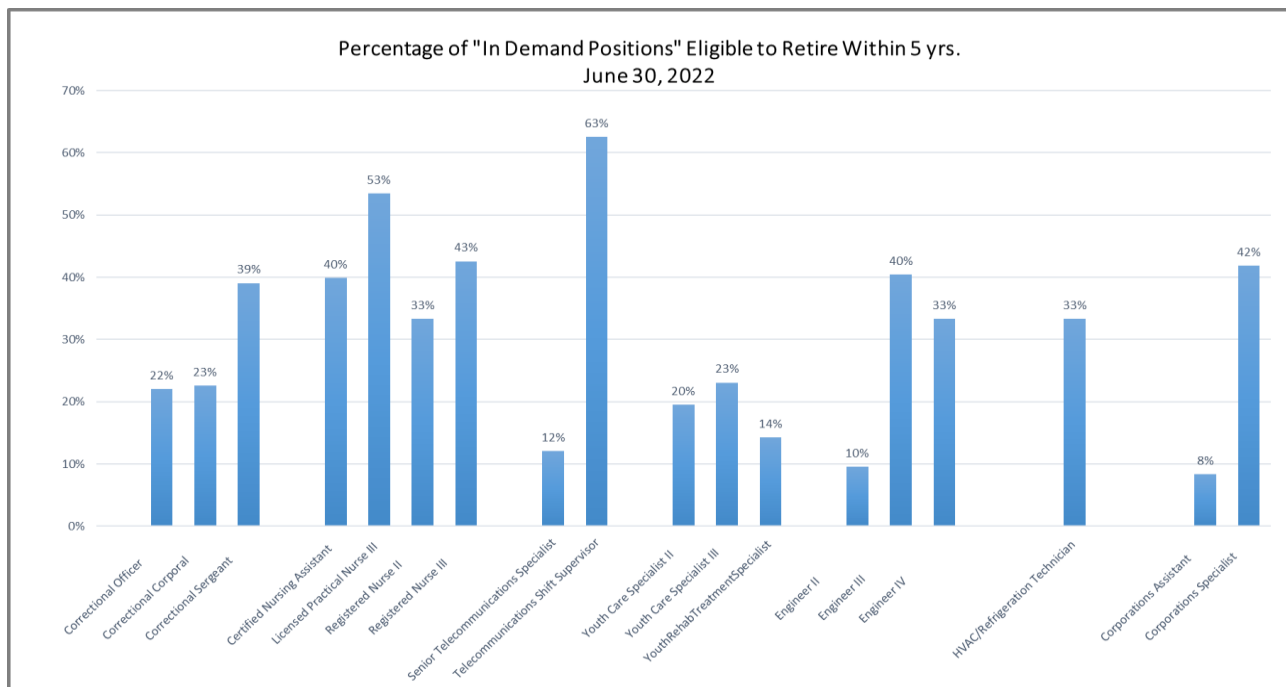
Of the State's designated In-Demand job titles:

- The greatest threat from possible retirements within five years of June 30, 2022, are the Telecommunications Shift Supervisor and Licensed Practical Nurse classes;
- Certified Nursing Assistants, Registered Nurse III, and Correctional Sergeant are the next three classes with the highest numbers of eligible retirees; and
- Corporation Specialists and Engineer III are the next highest with 42% and 40%, respectively; and,
- The positions with 20% to 23% of the workforce eligible to retire within five years include Correctional Officers, Correctional Corporals, Youth Care Specialists II and Youth Care Specialists III.
- The lower percentages of employees eligible for retirement or fewer tenured employees may result from employees not staying long enough to qualify for a pension or employees retiring immediately when eligible, both contributing to higher employee turnover.



The table and graph below show selected classes under each in-demand position and their retirement eligibility:

In Demand Classes Included in Analysis	Total Eligible to Retire Now or Within 5 yrs.	Total # of Employees in the position	% of Workforce Eligible to Retire Within 5 yrs.
Correctional Officer	83	377	22%
Correctional Corporal	75	332	23%
Correctional Sergeant	209	535	39%
Certified Nursing Assistant	89	223	40%
Licensed Practical Nurse III	23	43	53%
Registered Nurse II	2	6	33%
Registered Nurse III	60	141	43%
Senior Telecommunications Specialist	7	58	12%
Telecommunications Shift Supervisor	10	16	63%
Youth Care Specialist II	16	82	20%
Youth Care Specialist III	9	39	23%
YouthRehabTreatmentSpecialist	2	14	14%
Engineer II	2	21	10%
Engineer III	19	47	40%
Engineer IV	12	36	33%
HVAC/Refrigeration Technician	4	12	33%
Corporations Assistant	2	24	8%
Corporations Specialist	18	43	42%

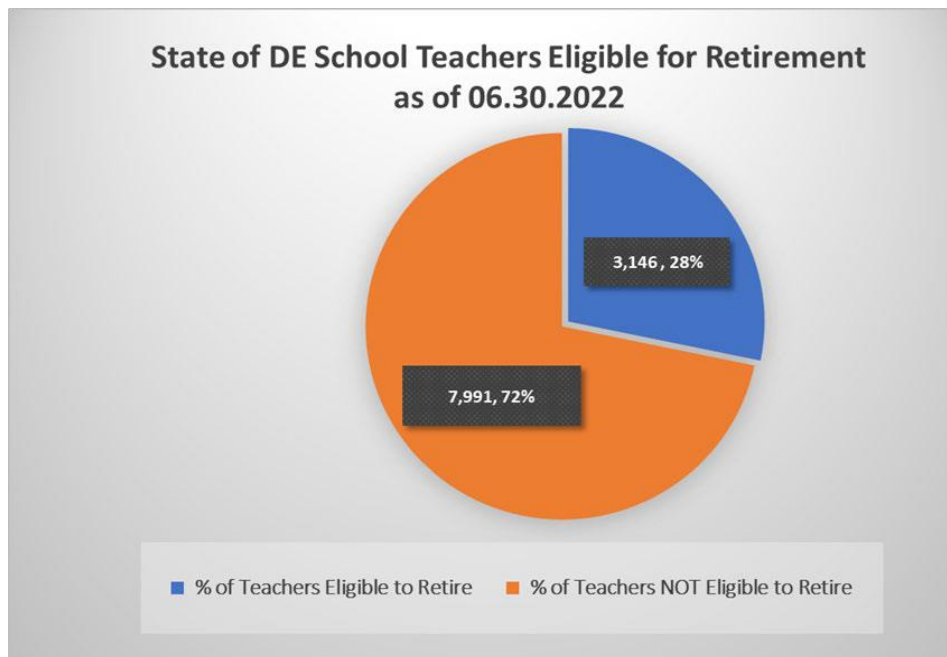


Delaware's Public School Teachers

The State's ability to attract and retain qualified teachers directly impacts the quality of Delaware's educational system and the futures of our children. As of June 30, 2022, The State employed a total of 11,137 Pension Eligible Teachers, which includes all charter and school district teachers.



Reviewing this data for Teacher positions, the pie chart below shows that 28% of Delaware School Teachers are eligible to retire within five years as of June 30, 2022; Approximately three out of every ten teachers are eligible to retire within five years.



DELAWARE’S RECRUITMENT AND RETENTION INITIATIVES

To address hiring and retention challenges, Delaware Governor John Carney and the General Assembly have increased salaries for state employees by an average of 12% for Fiscal Year 23 and Fiscal Year 24. State employees at the lower end of the pay scales have seen their salaries increase by as much as 18% in this two-year period.

With the support of Governor Carney, the Office of Management and Budget and the General Assembly, the Delaware Department of Human Resources also has aggressively implemented a number of initiatives, including:

- Signing bonuses, referral incentives and retention bonuses;
- Marketing campaigns for state jobs across social media and traditional media sites;
- Enacting legislation to induce eligible employees to delay retirement;
- Improving data gathering and analyzing capabilities to focus on retention impacts; and,
- Creating a uniform onboarding process.

Studies show that the better the onboarding, the longer employees stay with that employer. The following details these efforts:

Attract and hire employees with recruitment and retention incentives.

The recruitment and retention incentives, developed and implemented for in-demand positions, include sign-on, referral and retention bonuses. The chart below summarizes job classifications, sign-on bonus amounts, referral amounts, and the total number of employees hired as a result of these programs.

Job Class	Sign On	Referral	Other	Total Hired*
Correctional Officer Series	\$10,000	\$2,000	Academy Lodging for out of state	277
*Nursing Staff	\$3,000-\$10,000 depending on level	\$1,000	Retention bonuses	146
Engineers	\$4,000-\$7,000 depending on level	N/A		31
Family Services/Youth Rehabilitation	\$10,000	\$2,500	Retention Bonuses	310
Communication Systems Series	\$2,500		\$1,000	5
Corporation Assistant		\$1,000	Retention of \$1000-\$2,000	36/Turnover decreased more than 50%

*Total hired since inception of bonus by Department

Provide incentives for employees to reconsider retirement or consider reemployment.

In 2021, Governor Carney signed HB 80 of the 151st General Assembly into law, which increased the pension multiplier for peace officers across the State to incentivize seasoned employees in these in-demand positions to delay retirement. Specified peace officers included were: (1) Probation and Parole officers employed by the Department of Correction; (2) Capitol Police officers; (3) Department of Natural Resources police officers; (4) University of Delaware Police; (5) State Fire Marshal officers; (6) Division of Alcohol and Tobacco Enforcement agents; (7) Justice of the Peace Court constables; and (8) Probation and Parole officers in the Serious Juvenile Offender Unit and Senior Probation officers employed by the Division of Services for Children, Youth and Their Families. HB 79, with similar terms, was also enacted with the increased pension multiplier for 911 operators at State Police. During that session, Governor Carney also signed HB 478, raising the earnings limit for pensioners who return to work for the State in a non-pension creditable position to \$40,000.



Improve data gathering and evaluation from separating employees.

DHR has redesigned the Exit Survey tool to solicit more in-depth data from employees leaving State employment, including retirees. DHR is redefining the Exit Survey process to create a confidential, uniform process where employees separating feel comfortable providing honest feedback. This enhanced process provides the opportunity to centrally analyze data statewide and share it with state leaders. The new Exit Survey will be implemented on July 1, 2023.

In addition, rather than focusing solely on “Exit” interviews after state employees resign or retire, DHR is implementing more positive “Stay Surveys” to enhance employee satisfaction with the goal of increasing employee retention.

Create a uniform, robust Onboarding experience for new agency hires.

To encourage new hires to stay in State government, DHR has strengthened its Onboarding process. Society of Human Resource Management reports: 69% of employees are more likely to stay with a company for three years if they experienced great onboarding; new employees who went through a structured onboarding program were 58% more likely to be with the organization after three years, and organizations with a standard onboarding process experience 50% greater new-hire productivity.³ Although this initiative is focused on new hires, the care taken by the State and the inclusion of existing seasoned employees to assist in welcoming new employees are important components of demonstrating the importance of new employees to the State. The first set of new onboarding requirements will go into effect in July 2023 for Executive Branch agencies.

Provide employees more flexibility and work-life balance.

In April 2022, the State implemented the Alternative Work Arrangements statewide policy, which includes telework and flexible working schedules depending on the operational needs of the agency and the essential functions of the position. The State recognized the value of offering employees alternative work arrangements that provide the State’s workforce new opportunities to perform their work, provide increased options for work-life balance, assist in attracting and retaining employees and support continuity of operations while adhering to State statutes, merit rules and other relevant authority.

³ <https://www.shrm.org/resourcesandtools/hr-topics/talent-acquisition/pages/dont-underestimate-the-importance-of-effective-onboarding.aspx>

Review schedules to provide flexibility and effective staffing models.

Research shows that for Nurses, flexibility in work schedules and new, effective practice models were important to retirement decision-making for work-life balance and retention.⁵



Involve Supervisors and Managers.

Agency managers need to take advantage of every opportunity to listen and learn from their employees about their work environment, be open about why certain actions or processes occur the way they do, not become defensive, and be receptive to new ideas for doing the work. Create a pipeline for Supervisor/Manager feedback on employee retention suggestions.

⁵https://journals.lww.com/jonajournal/Abstract/2022/12000/A_Focus_Group_Study_of_Retirement_Age_Nurses_.6.aspx



CONCLUSION

Keeping state employee salaries competitive with the private sector, making employees feel valued, investing in training for state employees, implementing generous retention bonuses for state employees in hard-to-fill jobs and aggressively recruiting state employees will continue to boost Delaware's state government workforce. With the retirement eligibility information in this report, state executive branch agencies and school districts can see around the corner over the next five years and implement recruitment and retention plans to maintain a highly qualified, stable and well-trained state workforce.



APPENDIX A – Delaware State Agencies and Acronyms

Agency (Alphabetical Order)	Acronym
Delaware Criminal Justice Information System	DELJIS
Delaware National Guard	DNG
Delaware State Housing Authority	DSHA
Delaware State Police	DSP
Department of Agriculture	DDA
Department of Correction	DOC
Department of Education	DOE
Department of Finance	DOF
Department of Health and Social Services	DHSS
Department of Human Resources	DHR
Department of Justice	DOJ
Department of Labor	DOL
Department of Natural Resources & Environmental Control	DNREC
Department of Safety & Homeland Security	DSHS
Department of Services for Children, Youth & Families	DSCYF
Department of State	DOS
Department of Technology and Information	DTI
Department of Transportation	DeIDOT
Office of Management and Budget	OMB
Office of the Governor	OGOV
Office of the LT. Governor	LTGOV