

# Reduction in Force Introduction and RIF Mechanics Part 1

March/April 2025



## The Reduction in Force (RIF) Learning Series

RIF Policy Advisory Team

Workforce Policy and Innovation

U.S. Office of Personnel Management

# Housekeeping Items

- We will send out a copy of the presentation later.
- Ask questions in the Q&A, but please wait until a topic is covered so you're not posting a question that's already been answered. We have built in time at appropriate points to take questions.
- We'll respond to as many questions as we can; however, we cannot answer agency-specific scenario questions.
- We are recording today's session and will post the recording at a later date on OPM's [Reductions in Force \(RIF\)](#) Resources and Templates page.

# Introduction

# RIF Mechanics Part 1

# Agenda

- Overview of the Process
- Definitions
- The Reduction in Force (RIF) Process
- Agency Responsibilities
- The Mechanics of RIF – Part 1
- Wrap-up: Final Questions & Resources

# Overview of RIF

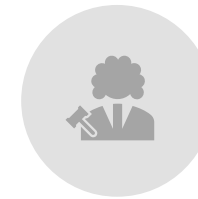
# RIF Process



Planning and  
Analysis



Notification and  
Preparation



Formal RIF Notice  
Period



Placement & Appeals



Implementation and  
Transition



Post RIF Support and  
Monitoring

# Definitions

# What is a Reduction in Force (RIF)?

- Process by which agencies determine who is impacted and how and/or when Federal positions are abolished or downgraded.
- Based on objective criteria (non-personal).
- The focus is on protecting employee's retention rights.



# When is a RIF Required?

**Both** the *action* to be taken and the *reason* for the action determines when a RIF must be used:

**Action to be taken:** involuntary separation, downgrade, or certain furlough actions\*

**Due to:** Lack of funds, shortage of work, reorganization, insufficient personnel ceiling, exercise of reemployment or restoration rights, and certain reclassification actions

\* Furlough duration determines if RIF or adverse action procedures apply

# Identify a Trigger Event (1 of 2)



# Identify a Trigger Event (2 of 2)

- Obsolete Function(s)
- End of Life
- Budget Shortfall
- OMB/Politics
- Reclassification
- Other Factors/Events

# RIF Procedures Defined

- A Reduction in Force (RIF) may be necessary to meet budget or manpower restrictions.
- By law, RIF procedures are normally required when you separate or downgrade employees involuntarily. It is a system that decides who stays and who goes when positions are eliminated or abolished.
- The primary focus is not how cuts are made, but how employees are protected when cuts occur.
- By law, RIF retention is based on four factors: (1) tenure, (2) veteran' preference, (3) seniority, and (4) performance. Employees' standing on a retention register is based upon a combination of these factors.

# Key Terms in RIF (1 of 2)

- These terms apply mainly to RIF:

Competitive area (\*\* *Organizational or Geographical*)

Competitive level

Retention factors

Retention register

- Positions in the competitive area are organized by competitive levels
- Retention factors are then applied to each potentially affected employee in that competitive area to create a retention register.

\*\*Organizational- a subdivision of the agency under separate administration. Geographical – by commuting area (could be local commuting area or nationwide)

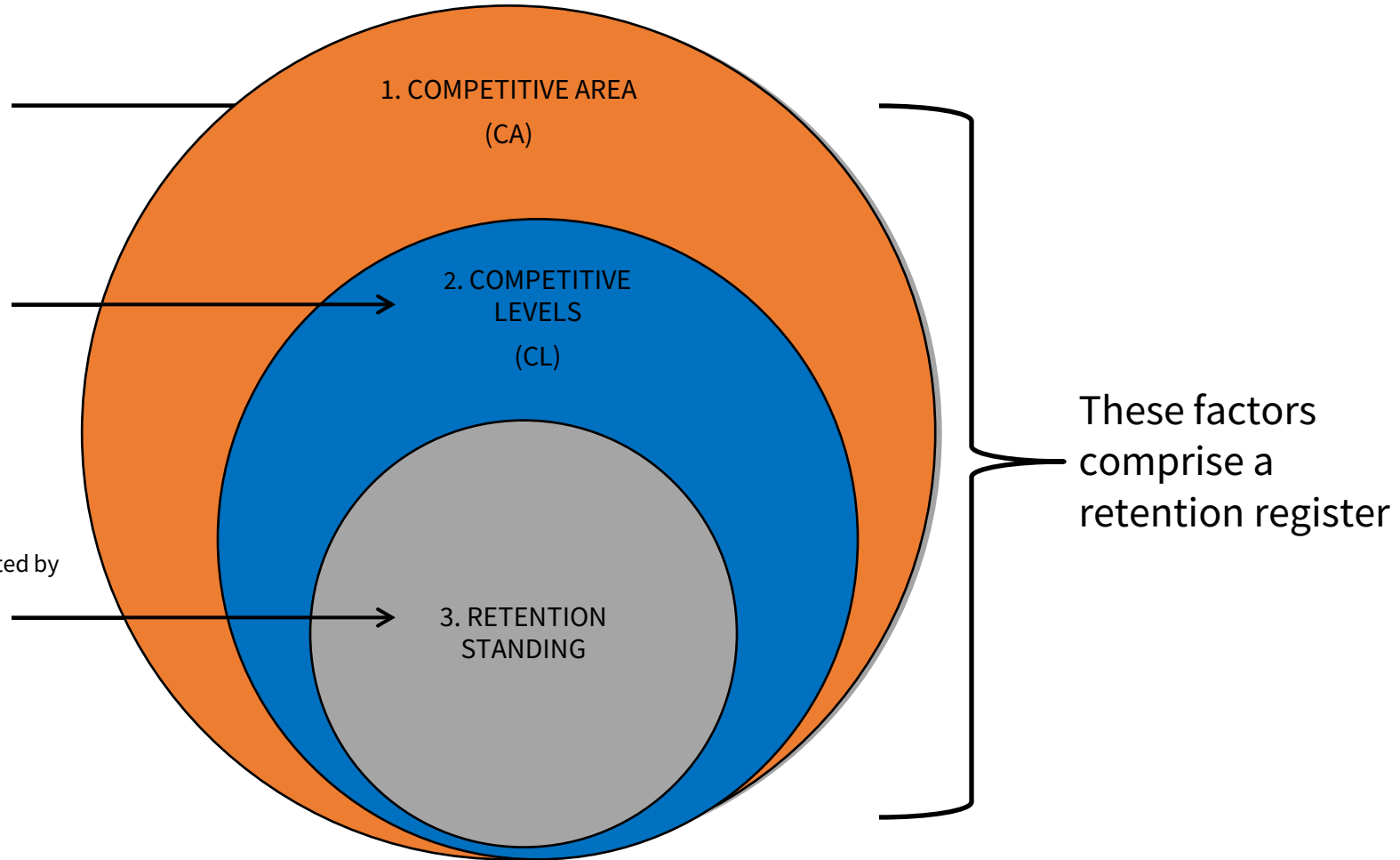
# Key Terms in RIF (2 of 2)

Scope of RIF competition

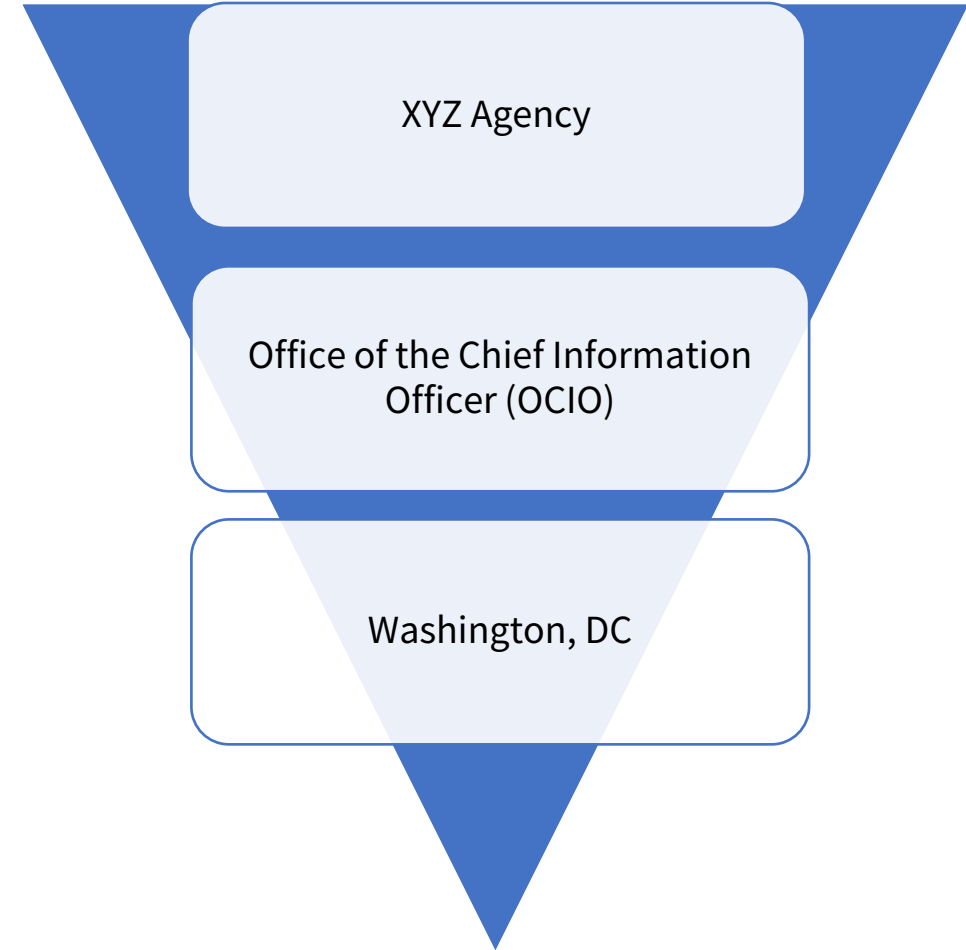
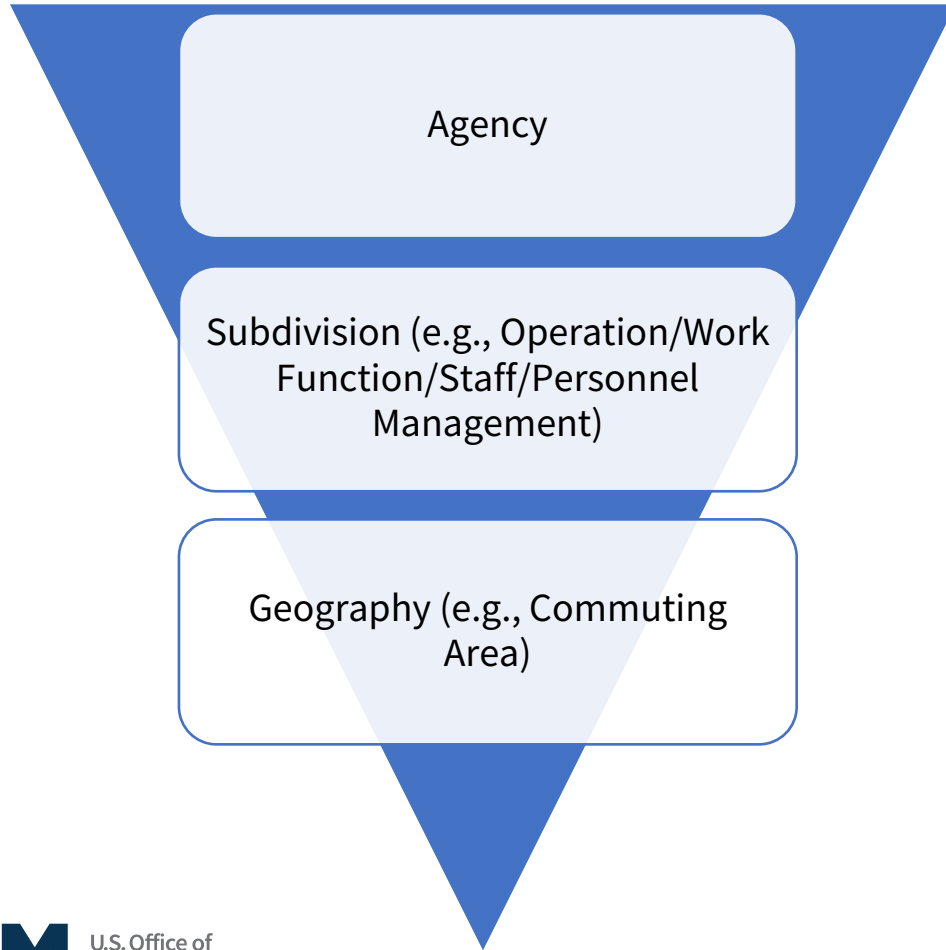
Within the CA, positions are grouped by pay plan, series, grade, similar quals, work schedule, and type of service\*

\*for excepted service, levels are further separated by appointment type w/in the excepted service.

Within each CL, employees are placed in retention standing order



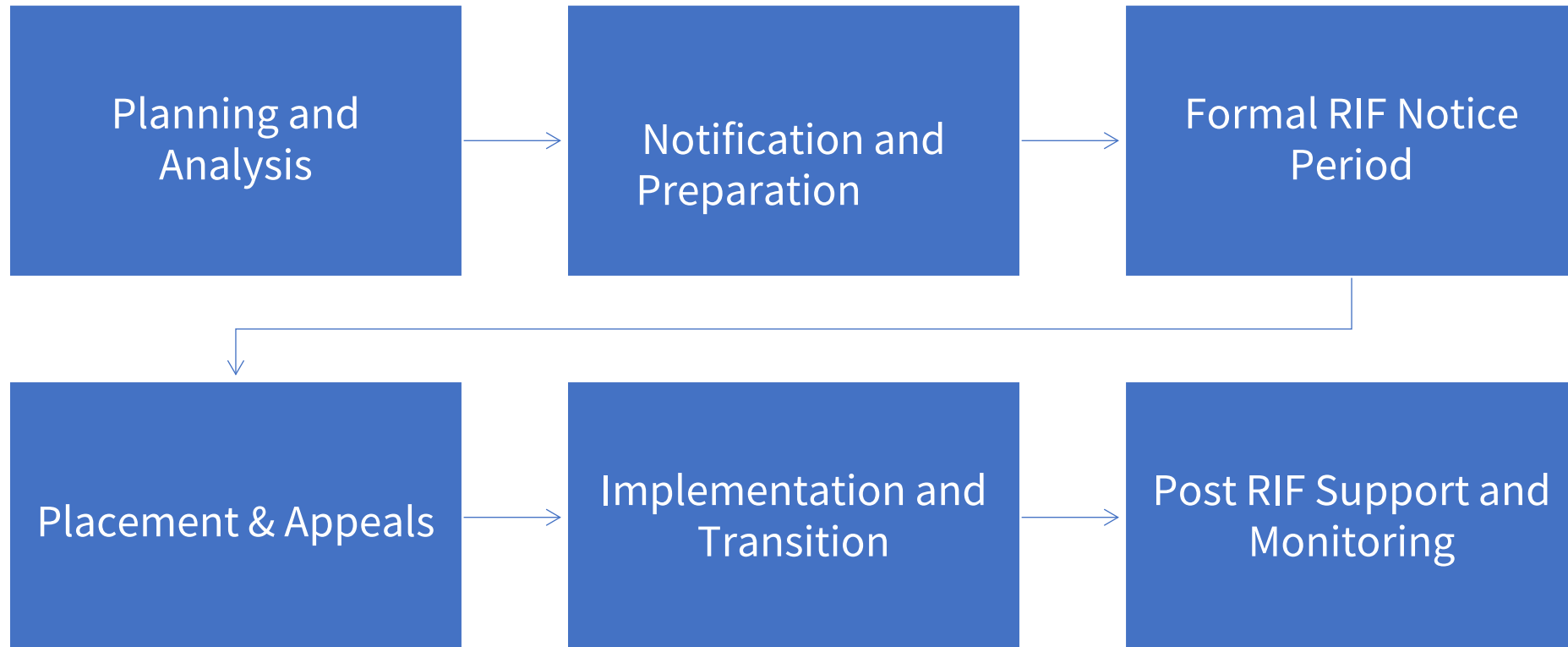
# Sample Competitive Areas



# The RIF Process



# RIF Process



# Implementation and Timing

## Planning Phase

- Workforce Analysis
- Stakeholder Consultations
- Retention Register Preparation

\*\* reference ([OPM RIF Planning](#))

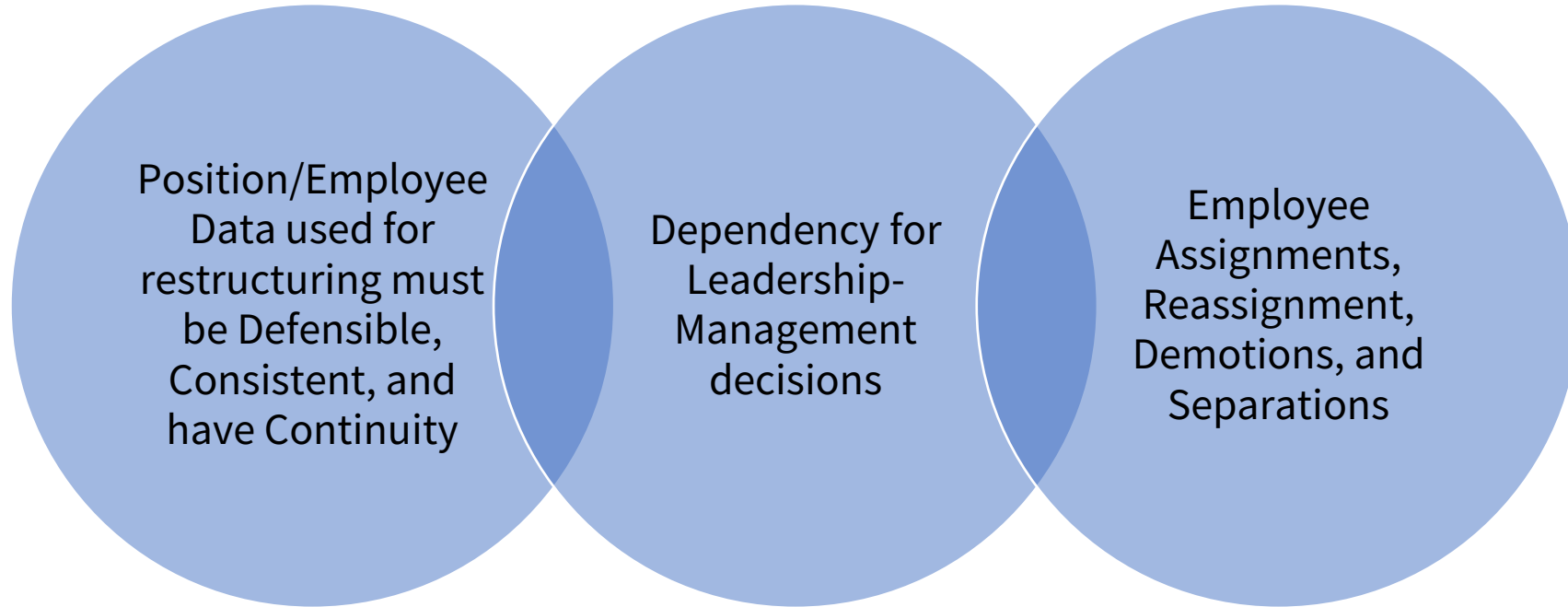
## Notification Period

- A minimum of 60 days written notice is required for employees before implementing RIF actions (absent an OPM-approved exception)

## Execution

- Agencies finalize reassignments and separations in compliance with federal regulations

# Data Review and Verification



# Agency Responsibilities

# Agency Obligations

- Deciding whether to implement a RIF
- Communicating the agency's plans to all levels of management, RIF teams, and all other employees, as well as any collective bargaining agents
- Identifying staff and teams who will implement the RIF processes
- Preparing and using retention registers
- Issuing RIF notices
- Counseling employees on procedures and options
- Preparing for post-RIF actions (career transition requirements)

# Management Alternatives to RIF

- Hiring freezes, attrition, temporary or term appointments instead of permanent
- Management directed or voluntary reassignments
- Aggressive transition/placement programs
- Voluntary Early Retirement Authority (VERA)
- Voluntary Separation Incentive Payments (VSIPs or buyouts)

# Management Decisions

Agency management must:

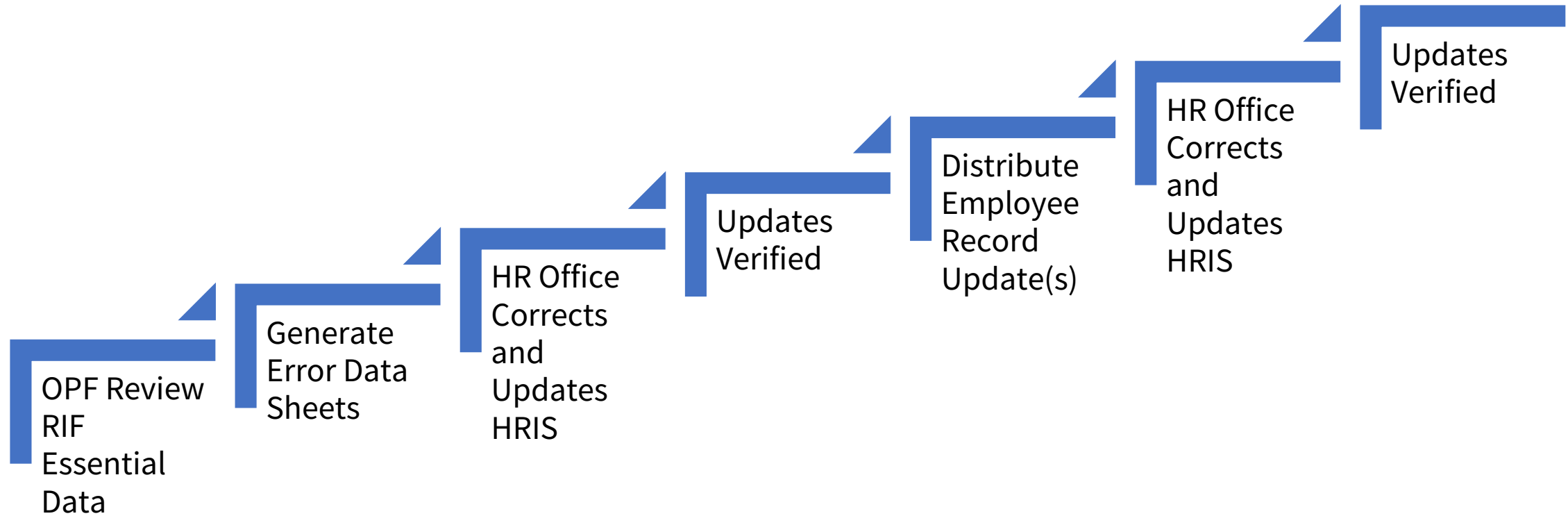
- Consider the positions required to be retained to carry on agency mission, and decide which positions are:
  - Excepted from a hiring freeze
  - Included in VERA and/or VSIP offers
  - Abolished in a RIF
- Provide the reason(s) for the RIF
- Determine the effective date of the RIF

# Areas of Concern – Non-RIF Factors

- Collective Bargaining
- Records
- Communication
- Training
- Qualifications
- OPM Guidance



# Data Review and Verification Process



# RIF Preparations and Communications

- This encompasses all the preparations that are necessary to execute the RIF to generate notices to impacted employees.
- Most of the work conducted by the operating HR office during the RIF will be accomplished during this stage.
- In most RIF actions, this stage may comprise up to 90% of the time and resources devoted to the project.

# Additional Notice Requirements

## When it applies

- When 50 or more employees in a competitive area receive a separation notice

## What it requires:

- Employers must provide at least 60 calendar days' written notice to affected employees, their representatives (like a union), the state, OPM, and the local government.

## Why it's important:

- The 60-day notice allows workers time to find new jobs, seek retraining, and communities to prepare for the economic impact of job losses.

# Questions

# The Mechanics of RIF – Part 1

# Competitive Area (CA)

# Competitive Areas (CA)

- Defines the limits within which employees compete for retention
- Defined by:
  - Organization
  - Geography (e.g., commuting area)
- OPM sets the **minimum** standard in regulation
  - **Organizational:** A subdivision of the agency under separate administration
  - **Geographical:** Within the local commuting area
- There is no **maximum** standard
  - **Organizationally:** Could be defined agency-wide
  - **Geographically:** Could be defined nationwide
- Agencies determine CAs within these standards and must document them in their policies

# What is “Separate Administration”?

- The subdivision is separately organized
- It is clearly distinguished from other units for:
  - Operation
  - Work function
  - Staff
  - Personnel management
- The unit has authority to take or direct personnel actions (e.g., establish or abolish positions)



# Local Commuting Area

- Established by the agency
- Must comply with the regulatory definition:  
“...the geographic area that usually constitutes one area for employment purposes. It includes any population center (or two or more neighboring ones) and the surrounding localities in which people live and can reasonably be expected to travel back and forth daily to their usual employment.” (5 CFR 351.203)

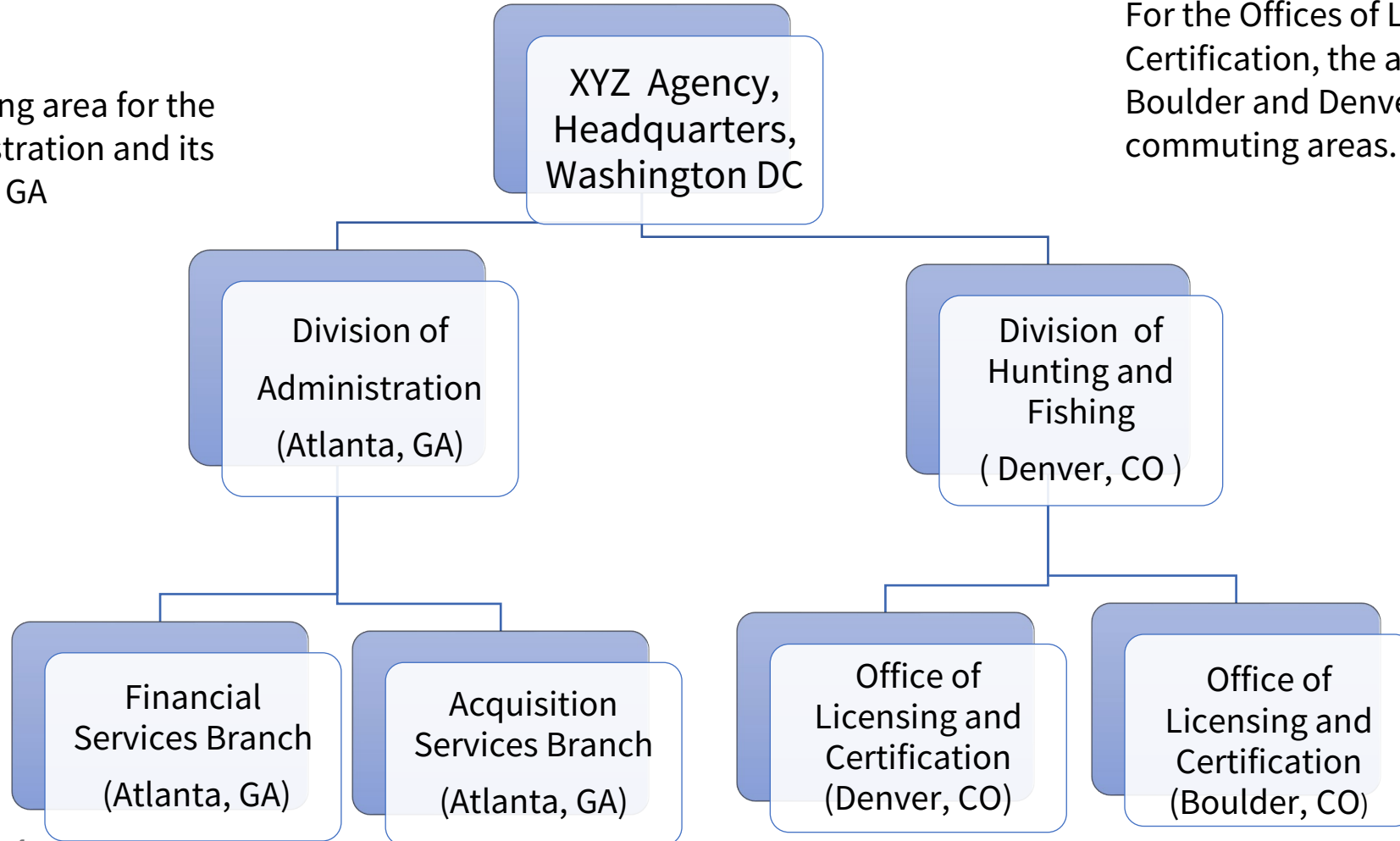
Note: There is *no mileage standard* when determining the local commuting area

# Sample Competitive Area (CA)

Each organization/subdivision operates under “Separate Administration.”

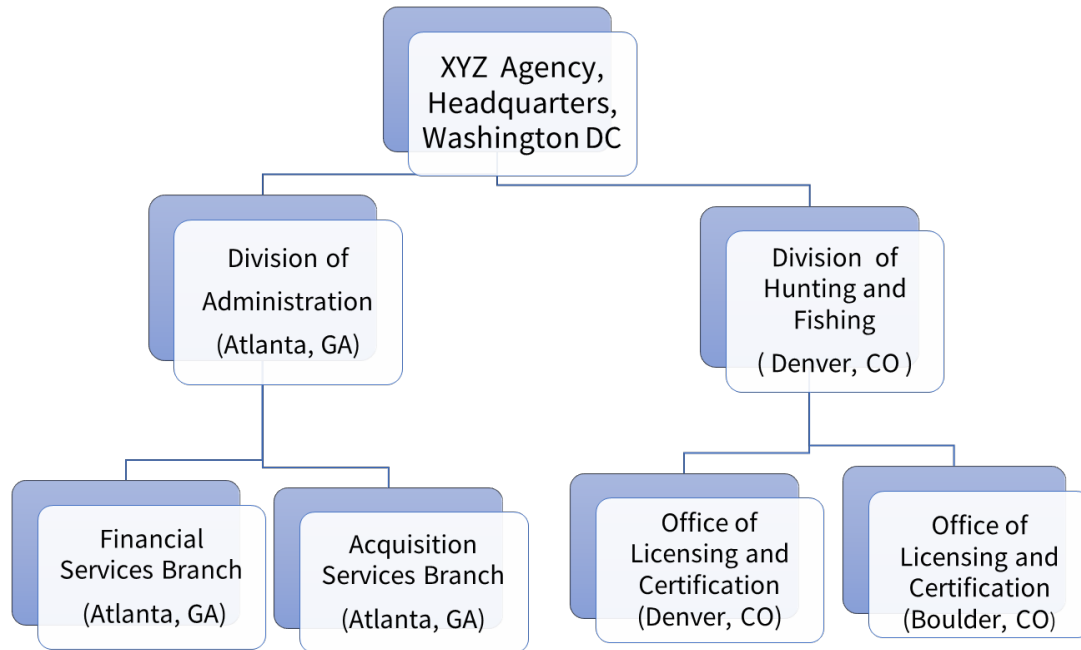
The local commuting area for the Division of Administration and its subunits = Atlanta, GA

For the Offices of Licensing and Certification, the agency has defined Boulder and Denver, CO as separate local commuting areas.



# Competitive Area – Organizational Boundaries

A RIF must take place in the Financial Services Branch of the Division of Administration, of the XYZ Agency. For the purposes of this example, assume each organization/subdivision meets the “separate administration” standard.



What is the *minimum* organizational boundary for the competitive area, based on what we know?

Must the competitive area encompass the Acquisition Branch?

Could the agency decide to include the Acquisition Branch in the CA?

Could the agency decide to include the Division of Administration?

Could the agency decide to include the entire agency, organizationally, in the CA?

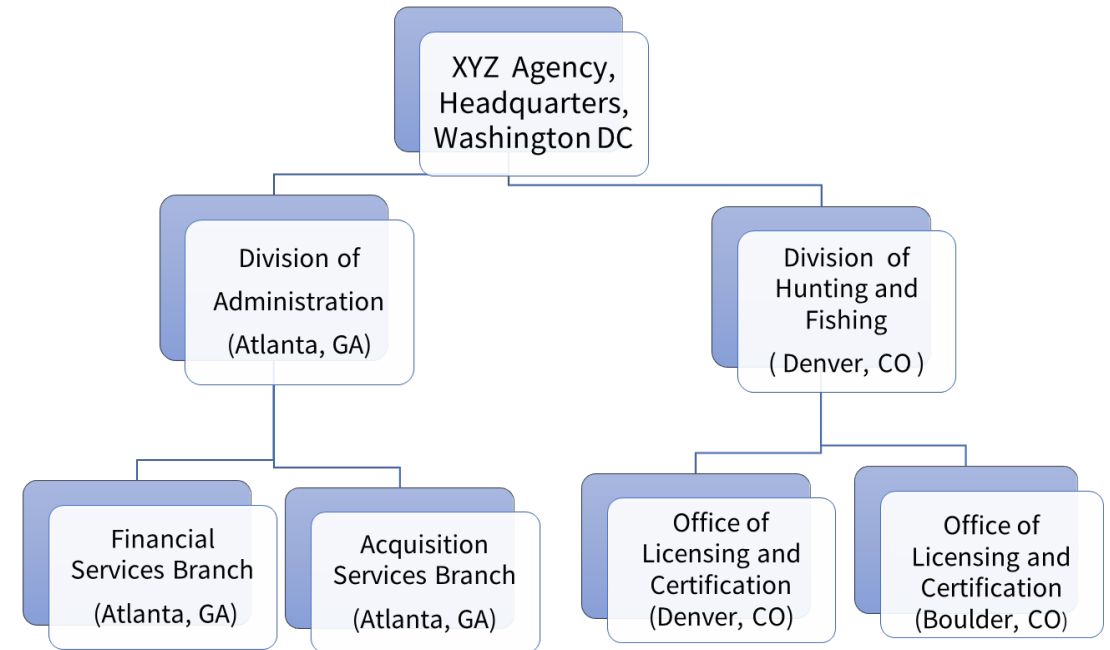
# Competitive Area – Geographical Boundaries

A RIF must take place in the Office of Licensing and Certification in Denver.  
The agency has defined “local commuting areas” as shown in the org chart.

What is the minimum geographic boundary the agency can assign for the CA?

**Must** the agency allow employees in Denver to compete with employees in Boulder in a RIF?

Does it matter that Boulder and Denver are only about 30 miles apart?

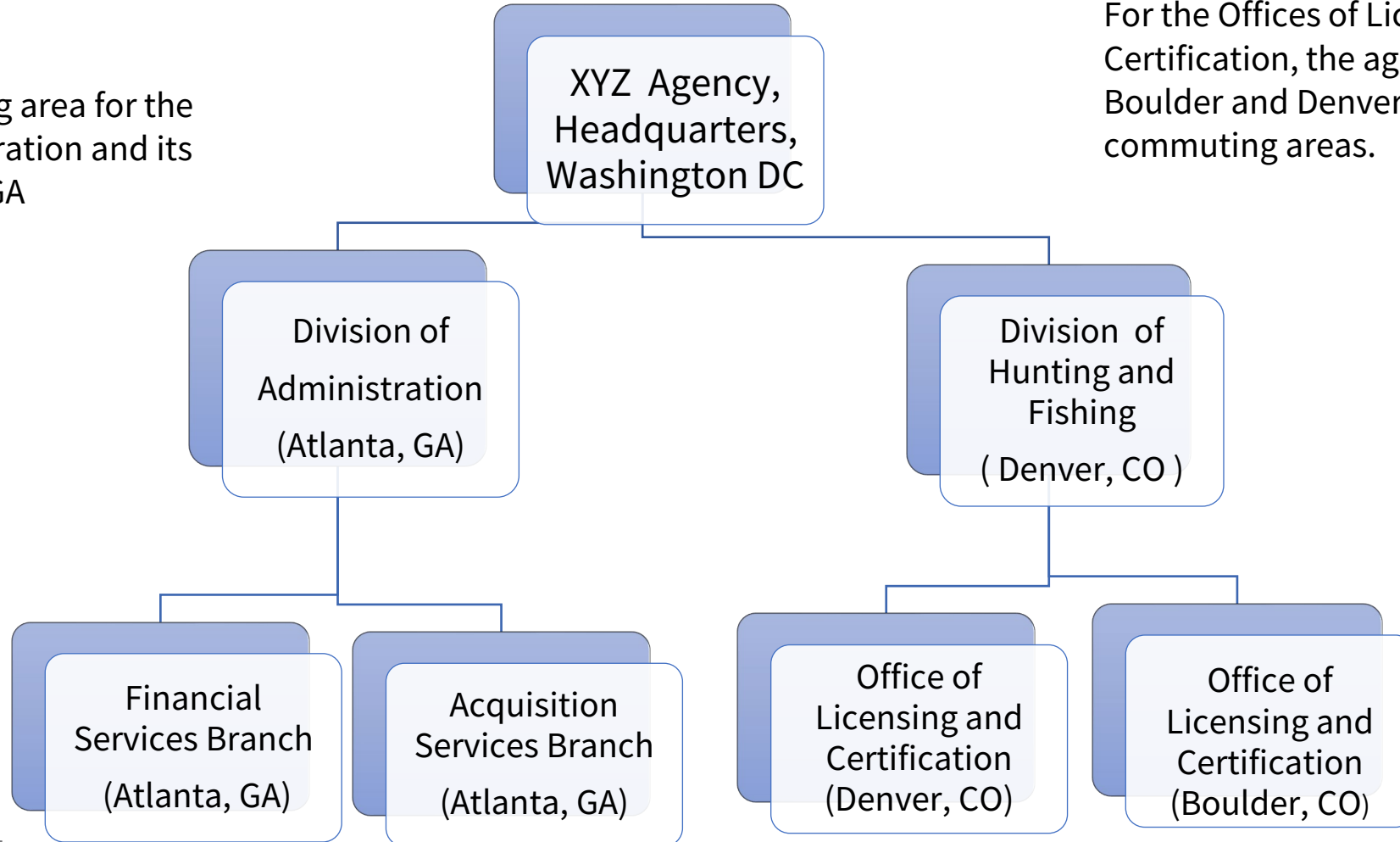


# Sample Competitive Area (CA)

Each organization/subdivision operates under “Separate Administration.”

The local commuting area for the Division of Administration and its subunits = Atlanta, GA

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# Competitive Area – Additional Options

- In the example of the Financial Services Branch, the minimum competitive area would be “Competing Employees in the Financial Services Branch located in Atlanta, GA.”
- At the agency’s discretion, they could widen competition to include all of the Division of Administration, Atlanta Georgia.
- Or, the XYZ agency could allow RIF competition Agency-wide, across all locations.
- In the example of the Office of Licensing and Certification, the minimum competitive area would be “Competing employees in the Office of Licensing and Certification located in Denver, CO.”
- At the agency’s discretion, they could widen competition to include the Office of Licensing and Certification in Boulder, CO as well.
- Or, the XYZ agency could define their CA to be agency-wide, across all locations.

# Competitive Areas and Telecommuting Employees

- The same definition and standards for Competitive Areas in 5 CFR 351.402 apply to work performed directly on-site as to work performed remotely or by telecommuters
- Agencies still draw geographical and organizational boundaries using the regulatory minimum standard
- This could mean that geographically dispersed employees are in the same organizational unit, but in different local commuting areas
- Agencies then must decide, after meeting the minimum standard, how wide they want to open up the RIF CA.

# Competitive Areas – Additional Examples

An organizational subdivision has positions located in Washington, DC and remote locations. All remote positions are being abolished in the organization. The agency could establish one (1) competitive area:

Organizational subdivision, nationwide except for Washington, DC



# Competitive Areas – Additional Examples

An organizational subdivision has positions located in Washington, DC and remote positions across the country. The organization will have a partial RIF with all remote positions being abolished and half of the DC positions being abolished. The intent is for the remaining positions to be in the DC office. The DC location could be a separate competitive area from the rest of the country to allow for retention within the DC-located employees only. The agency could establish two (2) competitive areas:

- 1) Organizational subdivision, Washington, DC
- 2) Organizational subdivision, nationwide except for Washington, DC

# Some Points to Consider in Defining a CA

Defining the scope of the RIF, or the Competitive Area, is to strike a balance between manageability, cost factors, and the ability to minimize disruption to the mission while limiting adverse outcomes.

- Is the need for a RIF spread throughout the organization or agency?
- Is it confined to a particular function or organization?
- Is the organization impacted geographically dispersed?
- How many positions and people are impacted – a dozen? Several hundred? Is the entire agency being closed?
- Can we reasonably manage the RIF using the CA definition?
- If the CA spans different commuting areas, have you accounted for relocation costs?

Note: It is possible, although rare, that a CA can contain only 1 employee, and result in a “one person RIF” (see *Ginnodo v. Office of Personnel Management*, 753 F.2d 1061 (Fed. Cir. 1985))

# Uniformed Services Employment and Reemployment Rights Act (USERRA)

- USERRA requires employers, including the Federal Government, to return individuals back to work in their civilian jobs after uniformed service.
- Employees are NOT listed on the Retention Register because of restoration rights under USERRA.
  - The employee does not compete for retention under the RIF regulations or appear on the retention register ; instead, the employee has a restoration right under USERRA.
- The employee cannot be separated except for cause for a period of up to one year if USERRA covered service is more than 180 days or 6 months if service is more than 30 days but less than 180 days

# Competitive Levels

# Competitive Level

- All jobs in the **competitive area** grouped by:
  - Pay Schedule (e.g., GS, WG, or pay banded positions)
  - Classification series
  - Grade (or level) and
  - Duties and qualifications (“specialty” or “sub codes,”) as needed to further delineate qualifications
- Further Separated by:
  - Service (competitive vs. excepted)
  - Work schedule (e.g., full-time, part-time, seasonal)
  - Within the excepted service, by appointing authority

# Sample Competitive Levels

## Human Resource Specialist

### **GS-0201-12 (Employee Relations)**

- All full-time GS-12 HR specialists in employee relations are grouped together because they perform similar work and require the same qualifications.

## Human Resource Specialist

### **GS-0201-12 (Recruitment & Staffing)**

- Separate from the Employee Relations GS-12 specialists because recruitment and staffing require different knowledge and expertise.

## Human Resource Specialist

### **GS-0201-11 (Generalist)**

- Includes all GS-11 HR specialists who handle various HR tasks, as they can perform each other's work with minimal retraining.

## Human Resources Specialist

### **GS-0201-09 (Benefits & Payroll)**

- These employees specialize in benefits and payroll, so they form a separate competitive level from generalist HR specialists.

# Sample Competitive Levels

## Human Resources Specialist

(Employee Relations)  
GS-0201-12

Jeremy  
Sarah  
Kyle  
Mary

## Human Resources Specialist

(Recruitment & Staffing)  
GS-0201-12

Alton  
Barbara  
Carla  
Patricia

## Human Resources Specialist

(Benefits & Payroll)  
GS-0201-09

Reginald

# Questions



# Online Resources for Agencies

- RIF law - [5 U.S.C. 3501 – 3504](#)
- RIF regulations - [5 CFR part 351](#)
- [Reductions in Force \(RIF\)](#) pages on OPM's website - various policy guides, including new, updated resources and templates
- [Workforce Reshaping Operations Handbook](#)

# The Reduction in Force (RIF) Learning Series

## RIF Policy Advisory Team

The U.S. Office of Personnel Management (OPM) invites Federal HR practitioners to learn about Reduction in Force (RIF) procedures and best practices.

A free, government-wide learning series available on [Eventbrite](#)\* for all Federal HR practitioners.  
**\*must have a .gov or .mil email domain to register**



**Upcoming Events - Check back at our series collection for updates!**

**Thursday, March 27 – RIF Mechanics Part 2:** Learn the basic mechanics (part 2) of Reduction in Force from OPM’s subject matter experts.

**Wednesday, April 2 – Introduction and RIF Mechanics Part 1:** Learn the basic mechanics (part 1) of how to conduct a Reduction in Force from OPM’s subject matter experts.

**Thursday, April 3 – RIF Mechanics Part 2:** Learn the basic mechanics (part 2) of Reduction in Force from OPM’s subject matter experts.

***These learning series do not advise on individual employment matters.***

# Thank You

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**Please take a moment to complete a short survey**

to provide your feedback on today's session:

<https://surveys.opm.gov/se/5B5534D425C1D14F>



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