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How to keep talent? Money alone won't guarantee job satisfaction.

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Uncle Sam doesn't have a big problem retaining his workers - at the moment.

But that could change.

While he's still a good boss, the two-year pay freeze and, especially, proposals to cut retiree benefits could push some of his best staffers out the door.

Keeping them on the job is the focus of a report, "Keeping Talent," which the Partnership for Public Service and the consulting firm of Booz Allen Hamilton plan to release Wednesday.

"Managers need to do a lot more to be sure they keep their talent," Max Stier, president of the Partnership, said in an interview. The Partnership is a nonprofit organization that studies federal workplace issues. It has a content-sharing relationship with The Washington Post.

On the list of serious problems - Afghanistan, Iraq, national finances, social problems, divided government - attrition doesn't rate much attention. Why should it? The federal 5.85 attrition rate in fiscal 2009 was down from 7.6 percent the year before. Meanwhile, attrition in the private sector is significantly higher, 9.2 percent.

Yet the relatively low federal attrition rate can lull agencies into complacency and mask deeper problems, leading officials to underestimate the need for well-considered retention policies.

"Attrition may not seem to be a problem overall, but there are pockets within agencies and across government where turnover is high and problematic," the report says.

In those pockets are new employees, those close to retirement and workers in "mission-critical jobs."

Mission-critical jobs include "stem" gigs - scientific, technical, engineering and mathematical positions, said Ron Sanders, senior executive adviser at Booz Allen and a veteran government personnel official. Experts in cybersecurity, foreign-language speakers and people with security clearances also are in demand, by Sam and his private competitors. That makes it easy for them to leave.

"They can vote with their feet if they want to," Sanders said.

More federal workers may decide they want to do just that unless retention gets more attention. "Many agencies do not consider employee retention to be a serious concern at this time," according to "Keeping Talent."

Perhaps because of that, most managers surveyed for the report said "collaboration between HR and line managers on efforts to retain individuals is often weak."

So what needs to be done?

One simple suggestion is for bosses to ask staff members what they want out of their jobs and what is missing, then act on those concerns.

Other recommendations: coach managers to be better managers; show employees how their work contributes to the agency's mission; build the agency's reputation as a center of excellence; encourage affinity groups, such as Blacks in Government, to support employees and sustain diversity; establish mentoring programs; offer flexible work arrangements, such as telework; and supplement salaries through such efforts as student-loan payments and tuition reimbursement.

Of course, money, in the form of retention bonuses, can be a big help.

But money can't buy love.

Although the pay freeze might hasten the exit of some workers, more money isn't always the answer. Instead, issues of teamwork, supervision and leadership have "the biggest impact on employee job satisfaction and retention," the report says.

Sanders looks at it this way: An employee's decision to leave is based on tangible things like pay, promotions, office space and the commute to work. A decision to stay with an employer is based on intangible items, "squishy" things such as the relationship with the boss and co-workers and the organization's culture and values.

Squishy, maybe, but Sanders says it's his experience that the intangibles generally trump the tangibles.

"If they feel connected to the agency, that will be a powerful magnet that's going to keep them," he said. "If they don't, the attrition risk will go up."

Much of that falls on front-line managers. According to one manager quoted in the report: "People don't leave jobs, they leave their managers. I believe people would rather work for the best manager at the worst company rather than the worst manager at the best company."

Costly 'service credit' fix

A problem with government pension plans apparently is finally fixed, and it will be the victims of the government's errors who have to pay the price.

In July 2008, the Office of Personnel Management found that the system for individual payments into federal retirement programs to capture "service credit" was not properly calculating the interests on those payments. About 8,500 people are affected. Amounts owed range from less than $100 to much more.

The payments are called service credits or redeposits and are used to bolster a worker's retirement package. Employees make service credits - or payments into the retirement program - to cover a period when they did not contribute. Employees could also make payments if they left government service but then later returned and wanted to make up for the gap in contributions.

The law requires service credits and redeposits to include interest. But the system erred in how the interest was calculated, and OPM couldn't figure out how to fix it for what seems like an inordinate amount of time.

Now that it's fixed, at least according to OPM, the agency has determined that some people owe interest on their payments into the system to cover the time they weren't in it.

Some people overpaid. Sam will give them a refund. But he's not going to give them interest on their overpayments, even though those who underpaid must pay interest to make their accounts whole.

People with questions can call 202-606-5240. Don't be surprised if you get a recording.