



# Competitive Areas in Reduction in Force (RIF)

Please refer to the [Workforce Reshaping Operations Handbook | OPM](#) and its [Appendices](#) for specific operational procedures designed to ensure that reshaping efforts comply with merit system laws and regulations.

## Competitive Area Basics

- Defines the limits, or boundaries, within which employees compete for retention.
- Defined by, and includes all employees within, the:
  - Organizational unit(s), and
  - Geographical location (e.g., local commuting area)
- Employees compete for retention only with other employees in the same competitive area.
- There is no minimum or maximum number of employees in a competitive area.
- The minimum standard is:
  - Organizational unit: a subdivision of the agency under separate administration\*
  - Geographical: within the local commuting area
  - There is no maximum standard. Organization could be defined agency-wide; geographical location could be defined as nationwide
- Agencies must keep records when establishing or changing competitive areas and publish descriptions or make them readily available for review by employees and OPM.
- An agency must establish competitive areas at least 90 days prior to a RIF effective date unless, at its option, the agency requests an OPM exception to the usual 90-day competitive area requirement.

## Basis for Competitive Area

- May establish a competitive area comprised only of pay band positions when the competitive area would otherwise include pay band positions and other positions not covered by a pay band.
- May not define a competitive area based on other considerations (such as bargaining unit membership, grade, occupation, etc.).
- Must establish a separate competitive area for an Inspector General activity established under authority of the Inspector General Act of 1978 (Public Law 95-452, as amended).
- The same competitive area standard applies to both headquarters and field activities.
- A minimum headquarters or field activity competitive area is any organizational unit under separate administration\* within the local commuting area.

### *\*Separate Administration*

Used for purposes of establishing a minimum competitive area:

- It has the authority to take or direct personnel actions (e.g., establish or abolish positions);

- The organizational unit or subdivision is separately organized; and
- It is clearly distinguished from other units with regard to operation, work function, staff, and personnel management.

### *Local Commuting Area*

- Each agency has the responsibility to define local commuting areas consistent with the regulatory definition, which is 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.”
- OPM has not established a mileage standard to determine when two local duty stations would be included in the same local commuting area.

## Considerations When Organizations Have Remote and Field Office Employees

Competitive areas are established based on organizational unit (no lower than a subdivision) and geographical location. If an organization has employees stationed in Washington, DC (or another location) and remote employees across the country, establishing the competitive area(s) depends on a couple of factors. Keep in mind, remote locations are not synonymous with field office locations.

- Is the RIF affecting 100% of the employees in the organization?
- Is the organization part of a subdivision with other organizations not affected by RIF?

### Possible Scenarios:

1. An organizational subdivision, under separate administration, is subject to 100% RIF, due to office/organizational closure, AND the competitive area is exclusive to the organization, meaning it does not include other organizations as part of a larger competitive area, then the competitive area could be established as:
  - 1) Organizational subdivision, nationwide (to encompass all employees of the unit regardless of duty location)

### *Remote Positions*

2. 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:
  - 1) Organizational subdivision, nationwide except for Washington, DC
3. 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

## *Field Offices*

4. An office with positions located in Washington, DC and in the field is being abolished. This office is located within a subdivision with other offices. Retention standing will matter because the affected office would be competing with these other offices in the same competitive area and the employees may have retention rights to positions within those other offices. The agency could establish two (2) competitive areas:
  - 1) Organizational subdivision, Washington, DC
  - 2) Organizational subdivision, nationwide except for Washington, DC
5. An office with positions located in Washington, DC and field offices is abolishing 3 of its 5 field offices. The agency could establish two (6) competitive areas:
  - 1) Organizational subdivision, Washington, DC
  - 2) Organizational subdivision, location 1 (field office 1)
  - 3) Organizational subdivision, location 2 (field office 2)
  - 4) Organizational subdivision, location 3 (field office 3)
  - 5) Organizational subdivision, location 4 (field office 4)
  - 6) Organizational subdivision, location 5 (field office 5)
6. An office with positions located in Washington, DC and field office is reducing 50% of its field office staff. All field offices are remaining, just with an overall reduce staff. Competition (retention standing) will be among all field office staff to determine who will be released in the reduction. The agency could establish two (2) competitive areas:
  - 1) Organizational subdivision, Washington, DC
  - 2) Organizational subdivision, nationwide except for Washington, DC

**REMINDER:** Agencies may not define a competitive area based on other considerations (such as bargaining unit membership, grade, occupation, etc.).

Once an agency establishes competitive areas, it will establish competitive levels within those areas. Competitive levels consist of all positions in a competitive area which are in the same grade (or occupational level) and classification series, and which are similar enough in duties, qualification requirements, pay schedules, and working conditions.