

Running head: PREDICTING EMPLOYEES' DECISIONS TO RETIRE

Predicting Employees' Decisions to Retire

Terry A. Beehr and Sharon Glazer
Central Michigan University

Norma L. Nielson
Oregon State University

Suzanne Farmer
Central Michigan University

Author Notes

Terry A. Beehr, Sharon Glazer, and Suzanne Farmer, Psychology Department. Norma L. Nielson, College of Business Administration.

The data were collected with the funding of a grant from the Andrus Foundation. Further tangible assistance was provided by a sabbatical leave and an associated grant from the Faculty Research and Creative Endeavor Committee of Central Michigan University. The authors appreciate the help of those agencies. We also thank Sonja Faulkner and Papia Ghosh for their assistance on this project.

Correspondence concerning this article should be sent to Terry A. Beehr, Director, Ph.D. Program in Industrial/Organizational Psychology, Sloan Hall, Central Michigan University, Mt. Pleasant, MI 48859.

A previous version of this study was presented at the annual meeting of the Midwestern Psychological Association, in Chicago. Previous publications reporting other data from this database are two by Nielson and Beehr (1992, Payout elections of participants in a public pension, *Benefits Quarterly*, Second Quarter, 59-69; and Retirement income for surviving spouses, *Public Personnel Management Journal*, 23, 407-428) and one by Beehr and Nielson (1995, Descriptions of job characteristics and retirement activities during the transition to retirement, *Journal of Organizational Behavior*, 16, 681-690).

Abstract

In a study of the likely causes of retirement decisions, 197 older employees of a state government and their spouses were surveyed a few months before and again a few months after the employees' retirement. Data also were collected from the employees' personnel records. Holding finances, gender, and health constant, (1) some work characteristics conceptualized as potentially pushing older employees away from work and toward retirement and (2) some personal and expected retirement characteristics conceptualized as potentially pulling them toward retirement were examined for their ability to predict employees' expected ages of retirement.

Predicting the Decision to Retire

There have been dramatic increases in the number of workers retiring in recent years (Feldman, 1994). This poses the potential dilemma of a larger retired population relative to the working population, who bear the primary economic burden of supporting society. In addition, organizations experiencing large numbers of retirements necessarily experience a simultaneous shift and change of their workforces. Both organizations and society as a whole, therefore, have a stake in the collective retirement decisions of numerous individuals. Hence, it is paramount that all parties understand the nature of retirement and retirement decisions.

Retirement has had many specific operational definitions in past research (Talaga & Beehr, 1989; Beehr, 1986), but most fit within the general conceptual definition offered by Feldman (1994). Retirement is “the exit from an organizational position or career path of considerable duration, taken by individuals after middle age, and taken with the intention of reduced psychological commitment to work thereafter” (p. 287).

Reviews of research on the predictors of retirement decisions have consistently concluded that finances, in some form or other, are the strongest single predictor of the decision to retire (e.g., Taylor & Shore, 1995; Talaga & Beehr, 1989; Beehr, 1986; Robinson, Coberly & Paul, 1985). In other words, people are generally more likely to leave the workforce if they can financially afford to retire than if they cannot. Other factors are almost always less salient in predicting retirement. One occasional exception is health, either mental or physical. Poor health has been a stronger, more consistent theoretical and empirical predictor of retirement than most others. After finances, it is the most often cited in the literature as a predictor of retirement

(Taylor & Shore, 1995; Talaga & Beehr, 1989). That is, ill health has usually been found to predict the likelihood of retirement although there have been a few studies failing to find this result.

Pushes of Work Toward Retirement

One domain of variables receiving surprisingly little research regarding its relevance in retirement decision-making is the workplace itself and the job in particular. This might be due to the dominance of retirement literature by fields such as general sociology, gerontology, and economics in studying retirement, rather than fields such as management, industrial/organizational psychology, or occupational sociology. It seems logical that characteristics of employees' jobs might predict retirement proclivity by making the job repulsive or onerous in some way. Unfavorable work situations might repel workers away from work and toward retirement. The repulsion of various work-related or job-related characteristics can be conceptualized as "push" variables (Taylor & Shore, 1995; Beehr, 1986), that is, work-related variables may push an individual away from work and toward a decision to retire. Any characteristic of the work that leads people toward retirement is conceived as pushing them away from work (and into retirement). For example, people who have little autonomy, skill variety, task significance, or poor social relationships may be more inclined to retire than someone who has an intrinsically motivating job. This notion of "push" variables may date to a study by Clegg (1983), in which he claimed that certain organizationally-relevant effects, especially positive ones such as job satisfaction and organizational commitment, were not variables that *pushed* the employee toward an intention to leave the organization (a related withdrawal behavior).

As noted earlier, retirement can be considered a withdrawal (from work) behavior. This was accentuated in studies by Hanisch and Hulin (1990; 1991), presenting factor analytic evidence supporting the notion that retirement is part of a larger construct of employee withdrawal behaviors that includes turnover. In addition, Cotton and Tuttle (1986) found that three quarters of the published studies report a link between satisfaction and turnover. If retirement, like turnover, is a withdrawal behavior, it might be expected that people who are dissatisfied with their jobs would be particularly likely to retire. Contrary to this expectation, however, research reviews have generally either failed to examine the ability of job satisfaction to predict actual retirement behaviors, or reported a lack of association (Beehr, 1986; Robinson, Coberly, & Paul, 1985; Talaga & Beehr, 1989). For whatever reason job (dis) satisfaction does not seem to predict retirement decisions. For “push” variables, therefore, it seems more promising to look at work characteristics rather than affect.

One article by Hanisch and Hulin (1990) reported nonsignificant zero-order correlations in two different samples between actual retirement age and any of three job satisfaction facet indices, even though the desire to retire was correlated with some of the facet satisfactions. In a second study, Hanisch and Hulin (1991) found that intended age of retirement was significantly correlated with only one of three facet satisfactions (i.e., work itself), and the percent of variance accounted for by the correlation was only 3%. Again, the desire to retire was correlated with more of the job satisfaction indices than the intended age of retirement, and actual retirement age was not shown to correlate with job satisfaction at all. Overall, research to date leads to the conclusion that job satisfaction is not likely to be a clear predictor of actual retirement behaviors.

Although previous research does not suggest job satisfaction predicts retirement, the workplace may still hold importance in retirement decisions. A few studies have suggested a relationship between specific or perceived job-related characteristics and the decision to retire. For instance, McCune and Schmitt (1981) found that intrinsically motivating job characteristics such as autonomy and variety are negatively related to retirement decisions. That is, the more autonomy or skill variety one perceives on the job, the less likely he or she will decide to retire. Another study (Hayward & Hardy, 1985) reported that the opportunity to work with others on one's job was negatively related to the decision to retire. Thus, lack of two sets of factors in one's job may push people toward a retirement decision: some intrinsically motivating task characteristics, and social factors in the workplace. This study investigated both of these possibilities.

In addition to social and task characteristics, the rumor of cutbacks and/or layoffs may provide a salient motive for an employee to seek retirement. This threat of job loss is often coupled with a one-time retirement incentive from the organization in an effort to induce "voluntary" attrition, thereby easing the formidable task of down-sizing. For example, employees may be pushed into early retirement, reasoning that they would rather leave the workplace, collecting a retirement bonus in addition to their existing pension and benefits, rather than remaining in their job while living in fear of being laid-off.

Finally, just plain being tired of work seems a simplistic, yet potentially important factor pushing employees towards retirement. It is not difficult to fathom employees' desire to abdicate their working duties, especially after toiling for a considerable amount of their lifetime.

Therefore, this push factor, in addition to cutbacks, employer incentives, social factors, and some intrinsically motivating task characteristics are expected to influence an employee's decision to retire.

Pulls of Retirement

If it is conceptually possible for the characteristics of a job to “push” people away from work and into retirement, it is just as likely that there are some characteristics of nonwork or retirement life that might act to “pull” people in that direction. Indeed, research has indicated that there are such “pull” factors involved in one's propensity to retire (Taylor & Shore, 1995; Feldman, 1994; Beehr, 1986). That is, some things outside of the work environment and, consequently, about retirement, may be viewed as favorable and attractive by older employees, thereby influencing their decision to retire. These favorable pull factors are reflective of leisure activities one expects to engage in during retirement years, and perhaps even employment interests elsewhere. In addition, since pulling factors can be either positive *or* negative, there may be some personal obligations that are pulling the individual to leave work. For example, having to care for a sick family member might be aversive, but the ill person may still be pulling the older employee toward retirement, whereas the excitement of engaging in personal hobbies may be an attractive or a positive pulling factor in one's decision to retire. In either case, however, something outside the work place is pulling toward retirement.

This study also examined the types of activities employees expected to engage in after they have retired. In retirement, people may expect to do more socializing with family and friends, for example, and this might be an attractive pull toward retirement. In addition, or

alternatively, expected retirement activities might include developing new interests and skills with formal instruction or on one's own, finding new careers or just part-time jobs, engaging in avocations, or just plain taking it easy. These expected retirement activities represent some of the pull variables of retirement life that might induce employees to retire.

In addition to the potential lure or pull of expected retirement activities, other characteristics of an employee's environment outside the workplace might be considered to pull employees out of work and therefore toward retirement. Some of these predictor variables may be considered personal characteristics, including having a family member who needs care (previously noted), reaching mandatory retirement age, and the availability of affordable health insurance. For example, employees might be pulled into retirement if they were responsible for the care of a needy family member, physically or emotionally; or if they felt financially responsible for others, they might continue working. One study reported the particular alternative chosen (retire or keep working) depended on sex differences (Talaga & Beehr, 1995).

Although mandatory retirement is no longer a legal requirement, some employees may be apt to retire if they are unaware of this abrogated law. In the same way, even though a legal retirement directive no longer stands, perhaps an ingrained social *moré*, mandating retirement at an *appropriate* age, may also pull employees toward retirement to avoid social disapproval.

Finally, the availability and cost of continued health insurance may prove a predictive factor in deciphering one's pull toward retirement. After retirement, most employees are highly motivated to qualify for and provide their own health insurance, simply because most older individuals anticipate illness in their older years. If insurance is readily available and

inexpensive, employees may be pulled toward retirement because they no longer require the shelter the organization's health insurance provides them.

In summary, this study attempts to predict employee retirement by identifying the potential pushes from the work situation and the potential pulls of expected non-work retirement life. As suggested by some previous writers (Beehr, 1986; Feldman, 1994; Taylor & Shore, 1995), it was expected that both domains, work and non-work (i.e., push and pull) would predict retirement. Furthermore, it was expected that both domains could exert these effects while controlling the influences of finances, health, and gender. Since finances and health have been the strongest and most consistent predictors of retirement in past research, the predictive power of the other variables were examined holding these two constant, as well as gender. This is one of the few studies to examine work situations as pushes toward retirement, in spite of previous speculation about this issue (e.g., Beehr, 1986; Feldman, 1994). In addition to these variables, gender was also held constant. The study examined both the work-related "push" variables and other non-work-related "pull" variables for the ability to predict retirement. As suggested by some previous writers (Beehr, 198; Feldman, 1994; Taylor & Shore, 1995), it was expected that both domains, work and non-work (i.e., push and pull) would predict retirement. Furthermore, it was expected that both domains could have these effects while controlling the effects of finances, health, and gender. This was one of the few studies to examine work situations as pushes toward retirement, in spite of previous speculation about this issue (e.g. Beehr, 1986; Feldman, 1994). Finally, the study also represents an attempt to examine a variety of specific types of (expected) retirement activities as pulls toward retirement.

Method

Sample

Participants included 197 employees of a western state in the United States who had completed all the information needed to conduct this study. Only those participants who expected to retire within the first three years from the date of the survey and who were currently married were used in this study. Most of the participants (87 percent) for this study expected to retire in less than one year. The mean age was 59.2 years and mean expected age of retirement was 59.4 years. Sixty-two percent were males and 99 per cent were white. The majority of the sample had graduate school education (54 percent) followed by a four-year college education (14 percent). The participants were married on average for 32.1 years. Only married participants were examined as this study was part of a larger project funded by a grant from the Andrus Foundation which aimed at examining the financial well being of spouses who survive the deaths of their retired mates (Nielson & Beehr, 1991).

Procedure

All state employees who were intending to retire soon attended a retirement counseling session that focused on financial planning. After employees made their appointments, they were sent the typical package of forms for the session, along with a letter introducing the study and a consent form which they brought with them to the retirement counseling session. Of the 1069 employees who were approaching retirement within the several months time frame of the study, 866, or 81%, provided written consent to participate in the study. From this, only 452 married employees and their spouses were asked to participate, yielding a sample of 440 couples. At the

end of the session, participants and their spouses (who were usually also present) each received a mail-back questionnaire and were to participate in subsequent phases of a retirement study. Of the participants in the study, 197 were planning to retire in three or less years and had complete information for all the variables of interest.

Measures

Data were obtained from the employees' questionnaire, the spouses' questionnaire, and personnel records.

The Criterion: Age of Retirement. Employee's predicted age of retirement, at the time of the questionnaire administration, was the criterion variable. Since the U.S. law now forbids forced retirement, there is no legally specified retirement age (e.g., 65 years of age). Hence, there is no longer any clear criterion for "early" versus "on-time" retirement. The predicted age of retirement is, however, a continuous rather than a dichotomous measure (such as early versus on-time), and may, therefore, contain more meaningful variance than a dichotomous measure (Beehr, 1986). It can be argued that those who choose to retire "young" might do so because they find retirement more attractive (or the job less attractive), which fits well with the purpose of this study.

The Predictors. As noted in the introduction, the predictor variables in this study were chosen based on suggestions in previous literature (Beehr & Nielson 1995; Feldman, 1994; Talaga & Beehr, 1995; Taylor & Shore, 1995). These variables can be classified into three components: push variables, pull variables, and the control variables that were held constant (e.g., wealth, gender, and health).

The work-related push variables included three of the Job Diagnostic Survey (JDS; Hackman & Oldham, 1976; 1980) indices that are thought to be intrinsically motivating, autonomy, skill variety, and task significance, and one of the social JDS indices, dealing with others. As reported elsewhere, (Beehr & Nielson, 1995) coefficient alphas for these variables ranged from only .53 to .67, but test-retest correlations over a six-month period ranged from .45 to .71. In addition, three workforce variables measuring specific forces toward retirement were included: workforce cutbacks or layoffs, being tired of working, and a one-time retirement incentive offer from the employer. These items were rated on a four-point scale, 1 "Not important," 2 "Slightly important," 3 "Moderately important," and 4 "Very important." Employees were asked to indicate "how important each item has been in your decision to retire."

The non-work-related pull factors included a variety of non-work variables, and were categorized as personal variables extracted from the scale, in which employees indicated the importance of various items in their decision to retire. The personal variables functioning as pull factors included having a family member who needs care, reaching mandatory retirement age, and cost and availability of continued health insurance. These personal variables were single items from the employee's questionnaire, ascertaining outside forces that pull them to make a retirement decision, for example, "need more time to care for someone (parent, child, spouse, other)."

Additionally, through brainstorming, talking to retirees, and previous literature on retirees' activities (e.g., Ball & Francasky, 1988), a list of potential activities was developed. The final list consisted of sixteen items. Based on factor analysis (Beehr & Nielson, 1995) five

expected retirement activity variables were formed: social activities, growth activities, passive activities, tinkering activities, and employment activities. Example items from each of these indices are “getting together with friends,” “taking classes,” “watching television,” “work around your own home,” and “working for pay full-time,” respectively.

The Controls. Gender, wealth, and health were measured for use as control variables. Wealth was measured by a combination of information obtained from the employee questionnaire consisting of expected payouts from the state retirement fund and social security, and personal savings and other assets. These were combined with life expectancy to form a wealth variable consistent with the economics approach advocated by Burkhauser and Quinn (1983a; 1983b). For example, economists propose that the worker facing a retirement decision chooses between two different streams of income and treats pension rights as an asset whose value changes with the age of retirement (because the likely number of years the person will live and require income varies inversely with age of retirement). The wealth variable was therefore intended to reflect the level of predicted income and financial security in retirement.

The employee's health was measured with a two-item index (intercorrelation = .70), one from the employee's questionnaire (“my health is excellent”) and one from the spouse's questionnaire (“my spouse's health is excellent”), answered on five-point Likert scales with the points labeled “strongly disagree,” “disagree,” “neither agree nor disagree,” “agree,” and “strongly agree.” Finally, gender was obtained from company records.

Analyses

Data were analyzed via correlations and hierarchical multiple regressions.

Results

Means, standard deviations, and correlations are presented in Table 1. Significant zero-order correlations were obtained between criterion, predictor, and control variables. The only control variable to correlate with the criterion, expected retirement age, was wealth ($r = -.40$); health and gender did not correlate with the criterion. Nevertheless, these variables were held constant in subsequent hierarchical multiple regression analyses in accordance with earlier research evidence and our a priori analysis plan. As noted earlier, finances have been the most consistent predictor of retirement in prior research. Of the study's main predictor variables, five correlated negatively with expected age of retirement: expecting to engage in other employment activities after retiring, skill variety, interaction with others, task significance, and being tired of working. The latter four are considered push variables, whereas the first one listed is a pull variable. One other pull variable, reaching mandatory retirement age, correlated positively with expected retirement age as well. Further, because gender and needing to care for someone had a significant relationship in past research (Talaga & Beehr, 1995), we tested the interaction of these two variables for predicting retirement age. The interaction was not significant, however, and therefore it was not included in subsequent analyses of the data.

In examining the strength of the intercorrelation of push and pull variables, two push factors (interaction with others and task significance) correlated positively with two pull factors, (expecting to engage in social activities and growth activities).

Moving on to the hierarchical regressions, three separate runs were employed and are presented in Table 2 as three models. The first model included all the predictor variables after the control variables (gender, wealth, and health) were entered. In the second model, the variance explained by the push variables only, again after controlling for gender, wealth, and health, was examined. Finally, variance accounted for in expected age of retirement was examined by entering the control variables followed by the pull variables only in the third model.

The first regression model, which included all push and pull predictor variables and control variables, yielded a multiple R of 0.60, $F(19, 179) = 5.43$. In step one, the variable set of respondents' gender, wealth, and health proved to be significant predictors of expected retirement age. Together, these three control variables accounted for 17 percent of the variance. However, when entering the push and pull variables, an additional 20 percent of the variance was accounted for in the criterion. An examination of the betas revealed that the variables wealth (control), "reaching mandatory retirement age" (pull), "availability and cost of continued health insurance" (pull), "being tired of working" (push), "need more time to care for someone" (pull), employment activities (pull), and expected growth activities (pull) were significant predictors. Moreover, based on the directional signs of the betas, those planning to engage in other employment activities and those simply tired of working, appear to retire at younger ages, while those who were planning to engage in growth activities, such as acquiring additional education or those needing to care for someone planned to retire at older ages. In addition, employees expect

to retire at a later age as the importance of availability and cost of continued health insurance increases.

For the second and third regression analyses, push variables accounted for an additional eight percent of the variance and pull variables accounted for an additional nine percent of the variance above and beyond the control variables (see Table 2). Controlling for gender, health, and wealth, the only push variable that appeared to predict retirement age is “being tired of working”. Apparently, and quite logically, the more tired one is of working the more likely he or she will retire earlier. As for the pull factors, reaching mandatory retirement age, needing to care for someone, expecting to engage in growth activities and employment activities after retirement all predicted expected retirement age.

Discussion

This study sought to determine whether work environment characteristics could act to push people out of the workplace and into retirement and whether expectations of retirement activities and situations could act to pull people toward retirement by enticing them to retire at earlier ages. However, the strong correlation between push variables, interaction with others and task significance, and pull variables, engaging in social and growth activities suggests that the push and pull dimensions may be more alike than different. That is, the person whose job entails interaction with others and task significance expects to continue that lifestyle by enjoying social activities and/or growth activities after retiring. Thus, a social person who finds his or her tasks meaningful or significant will, after retirement, want to continue social activities and engaging in meaningful or significant activities, thus stimulating both one's social needs and growth needs.

This suggests that the person has a disposition to seek similar situations in work and retirement, and is evidence for the continuity theory of retirement. According to continuity theory, people do not dramatically change after retirement; instead, they engage in activities after retirement that are similar to things they did before retirement (Atchley, 1977, 1985; Beehr, 1986; Feldman, 1994).

Since finances have been a consistent predictor of retirement decisions in previous research, wealth was held constant in the hierarchical regression analyses. As expected, wealth did predict retirement age. However health, which has probably been the second most consistent predictor (though much weaker than finances; Taylor & Shore, 1995; Talaga & Beehr, 1989) and gender did not predict unique variance in expected retirement age in the three models. The entire Model 1 regression analyses showed that a larger number of the pull variables (five of eight) predicted retirement age than push variables (one of seven). In other words, more elements of life outside the workplace were predictors of the retirement criterion than attitudes and perceptions about the workplace itself. This might suggest that employees contemplating retirement are forward-looking, that is, they are pulled more by what they believe awaits in the future after retirement than pushed by thoughts of the current workplace. This conclusion must be tempered, however, by the fact that the effect size, or percent of variance accounted for by the set of push variable(s) in model 2 of Table 2 was almost as large as the effect size of the set of pull variables in model 3 of Table 2 (.08 versus .09)

The Push of Work Characteristics

Only one characteristic of the job, “being tired of working,” predicted retirement after controlling for gender, wealth, and health of the employee in Model 2. The direction of the beta for “being tired of working” was negative, suggesting that employees will retire sooner when they are tired of working. Intuitively and logically this makes sense. Moreover, this variable resembles a single item that was the best predictor in McCune and Schmitt’s (1981) study that asked respondents “how much they wanted to work” (p. 802). The other push predictor variables did not add significantly to the criterion. McCune and Schmitt, however, had found that some job characteristics similar to those in the present study added significant variance to the prediction of retirement status.

The Pull of Expected Retirement Situations

In Model 3, after wealth predicted the decision to retire younger, expectation of working for pay after retirement also predicted earlier retirement. Taken together with results for wealth, this makes the expectation of having good finances in retirement a strong pull for people to retire.

The idea of working for pay after one retires also has important implications for the definition of retirement. It has been noted that there are varying definitions of retirement and that there may also be varying degrees of retirement within each definition (reviews by Beehr, 1986; Talaga & Beehr, 1989). If retirement means leaving the workforce, for example, then by definition one cannot retire and still be working for pay. Obviously, in this study, retirement is defined as leaving a specific job and organization in a way that both parties decide to label retirement and in a way that the retiree receives some compensation (e.g., pensions) that is only

provided to retirees, so defined. The several definitions of retirement were not investigated here, but this finding regarding working after retirement suggests the reality of different definitions.

In addition to the effects of working for pay, people appear less likely to retire if they expect that retirement will bring frequent occasions to engage in growth activities (these included volunteer work or religious activities, reading, participating in organizations or clubs, and taking classes). If these predictors have a causal influence and employees associate these activities with getting “old,” then there could actually be some tendency to avoid these activities by remaining in the current job. At any rate, such growth activities do not appear to pull older employees toward retirement. This may mean that a perhaps idealized view of retirement in which one finally has time to develop one’s self and grow psychologically is not particularly attractive to most people.

Two other variables that positively predicted expected retirement age were “reaching mandatory retirement age” and “needing more time to care for someone.” At the time data were collected, the legal prohibition against mandatory retirement age was already a decade old. Perhaps older employees may be less likely to know the amendment than younger employees, or perhaps the older employees may simply have believed that it was “time” to retire. Alternatively, they may have felt some kind of unofficial pressure to retire at a certain age. Finally, with respect to “needing more time to care for someone,” older employees probably have elderly spouses who may be in need of more attention and therefore need to leave--more so than younger employees who probably have younger and by extension, potentially healthier, spouses. The measure of needing to care for others referred to “parent, child, spouse, other,” rather than solely

spouses, however. The questionnaire also contained one item asking for the employees' perceptions of their spouses' health, and this item correlated negatively ($r = -.32, p < .01$) with the need to care for others. This is consistent with the idea that the need to care for a spouse was a significant part of this reason for retiring. Because this correlation was only moderately strong, however, it is possible that the need to care for still other people, e.g., aging parents, also played a role.

Summary

There are several important results of this study. First, wealth was, as in virtually all previous research on retirement, a predictor of retirement decisions. Health was not, however, a predictor of retirement decisions, although it has been a popular and fairly common predictor in past studies. Second, even when holding wealth constant (as well as health and gender), elements of both the work environment and expected retirement situations predicted retirement decisions. Neither the push of the job nor the pull of retirement appeared to be a stronger predictor than the other overall, however, as the additional variances accounted for in the criterion variable, beyond the control variables, were practically equivalent.

The discovery that perceived job characteristics do not significantly influence expected retirement age was unexpected and inconsistent with the only similar study to date (McCune & Schmitt, 1981). Obviously this is an under-researched topic. Although three of the four job characteristics had significant correlations with retirement, none had significant regression weights after wealth was controlled. The fact that only two of five retirement activities had a significant influence on expected retirement age is counterintuitive to our beliefs that retirement

activities may be viewed as especially enticing or attractive. Furthermore, the fact that one of the two, growth activities, was positively related to retirement age suggests that it may actually dissuade employees from retiring rather than entice them to retire. These findings indicate that little is truly known about how jobs and outside activities affect retirement decisions and suggest the need for future research.

References

- Atchley, R. C. (1977). Social forces in later life (2nd Ed.). Belmont, CA: Wadsworth.
- Atchley, R. C. (1989). A continuity theory of aging. Gerontologist, 29, 183-190.
- Ball, G. T., & Francosky, M. D. (1988). The Travelers 1988 Retirement Survey: Retirees' views of work and retirement. Hartford, CN: The Travelers Companies.
- Beehr, T. A. (1986). The process of retirement. Personnel Psychology, 39, 31-55.
- Beehr, T. A., & Nielson, N. L. (1995). Descriptions of job characteristics and retirement activities during the transition to retirement. Journal of Organizational Behavior, 16, 681-690.
- Burkhauser, R. V., & Quinn, J. F. (1983a). The effect of pension plans on the pattern of life cycle compensation. In J. E. Triplett (Ed.), The measurement of labor cost, (pp. 395-415). Chicago: The University of Chicago Press.
- Burkhauser, R. V., & Quinn, J. F. (1983b). Is mandatory retirement overrated? Evidence from the 1970s. Journal of Human Resources, 18, 337-358.
- Clegg, C. W. (1983). Psychology of employee lateness, absence, and turnover: A methodological critique and an empirical study. Journal of Applied Psychology, 68, 88-101.
- Cotton, J. L., & Tuttle, J. M. (1986). Employee turnover: A meta-analysis and review with implications for research. Academy of Management Review, 11, 55-70.
- Feldman, D. C. (1992). The decision to retire early: A review and conceptualization. Academy of Management Review, 19, 285-311.
- Hackman, J. R., & Oldham, G. R. (1976). Motivation through the design of work: Test of a theory. Organizational Behavior and Human Performance, 16, 250-279.

- Hackman, J. R., & Oldham, G. R. (1980). Work redesign. Reading, MA: Addison-Wesley Publishing Company.
- Hanisch, K. A., & Hulin, C. L. (1991). General attitudes and organizational withdrawal: An evaluation of a causal model. Journal of Vocational Behavior, *39*, 110-128.
- Hanisch, K. A., & Hulin, C. L. (1990). Job attitudes and organizational withdrawal: An examination of retirement and other voluntary withdrawal behaviors. Journal of Vocational Behavior, *37*, 60-78.
- Hayward, M. D., & Hardy, M. A. (1985). Early retirement processes among older men. Research on Aging, *7*, 491-515.
- McCune, J. T., & Schmitt, N. (1981). The relationship between job attitudes and the decision to retire. Academy of Management Journal, *24*, 795-802.
- Robinson, P. K., Coberly, S., & Paul, C. E. (1985). Work and retirement. In R. H. Binstock and E. Shanas (eds.), Handbook of aging and the social sciences. New York: Van Nostrand Reinhold Co.
- Talaga, J. A. & Beehr, T. A. (1989). Retirement: A psychological perspective. In C. L. Cooper and I. Robertson (eds.), International review of industrial and Organizational psychology (pp. 185-211). Chichester: John Wiley & Sons.
- Talaga, J. A., & Beehr, T. A. (1995). Are there gender differences in predicting retirement decisions? Journal of Applied Psychology, *80*, 16-28.
- Taylor, M. A., & Shore, L. M. (1995). Predictors of planned retirement: An application of Beehr's model. Psychology and Aging, *10*, 76-83.

Table 1

Intercorrelations, Means (X), and Standard Deviations (SD) Among Study Variables

Variables	X	SD	1	2	3	4	5	6	7	8	9	10	11
<u>Criterion Variable</u>													
1) Expected Retirement Age	59.37	4.03	-										
<u>Pull Variables</u>													
2) Mandatory age	1.63	1.05	.15*	-									
3) Health insurance	2.64	1.12	.04	.06	-								
4) Care for someone	1.30	0.69	.10	.07	.09	-							
5) Social Activities	3.58	0.48	.01	.08	.06	-.01	-						
6) Growth Activities	3.10	0.60	.12	-.15*	-.01	-.13	.43**	-					
7) Passive Activities	3.20	.057	.05	-.02	.06	-.01	.34**	.12	-				
8) Tinkering Activities	4.03	0.66	.06	.05	.01	-.16*	.25**	.25**	.08	-			
9) Employment Activities	2.30	0.81	-.27**	-.07	-.15*	.05	.01	-.06	-.12	-.15*	-		
<u>Push Variables</u>													
10) Autonomy	5.60	1.09	-.01	.02	.03	.01	.05	.01	-.06	-.04	-.05	-	
11) Skill Variety	5.88	0.97	-.18**	-.18	.07	-.05	.16*	.18*	-.00	.01	-.01	.54**	-
12) Interaction with others	6.34	0.85	-.22**	-.10	.05	-.04	.20**	.24**	.05	.06	-.04	.12	.48**
13) Task Significance	6.11	0.90	-.19**	.00	.18**	-.04	.29**	.19**	.15*	.10	-.03	.23**	.42**
14) Cutback/layoffs	1.18	0.60	.04	.20**	.11	.10	-.02	-.04	.04	.02	.03	-.15*	-.17*
15) Tired of working	2.48	1.06	-.25**	.04	.15*	.04	-.07	-.00	.02	.07	-.05	-.24**	-.06
16) Retirement incentive	1.34	0.80	-.11	.03	.16*	.14	.04	.02	-.05	-.11	.11	.01	.04
<u>Control Variables</u>													
17) Health	3.92	0.78	-.09	.02	-.16*	-.14*	.17*	.14*	-.07	-.10	.22**	.11	.11
18) Gender	1.39	0.49	.13	.07	-.00	.14	.17*	.23**	-.04	.14	-.22**	-.03	.02
19) Wealth	4536	159609.50	-.40**	-.04	.16*	.03	.03	.02	-.03	.02	.19**	-.10	.07

Note. N=200. * $p \leq .05$; ** $p \leq .01$. 1 = male, 2 = female.

Variables	12	13	14	15	16	17	18	19
<u>Criterion Variable</u>								
1) Expected Retirement Age								
<u>Pull Variables</u>								
2) Mandatory age								
3) Health insurance								
4) Care for someone								
5) Social Activities								
6) Growth Activities								
7) Passive Activities								
8) Tinkering Activities								
9) Employment Activities								
<u>Push Variables</u>								
10) Autonomy								
11) Skill Variety								
12) Interaction with others	-							
13) Task Significance	.35**	-						
14) Cutback/layoffs	-.00	-.08	-					
15) Tired of working	.11	.08	.05	-				
16) Retirement incentive	-.05	.01	.06	-.01	-			
<u>Control Variables</u>								
17) Health	-.01	.18*	-.08	-.03	-.03	-		
18) Gender	.01	-.02	-.07	.07	-.09	-.07	-	
19) Wealth	.17*	.18*	.02	.18*	.14*	.21**	-.16*	-

Note. N=200. * $p \leq .05$; ** $p \leq .01$.

Table 2

Summary of Hierarchical Regression Analysis of Control Variables and Predictor

Variables on Expected Age of Retirement (N = 199)

Variable	<u>B</u>	<u>SE B</u>	β	R^2	ΔR^2
All Models					
Step 1				.17**	
Gender	.56	.55	.07		
Wealth	-9.89	1.70	-.39**		
Health	-.02	.35	-.003		
Model 1 - All predictors					
Step 2				.36**	.20**
Gender	-.26	.55	-.03		
Wealth	-7.87	1.69	-.31**		
Health	.31	.35	.06		
Passive Activities	.18	.47	-.75		
Mandatory age	.54	.25	.14*		
Skill Variety	-.37	.36	-.09		
Retirement incentive	-.44	.32	-.09		
Tinkering Activities	.30	.40	.05		
Tired of working	-.89	.25	-.23**		
Cutback/layoffs	-.06	.42	-.01		
Care for someone	.92	.37	.16**		
Health insurance	.46	.24	.13*		
Employment Activities	-.96	.32	-.19**		
Growth Activities	1.54	.48	.23**		
Task Significance	-.47	.32	-.11		
Interaction with others	-.48	.35	-.10		
Autonomy	-.12	.28	-.03		
Social Activities	-.56	.65	-.07		
Model 2-Push Variables					
Step 2				.24**	.08
Gender	.76	.54			
Wealth	-8.00**	1.76			
Health	-.02	.35			
Cutback/layoffs	.28	.44			
Retirement incentive	-.30	.33			
Interaction with others	-.36	.37			
Tired of working	-.76**	.26			
Autonomy	.01	.30			

Predicting Employees' Decisions to Retire 2

Variable	B	SE B	β	R ²	ΔR^2
Task Significance	-.16	.33			
Skill Variety	-.48	.38			
Model 3-Pull Variables					
Step 2				.26**	.09
Gender	-.24	.58			
Wealth	-9.92**	1.71			
Health	.26	.36			
Passive Activities	.18	.49			
Mandatory age	.54*	.25			
Tinkering Activities	.26	.42			
Health insurance	.22	.24			
Care for someone	.84*	.39			
Employment Activities	-.88**	.34			
Growth Activities	1.20*	.50			
Social Activities	-.75	.66			

Note. * $p \leq .05$; ** $p \leq .01$.