PROPENSITY TO CONTINUE WORKING: AN EMERGING MODEL FOR OLDER INDIVIDUALS

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ABSTRACT
Like other OECD countries, Australia has an ageing workforce and one key challenge is the looming predicted labour shortage. Extending the working lives of older people has been suggested as a partial solution, yet while extensive research has been conducted into retirement decisions, little is known about the intentions of older people to continue working. This paper describes some findings from an Australian study, and combined with previous research, proposes a model identifying the positive and negative factors affecting the propensity of older individuals to continue working.

EXTENDING WORKING LIFE
Many countries’ labour forces are ageing (United Nations Secretariat, 2005) and parts of the solution to the associated labour market shortages are increasing the labour force participation rates and extending the working lives of older people (Harpaz, 2002; OECD, 2003; Phillipson, 2004; Platman, 2004; Productivity Commission, 2005; Reday-Mulvey & Taylor, 1996). Yet, while the retirement decision has been extensively researched, individuals’ inclination to continue paid working, and especially after the traditional retirement age of 65 years, remains under-researched. Additionally, there appears to be no single accepted model or framework identifying the factors influencing the intentions of older individuals to continue working. At a time when many countries may need to encourage their older populace to extend their working lives, these gaps in the literature seem curious. Also, these gaps in the literature are important as the factors that influence intentions to continue working may not be the same as those affecting intentions to retire. Therefore, this paper sets out to firstly, describe a study undertaken to begin to address the gap in the literature about older individuals’ intentions to continuing working and secondly, develop a model of older individuals’ propensity to continue working.

THE INTENTION TO CONTINUE WORKING
There has been considerable research covering the decision to retire and leave the workforce (Phillipson & Smith, 2005), and examining the characteristics of those currently working beyond the age of access to a government pension (McNair, Flynn, Owen, Humphreys, & Woodfield, 2004; Smeaton & McKay, 2003; Whiting, 2005). Due to the page limitation of this paper, in order to discuss some findings as well as propose a new model, only limited theory will be covered in this part of the paper. Further, there is limited research into the intentions to continue working, with most research being about delaying retirement or concerned with retirement decision-making.
There appear to be two primary variables influencing older people’s intentions to retire—health and financial circumstances (Phillipson & Smith, 2005), followed by several others. Extensive research has been conducted into the relationship between poor health and early retirement (American Association of Retired Persons, 2002; Gustman & Steinmeier, 1994; Humphrey, Costigan, Pickering, Stratford, & Barnes, 2003; Patrickson & Clarke, 2001; Rosenman & McDonald, 1995). Humphrey et al. found in a UK survey that 49 percent of those aged 50-69 years who had taken early retirement cited poor health as one of the reasons. Alternatively, financially secure people could voluntarily retire, while those with insufficient financial resources were less likely to retire (Gustman & Steinmeier, 1994; Hansson, DeKoekkoek, Neece, & Patterson, 1997; Patrickson & Clarke, 2001; Phillipson, 2004; Rosenman & McDonald, 1995), and especially separated or divorced women (Smeaton & McKay, 2003).

Other factors affecting retirement decisions found in previous research include the type or characteristics of work, including flexibility (Platman, 2004) and levels of autonomy (Friedmann & Havighurst, 1977; Phillipson & Smith, 2005). Another factor was interests outside of work (Phillipson & Smith, 2005) including finding a new direction in life (Humphrey, et al., 2003). Marital status has been found to influence retirement decisions (Barnes, Parry, & Taylor, 2004; Gustman & Steinmeier, 1994; Humphrey et al., 2003), particularly for divorced or separated women who were more likely than their married counterparts to continue in the workforce (Smeaton & McKay, 2003). A positive relationship has been found between age and the decision to retire (Lissenburgh & Smeaton, 2003; Productivity Commission, 2005). Another demographic factor, gender, has been found to influence retirement particularly when combined with other factors such as marital status. For example, divorce reduces the chances of staying in work for men, but not for women (McNair, et al., 2004). Supporting this relationship, Lissenough and Smeaton (2003) found partnered men were more likely to remain economically active than single men. Further, Phillipson and Smith (2005) found married women who are separated or divorced exceeded the labour force participation rates of still-married women.

Educational attainment was a further factor found to be positively influential in older people’s employability (Whiting, 2005) and considerations about work after retirement (McNair, et al., 2004; Smeaton & McKay, 2003). Informal caring responsibilities for parents and grandchildren, in addition to sick or disabled relatives, may negatively influence labour force participation (Evandrou & Glaser, 2004; Mooney & Stratham, 2002) and particularly with regard to females (Loretto, Vickerstaff, & White, 2005). Attachment to work was found to also affect people’s retirement decisions (Barnes, et al., 2004), including the desire to fulfil oneself through working (Patrickson & Clarke, 2001), satisfaction with the current job (Rosenman & McDonald, 1995) and the motivation to work (Patrickson & Ranzijn, 2004). Finally, social interaction at work is well-known as a key factor in many workers’ enjoyment of their jobs (see for example,
Lockwood, 2003; Maslow, Stephens, & Heil, 1998). Smeaton and McKay (2003) suggested social interaction could be an explanation for why single women were more likely to remain working than married women, but further research was needed in this area. Further, Choo (1999) found that once a person left an organisation, they may want to continue some association with that organisation for social interaction reasons.

It appears that little or no investigation has been undertaken about both a relationship between work attachment and the intention to continue working, and between social interaction at work and the intention to continue working. Additionally, many of the above findings have been derived post hoc by investigating labour market trends and other data sets. Additionally, much of the previous research has been conducted quantitatively and, as mentioned, has been focussed on retirement intentions rather than working intentions. Therefore the study in this paper was undertaken to explore the intentions of older people in terms of their continuing in the paid workforce. The main research question was: What are the factors that affect the propensity for older workers (at least 50 years of age) to continue working?

METHODOLOGY

The research consisted of two-stages of fieldwork—in-depth semi-structured interviews with 24 employees, followed by similar interviews with 12 retirees. The research was focussed on the experiences, perceptions and understandings of older individuals about continuing to work, and therefore, a qualitative research approach was chosen because of the: “concern with meanings and the way people understand things,…as well as a concern with patterns of behaviour” (Denscombe, 1998, p. 207). On average, the interviews lasted 96 minutes, ranging from 70 to 135 minutes, and were conducted in mutually convenient places. To aid the validity of the research, a hard copy of their interview transcript was sent to each participant to provide an opportunity for review and feedback, and returned to the researcher for data analysis.

Data was sought in response to questions about what was liked and disliked about working, and intentions to continue working. In addition, retiree participants were asked why they had made the decision to retire. This enabled consideration of the various motivations older people have for continuing in paid work in the period approaching retirement and in the period after retirement and to identify the sorts of factors that influence their plans to remain in or return to paid work. Data analysis was undertaken by attempting to identify themes or “patterns, processes, commonalities and differences” (Miles & Huberman, 1994, p. 9). Thematic analysis was completed to find the dominant and less dominant themes, where themes were understood to be: “the manifest generalised statements by informants about beliefs, attitudes, values or sentiments” (Luborsky, 1994, p. 195). Specialist qualitative research software (NVivo 6.0) was chosen to add to the reliability of the analysis, as rigorous and systematic data processing takes place with its use, and the data analysis procedures are transparent.
A single organisation (an Australian university) was selected as the context for the study with the benefits of organisational culture, strategic management direction and human resource management policies likely to be similar across the whole organisation. Additionally, as a large organisation, and arguably a microcosm of society, the university has a diverse range of employees in terms of age, job types, levels, skills, experience and education.

Participants in the research
Thirty-six participants (24 employees plus 12 retirees) formed the research sample (see Table 1 below), and were selected using both purposeful (Creswell, 1998) and snowballing (Minichiello, Aroni, Timewell, & Alexander, 1995) sampling techniques. Once the data began being repeated, the point of “saturation” was reached (at thirty-six participants) and then no more participants were sought (Cresswell, 1998, p. 57). Participants of both genders (16 males; 20 females) were selected for their differing ages (but aged at least 50 years), employment histories, location, employment levels, employment type (academic staff/retirees and general-administrative staff/retirees). The age of 50 years or over was chosen as being representative of those people close to a decision about whether to continue working, as most older workers are retiring earlier (Department of the Treasury, 2004) and well before the traditional age of retirement at 65 years (Australian Bureau of Statistics, 1998). In 1998, the average age of retirement from full-time work in Australia was 48 years (58 for men and 41 for women). Further, the average age that workers left the workforce was 50 years (59 for males and 44 for females) (Australian Bureau of Statistics, 1998).

The average age of employee participants was 59.3 years, (58.6 years for males and 60 years for females; 60.2 years for academic staff and 58.5 years for general staff). The retiree participants (6 were working; 6 were not working) ranged in age from 50 to 69 years, with an average age of 62.6 years (65.4 years for males and 60 for females; 65.4 years for academic staff and 60 years for general staff).

Table 1: Participant details

<table>
<thead>
<tr>
<th>EMPLOYMENT CATEGORY</th>
<th>MALE</th>
<th>FEMALE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Academic</td>
<td>General</td>
<td>Academic</td>
</tr>
<tr>
<td>Employees (Ave Age)</td>
<td>6 (59)</td>
<td>5 (58.2)</td>
<td>5 (61.4)</td>
</tr>
<tr>
<td>Retirees (Ave Age)</td>
<td>4 (65)</td>
<td>1 (69)</td>
<td>1 (69)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>10</td>
<td>6</td>
<td>6</td>
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</tbody>
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FINDINGS
During the data analysis of the responses to the interview questions, several dominant themes emerged that affected the participants’ propensity to continue...
working: (i) health and financial circumstances were the primary influences; (ii) attachment to work was a positive influence; (iii) having a life partner was a negative influence; (iv) higher levels of autonomy and flexibility in working were positive influences; (v) social interaction at work was a positive influence; (vi) interests outside of working was a negative influence; and (vii) negative factors at work (high levels of stress, physical demands, and poor management) were negative influences. Five of these findings clearly supported previous research on retirement influences (the influences of health and finances, marital status, autonomy and flexibility, interests outside of working and negative factors at work). However, due to the page limitations on this paper and the second focus of this paper on developing a model to represent the propensity to continue working, these factors will not be further discussed here. However, two other dominant findings emerged that relate specifically to the intention to continue working—the attachment to work and the role of social interaction at work—that differ from previous research. These two findings are discussed below.

Attachment to work

The most dominant theme arising from the data, in response to questions about what was liked and disliked about working, was that working was important to the participants. When asked to rate how important “working” was to them, the majority (22 of 36) of participants responded that working was either “very important” or “important” to them. The average rating was 5.8 out of 7 (where 1 = “working is of no importance to me”; 7 = “working is very important to me”). Of those who rated working highly, all were intending to continue working or were still working.

Ms A commented: *It really is my life, if I’m honest about it. I do have other things but I can’t imagine life without working.*

Similarly, Mr C admitted: *Work is everything. So that’s why I can say work is number one, because it is very central and it is an expression of my whole being.*

Perhaps not surprisingly, those who felt strongly attached to work and reported it was a major part of their lives were also keen to continue working or were retired and working. This held for both employees and retirees; males as well as females.

Social interaction

Another dominant theme that emerged from the data was the attraction to older people of social interaction while working. Participants reported the mix of ages, genders, nationalities, and levels of staff and students, adding to the richness of their social contacts, and their overall enjoyment of working. Both employee and retiree participants particularly enjoyed the social interaction aspects of working, reporting they would miss, or had missed, such social interaction with colleagues and students in retirement. Ms J, who continued working part-time after retiring, commented: *You can see that it (working) forms my social life as well as my working life, and I like all that.*
Ms R, a retiree who had since returned to work, provided a representative comment on missing her co-workers: *I liked the company. I liked the socialising and the company at work. That’s what I missed most I think when I gave up work, is the company.*

Further, the non-working retirees, who also missed the social interaction they had while working, found themselves continuing various sorts of interaction with those still working, including emails, social dinners, or “dropping in for coffee and a chat”. This applied to both academic and general staff.

**DISCUSSION**

This paper has suggested two findings specific to the intention to continue working (attachment to work and social interaction at work) and has supported several other factors previously identified in retirement-related research likely to influence the propensity to continue working. Attachment to work appeared to be a strong indicator of the intention to continue working, and this is supported by Patrickson and Clarke (2001), Rosenman and McDonald (1995), and Patrickson and Ranzijn (2004). The other finding, the role of social interaction at work, was suggested by Smeaton and McKay (2003) as a possible explanation of why single women were more likely to remain working than married women, but they also recommended further exploration. As findings from this study, the attachment to work and the role of social interaction in the intention to continue working may add value and focus to organisational staffing planning strategies to retain older workers or attract back into the workforce those who have exited.

Combining these new findings with those of previous research, an emerging model of the propensity of individual older people to continue working is now proposed (see Figure 1 below). There appear to be five groups of factors (health, financial status, demographic, work-related, and “other”), and these are represented by the large boxes in the figure, with the details of the relevant factors within those boxes. Each factor directly affects the propensity to continue working either positively or negatively, except for gender and marital status, which do not appear to have a direct influence by themselves. However, combined with other factors, each of these two factors affects the propensity to continue working. For example, from previous research and supported by the findings in this paper, divorced females are more likely to continue working than married females. In contrast, married men are more likely to continue working than single men.

Of course, there would be some external environmental impacts on the proposed model, such as labour market demand and shortages, current political and economic circumstances, employer stereotypes about older people and government policies concerning age pensions, taxation and superannuation. Nevertheless, this model is an attempt to bring together previous and current research in the one model to explain the propensity of older individuals to
continue working. Such a model is likely to be a worthwhile integration within staffing plans when meeting the looming labour shortages.

Figure 1

**Older individuals’ propensity to continue working: An emerging model**

**FINANCIAL STATUS**
- Financial need (+)
- Financial security (-)
- Access to superannuation/Government pension (-)
- Attractive early retirement package (-)

**WORK RELATED FACTORS**
- Attachment to Work (+)
- Social interaction at work (+)
- Autonomy (+)
- Flexibility (+)
- Negative work environment (-)

**DEMOGRAPHIC FACTORS**
- Gender (+/-)
- Age (-)
- Education (+)
- Marital Status (+/-)

**POOR HEALTH**
- (-)

**OTHER FACTORS**
- Interests outside of work (-)
- Informal caring responsibilities (-)

**Note**: In brackets after each of the influences:
+ represents a positive influence on the propensity to continue working
- represents a negative influence on the propensity to continue working
+/- represents either a positive or negative influence on the propensity to continue working when combined with other influences
CONCLUSION
The study outlined in this paper has added to the research knowledge about older people and employment, and particularly the apparent positive influence of access to social interaction at work on the likelihood of continuing to work. This paper has also proposed a new model combining the factors that influence such a propensity to continue working. Such a model could be useful for organisations, management and policy makers in the better management of their ageing workforces. However, the sample size was small and the study concentrated on older workers employed in (and retirees from) a university setting and therefore, generalisability is limited. Therefore, research in broader contexts would be worthwhile. Older people employed within the private sector, those in small organisation and self-employed older people, and part-time, job-sharing and casual older people may experience the intention to continue working differently from those in this study. Additionally, while this paper contributes greater understanding about the propensity of older people to continue working, the study of factors has not been exhaustive. Hence further research is necessary to refine and validate the proposed model within broader situations and contexts. Moreover, this study used a qualitative research approach, and a quantitative approach may be needed to test how important these influences may be.

REFERENCES


