Rethinking Retirement – summary report of Academy-funded workshop

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The “Rethinking Retirement” workshop brought together 24 prominent researchers and thought leaders in psychology, health sciences, business, economics, government and social policy, to debate and work through challenges posed by restrictive retirement practices, attitudes and stereotypes. The workshop at the University of Queensland spanned two days and was comprised of individual presentations, small working groups and whole-group panels. The workshop was sponsored by ASSA and The University of Queensland, and it was led by Professor Nancy Pachana, Dr Hannes Zacher, and Professor Cindy Gallois.

The feature event of the workshop was a keynote presentation delivered by Associate Professor Mo Wang from the University of Florida, an internationally leading retirement researcher and editor of the “Oxford Handbook of Retirement”. Professor Wang explored the global trends in retirement, the impact of retirement and its influence on people’s financial, physical, and psychological well-being. Dr Wang set the scene by addressing the various ways for retirees to adjust to retirement and reach productive post-retirement life, as well as by presenting a comprehensive agenda for future research on retirement.

Some believe that to look forward we must first look back to our past. Professor Hal Kendig canvassed the influences of life histories, inequality and social life on retirement. His presentation discussed social structural influence on retirement processes and consequences for ageing individuals and an ageing Australia. Focusing the large baby boom cohort now in late middle age, in the context of changing economic conditions, new policy approaches, and an uncertain future, it highlighted the diversity of experiences and outcomes between social groups and the distinctiveness of Australia.

It is not just the broader historical and economic conditions that influence retirement. Associate Professor Peter Butterworth took a closer look at the relationship between mental health, work and retirement. Using an epidemiological approach, longitudinal models were used to investigate the influence of retirement on mental health, and the role of mental health on subsequent employment decisions. This large study highlighted the ways in which adverse work conditions (particularly the psychosocial aspects of work) can influence mental health, and how this may in turn influence retirement decisions. It was found that changed financial circumstances, deviation from social norms, and welfare dependency influence the mental health consequences of retirement.

A focus on work and employment is crucial when considering retirement, but there are more factors at play. Dr Dianna Warren looked at the impact of spousal characteristics and the preferences on the timing of retirement. Dr Warren highlighted the importance of taking into account the household decision-making context when modeling the retirement behaviour of partnered men and women. She found that having a partner who is employed reduces the retirement hazard substantially for both men and women. While potential retirement income is a very important consideration in the retirement decisions of partnered men, partnered women are more likely to base the decision about when to retire on the financial incentives faced by their husband. The timing of an individual’s retirement relative to the spouse
indicated that the likelihood of both joint retirement and a husband retiring before his wife are increased substantially if the husband has a work-limiting health condition. This result implies that women are likely to retire in order to care for their husband, but the opposite is not the case. These results suggest that policies affecting the retirement decisions of partnered individuals are likely to have a twofold effect, due to a preference for joint retirement among mature age couples.

These were just some of the fascinating presentations covered over the two days. There were also addresses from Emeritus Professor Beryl Hesketh who outlined the Retirement Transition and Adjustment Framework (RTAF; Hesketh, Griffin & Lo, 2010), based on the Minnesota Theory of Work Adjustment (Dawis & Lofquist, 1984). Other speakers delved into business policy. For example, Associate Professor Elizabeth Brook made compelling arguments on how proactive policies and practices are required across the whole career path, as choices in later life will reflect quite significantly the routes taken earlier in life. Understanding the cumulative impact of interrupted careers is particularly salient in developing organisational as well as public retirement policy.

Professor Janeen Baxter and Dr Lachlan Heybroek made a joint presentation on life satisfaction across the retirement transition. Decision-making was also a key theme of the two days. Dr Hannes Zacher highlighted that in times of rapid workforce ageing and impending shortages of highly-skilled younger workers, organisations are increasingly interested in preventing the early retirement of older workers and motivating them to work past traditional retirement age. However, it remains unclear whether job characteristics or individual differences and behaviour are better predictors of older workers’ retirement intentions and their motivation to continue working.

Professor Yvonne Well and colleague Dr John van Holsteyn reflected on the lasting impact of perceptions of having choice and control in the retirement transition on life satisfaction in retirement, and noted that such perceptions represent a person’s responses to external circumstances. Dr Joanne Earl added her own perspective to the discussions with her presentation on retirement planning and adjustment. Whilst traditionally retirement planning interventions are considered to be best implemented prior to retirement, there is much to be learned from research that elucidates the predictors of retirement adjustment. The value of continued planning during retirement has also been discounted, partly due to retirement being defined as an event rather than a process. By understanding predictors better, researchers and practitioners can design interventions to facilitate the retirement process throughout the lifespan.

Associate Professor Barbara Griffin and Emeritus Professor Beryl Hesketh looked at intentions to retire and the data collected from the 45 & up study, the largest panel in the southern hemisphere, providing a unique opportunity to link work, retirement, and health outcomes for older Australians.

The two-day workshop concluded with a series of panel discussions and some final presentations from Dr Tim Kastelle and Professor Cindy Gallois talking about diffusion of innovation and the impact of language and stereotypes on ageing, respectively. Professor Alex Haslam looked at the causes of women’s early retirement from leadership positions and outlined a social identity perspective on the retirement transition. The entire workshop was led by Professor Nancy Pachana, along with Prof Gallois and Dr. Zacher.
There was great enthusiasm to continue the discussions and research collaborations on retirement after the workshop. A number of outputs are planned, including a special journal issue on retirement in Australia and an edited book. Furthermore, the presentations from the workshop are now presented on the web site of the Ageing Mind Initiative at UQ (http://www.uq.edu.au/ami/rethinking-retirement). Finally, the group agreed to form a network aimed at influencing policy, and to meet again in the near future.