

How employers can keep experienced older workers from retiring

October 27 2021, by Jeff Grabmeier



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Experienced older workers will retire eventually, but a new study suggests how employers may persuade some of them to stick around for a few more years.

It all comes down to offering a specific type of work environment—one that includes autonomy, participation in decision-making, information

sharing, training opportunities and good compensation and benefits.

The nine-year study of more than 750,000 federal workers over the age of 50 found that that employees with high-quality work environments were especially likely to delay retirement if they didn't have a college degree and weren't managers.

"As people age, research shows that they have a stronger preference for autonomy and control in their jobs, they want to feel respected and listened to," said Kaifeng Jiang, lead author of the study and associate professor of management and human resources at The Ohio State University's Fisher College of Business.

"Jobs like that may be especially appealing to those with less education and who don't have managerial experience because they may feel the need to keep high-quality jobs more than others."

The findings were published online recently in the journal *Personnel Psychology*.

Results showed that older employees were less likely to contemplate retirement after the Great Recession of 2008, especially if they had these high-quality jobs.

That may offer guidance to employers struggling to find and keep workers after the COVID-19 pandemic, said Jiang, who is also a core faculty member in Ohio State's Translational Data Analytics Institute.

"After the Great Recession, [older employees](#) were more interested in continuing to work, especially if they had a high-quality job, probably because they experienced more financial pressure and uncertainty surrounding their [retirement plans](#)," he said.

"The COVID-19 pandemic may have the same effect on workers."

The researchers used data from 754,856 employees aged 50 and older from more than 360 U.S. government agencies participating in the [Federal Employee Viewpoint Survey](#) from 2006 to 2015.

In addition to answering various demographic questions, employees rated their employers for "high-involvement work practices," such as offering autonomy, training opportunities and other workplace conditions viewed as evidence of high-quality jobs.

They also indicated whether they planned to retire within a year, between one and three years, between three and five years, or not within five years.

Employees with less education and who were not managers were especially likely to want to stay at high-quality jobs and delay retirement, findings showed.

"They often don't have as many opportunities to retire early or pursue other options before retirement as those who are more educated and have managerial jobs," Jiang said.

The same was true for older men (versus women) and those aged 50–59 (versus those older than 60).

"If they have a high-quality job, they want to stay and are willing to work for at least a few more years," he said.

"But if they have a low-quality job, they seem to be more likely to want to retire from their current jobs, possibly to search for a 'bridge job' that can take them to retirement."

One strength of this study is that it looked at how job characteristics and individual characteristics jointly affect workers' retirement intentions, Jiang said. Most studies only look at personal characteristics, such as a person's financial situation, in predicting when an [employee](#) will retire.

Another strength was that it examined [retirement](#) intentions over time, including before and after the Great Recession, to show that the recession made high-quality [jobs](#) even more attractive to some older workers.

That finding may be especially relevant now as organizations struggle to find and retain workers since COVID-19 pandemic restrictions have eased.

"Post-COVID, organizations may need to invest more in the high-involvement work practices that we found can retain [older workers](#)," Jiang said.

More information: Kaifeng Jiang et al, Retirement intention of older workers: The influences of high-involvement work practices, individual characteristics, and economic environment, *Personnel Psychology* (2021). [DOI: 10.1111/peps.12480](https://doi.org/10.1111/peps.12480)

Provided by The Ohio State University

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