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Retirement Patterns and the Macroeconomy, 1992 – 2010: The Prevalence and Determinants of Bridge Jobs, Phased Retirement, and Re-entry among Different Cohorts of Older Americans

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Abstract

How has the prevalence of bridge jobs, phased retirement, and re-entry changed over the past two decades and what are the key determinants of these diverse retirement patterns? This paper examines the prevalence and determinants of various paths to retirement using three cohorts of older Americans from the Health and Retirement Study (HRS). The three cohorts (HRS Core (born 1931–1941), War Babies (born 1942–1947), and Early Boomers (born 1948–1953)) have each faced very different economic circumstances when approaching traditional retirement ages. Moreover, older Americans today rely on privately-held assets more so than retirees in the past, largely due to the shift away from defined-benefit pension plans toward defined-contribution plans over the past 30 years. This do-it-yourself approach to retirement income, where individuals manage a large fraction of their retirement assets, leaves many older Americans vulnerable to market fluctuations. With such different retirement environments, and increased susceptibility to macroeconomic factors, it would not be surprising to see different outcomes with respect to retirement patterns. Indeed, we find that the retirement patterns of the Early Boomers appear to be diverging from those of earlier cohorts. The Early Boomers were more likely than the HRS Core and War Babies to transition to a bridge job prior to exiting the labor force completely and were more likely to leave their career jobs involuntarily, with layoffs being a key factor. Our findings provide further evidence that the concept of retirement in the United States continues to evolve.

Key words: Economics of Aging, Partial Retirement, Gradual Retirement
JEL No.: J26, J14, J32, H55

I. Introduction

How has the prevalence of bridge jobs, phased retirement, and re-entry changed over the past two decades and what are the key determinants of these diverse retirement patterns? Those on the cusp of retirement have faced very different economic circumstances since the early 1990s. Older Americans approaching retirement in the mid- and late-1990s experienced an extended period of low unemployment and strong economic growth. Those expecting to retire in the early 2000s faced a recession, albeit a short-lived one, in 2001 and the uncertainty following the events of September 11, 2001. The next cohort of older Americans approached retirement in the face of the financial turmoil of 2008 accompanied by an 18-month recession (the "Great Recession") and a historically-sluggish recovery, all at a time when asset accumulation was crucial.

With such different retirement environments, it would not be surprising to see different outcomes with respect to retirement patterns. Older Americans today rely on privately-held assets more so than retirees in the past, largely due to the shift away from defined-benefit pension plans toward defined-contribution plans over the past 30 years. This do-it-yourself approach to retirement income, where individuals may manage a large fraction of their retirement assets, leaves many older Americans vulnerable to market fluctuations. The result is that market turmoil can greatly alter the need for additional work later in life.

Some recent research has shown that among older Americans the timing of retirement – that is, the date at which individuals exit the labor force permanently – has not been affected significantly by broad asset market declines because: (1) relatively few older Americans hold substantial non-pension wealth in equities, (2) relatively few older Americans owe more on their home mortgages than their homes are worth, and (3) relatively few older Americans experienced

multiple adverse events when approaching retirement. The timing of retirement – how long people work – is one part of the story. The way people work is another, and this dimension is influenced not just by asset declines but also by the state of the labor market.[i]

This paper focuses on *how* people exit the labor force and explores the impact of the macroeconomic environment on the retirement patterns of older Americans. The first part of the paper documents the prevalence of bridge jobs, phased retirement, and re-entry among various cohorts of older Americans who held a career job later in life. We then explore the reasons why older Americans leave career employment and the determinants of their labor force participation patterns. After nearly two decades of strong economic growth, workers today are contemplating retirement under very different economic conditions than their predecessors, and with different expectations and concerns about the future.

The data for this study come from the longitudinal Health and Retirement Study (HRS), a nationally-representative longitudinal dataset of older Americans that began in 1992. The HRS is ideal for this analysis in part because it contains detailed information about work histories, as well as detailed information about demographic and economic characteristics and changes in job status over time. The initial cohort of 12,652 HRS respondents, known as the HRS Core, was aged 51 to 61 at the time of the first interview in 1992 (i.e., born from 1931 to 1941) and has been interviewed every other year since 1992, barring death or another reason for non-response. Additional cohorts have since been added to the HRS, including the War Babies (born 1942 to 1947), Early Boomers (born 1948 to 1953), and Mid Boomers (born 1954 to 1959)). Each of the HRS cohorts has been interviewed every other year since being introduced to the survey.

We find that the retirement patterns of the Early Boomers appear to be diverging from those of earlier cohorts. The Early Boomers are less likely to be on a career job later in life and

the Early Boomers who have a career job are more likely to transition to a bridge job prior to exiting the labor force. The Early Boomers are also more likely than both the HRS Core and the War Babies to leave career employment involuntarily, with layoffs being a key factor. The increased prevalence of these involuntary transitions will likely reverberate for years to come, and continue to impact the retirement patterns of the next generation of older Americans.

This paper is structured as follows. The next section summarizes the literature to date with respect to retirement transitions, including bridge job employment, phased retirement, and re-entry, and describes several studies that have examined the impact of the broader economy on the timing of retirement. Section III presents the HRS and its cohorts, and describes the methodology used in our analysis. Section IV contains our results and Section V puts our main findings into context, and presents some topics for further research.

II. Background

The retirement trends of older Americans have changed substantially since the mid-1980s. A near century-long trend toward earlier and earlier retirement among men came to end (Quinn, 2010; Shultz & Wang, 2011; Purcell, 2009; Burtless & Quinn, 2002), and recent evidence suggests that the trend has even reversed (Quinn, Cahill & Giandrea, 2011). For older women, labor force participation rates held steady between the mid-1960s and the mid-1980s; since the mid-1980s, however, older women experienced a break from trend similar to that of older men (Quinn, 2010). Before the break in trend, earlier retirements among women were largely offset by increases in labor force participation among married women. Once the earlier retirement trend stopped, the latter effect dominated. Today many more older men and women are working than trends through the mid-19780s would have predicted.

One reason for the break in trend is that the retirement income environment in the United States looks very different today than it did in the past. As Americans grew more prosperous during the 20th century, the nation expanded the Social Security program and employers provided pension benefits. The availability of public pensions and, for many, private pensions, all increases in wealth generally, allowed Americans to afford more leisure, including early retirements.

This retirement environment began to change in very fundamental ways in the 1980s. Mandatory retirement was eliminated for the vast majority of American workers in 1986 (Quinn et al., 2011; von Wachter, 2002), after being delayed from age 65 to 70 in 1978. In 1983, changes to Social Security regulations increased the Social Security Normal Retirement Age (NRA) gradually to 67 for individuals born after 1959 (Congressional Budget Office, 2001). Another notable change in the Social Security program was an increase in Social Security's delayed retirement credit (DRC) – from three to eight percent per year of delay – for those postponing receipt of Social Security benefits until after age 65. The lower DRC had been a strong retirement incentive (or work disincentive) for the average worker at age 65. Even with the increase in the NRA – which is equivalent to an across-the-board benefit cut – and changes to the DRC, the Social Security program faces long-run financial shortfalls. The long-term outlook for the program will likely require further increases in the NRA, reduced benefits, or increases in the revenues that fund the program (Board of Trustees of OASDI, 2010; Congressional Budget Office, 2002, 2009; Lavery, 2009).

The 1980s also brought about a gradual shift in private pensions, toward a "do-it-yourself" approach to retirement and labor force withdrawal (Munnell, 2007; Munnell, Cahill, Eschtruth & Sass, 2004). Traditional defined-benefit (DB) plans, in which retirement benefits were paid in the form of an annuity based typically on tenure with the firm and some measure of average salary,

have largely been supplanted by defined-contribution (DC) plans, like 401(k)s. While traditional DB plans have age-specific work disincentives, usually at the earliest age of pension eligibility, DC plans operate more like tax-deferred individual savings accounts that individuals draw down in retirement and, therefore, contain no age-specific work disincentives (Munnell, 2006; Quinn, 2010). Moreover, the individual assumes key risks under DC plans, most notably investment risk and longevity risk, which are shouldered by the employer under DB plans (Munnell & Sunden, 2004).

Private savings rates also began to decline in the 1980s and have since reached their lowest levels since the Great Depression, albeit with a short-lived uptick in the late 2000s. Savings rates are currently on the decline again. (U.S. Department of Commerce, Bureau of Economic Analysis, 2012). With these changes to Social Security, private pensions, and savings, along with potential cutbacks in Medicare and Medicaid eligibility and coverage, many older Americans face a choice between lower living standards in retirement or working longer.

Older Americans as a whole have responded by working longer, thereby stabilizing the traditional three-legged retirement income stool (Social Security, employer pensions and accumulated savings) with a fourth leg -- labor market earnings. Today the average retirement age of men is higher than it has been in three decades. In addition, many Americans are retiring gradually, in stages. For the majority of older Americans with career jobs, retirement is not a one-time, permanent dichotomous state in which one is either working or retired. Retirement is instead a process.

The bridge job literature extends back to the late 1960s and 1970s (Cahill, Giandrea, and Quinn, 2012a). Quinn, Burkhauser and Meyers (1990) summarized the retirement literature from the 1970s and 1980s and concluded that retirement should be viewed as a process for many: from

career employment to a bridge job and then permanent withdrawal from the labor force.[ii] A key article by Quinn (1999) based on the first three biennial survey waves of the Health and Retirement Study (HRS) (Karp, 2007), found that between one-third and one-half of older Americans with career jobs would utilize bridge jobs before exiting the labor force completely. Cahill, Giandrea, and Quinn (2006) conducted a follow-up study seven years later with the extended HRS data, with transitions from 1992 through 2004, and found that about 60 percent of men and women who made a job transition moved to a bridge job before exiting the labor force completely. These authors also explored the retirement patterns of a younger group of HRS respondents, added to the HRS in 1998 and known as the "War Babies," and found that 64 percent of these older Americans with career jobs moved to a bridge job prior to exiting the labor force completely. Bridge job prevalence for the younger cohorts was on par with that of the older cohort.

Kantarci and van Soest (2008) summarized the research on gradual retirement more generally, including partial retirement, which involves a change in employer, like bridge employment, and also phased retirement, which involves reducing hours worked but staying with one's current employer.[iii] The authors summarized some of the subjective and objective measures of gradual retirement, including a reduction in working hours, a lower wage rate, a reduction in earnings (through hours worked or the wage rate), and pension receipt. One of their conclusions was that phased retirement appeared to be more conducive to retirement patterns in Europe, where the labor market is less flexible, than in the U.S. Further, evidence suggests that many older American workers would prefer reduced hours on a career job to continued full-time work; however, such arrangements are often not available (Hutchens and Chen, 2007). A study by Charles and Decicca (2007) found that the inability to reduce hours worked results in earlier

departures from the labor force possibly due to the fact that changing employers can entail fairly substantial transition costs.

A third type of retirement transition is re-entry, also known as "unretirement." These are transitions in which an individual initially exits the labor force ("retires") but then reverses course and reenters the labor force at a later date. Evidence suggest that, among older career workers who exit the labor force for at least two years, approximately 15 percent reenter at a later date (Cahill, Giandrea, and Quinn (2011); Burkhauser, Quinn, and Meiers (1990)). Another study by Maestas (2010) found that, among older workers who made an initial exit, one half either re-entered or experienced partial retirement and that these non-traditional retirement decisions were largely anticipated prior to retirement. The evidence from these studies and others, such as Griffin and Hesketh (2008), suggests that many older workers rely on the possibility of re-entry as a way to supplement retirement income or maintain a social network if retirement proves unsatisfactory.

Retirement from career employment has been a large focus of the retirement literature. The conclusions about job changes later in life and the diverse patterns of labor force withdrawal also appear to apply to those who have never held a career job. Cahill, Giandrea, and Quinn (2012) found that the prevalence and frequency of job switches among older Americans resembled those of older workers with career jobs. Not only that, job switches between white-collar and blue-collar jobs and between wage-and-salary employment and self employment were also found for both older Americans who had career jobs and those who did not.

In short, retirement in the United States is a process for the large majority of older Americans, and bridge jobs, partial retirement, and re-entry all play an important part in this process. These different avenues to retirement are the product of a changing retirement income landscape. Not only do age and health status determine when and how individuals retire, but so do

financial incentives, such as those within Social Security, and other factors, including employer pensions and health insurance (Cahill, Giandrea & Quinn, 2006).

The role of the macroeconomy in the retirement decisions of older Americans was highlighted in several articles that addressed the impact of the stock market declines in the early 2000s (Eschtruth and Gemus, 2003; Coile and Levin, 2006). Coile and Levine (2006) hypothesized that those with greater stock market holdings should have larger responses to the stock market boom – exiting the labor force at a higher rate than non-stockholders in the cohort. Likewise those with larger stock market holdings should also have larger responses to the stock market bust of 2000 and 2001 – re-entering the labor force at a higher rate than others in the cohort. Coile and Levine found that stock market holding were not especially large among the HRS sample with only about two-thirds holding stocks in 2000 and over 60 percent of the sample owning stock market holdings below $50,000 in 2000. The authors found no support for the hypothesis that those with stock holdings were more likely to retire during the boom or less likely to retire during the bust. Likewise, the authors found no support for the hypothesis that those with stock holdings would be more likely to re-enter the labor force during the stock market bust.

The topic of stock market declines was re-visited in the wake of the Great Recession, albeit this time with an additional emphasis on the housing market. Perhaps most relevant to the present study is a paper by Gustman, Steinmeier, and Tabatabai (2011) in which the authors used the first nine waves of the HRS to examine differences across the three cohorts of older Americans examined in this paper: the HRS Core, War Babies and Early Boomers. Their main conclusions, as they pertained to labor force participation, focused on the timing of labor force exit. The authors classified HRS respondents as not retired, partially retired, completely retired, not relevant, or not working/not retired. This last category included those who were unemployed or not working but

willing to take employment if it was available to them. The largest differences across cohorts were the changes in those not working/not retired. From 2006 to 2010, the percentage of Early Boomers who were classified as not working/not retired rose by 4.5 percentage points. For the War Babies this classification grew by 1.2 percentage points from 2000 to 2004 and for the Core the percentage classified as not working/not retired fell by 7.2 percentage points from 1994 to 1998. Ultimately, the authors concluded that while unemployment was higher among the Early Boomers during the Great Recession, employment was not reduced and transitions into retirement were not accelerated.

Sass, Monk, and Haverstick (2010) noted that the stock market crash of 2008 and 2009 led to a one third reduction in the values of 401(k) plans, on average. To learn more about how this loss of retirement asset value affected older Americans the Center for Retirement Research at Boston College surveyed a nationally representative sample of over 1,300 workers between the ages of 45 and 59 during the summer of 2009. About 40 percent of workers reported that in response to the market crash they expected to retire later than they had previously planned. Also, about two-thirds of respondents reported no change in the flow of income to retirement savings. Finally, the survey found that 43 percent of workers made no change in the amount of money they were saving for retirement or in their expected retirement date.

The findings by Sass and coauthors may arise because workers save very little and have not accumulated enough assets, particularly equities, to be overly concerned with the stock market downturn. For example, Helman, Copeland, and VanDerhei (2012) reported in the findings of the annual EBRI Retirement Confidence Survey that 60 percent of workers held less than $25,000 in savings and investment, not including the value of the primary residence or any defined-benefit pensions.

McFall (2011) estimated the twin effects of decreased financial wealth and decreased housing values on expected retirement dates among a sample of over 300 older Americans interviewed in 2008 and 2009. McFall calculated the sustainable consumption level for each individual based on an annuity that could be purchased using the individual's expected stream of wage, Social Security, and defined-benefit pension income, and current financial and real estate wealth. McFall calculated that the average loss in sustainable consumption between 2008 and 2009 was 5.8 percent. In a Tobit regression of change in reported expected retirement on the additional work required to obtain the previous year's sustainable consumption level, McFall found that the average loss in sustainable consumption led to an increase in expected retirement age of 2.5 months only.

In another relevant study, Bosworth and Burtless (2011) investigated the relationship between labor force participation rates and changes in home prices, state and national unemployment rates, and wealth measured by trailing returns on equities, bonds, and changes in home prices. The authors found modest impacts of changes in asset values on labor force participation for men over the age of 55. They estimated that along with the observed 4.6 percentage point increase in the unemployment rate during the Great Recession, the labor force participation rate for men aged 60 to 74 dropped by between 1.3 and 1.7 percentage points. Likewise, among men age 65 and above, an increase in the local unemployment rate relative to the national unemployment rate resulted in an even larger reduction in labor force participation. In general though, Bosworth and Burtless concluded that the variations in labor force participation rates and Social Security claiming due to cyclical effects existed and were of the expected sign, but were small relative to the regular variation in those variables.

Other studies have focused on the impact of the macroeconomy on older workers' wages and the timing of Social Security benefit receipt. Butrica, Johnson, and Smith (2011) used the Urban Institute's Dynamic Simulation of Income Model to estimate the impact of the Great Recession on the retirement incomes of workers in the labor force in 2008. The authors found that because of poor wage growth during and after the recession, annual incomes of workers when they reach age 70 will be reduced by 4.3 percent ($2,300) annually. This slow wage growth during and immediately after the recession results in a lower wage baseline as economic growth increases in future years leading to permanently lower wages throughout an individual's work life. Butrica and coauthors found that the youngest workers were hardest hit by the Great Recession because they were more likely to lose jobs or face difficulty entering the workforce, but older workers suffered as well. As the authors also point out, workers who lose jobs later in their work life often have difficulty returning to employment. This leads many older workers to claim Social Security retirement benefits at an earlier age than they otherwise would have, resulting in a stream of permanently lower Social Security benefits.[iv]

Coile and Levine (2011) estimated the impact of a high unemployment rate on labor force participation and Social Security claiming among older men. They used 30 years of data from the March supplement of the Current Population Survey to estimate the impact of the unemployment rate on labor force participation and on the application for Social Security retirement benefits. Coile and Levine found that a higher unemployment rate lead to a larger probability of an older man exiting the labor force. The effect was especially large and significant among men age 62 and older who were high school dropouts or high school graduates without any college education. Coile and Levine found that a one percentage point increase in the unemployment rate lead to a greater than one percentage point increase in the number of men age 62 and older who exit the

labor force and a greater than one percentage point increase in receipt of Social Security retirement benefits among workers 62 and older.

The main finding from the literature on macroeconomic impacts is that housing and stock market declines per se do not translate into large changes in the timing of retirement. Changes in the labor market, however, do appear to have an impact on both the timing of retirement and claiming of Social Security benefits. In this paper, we extend the literature by focusing on the impact of the macroeconomy on patterns of labor force withdrawal.

III. Data and Methods

The Health and Retirement Study (HRS) is a longitudinal dataset of older Americans that began in 1992. The initial set of "Core" HRS respondents – those aged 51 to 61 in 1992, and their spouses – consisted of 12,652 respondents from approximately 7,600 households. Interviews have been conducted every other year since 1992. In 2010, the most recent year of data available, approximately 56 percent of the original sample remained.[v] Additional cohorts of HRS respondents have been added in 1998 (the "War Babies," born from 1942 to 1947), in 2004 (the "Early Baby Boomers," born from 1948 to 1953), and in 2010 (the "Mid Baby Boomers," born from 1954 to 1959). In this paper we focus on three cohorts: the HRS Core, War Babies, and Early Baby Boomers. The Mid Baby Boomers, aged 51 to 56 in 2010, as a group have yet to begin the process of exiting the labor force, and are not included in our analysis.

The follow-up period for the three cohorts examined is substantial: 18 years for the HRS Core, 12 years for the War Babies, and 6 years for the Early Baby Boomers. Along with the extended follow-up period, the HRS questionnaire includes detailed information about an individual's work history as well as demographic, economic, and job characteristics. The HRS is, therefore, ideal for this study.

We focus on transitions from career employment later in life.[vi] Retirement is defined as complete labor force withdrawal. Career employment is defined as a job that consists of 1,600 or more hours per year and 10 or more years of tenure. While the definition of what constitutes a career is debatable, prior research has shown that the qualitative conclusions with respect to the prevalence of both career employment and bridge job employment are not particularly sensitive to reasonable alternative tenure and hours cutoffs. We use HRS data from each respondent's first HRS interview as well as all subsequent interviews in order to construct each individual's work history and identify those with a full-time career job and work experience since age 49.

We further restrict our sample of HRS respondents to those on a full-time career job as of the time of the first interview, where tenure is defined as eventual tenure based on forward-looking information obtained in subsequent waves. This restriction is largely a product of the HRS. While some information about jobs prior to the first interview is available, the information is not nearly as detailed as what is available in each survey wave. The first HRS interview and subsequent interviews, for example, included detailed information about each respondent's current health status, marital status and spouse's health and employment status, as well as the respondent's own employment status, pension and health insurance status, wage, wealth and a host of other demographic and economic characteristics. This information allows us to measure time-varying characteristics as of the interview just prior to the transition.

IV. Results

The HRS Core consists of 5,869 men and 6,783 women (Table 1). Approximately 9 out of 10 men (91%) and 8 out of 10 women (78%) had work experience since age 50, and just over half of the HRS core men (52%; n=3,061) and more than one third of the women (38%; n=2,567) were on a full-time career job at the time of the first interview. For the War Babies and Early

Boomers, respondents were aged 51 to 56 at the time of the first interview – compared to 51 to 61 for the Core respondents – so we might expect to observe different percentages than the HRS Core with respect to the prevalence of career employment at the time of the first interview, and we do.

What is most striking, however, is the difference between the War Babies and the Early Boomers. Compared to the male War Babies, the male Early Boomers were about ten percentage points less likely to both be working since age 50 (71% compared to 82%) and about ten percentage points less likely to be on a full-time career job at the time of the first interview (55% compared to 66%). The War Baby women and Early Boomer women were similar with respect to the percentage who had worked since age 50 (60%) and who were on a full-time career job at the time of the first interview (approximately 38%). The HRS Core, when restricted to only those aged 51 to 56, resembled the War Babies with respect to work since age 50 and being on a full-time career job at the time of the first interview.[vii]

Prevalence of Gradual Retirement

Not only are the male Early Boomers less likely than the male War Babies to be on a full-time career job at the time of the first interview but the male Early Boomers were also less likely to stay on their career jobs in subsequent waves (Table 2). Six years after the first interview, 46 percent of the Early Boomer men who were on a FTC job at the time of the first interview were still on that job, compared to 55 percent of the War Baby men. A similar result is found among women, too. Six years after the first interview, 42 percent of the Early Boomer women who were on a FTC job at the time of the first interview were still on that job, compared to 52 percent of the War Baby women. Those Early Boomer men who left FTC employment moved into both other jobs and out of the labor force with a similar frequency. Compared to the male War Babies,

six years after the first interview, male Early Boomers were about five percentage points more likely to be on another job and five percentage points more likely to be out of the labor force. Compared to the War Baby women, the Early Boomer women were more likely to transition to another job than exit the labor force directly.

The cross-sectional analyses described above are helpful in providing snapshots in each wave of HRS data, but many of those not in the labor force had utilized a transitional job prior to exiting. Further, some respondents classified as out of the labor force in one wave could reenter in a subsequent wave. The prevalence of these kinds of transitions means that the cross-sectional analyses understate the degree to which transitional jobs are utilized prior to retirement. The longitudinal nature of the HRS addresses this issue.

The extended follow-up period for each of the three HRS cohorts – 18 years for the Core, 12 years for the War Babies, and 6 years for the Early Boomers – allows us to examine each respondent's path to retirement. When a respondent is considered "retired" along the way is largely irrelevant to our analyses. Instead, we focus on work behavior and the jobs taken since career employment. In doing so, to avoid double counting retirement transitions, we distinguish between bridge jobs and reentry. A bridge job is any job that follows full-time career employment within two HRS interviews of leaving their career job. A job that follows career employment, after not having worked for pay for two or more HRS interviews is considered a direct exit, followed by reentry. Using this approach we find that, for the HRS Core, approximately 55 percent of career men and women take a bridge job prior to exiting the labor force (Table 3a). This percentage is slightly below previous estimates in the literature because of the separation of bridge jobs and reentries. The prevalence of bridge jobs is slightly higher among the War Babies (58% for men and 60% for women), consistent with prior findings that

suggest younger cohorts of retirees were utilizing bridge jobs just as their predecessors did, perhaps even more so.[viii] Following each cohort through the 2010 HRS survey, the latest data indicate that the Early Boomers are utilizing transitional jobs even more so than the War Babies, with 66 percent of the men and 75 percent of the women who made a transition by 2010 having taken a bridge job.

The differences in bridge job prevalence across these cohorts could be due to the differing lengths of the follow-up period or due to actual differences in retirement behavior, or some blend of the two. To provide insight into this issue we examine how bridge job prevalence compares across these cohorts of retirees at similar ages and follow-up periods. We compare the HRS Core respondents who were aged 51 to 56 in 1992 with the War Babies and the Early Boomers through the first four interviews (i.e., a six-year follow-up period). We find that, among the HRS Core and War Babies, the prevalence of bridge jobs among those who made a transition within six years of the first interview is, as a whole, higher than when examining the entire available work history (Table 3b). Perhaps more importantly, however, is how bridge job prevalence differs by gender. Among the men, the War Babies had the highest prevalence of bridge jobs (69% for the War Babies compared to 65% for the other two cohorts).[ix] Among the women, bridge job prevalence increased from 60 percent among the HRS Core, to 70 percent among the War Babies, and still further to 74 percent among the Early Boomers.

The next logical question is whether the types of bridge are different across the HRS cohorts. When examining labor force intensity (part-time status) of bridge jobs the answer appears to be yes. Approximately half of the HRS Core and the War Babies who transitioned to bridge jobs worked part time on those jobs, compared to about one quarter of the Early Boomers (Table 3a). This pattern also holds when examining the six-year follow-up period only for the

three cohorts (Table 3b). This finding may be an indication that the bridge job experiences of the Early Boomers are different than those of prior cohorts.

As noted earlier, bridge jobs are just one form of gradual retirement. We investigate two others as well – reentry and phased retirement (reductions in hours on the career job). When reentry is defined as a return to paid work following an absence from paid work for two or more HRS interviews we find that the rate of reentry among the HRS Core respondents who made a transition from career employment is 13 percent among the men and 12 percent among the women. For the War Babies, who had a shorter follow-up period than the Core – 12 years compared to 16 years – the rate of reentry was 6 percent for men and 8 percent for women. Most reentry jobs were part time, though a substantial minority was not.

The other form of gradual retirement, phased retirement without a change in employer, had a frequency similar to reentry. Among the HRS Core and the War Babies with career jobs, slightly more than one in ten reduced their work hours by 20 percent or more at some point since the first interview. With the one exception of the men who were last observed on their career job, the frequency of phased retirement among the Early Boomers was approximately half that of both the HRS Core and the War Babies, a result that largely remains even when comparing similar ages and follow-up periods across the three cohorts.

Differences in bridge job prevalence by self-employment status have been well documented in the literature, and this finding is upheld within each of the three HRS cohorts examined in this paper, although the discrepancy between self employment and wage-and-salary employment appears less pronounced among the Early Boomers. Among the HRS Core, 51 percent of wage-and-salary workers transitioned to a bridge job compared to 75 percent of self-employed workers. The respective percentages among the War Babies were 55 percent and 84

percent. Among the Early Boomers, however, bridge job prevalence among wage-and-salary workers was 69 percent compared to 75 percent among self-employed workers – a difference of just six percentage points. This pattern is maintained when examining the younger group of HRS Core respondents over just a six-year period, and the War Babies over a six-year period. In terms of phased retirement on the career job, it comes as no surprise that self-employed workers are much more likely to reduced hours worked compared to wage-and-salary workers. Among the HRS Core, for example, approximately one in three self-employed workers reduced hours on the career job by 20 percent or more, compared to one in ten wage-and-salary workers.

Correlates of Gradual Retirement

A first attempt at exploring what is behind the differences described above is to examine respondents' own assessments as to why they left career employment. An examination of a myriad of possible reasons reveals that the Early Boomers were much more likely than both the HRS Core and the War Babies to have left career employment involuntarily, with the largest difference between the cohorts among those who exited the labor force directly from full-time career employment (Table 4). Among the Early Boomers, 26 percent of the men and 18 percent of the women who moved to a bridge job left career employment for at least one of the following involuntary reasons: laid off, business closed, health reasons, or family care. Being laid off was the most common involuntary reason among the Early Boomers who transitioned to bridge jobs. Among the Early Boomers who exited directly from career employment, the majority (52% of the men and 56% of the women) left for at least one involuntary reason. While health reasons were the most common involuntary reason for those Early Boomers who exited directly, one in five Early Boomers who exited directly cited a layoff as the reason for leaving career employment. The percentage of Early Boomers who exited directly and left their career jobs

involuntarily is fully 18 percentage points or more higher than the HRS Core and War Babies. These findings imply that the experiences of the Early Boomers are very different than those of prior cohorts. Whereas the majority of HRS Core and War Babies left career employment and exited directly for mainly voluntarily reasons, only about one quarter to one third of the Early Boomers did, with the difference driven primarily by layoffs.

In the next part of our analysis we examine several known determinants of gradual retirement and examine how their impact varies across the three HRS cohorts. The first determinant is age, and the pattern is fairly straightforward. Those who left career employment at younger ages were more likely to move to a bridge job and their bridge jobs were more likely to be full time compared to their older counterparts (Table 5). One interesting observation is that the differences in bridge job prevalence by age were much more pronounced among the War Babies than the HRS Core. Among the male War Babies, for example, the percentage of respondents taking a bridge job ranged from 73 percent among those who transitioned from career employment at age 55 or younger to 32 percent among those who transitioned from career employment at age 65 or older. The analogous percentages for the male HRS Core were 65 percent and 57 percent, respectively. A similar pattern exists for the female War Babies and Core respondents as well. Not surprisingly, the prevalence of phased retirement (reduction in hours on career employment) was directly related to the age at which respondents left career employment and the rate of reentry was inversely related to the age at which respondents left career employment.

Another strong correlate of gradual retirement is health status and, again, an interesting pattern arises for the Early Boomers. Among the HRS Core and War Babies, bridge job prevalence is highest among those who were in excellent or very good health just prior to their

transition from career employment (59% for the male and female HRS Core respondents; 66% for the male and 72% for the female War Babies) and lowest among those in fair or poor health (44% for the male and 42% for the female HRS Core respondents; 47% for the male and 39% for the female War Babies) (Table 6). Whereas less than one half of the HRS Core and War Baby men and women in fair or poor health transitioned to bridge jobs, the majority of the Early Boomers in fair or poor health prior to transition took on a bridge job (60% of the men and 57% of the women). Again, the Early Boomers seem to have a different experience than the HRS Core and the War Babies.

In order to examine the impact of health insurance status on the career job we group respondents into three categories: (1) did not have health insurance coverage; (2) had health insurance coverage and would maintain coverage if the respondent left the job ("covered – would maintain"); and (3) had health insurance coverage and would not maintain coverage if the respondent left the job ("covered – would lose"). The "covered – would maintain" category includes respondents with employer-provided health insurance that covers retirees, respondents with health insurance through their spouse, respondents with private health insurance, and respondents with government-provided health insurance (e.g., Medicare, if the respondent is age 65 or older). The "covered – would lose" category includes respondents with employer-provided health insurance that ends upon termination of employment.

Among the HRS Core, the majority of respondents (66% of men and 53% of women) had health insurance that would be maintained upon leaving career employment; 15 percent of the HRS Core men and 23 percent of the HRS Core women did not have health insurance while on their career job (Table 7). A priori, one might think that bridge job activity would be higher among those who would maintain health insurance upon leaving career employment compared to

those who would not, as continuing coverage might ease a job transition. In fact, however, this categorization of health insurance status did not have a meaningful impact on bridge job prevalence, and in many instances bridge job prevalence was actually higher for those who would lose health insurance coverage compared to those who would maintain it. Further, bridge job prevalence was highest among those without health insurance, perhaps signaling more about the quality of career employment than health insurance status per se.

Similar to the story for health insurance, HRS Core respondents without pension coverage on the career job were the most likely to transition to a bridge job, again, perhaps more indicative of the quality of the career job than the role of pensions per se (Table 8). Those HRS Core respondents least likely to take on a bridge job were those covered by a DB plan on their career job (41% among HRS Core men and 43% among HRS Core women). This finding regarding the impact of DB pensions is consistent with the notion that those who are financially stable in retirement are less likely than those who are not to take in a bridge job later in life. Another notable finding is that HRS Core men with DB pensions were the least likely to reduce their work hours on the career job.

The impact of pensions on bridge job prevalence is both different and the same for the War Babies. The story for the War Babies is similar to the story for the HRS Core in that bridge job prevalence is lower for those with DB pensions compared to DC pensions. The story is different in that bridge job prevalence is not highest among those without pension coverage, a result that holds for the Early Boomer men as well. It is unclear what is behind this result, but part of the story could be involuntary departures from career employment and difficulties finding work once one has left career employment. Further evidence of this explanation can be seen in the

prevalence of reentry among the War Babies, which is lowest for those without pension coverage on the career job.

One well-identified pattern in the bridge job literature is a u-shaped relationship between bridge job prevalence and wage on the career job. Bridge job prevalence is higher among low- and high-wage workers compared to those in the middle of the wage distribution. One explanation for this relationship is that those at the lower end of the wage spectrum, as a whole, take on bridge jobs out of financial necessity while those at the upper end of the distribution do so for additional reasons beyond wage income. This relationship is confirmed among the HRS Core respondents and the War Babies, for both men and women (Table 9). Another interesting finding, among the HRS Core at least, is that those at the upper and lower end of the wage distribution are also more likely than those in the middle to experience reductions in hours worked on the career job. Sample sizes make it difficult to decipher a u-shaped trend among the Early Boomers. What is known is that bridge job prevalence is higher among those at the bottom of the wage distribution compared to those in the middle.

Multivariate Analysis

The descriptive analysis presented above suggests that the retirement patterns of the Early Boomers differ from those of the HRS Core and War Babies in several respects. The goal of this section is to examine whether the associations identified above with respect to our key correlates of retirement transitions remain once other factors are taken into account. We first estimate a multinomial logistic regression model with a three-way outcome: (1) last observed on a FTC job, (2) moved to a bridge job, and (3) exited the labor force directly. The set of right-hand side variables consist of the demographic and economic characteristics described above, along with controls for educational attainment, ethnicity, marital status, presence of dependent children,

home ownership, health status and work status of the spouse, occupation, non-housing wealth, and region. All time-varying explanatory variables were measured as of the interview just prior to the first job transition from career employment. We estimate separate models for each of the three HRS cohorts to allow for differences across cohorts with respect to all of our key determinants of interest. We also estimate models for men and women separately, to address the preliminary findings of gender differences among the Early Boomers with respect to bridge job prevalence.

We also estimate a logistic regression model to examine phased retirement, with the dependent variable equal to one if the respondent reduced hours worked on the career job by 20 percent or more. The explanatory variables for the phased retirement logit model are the same as those described above for the multinomial logit model and are also measured as of the survey year prior to the respondent's transition from career employment. The relatively short 6-year follow-up period restricts any multivariate analysis of reentry among the Early Boomers. We therefore focus our multivariate analysis on transitions from career employment to bridge jobs and on phased retirement.

Though some exceptions exist, generally speaking, the key determinants (age, health status, pension status, and self-employment status) of taking a bridge job examined above were statistically-significant determinants of taking a bridge job for all three cohorts and for men and women (Tables 10a and 10b). Respondents who were older at the time of transitioning from career employment were less likely than those who were younger to move to a bridge job and more likely to exit directly. Compared to those who reported being in good health, respondents who reported being in excellent or very good health were more likely to transition to a bridge job following career employment; those who reported being in fair or poor health were less likely to

take on a bridge job and more likely to exit directly. Respondents who were self employed on their career jobs were more likely than those in wage-and-salary employment to transition to a bridge job and less likely to exit directly. Respondents with a defined-benefit pension plan were less likely to transition to bridge employment than those without pension coverage. Finally, those with portable health insurance (i.e., who maintained their health insurance upon leaving career employment) were more likely than those without portable health insurance to exit the labor force directly from career employment.

Some other notable observations from the multinomial logistic regression are as follows. First, for the male War Babies and the female Core and Early Boomers, respondents with at least some college were more likely than those with a high school diploma to transition to a bridge job. While the sign of the marginal effect for college education was consistent across the HRS cohorts – those with a college education were more likely than those with a high school degree to transition to a bridge job and less likely to exit the labor force directly – the results for educational attainment might be more insightful because of their lack of statistical significance. For example, all else equal, educational attainment among the male Early Boomers did not appear to significantly affect their retirement transitions in the face of the Great Recession.

Another interesting observation is that, unlike the HRS Core and the War Babies, the self-employed Early Boomers were less likely than the wage-and-salary Early Boomers to transition to a bridge job, all else equal. At the same time, the self employed Early Boomers were also less likely than the wage-and-salary Early Boomers to exit the labor force directly from career employment. These two results imply that the self-employed Early Boomers stayed on their career jobs longer than their wage-and-salary counterparts, again, all else equal. While these results about the role of self employment should be interpreted with caution given that many

Early Boomers have yet to make a transition from career employment, these findings are consistent with the notion that many of the wage-and-salary Early Boomers left career employment involuntarily and prematurely as a result of the Great Recession.

As expected, many of the same drivers of bridge job transitions also explain phased retirement (Tables 11a and 11b), although small sample sizes limited the extent to which statistical significance was found among the War Babies and the Early Boomers. One consistent finding across all cohorts, however, is that those who were self employed were much more likely than those who were wage-and-salary to reduce hours on their career job. Another intuitive result is that, among the HRS Core and the War Babies, those who remained on their career jobs at later ages were significantly more likely to experience phased retirement. Some other notable findings for the HRS Core were that those reporting excellent or very good health and those reporting fair or poor health were both less likely than those reporting good health to experience phased retirement on their career job. The presence of a depending child also increased the likelihood of phased retirement among the HRS Core. Finally, those Core respondents with defined-benefit plans were less likely to experience phased retirement compared to those without pensions – consistent with the incentives associated with the final-average-salary benefit formulas typically found in these plans.

V. Conclusion

Older Americans on the cusp of retirement today face a very different economic environment than those in the past. Substantial changes have occurred to all three legs of the retirement income stool – Social Security, private pensions, and savings – altering the relative attractiveness of work and leisure later in life, nearly uniformly in favor of work. Even beyond these pro-work incentives, the role of the individual in planning for retirement has changed. For

most Americans, gone are the days of autopilot, where working for one employer long term and contributing Social Security payroll taxes meant a predictable stream of payments throughout retirement. Today, retirement planning for most Americans is a "do-it-yourself" task. The transition from defined-benefit plans to defined-contribution plans, in particular, leaves pivotal decisions up to the individual, even at young ages, including: whether to contribute to a 401(k), how much to contribute, how to invest the assets, and how to draw assets down. Moreover, individuals now incur the investment risk of their retirement assets and, for those who do not purchase an annuity with their 401(k) assets, longevity risk. These risks leave today's older Americans vulnerable to macroeconomic conditions.

For much of the past 20 to 30 years, the macroeconomy seemed unrelated to retirement as the United States experienced steady growth and low unemployment for most of this period. While America's economy experienced many bumps along the way, including recessions in the early 1980s, 1990s, and 2000s each recession was accompanied by a quick and robust recovery. For example, in the early 1980s it took seven quarters for GDP to reach its pre-recession high, in the early 1990s it took five quarters, and in the early 2000s it took just one quarter. Not only did America experience an 18-month long recession starting in December 2007, but it took 16 quarters to reach GDP levels that were experienced prior to the recession. The financial meltdown in 2008, the 18-month recession, and the near anemic growth since that time, along with unemployment in the upper single digits all came at a time when older Americans were more vulnerable to the market than ever.

On the surface, it seems obvious that these two factors – older Americans being vulnerable to market forces and the recent market turmoil – would impact the way older Americans work later in life. What we find is that older Americans have reacted indeed. Prior research has shown

that the trend toward earlier and earlier retirement is over. This paper finds that patterns of labor force withdrawal, the way older Americans exit the labor force, appears to be changing as well. The latest evidence suggests that transitional retirements are increasingly prevalent among the next wave of older Americans – the Early Boomers.

A key question is whether this trend will continue. As noted throughout this paper, the reasons behind continued work and gradual exits from the labor force are numerous and permanent. The retirement income landscape has changed in fundamental ways since the mid-1980s. The Baby Boomers are also facing a very different macroeconomic picture than their predecessors did. The near 20-year economic expansion of the 1980s, 1990s, and bulk of 2000 has stalled and few, if any, are predicting robust growth in the near term, as exemplified by the outlook of the Federal Reserve.[x] In the midst of all of these changes is perhaps the most significant change of all – the aging of our population.

The U.S. Bureau of Labor Statistics recently estimated that the percentage of the workforce aged 55 and older will increase from around 20 percent today to more than 25 percent in just ten years. The way these older workers exit the labor force will have profound implications for the financial solvency of government programs, such as Social Security and Medicare, for employers, who will likely have little choice but to adjust to the needs of older workers, and for employees themselves, who are increasingly on their own when it comes to providing retirement income. This paper enhances our understanding of the diverse pathways that several cohorts of older Americans take when exiting the labor force, and we hope that this understanding will help assist those who are considering ways to alleviate the strains of an aging population.

American are living healthier and longer lives, working at less physically-demanding occupations, and enjoying technological advances that permit more flexibility concerning when

and where one works. The recent economic recession and expectations that slow growth, high unemployment and lower asset prices might persist for years to come, has given Americans pause about severing ties with the labor force. This combination of permanent changes in the retirement environment and a cyclical downturn that may have long-lasting effects suggests that the concept of retirement in the United States continues to evolve.

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Endnotes

[i] The way people work includes the types of jobs that people take later in life, such as bridge jobs and phased retirement (which does not involve a change in employer), and also how people work on these jobs. For example, recent innovations in technology have made a myriad of flexible work arrangements possible in today's workforce, and the adoption of these practices could very well influence how long people remain in career employment or how willing they are to work at a new job later in life, not to mention the potential impacts on engagement of older American workers. While workplace flexibility is an important part of the story, this paper focuses on how people exit the labor force.

[ii] Quinn, J. F., Burkhauser, R. V., & Myers, D. A. (1990). Passing the torch: The influence of economic incentives on work and retirement. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research.

[iii] Kantarci and van Soest (2008) note that the literature is inconsistent with respect to the terminology of phased retirement versus partial retirement. We use the terminology identified by Kantarci and van Soest in which "phased retirement" refers to a reduction in hours with the same employer and "partial retirement" refers to a job change late in life.

[iv] Data from the U.S. Bureau of Labor Statistics (BLS) confirm this conclusion. BLS data show that while the unemployment rate for workers age 55 and older average 3.5 percent during the six year expansion from 2001 to 2007, it more than doubled during the recession and remained high through September, 2012 when it was reported as 5.9 percent. So while older workers may want to delay retirement and benefit claiming, some may have difficulty doing so because of the long-lasting employment effects of the Great Recession. (See http://www.bls.gov/data/. The seasonally adjusted monthly unemployment rate series for those 55 years old and older is LNS14024230.)

[v] Reasons for attrition include death, non-response, and the inability to locate respondents.

[vi] Prior research has shown that nearly three quarters of older American men and one half of older American women held a career job later in life.

[vii] See Giandrea, Cahill, and Quinn (2009).

[viii] See Giandrea, Cahill, and Quinn (2009).

[ix] Table 3b is restricted to age-eligible respondents only, and does not include younger (or older) spouses outside of this age range. The values shown in Table 3a are therefore not identical to those in Table 3b for the Early Boomers.

[x] See, for example, Yellen, Janet L., "Perspectives on Monetary Policy," dated June 6, 2012, http://www.federalreserve.gov/newsevents/speech/yellen20120606a.htm.

Table 1

Sample Size
by Survey Participation, Gender, and Work Status

	HRS Core Aged 51 - 61 in 1992			War Babies Aged 51 - 56 in 1998			Early Baby Boomers Aged 51 - 56 in 2004		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Participated in first wave									
n	5,869	6,783	12,652	1,197	1,332	2,529	1,527	1,803	3,330
Worked since age 50									
n	5,358	5,308	10,666	981	803	1,784	1,086	1,083	2,169
% of respondents	91%	78%	84%	82%	60%	71%	71%	60%	65%
On FTC job in first interview									
n	3,061	2,567	5,628	793	516	1,309	846	681	1,527
% of respondents	52%	38%	44%	66%	39%	52%	55%	38%	46%

Source: Authors' calculations based on the Health and Retirement Study.

Table 2

Labor Force Status, by Survey Participation, Year, and Gender
Sample: HRS Respondents on a FTC Job as of the First Interview

HRS Core

Year		Age	n	Full-time career job	Other job	Not in labor force	Don't know	*% PT on "other" job*	
Men									
1992		51 - 61	3,061	100%	0%	0%	0%	*0%*	
1994	g	53 - 63	2,798	77%	10%	13%	1%	*47%*	g
1996	g	55 - 65	2,632	60%	16%	23%	1%	*42%*	
1998		57 - 67	2,521	38%	28%	33%	1%	*46%*	
2000	g	59 - 69	2,370	25%	34%	39%	1%	*45%*	
2002	g	61 - 71	2,301	19%	32%	49%	0%	*52%*	
2004	g	63 - 73	2,192	15%	30%	55%	0%	*64%*	
2006		65 - 75	2,066	10%	28%	61%	0%	*68%*	
2008		67 - 77	1,966	9%	27%	65%	0%	*72%*	
2010		69 - 79	1,795	5%	22%	72%	1%	*76%*	
Women									
1992		51 - 61	2,567	100%	0%	0%	0%	*0%*	
1994	g	53 - 63	2,406	79%	10%	10%	1%	*57%*	g
1996	g	55 - 65	2,274	64%	14%	21%	1%	*41%*	
1998		57 - 67	2,201	42%	28%	30%	1%	*44%*	
2000	g	59 - 69	2,105	26%	38%	35%	2%	*42%*	
2002	g	61 - 71	2,075	22%	33%	45%	0%	*52%*	
2004	g	63 - 73	2,015	21%	28%	50%	0%	*66%*	
2006		65 - 75	1,928	13%	29%	58%	0%	*67%*	
2008		67 - 77	1,873	10%	26%	63%	0%	*70%*	
2010		69 - 79	1,761	6%	21%	71%	1%	*77%*	

War Babies

Year		Age	n	Full-time career job	Other job	Not in labor force	Don't know	*% PT on "other" job*	
Men									
1998		51 - 56	793	100%	0%	0%	0%	*0%*	
2000	b	53 - 58	729	84%	10%	6%	1%	27%	g b
2002	g b	55 - 60	709	65%	21%	14%	1%	32%	g b
2004	b	57 - 62	683	55%	27%	18%	0%	*42%*	b
2006	b	59 - 64	651	39%	33%	28%	0%	44%	b
2008	b	61 - 66	638	33%	33%	34%	0%	*55%*	b
2010	b	63 - 78	606	20%	28%	50%	1%	*63%*	b
Women									
1998		51 - 56	516	100%	0%	0%	0%	*0%*	
2000	b	53 - 58	478	80%	12%	7%	1%	50%	g
2002	g b	55 - 60	473	57%	27%	15%	0%	43%	g b
2004	b	57 - 62	455	52%	27%	21%	0%	*48%*	b
2006	b	59 - 64	452	36%	34%	30%	0%	52%	b
2008	b	61 - 66	429	28%	34%	37%	0%	*62%*	b
2010	b	63 - 78	421	18%	26%	55%	1%	*69%*	b

Early Baby Boomers

Year		Age	n	Full-time career job	Other job	Not in labor force	Don't know	*% PT on "other" job*	
Men									
2004		51 - 56	846	100%	0%	0%	0%	*0%*	
2006	g c d	53 - 58	751	78%	16%	6%	1%	*42%*	c
2008	g c d	55 - 60	726	70%	17%	12%	0%	*37%*	c d
2010	c d	57 - 62	671	46%	30%	23%	1%	*32%*	g c d
Women									
2004		51 - 56	681	100%	0%	0%	0%	*0%*	
2006	g c d	53 - 58	614	68%	23%	8%	0%	*42%*	c
2008	g c d	55 - 60	587	59%	28%	13%	0%	*44%*	c d
2010	c d	57 - 62	556	42%	35%	20%	2%	*44%*	g c d

Notes:
[1] Significance based on chi-square test.
[2] g indicates a statistically significant difference in labor force status (or part-time status) by gender (between men and women in the same cohort), at the 5% level.
[3] b indicates a statistically significant difference in labor force status (or part-time status) by cohort (between Core and War Baby respondents of the same gender), at the 5% level.
[4] c indicates a statistically significant difference in labor force status (or part-time status) by cohort (between Core and Early Boomer respondents of the same gender), at the 5% level.
[5] d indicates a statistically significant difference in labor force status (or part-time status) by cohort (between War Baby and Early Boomer respondents of the same gender), at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 3a

Transitions from Full-time Career Jobs through 2010

Those with Full-Time Career Jobs at the Time of the First Interview, by HRS Cohort, Gender and Class of Worker
(horizontal percentage)

HRS Core: Respondents Aged 69-79 in 2010

		n[a]	Sample Percentage	Still on or Last Observed on Career Job	Moved to Bridge Job[b]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	PT bridge job (%)	Reduced FTC job hours >= 20% (%) On FTC	Reduced FTC job hours >= 20% (%) Moved	Re-entered (%)	Re-entered PT (%)
Gender													
Men	g	3,061	54%	24%	39%	33%	4%	55%	55%	13%	13%	13%	59%
Women	g	2,567	46%	21%	41%	34%	4%	55%	58%	10%	13%	12%	74%
Class of Worker on Career Job													
Wage & Salary	f	4,721	84%	22%	38%	36%	4%	51%	54%	8%	10%	12%	65%
Self-Employed	f	907	16%	26%	52%	18%	4%	75%	66%	30%	32%	15%	70%

War Babies: Respondents Aged 63-68 in 2010

		n[a]	Sample Percentage	Still on or Last Observed on Career Job	Moved to Bridge Job[b]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours >= 20% (%) On FTC	Reduced FTC job hours >= 20% (%) Moved	Re-entered (%)	Re-entered PT (%)
Gender													
Men	c	793	61%	31%	38%	27%	4%	58%	46%	13%	10%	6%	64%
Women	c	516	39%	27%	41%	28%	4%	60%	53%	9%	10%	8%	60%
Class of Worker on Career Job													
Wage & Salary	f c	1,116	85%	27%	38%	31%	4%	55%	45%	8%	8%	7%	68%
Self-Employed	f c	193	15%	38%	48%	9%	5%	84%	67%	27%	25%	7%	-----

Early Baby Boomers: Respondents Aged 57-62 in 2010

		n[a]	Sample Percentage	Still on or Last Observed on Career Job	Moved to Bridge Job[b]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours >= 20% (%) On FTC	Reduced FTC job hours >= 20% (%) Moved	Re-entered (%)	Re-entered PT (%)
Gender													
Men	g d e	846	55%	52%	30%	15%	3%	66%	23%	11%	3%	n/a	n/a
Women	g d e	681	45%	48%	36%	12%	4%	75%	27%	6%	4%	n/a	n/a
Class of Worker on Career Job													
Wage & Salary	f d e	1,324	87%	49%	33%	15%	3%	69%	25%	8%	3%	n/a	n/a
Self-Employed	f d e	203	13%	56%	29%	9%	6%	75%	25%	18%	5%	n/a	n/a

Notes:
[a] Includes respondents who were on a FTC job at the time of the first interview.
[b] Does not include respondents who were not working for two consecutive waves following FTC employment and who later reentered.
[1] Significance based on chi-square test.
[2] g indicates a statistically significant difference in first transitions by gender (between men and women in the same cohort), at the 5% level.
[3] c indicates a statistically significant difference in first transitions by cohort (between Core and War Baby respondents of the same gender/class of worker), at the 5% level.
[4] d indicates a statistically significant difference in first transitions by cohort (between Core and Early Boomer respondents of the same gender/class of worker), at the 5% level.
[5] e indicates a statistically significant difference in first transitions by cohort (between War Baby and Early Boomer respondents of the same gender/class of worker), at the 5% level.
[6] f indicates a statistically significant difference in first transitions by values of the variable (here, wage-and-salary vs. self-employed) within gender and cohort, at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 3b

Transitions from Full-time Career Jobs through the First Four HRS Interviews

Those with Full-Time Career Jobs at the Time of the First Interview, by HRS Cohort, Gender and Class of Worker
(horizontal percentage)

HRS Core: Respondents Aged 57-62 in 1998

		n[a]	Sample Percentage	Still on or Last Observed on Career Job	Moved to Bridge Job[b]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	PT bridge job (%)	Reduced FTC job hours >= 20% (%) On FTC	Reduced FTC job hours >= 20% (%) Moved
Gender											
Men	*g*	1,701	58%	59%	27%	14%	0%	65%	36%	17%	8%
Women	*g*	1,231	42%	55%	27%	18%	0%	60%	50%	12%	13%
Class of Worker on Career Job											
Wage & Salary	*f*	2,480	85%	56%	26%	18%	0%	60%	40%	11%	7%
Self-Employed	*f*	452	15%	60%	32%	8%	0%	79%	52%	37%	25%

War Babies: Respondents Aged 57-62 in 2004

		n[a]	Sample Percentage	Still on or Last Observed on Career Job	Moved to Bridge Job[b]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours >= 20% (%) On FTC	Reduced FTC job hours >= 20% (%) Moved
Gender											
Men		684	62%	63%	26%	11%	0%	69%	40%	15%	7%
Women	*c*	427	38%	57%	30%	13%	0%	70%	53%	13%	5%
Class of Worker on Career Job											
Wage & Salary	*f c*	942	85%	59%	27%	13%	0%	67%	40%	11%	5%
Self-Employed	*f*	169	15%	67%	29%	4%	0%	88%	72%	32%	14%

Early Baby Boomers: Respondents Aged 57-62 in 2010

		n[a]	Sample Percentage	Still on or Last Observed on Career Job	Moved to Bridge Job[b]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours >= 20% (%) On FTC	Reduced FTC job hours >= 20% (%) Moved
Gender											
Men	*g d e*	783	57%	52%	29%	16%	3%	65%	20%	11%	3%
Women	*g d e*	594	43%	47%	36%	13%	4%	74%	28%	6%	3%
Class of Worker on Career Job											
Wage & Salary	*f d e*	1,196	87%	49%	33%	15%	3%	68%	23%	7%	3%
Self-Employed	*f d e*	181	13%	55%	29%	10%	6%	75%	22%	19%	4%

Notes:

[a] Includes age-eligible respondents only who were on a FTC job at the time of the first interview.

[b] Does not include respondents who were not working for two consecutive waves following FTC employment and who later reentered.

[1] Significance based on chi-square test.

[2] g indicates a statistically significant difference in first transitions by gender (between men and women in the same cohort), at the 5% level.

[3] c indicates a statistically significant difference in first transitions by cohort (between Core and War Baby respondents of the same gender/class of worker), at the 5% level.

[4] d indicates a statistically significant difference in first transitions by cohort (between Core and Early Boomer respondents of the same gender/class of worker), at the 5% level.

[5] e indicates a statistically significant difference in first transitions by cohort (between War Baby and Early Boomer respondents of the same gender/class of worker), at the 5% level.

[6] f indicates a statistically significant difference in first transitions by values of the variable (here, wage-and-salary vs. self-employed) within gender and cohort, at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 4

Reasons for Leaving Full-time Career Employment
HRS Respondents Who Transitioned from FTC Employment by 2010

		HRS Core				War Babies				Early Boomers			
		Men		Women		Men		Women		Men		Women	
Reason	Voluntary?	Bridge	Direct Exit	Bridge	Direct Exit	Bridge	Direct Exit	Bridge	Direct Exit	Bridge	Direct Exit	Bridge	Direct Exit
Business closed	No	8.3%	4.7%	8.4%	4.3%	5.9%	5.2%	3.8%	4.0%	6.6%	4.0%	2.2%	6.1%
Laid off	No	9.1%	6.2%	8.3%	7.8%	10.0%	5.2%	8.3%	9.6%	17.0%	20.8%	11.1%	19.5%
Health reasons	No	1.9%	15.8%	2.1%	16.6%	1.4%	14.6%	0.0%	23.2%	1.8%	27.2%	2.2%	29.3%
Family care	No	0.4%	1.2%	1.5%	4.2%	0.0%	1.6%	2.3%	1.6%	0.4%	0.0%	2.2%	1.2%
Better job	Yes	5.5%	0.9%	7.2%	0.6%	5.5%	0.0%	3.8%	0.0%	7.9%	0.8%	6.6%	0.0%
Retired	Yes	25.6%	69.0%	14.0%	56.5%	27.3%	69.3%	12.8%	60.0%	10.5%	34.4%	6.2%	29.3%
Reduced hours	Yes	38.1%	-----	43.9%	-----	38.2%	-----	51.1%	-----	34.1%	-----	43.4%	-----
Quit	Uncertain	5.7%	2.9%	10.6%	5.5%	3.6%	0.5%	8.3%	1.6%	5.7%	1.6%	8.4%	2.4%
Moved	Uncertain	0.6%	0.1%	2.3%	1.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Sold business	Uncertain	0.7%	0.4%	0.7%	0.4%	0.0%	0.0%	1.5%	0.8%	2.6%	0.0%	0.4%	2.4%
Other	Uncertain	2.3%	2.4%	1.3%	3.9%	6.4%	6.8%	9.0%	10.4%	15.7%	15.2%	18.1%	18.3%
Switched from WS to SE	Uncertain	6.9%	-----	3.4%	-----	4.6%	-----	1.5%	-----	0.9%	-----	1.3%	-----
Switched from SE to WS	Uncertain	10.1%	-----	6.0%	-----	12.3%	-----	4.5%	-----	7.0%	-----	4.9%	-----
Any involuntary reason		19.2%	27.1%	19.6%	32.2%	17.3%	26.6%	13.5%	37.6%	25.8%	52.0%	17.7%	56.1%
Voluntary reasons only		67.7%	67.9%	64.2%	57.9%	69.6%	68.2%	66.9%	54.4%	52.4%	33.6%	56.2%	28.1%
Reason unknown		21.4%	7.3%	22.5%	5.4%	26.7%	11.9%	37.6%	13.2%	8.4%	4.6%	8.9%	2.4%

Notes:
[1] Categories are not mutually exclusive.
[2] Responses not shown due to very low responses include: strike, divorce, distance, and retirement incentives.

Source: Authors' calculations based on the Health and Retirement Study.

Table 5

Transitions from Full-time Career Employent

Those with Full-Time Career Jobs at the Time of the First Interview, by HRS Cohort, Gender and Age
(horizontal percentage)

HRS Core: Respondents Aged 69 to 79 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	PT bridge job (%)	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
<=55	v g	581	19%	22%	49%	26%	4%	65%	29%	4%	17%
56-61	v	1,322	43%	20%	40%	39%	1%	51%	48%	11%	14%
62-64	v	552	18%	22%	39%	38%	1%	51%	79%	16%	13%
65+	v g	606	20%	39%	34%	25%	2%	57%	83%	26%	7%
Women											
<=55	v g	826	32%	17%	55%	26%	2%	68%	45%	10%	17%
56-61	v	1,092	43%	19%	40%	40%	2%	50%	62%	12%	11%
62-64	v	360	14%	19%	36%	44%	1%	45%	81%	12%	8%
65+	v g	289	11%	44%	25%	31%	1%	45%	84%	17%	5%

War Babies: Respondents Aged 63 - 68 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
<=55	v	235	30%	23%	53%	20%	5%	73%	39%	3%	10%
56-61	v c	338	43%	16%	44%	36%	4%	55%	49%	13%	6%
62-64	v c	142	18%	57%	14%	25%	4%	36%	53%	15%	2%
65+	v c	78	10%	69%	9%	19%	3%	32%	83%	22%	5%
Women											
<=55	v c	190	37%	16%	56%	21%	6%	73%	50%	4%	12%
56-61	v	207	40%	14%	43%	40%	3%	52%	55%	11%	5%
62-64	v c	89	17%	62%	17%	19%	2%	47%	63%	11%	6%
65+	v c	30	6%	73%	3%	17%	7%	17%	----	29%	----

Early Baby Boomers: Respondents Aged 57-62 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
<=55	v	324	38%	25%	49%	20%	6%	71%	26%	3%	n/a
56-61	v d e	506	60%	67%	18%	13%	2%	57%	22%	10%	n/a
62-64	v d e	16	2%	94%	0%	0%	6%	-------	----	-----	n/a
65+	v	0	0%	------	------	------	------	-------	----	-----	n/a
Women											
<=55	v d	315	46%	23%	55%	16%	5%	78%	20%	2%	n/a
56-61	v d e	356	52%	68%	21%	10%	2%	69%	30%	7%	n/a
62-64	v d	10	1%	100%	0%	0%	0%	-------	----	-----	n/a
65+		0	0%	------	------	------	------	-------	----	-----	n/a

Notes:

[a] Does not include respondents who were not working for two consecutive waves following FTC employment and who later reentered.

[b] Percentage of respondents who experienced a reduction in career job hours of 20 percent or more.

[1] Significance based on chi-square test.

[2] g indicates a statistically significant difference in first transitions by gender (between men and women within the same cohort), at the 5% level.

[6] v indicates a statistically significant difference in first transitions by values of the variable (age group) within gender and cohort, at the 5% level.

[4] c indicates a statistically significant difference in first transitions by cohort (between Core and War Baby respondents of the same gender), at the 5% level.

[5] d indicates a statistically significant difference in first transitions by cohort (between Core and Early Boomer respondents of the same gender), at the 5% level.

[6] e indicates a statistically significant difference in first transitions by cohort (between War Baby and Early Boomer respondents of the same gender), at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 6

Transitions from Full-time Career Employent

Those with Full-Time Career Jobs at the Time of the First Interview, by HRS Cohort, Gender and Health Status
(horizontal percentage)

HRS Core: Respondents Aged 69 to 79 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	PT bridge job (%)	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
excellent or very good	v	1,553	51%	19%	46%	32%	2%	59%	54%	13%	15%
good	v	963	31%	24%	38%	35%	2%	52%	57%	15%	12%
fair or poor	v	546	18%	38%	27%	34%	1%	44%	55%	11%	12%
Women											
excellent or very good	v	1,375	54%	18%	47%	33%	1%	59%	58%	13%	14%
good	v	780	30%	21%	41%	37%	1%	53%	61%	12%	11%
fair or poor	v	412	16%	31%	28%	39%	2%	42%	57%	10%	6%

War Babies: Respondents Aged 63 - 68 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
excellent or very good	v c	440	55%	31%	44%	23%	2%	66%	46%	11%	7%
good	v c	259	33%	30%	31%	33%	7%	48%	53%	12%	5%
fair or poor	v c	94	12%	29%	31%	35%	5%	47%	29%	12%	6%
Women											
excellent or very good	v c	285	55%	29%	49%	19%	3%	72%	51%	9%	8%
good	v c	146	28%	28%	33%	34%	5%	49%	49%	11%	7%
fair or poor	v c	85	16%	15%	31%	47%	7%	39%	70%	8%	9%

Early Baby Boomers: Respondents Aged 57-62 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
excellent or very good	v g d e	436	52%	58%	28%	12%	2%	69%	12%	9%	n/a
good	v d e	261	31%	49%	30%	16%	5%	65%	35%	4%	n/a
fair or poor	v d	149	18%	40%	34%	23%	4%	60%	30%	9%	n/a
Women											
excellent or very good	v g d e	361	53%	54%	35%	7%	3%	82%	26%	7%	n/a
good	v d e	206	30%	43%	40%	13%	4%	75%	23%	4%	n/a
fair or poor	v e	114	17%	36%	34%	26%	4%	57%	43%	2%	n/a

Notes:

[a] Does not include respondents who were not working for two consecutive waves following FTC employment and who later reentered.

[b] Percentage of respondents who experienced a reduction in career job hours of 20 percent or more.

[1] Significance based on chi-square test.

[2] g indicates a statistically significant difference in first transitions by gender (between men and women within the same cohort), at the 5% level.

[3] v indicates a statistically significant difference in first transitions by values of the variable (health status) within gender and cohort, at the 5% level.

[4] c indicates a statistically significant difference in first transitions by cohort (between Core and War Baby respondents of the same gender), at the 5% level.

[5] d indicates a statistically significant difference in first transitions by cohort (between Core and Early Boomer respondents of the same gender), at the 5% level.

[6] e indicates a statistically significant difference in first transitions by cohort (between War Baby and Early Boomer respondents of the same gender), at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 7

Transitions from Full-time Career Employent

Those with Full-Time Career Jobs at the Time of the First Interview, by HRS Cohort, Gender and Health Insurance Status
(horizontal percentage)

HRS Core: Respondents Aged 69 to 79 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	PT bridge job (%)	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
Not covered on career job	v g	447	15%	24%	55%	19%	2%	74%	53%	17%	11%
Covered - would maintain	v	2,022	66%	25%	37%	36%	2%	51%	60%	13%	13%
Covered - would lose	v	592	19%	23%	43%	33%	1%	57%	48%	15%	12%
Women											
Not covered on career job	v g	585	23%	16%	57%	26%	2%	68%	55%	14%	11%
Covered - would maintain	v	1,348	53%	22%	39%	38%	1%	51%	65%	13%	13%
Covered - would lose	v	634	25%	24%	40%	36%	1%	53%	56%	9%	9%

War Babies: Respondents Aged 63 - 68 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
Not covered on career job	v g c	131	16%	38%	40%	18%	4%	68%	38%	18%	7%
Covered - would maintain	v	407	51%	29%	35%	33%	3%	51%	55%	10%	7%
Covered - would lose	v g c	256	32%	30%	42%	23%	5%	64%	38%	10%	5%
Women											
Not covered on career job	v g	111	22%	20%	55%	21%	5%	73%	61%	8%	11%
Covered - would maintain	v c	218	42%	27%	37%	33%	3%	53%	54%	12%	6%
Covered - would lose	v g c	187	36%	30%	39%	26%	5%	60%	43%	7%	9%

Early Baby Boomers: Respondents Aged 57-62 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
Not covered on career job	v d	211	25%	45%	35%	13%	7%	73%	32%	11%	n/a
Covered - would maintain	v d e	327	39%	52%	29%	16%	2%	64%	22%	7%	n/a
Covered - would lose	v d e	308	36%	56%	26%	16%	2%	62%	20%	6%	n/a
Women											
Not covered on career job	v d e	153	22%	40%	39%	14%	7%	74%	25%	6%	n/a
Covered - would maintain	v d e	235	34%	46%	36%	15%	2%	70%	38%	6%	n/a
Covered - would lose	v d e	293	43%	53%	36%	9%	2%	79%	17%	4%	n/a

Notes:

[a] Does not include respondents who were not working for two consecutive waves following FTC employment and who later reentered.

[b] Percentage of respondents who experienced a reduction in career job hours of 20 percent or more.

[1] Significance based on chi-square test.

[2] g indicates a statistically significant difference in first transitions by gender (between men and women within the same cohort), at the 5% level.

[3] v indicates a statistically significant difference in first transitions by values of the variable (health insurance status) within gender and cohort, at the 5% level.

[4] c indicates a statistically significant difference in first transitions by cohort (between Core and War Baby respondents of the same gender), at the 5% level.

[5] d indicates a statistically significant difference in first transitions by cohort (between Core and Early Boomer respondents of the same gender), at the 5% level.

[6] e indicates a statistically significant difference in first transitions by cohort (between War Baby and Early Boomer respondents of the same gender), at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 8

Transitions from Full-time Career Employent

Those with Full-Time Career Jobs at the Time of the First Interview, by HRS Cohort, Gender and Pension Status
(horizontal percentage)

HRS Core: Respondents Aged 69 to 79 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	PT bridge job (%)	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
No pension	v g	1,134	37%	26%	47%	22%	5%	69%	56%	22%	12%
DB plan only	v	1,067	35%	23%	30%	42%	4%	41%	55%	7%	13%
DC plan only	v	699	23%	21%	44%	33%	3%	57%	51%	14%	13%
DB and DC plan	v	161	5%	15%	40%	43%	1%	48%	47%	8%	16%
Women											
No pension	v g	901	35%	20%	54%	23%	4%	70%	57%	19%	12%
DB plan only	v	881	34%	22%	32%	42%	4%	43%	63%	10%	11%
DC plan only	v	683	27%	21%	38%	37%	3%	51%	55%	8%	13%
DB and DC plan	v	102	4%	14%	42%	41%	4%	51%	61%	7%	9%

War Babies: Respondents Aged 63 - 68 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
No pension	v c	121	15%	32%	29%	36%	2%	45%	64%	5%	5%
DB plan only	v	324	41%	22%	34%	38%	6%	47%	53%	7%	8%
DC plan only	v c	307	39%	36%	37%	26%	1%	59%	37%	10%	7%
DB and DC plan	v c	40	5%	14%	39%	32%	14%	55%	55%	13%	10%
Women											
No pension	v c	112	22%	29%	37%	31%	2%	54%	53%	5%	9%
DB plan only	v	179	35%	25%	32%	39%	4%	45%	57%	9%	10%
DC plan only	v c	210	41%	32%	38%	28%	3%	58%	35%	9%	7%
DB and DC plan	v	15	3%	9%	55%	27%	9%	67%	67%	0%	0%

Early Baby Boomers: Respondents Aged 57-62 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
No pension	v g d e	210	25%	64%	15%	20%	1%	43%	27%	8%	n/a
DB plan only	v d e	241	28%	51%	27%	20%	2%	58%	19%	9%	n/a
DC plan only	v d e	380	45%	55%	31%	13%	2%	71%	16%	6%	n/a
DB and DC plan	v d e	15	2%	60%	20%	20%	0%	50%	----	0%	n/a
Women											
No pension	v g d e	140	21%	55%	33%	11%	1%	74%	56%	7%	n/a
DB plan only	v d e	171	25%	56%	29%	12%	3%	71%	14%	8%	n/a
DC plan only	v d e	358	53%	50%	34%	13%	4%	72%	23%	3%	n/a
DB and DC plan	v d	12	2%	63%	38%	0%	0%	100%	0%	25%	n/a

Notes:

[a] Does not include respondents who were not working for two consecutive waves following FTC employment and who later reentered.

[b] Percentage of respondents who experienced a reduction in career job hours of 20 percent or more.

[1] Significance based on chi-square test.

[2] g indicates a statistically significant difference in first transitions by gender (between men and women within the same cohort), at the 5% level.

[3] v indicates a statistically significant difference in first transitions by values of the variable (pension status) within gender and cohort, at the 5% level.

[4] c indicates a statistically significant difference in first transitions by cohort (between Core and War Baby respondents of the same gender), at the 5% level.

[5] d indicates a statistically significant difference in first transitions by cohort (between Core and Early Boomer respondents of the same gender), at the 5% level.

[6] e indicates a statistically significant difference in first transitions by cohort (between War Baby and Early Boomer respondents of the same gender), at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 9

Transitions from Full-time Career Employent

Those with Full-Time Career Jobs at the Time of the First Interview, by HRS Cohort, Gender and Wage
(horizontal percentage)

HRS Core: Respondents Aged 69 to 79 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	PT bridge job (%)	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
< $10/hour	v	475	16%	28%	46%	24%	2%	66%	59%	20%	15%
$10 - $20/hour	v g	1,109	36%	28%	37%	33%	2%	53%	51%	11%	13%
$20 - $50/hour	v	1,288	42%	21%	40%	38%	2%	51%	56%	11%	13%
> $50/hour	v	189	6%	24%	47%	28%	2%	63%	57%	24%	13%
Women											
< $10/hour	v	691	27%	23%	48%	27%	1%	64%	59%	13%	13%
$10 - $20/hour	v g	1,197	47%	21%	40%	38%	1%	52%	56%	9%	11%
$20 - $50/hour	v	628	24%	19%	39%	40%	1%	49%	63%	15%	13%
> $50/hour	v	50	2%	20%	55%	20%	4%	73%	55%	40%	15%

War Babies: Respondents Aged 63 - 68 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
< $10/hour	v g c	292	37%	38%	38%	20%	5%	65%	45%	10%	5%
$10 - $20/hour	v c	162	20%	18%	46%	32%	4%	59%	38%	9%	6%
$20 - $50/hour	v c	290	37%	24%	36%	36%	4%	50%	51%	11%	8%
> $50/hour	v c	48	6%	45%	38%	17%	0%	69%	50%	17%	8%
Women											
< $10/hour	v g c	215	42%	25%	44%	24%	7%	65%	59%	12%	10%
$10 - $20/hour	v	164	32%	16%	48%	35%	1%	58%	50%	8%	7%
$20 - $50/hour	v c	127	25%	33%	34%	30%	3%	53%	49%	8%	6%
> $50/hour	v	10	2%	40%	30%	20%	10%	60%	33%	0%	20%

Early Baby Boomers: Respondents Aged 57-62 in 2010

		n	Sample Percentage	Still on Career Job	Moved to Bridge Job[a]	Moved to No Job	Don't Know	Bridge Job/ (Bridge Job + No Job)	% PT	Reduced FTC job hours (%)[b]	Re-entered (%)
Men											
< $10/hour	v	59	7%	35%	45%	20%	0%	69%	38%	10%	n/a
$10 - $20/hour	v d e	281	33%	55%	28%	16%	1%	64%	16%	9%	n/a
$20 - $50/hour	v d e	422	50%	65%	21%	14%	1%	60%	19%	9%	n/a
> $50/hour	v g d e	84	10%	72%	14%	14%	0%	50%	25%	19%	n/a
Women											
< $10/hour	v d e	71	10%	58%	28%	12%	2%	71%	60%	2%	n/a
$10 - $20/hour	v d e	315	46%	53%	31%	13%	3%	70%	24%	6%	n/a
$20 - $50/hour	v d e	268	39%	67%	22%	10%	1%	67%	26%	10%	n/a
> $50/hour	v g d	27	4%	63%	38%	0%	0%	100%	0%	13%	n/a

Notes:

[a] Does not include respondents who were not working for two consecutive waves following FTC employment and who later reentered.

[b] Percentage of respondents who experienced a reduction in career job hours of 20 percent or more.

[1] Significance based on chi-square test.

[2] g indicates a statistically significant difference in first transitions by gender (between men and women within the same cohort), at the 5% level.

[3] v indicates a statistically significant difference in first transitions by values of the variable (wage group) within gender and cohort, at the 5% level.

[4] c indicates a statistically significant difference in first transitions by cohort (between Core and War Baby respondents of the same gender), at the 5% level.

[5] d indicates a statistically significant difference in first transitions by cohort (between Core and Early Boomer respondents of the same gender), at the 5% level.

[6] e indicates a statistically significant difference in first transitions by cohort (between War Baby and Early Boomer respondents of the same gender), at the 5% level.

Source: Authors' calculations based on the Health and Retirement Study.

Table 10a

Marginal Effects from Multinomial Logistic Regression

Dependent Variable: First Transition from Full-Time Career Job
Male Respondents on a Full-Time Career Job at the Time of the First Interview

	HRS Core				War Babies				Early Boomers			
	Bridge		Out		Bridge		Out		Bridge		Out	
Characteristic	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value
Age												
<=55	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
56-61	-0.050	0.079	0.104	0.000	-0.129	0.006	0.067	0.237	-0.084	0.002	-0.019	0.291
62-64	-0.088	0.011	0.162	0.000	-0.746	0.000	-0.264	0.001	-----	-----	-----	-----
65+	-0.185	0.000	0.071	0.026	-0.869	0.000	-0.248	0.012	-----	-----	-----	-----
Respondent's Health												
Excellent/very good	0.079	0.001	-0.030	0.099	0.080	0.103	-0.074	0.120	-0.010	0.681	-0.018	0.260
Good	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Fair/poor	-0.178	0.000	0.053	0.039	-0.061	0.423	0.063	0.395	0.004	0.890	0.017	0.399
Education												
Less than high school	-0.022	0.405	0.009	0.675	0.071	0.392	-0.091	0.212	0.021	0.551	-0.030	0.210
High school	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
College	0.005	0.848	-0.006	0.816	0.148	0.007	-0.168	0.006	0.039	0.136	-0.003	0.860
Ethnicity												
White	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Black	0.014	0.675	-0.066	0.016	0.038	0.621	0.082	0.243	0.048	0.153	0.050	0.030
Other	0.031	0.587	-0.092	0.050	0.179	0.167	-0.101	0.416	-0.070	0.062	0.042	0.060
Married	-0.115	0.063	-0.162	0.002	0.323	0.000	0.481	0.000	-0.161	0.015	-0.107	0.040
Dependent Child	0.018	0.519	0.001	0.980	0.059	0.228	-0.017	0.745	-0.011	0.626	-0.012	0.423
Working Spouse	0.027	0.272	-0.004	0.858	0.101	0.057	0.059	0.245	-0.022	0.413	-0.025	0.156
Self Employed	0.117	0.000	-0.176	0.000	0.243	0.001	-0.042	0.617	-0.142	0.000	-0.043	0.080
Occupational Status												
White collar - high skill	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
White collar - other	-0.047	0.223	0.033	0.260	-0.022	0.713	-0.141	0.055	0.001	0.975	0.007	0.748
Blue collar - high skill	-0.045	0.182	0.035	0.183	0.027	0.658	0.070	0.280	-0.029	0.350	0.016	0.412
Blue collar - other	-0.045	0.229	0.050	0.077	-0.052	0.443	0.116	0.092	-0.038	0.257	0.029	0.177
Health Insurance Status												
None	0.035	0.359	-0.020	0.545	-0.210	0.001	0.112	0.169	0.023	0.442	-0.008	0.675
Portable	-0.037	0.182	0.077	0.000	-0.062	0.177	0.110	0.029	0.024	0.321	0.012	0.442
Non-portable	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Pension Status												
Defined-benefit	-0.131	0.000	0.090	0.000	0.079	0.288	0.054	0.421	0.065	0.064	-0.017	0.442
Defined-contribution	0.010	0.764	0.020	0.432	0.110	0.145	-0.131	0.063	0.095	0.003	-0.025	0.219
Both	-0.014	0.801	0.102	0.012	0.118	0.324	0.048	0.701	0.038	0.583	-0.027	0.593
None	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Own Home	-0.032	0.312	-0.007	0.785	0.239	0.001	0.135	0.057	-0.033	0.307	-0.009	0.682
Year 2002	-0.031	0.376	0.073	0.006	-0.002	0.971	0.144	0.020	-----	-----	-----	-----
Year 2008	-0.064	0.418	-0.099	0.100	0.556	0.000	0.919	0.000	0.360	0.000	0.249	0.000
Year 2010	0.051	0.464	0.068	0.166	0.227	0.008	0.414	0.000	0.357	0.000	0.223	0.000
Constant	0.265	0.004	0.115	0.119	-0.504	0.002	-0.429	0.013	-0.120	0.203	-0.127	0.081

Note:

[1] Regressions also include controls for: wage, wealth, spouse's health status, and census region.

Source: Authors' calculations based on the Health and Retirement Study.

Table 10b

Marginal Effects from Multinomial Logistic Regression

Dependent Variable: First Transition from Full-Time Career Job
Female Respondents on a Full-Time Career Job at the Time of the First Interview

	HRS Core				War Babies				Early Boomers			
	Bridge		Out		Bridge		Out		Bridge		Out	
Characteristic	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value	marg. effect	p-value
Age												
<=55	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
56-61	-0.118	0.000	0.104	0.000	-0.186	0.005	0.065	0.205	-0.127	0.033	-0.005	0.249
62-64	-0.167	0.000	0.166	0.000	-0.756	0.000	-0.256	0.001	-----	-----	-----	-----
65+	-0.306	0.000	0.060	0.122	-----	-----	-----	-----	-----	-----	-----	-----
Respondent's Health												
Excellent/very good	0.067	0.008	-0.037	0.095	0.189	0.012	-0.100	0.050	-0.061	0.274	-0.008	0.092
Good	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Fair/poor	-0.142	0.000	0.062	0.039	0.140	0.185	0.192	0.002	-0.006	0.929	0.014	0.006
Education												
Less than high school	-0.041	0.210	0.073	0.013	-0.111	0.354	0.095	0.233	-0.057	0.470	0.008	0.205
High school	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
College	0.089	0.009	-0.041	0.175	0.101	0.245	-0.057	0.326	0.099	0.079	-0.004	0.424
Ethnicity												
White	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Black	0.017	0.590	0.008	0.776	0.008	0.930	0.044	0.436	-0.076	0.258	-0.001	0.828
Other	0.019	0.746	-0.030	0.559	-0.310	0.199	-0.022	0.874	-0.068	0.352	0.005	0.290
Married	-0.106	0.122	-0.177	0.007	0.204	0.163	0.017	0.836	-0.350	0.008	-0.008	0.376
Dependent Child	-0.008	0.749	-0.010	0.668	0.199	0.014	0.075	0.128	0.027	0.582	0.002	0.655
Working Spouse	0.049	0.117	0.002	0.942	0.218	0.036	-0.061	0.342	-0.017	0.843	-0.008	0.204
Self Employed	0.033	0.416	-0.068	0.086	0.325	0.036	-0.025	0.846	-0.097	0.326	-0.011	0.200
Occupational Status												
White collar - high skill	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
White collar - other	-0.002	0.952	0.004	0.885	0.005	0.961	0.038	0.546	-0.032	0.582	-0.008	0.112
Blue collar - high skill	-0.008	0.870	-0.019	0.659	0.037	0.765	0.053	0.548	-0.012	0.888	-0.007	0.293
Blue collar - other	-0.039	0.360	0.035	0.335	-0.012	0.907	0.087	0.215	0.031	0.713	-0.003	0.665
Health Insurance Status												
None	0.034	0.328	0.027	0.402	0.012	0.892	0.066	0.332	0.033	0.589	0.007	0.151
Portable	-0.010	0.722	0.065	0.006	0.070	0.327	0.097	0.044	0.067	0.233	0.008	0.064
Non-portable	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Pension Status												
Defined-benefit	-0.216	0.000	0.165	0.000	-0.130	0.177	0.029	0.631	-0.043	0.588	-0.006	0.326
Defined-contribution	-0.138	0.000	0.106	0.000	-0.052	0.581	-0.057	0.341	0.085	0.239	0.001	0.839
Both	-0.084	0.185	0.140	0.007	-0.024	0.932	-0.109	0.441	0.143	0.375	-0.394	0.000
None	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Own Home	0.026	0.399	0.029	0.307	0.181	0.020	0.185	0.002	-0.013	0.834	0.007	0.143
Year 2002	-0.027	0.496	0.111	0.001	0.026	0.751	0.044	0.445	-----	-----	-----	-----
Year 2008	-0.178	0.055	0.067	0.307	0.955	0.000	0.453	0.000	0.817	0.000	0.043	0.000
Year 2010	-0.006	0.928	0.098	0.044	0.181	0.216	0.423	0.000	0.861	0.000	0.054	0.000
Constant	0.339	0.001	0.013	0.889	-0.349	0.137	-0.012	0.933	-0.341	0.112	-0.045	0.005

Note:

[1] Regressions also include controls for: wage, wealth, spouse's health status, and census region.

Source: Authors' calculations based on the Health and Retirement Study.

Table 11a

Marginal Effects from Logistic Regression

Dependent Variable: Had a Reduction in Career Job Hours of 20 Percent or More
Male Respondents on a Full-Time Career Job at the Time of the First Interview

	HRS Core		War Babies		Early Boomers	
Characteristic	marginal effe	p-value	marginal effe	p-value	marginal effe	p-value
Age						
<=55	-----	-----	-----	-----	-----	-----
56-61	0.087	0.000	0.087	0.001	0.026	0.119
62-64	0.124	0.000	0.082	0.011	-0.010	0.822
65+	0.156	0.000	0.120	0.000	-----	-----
Respondent's Health						
Excellent/very good	-0.021	0.039	-0.010	0.578	0.023	0.131
Good	-----	-----	-----	-----	-----	-----
Fair/poor	-0.032	0.025	0.009	0.752	0.036	0.051
Education						
Less than high school	-0.009	0.485	-0.006	0.827	-0.010	0.648
High school	-----	-----	-----	-----	-----	-----
College	0.012	0.331	-0.013	0.525	0.007	0.632
Ethnicity						
White	-----	-----	-----	-----	-----	-----
Black	0.014	0.352	0.018	0.522	-0.018	0.407
Other	-0.058	0.069	0.053	0.191	-0.011	0.575
Married	-0.005	0.838	-0.016	0.668	-0.026	0.531
Dependent Child	0.035	0.003	-0.024	0.256	0.004	0.708
Working Spouse	-0.014	0.203	0.006	0.751	-0.014	0.311
Self Employed	0.079	0.000	0.096	0.000	0.042	0.028
Occupational Status						
White collar - high skill	-----	-----	-----	-----	-----	-----
White collar - other	-0.018	0.244	-0.003	0.892	-0.036	0.078
Blue collar - high skill	-0.011	0.433	-0.007	0.773	-0.002	0.893
Blue collar - other	0.003	0.844	-0.066	0.040	0.000	0.993
Health Insurance Status						
None	-0.002	0.879	0.009	0.732	0.032	0.051
Portable	-0.033	0.007	-0.004	0.853	0.010	0.442
Non-portable	-----	-----	-----	-----	-----	-----
Pension Status						
Defined-benefit	-0.032	0.029	0.028	0.457	0.007	0.667
Defined-contribution	-0.005	0.696	0.028	0.445	-0.014	0.404
Both	-0.031	0.240	0.074	0.173		
None	-----	-----	-----	-----	-----	-----
Own Home	-0.004	0.809	0.024	0.424	-0.002	0.893
Year 2002	0.023	0.097	0.000	0.997	-----	-----
Year 2008	0.035	0.165	0.056	0.102	-0.005	0.786
Year 2010	-0.031	0.190	0.018	0.449	-0.020	0.169
Constant	-0.215	0.000	-0.288	0.000	-0.065	0.306

Note:

[1] Regressions also include controls for: wage, wealth, spouse's health status, and census region.

Source: Authors' calculations based on the Health and Retirement Study.

Table 11b

Marginal Effects from Logistic Regression

Dependent Variable: Had a Reduction in Career Job Hours of 20 Percent or More
Female Respondents on a Full-Time Career Job at the Time of the First Interview

	HRS Core		War Babies		Early Boomers	
Characteristic	marginal effe	p-value	marginal effe	p-value	marginal effe	p-value
Age						
<=55	-----	-----	-----	-----	-----	-----
56-61	0.030	0.030	0.056	0.007	0.004	0.381
62-64	0.034	0.069	0.078	0.003	0.011	0.219
65+	0.046	0.024	0.141	0.000	-----	-----
Respondent's Health						
Excellent/very good	0.003	0.786	-0.024	0.121	0.004	0.312
Good	-----	-----	-----	-----	-----	-----
Fair/poor	0.013	0.454	-0.004	0.849	-0.005	0.468
Education						
Less than high school	-0.012	0.478	-0.071	0.086	-0.001	0.946
High school	-----	-----	-----	-----	-----	-----
College	0.064	0.000	0.038	0.040	0.005	0.216
Ethnicity						
White	-----	-----	-----	-----	-----	-----
Black	-0.006	0.702	-0.030	0.171	-0.005	0.331
Other	-0.018	0.560			0.006	0.322
Married	0.021	0.506	-0.043	0.111	-0.129	0.014
Dependent Child	0.020	0.098	-0.025	0.250	-0.002	0.519
Working Spouse	0.028	0.070	-0.016	0.430	0.001	0.828
Self Employed	0.123	0.000	0.062	0.027	0.012	0.056
Occupational Status						
White collar - high skill	-----	-----	-----	-----	-----	-----
White collar - other	-0.023	0.151	-0.028	0.119	-0.008	0.074
Blue collar - high skill	0.006	0.787	-0.006	0.853	-0.003	0.563
Blue collar - other	-0.032	0.126	0.006	0.783	-0.003	0.596
Health Insurance Status						
None	0.024	0.189	-0.012	0.573	0.009	0.058
Portable	0.035	0.019	0.010	0.503	0.002	0.571
Non-portable	-----	-----	-----	-----	-----	-----
Pension Status						
Defined-benefit	-0.030	0.063	0.031	0.205	0.004	0.397
Defined-contribution	-0.038	0.023	0.035	0.143	-0.008	0.128
Both	-0.065	0.085	-----	-----	0.011	0.219
None	-----	-----	-----	-----	-----	-----
Own Home	0.002	0.917	0.045	0.063	-0.007	0.119
Year 2002	0.006	0.741	0.034	0.138	-----	-----
Year 2008	-0.006	0.878	0.031	0.207	-0.001	0.859
Year 2010	0.055	0.018	0.033	0.131	0.004	0.316
Constant	-0.289	0.000	-0.141	0.009	0.115	0.017

Note:

[1] Regressions also include controls for: wage, wealth, spouse's health status, and census region.

Source: Authors' calculations based on the Health and Retirement Study.