

# **Changing Work in Later Life: a study of job transitions**

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# Introduction: this study

This is the first report of the Centre for Research into the Older Workforce, a research centre of the University of Surrey, working in partnership with the National Institute of Adult Continuing Education (NIACE) and the Pre-Retirement Association (PRA).

The report is an analysis of the findings of a national survey, carried out in Spring 2003, to investigate the nature of job change in the labour market, particularly as it affects people over the age of 50. The survey covered Great Britain, and was funded by the South East of England Development Agency (SEEDA), which is concerned to find ways of making better use of the talents of older people in a regional labour market which is experiencing near full employment, and growing skill shortages.

The aim of the survey was threefold:

- to fill a gap in knowledge about the frequency and nature of work transition in the workforce, and particularly among older workers,
- to provide a base for defining the Centre's future research agenda,
- to generate a database of individuals willing to participate in further research.

The survey was carried out by adding eight questions to the national Omnibus Survey which the Office of National Statistics carries out monthly on a carefully controlled cross section of the population. The questions were asked for three consecutive months, producing a sample of 5204 respondents.

This is only the first stage of analysis of a very rich body of data. The issues which it raises will form part of our ongoing research agenda, and we welcome suggestions from other researchers and policymakers about further questions to be investigated. Since over 1100 of those interviewed agreed to participate in further research, we have a rich database for further interview or questionnaire studies.

We are very grateful for the continuing support of SEEDA in this work, which is important for the regional and national economy, for the health of firms facing an ageing workforce, and of all of us as we grow older.

Stephen McNair  
Director

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# Executive Summary

This is the report of a study of job change in the British population. Its primary aim was to understand how job change affects the older workforce (those over 50), since policymakers are seeking to encourage people to stay in employment later in life, reversing the late 20<sup>th</sup> century trend towards earlier retirement. (Cabinet Office, 2000)

The process of job change, including change of employer, role, hours and skills, is critical to the working of the labour market. Studying it helps us understand whether, where and how the market is expanding or contracting, whether skill levels are rising or falling and how the aspirations of individuals are changing.

Although the main focus of this study is the older workforce, it was necessary to gather data on the whole adult population in order to establish how far older workers are different and whether there are trends across the life course.

In Spring 2003 the Office of National Statistics interviewed 5204 people over the age of 19; 31% of them in the 50-69 age range<sup>1</sup>. Half the sample were economically active at the time of interview and half had made some form of job change in the previous five years. 1136 of the 50-69 year olds agreed to co-operate with further research, providing a powerful base for qualitative research to follow up some of the issues raised.

## Winners and losers

The survey supports much previous evidence about the polarisation of the labour market. It shows that job change is a positive experience for most people, but suggests that work is a more rewarding experience for those with higher qualifications, on high incomes and in professional and managerial occupations.

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<sup>1</sup> The remainder were important for comparative purposes and to identify long term trends.

At all ages, those in these groups report their job changes in more positive terms. The highly qualified are more likely to remain in work after retirement, and are more likely to take early retirement for positive reasons, than the less qualified. The unqualified are the least likely to have positive experiences of work and job change, and are much more likely to leave work for reasons beyond their control. These patterns hold true across the whole age range from 20 upwards but the polarisation increases with age, especially after the mid fifties.

### **How frequent is job change?**

Over a five-year period two thirds of all people in the workforce change jobs, and one in five makes two or more changes. The likelihood of an individual making a change declines with age, but even among people in their 60s, one third report a change other than retirement. Moving to a new employer is the most frequent type of change, followed by changing roles with the same employer. Fewer people report changing hours, redundancy or moving to self-employment.

### **Why do people change jobs?**

Most people say they change jobs for reasons to do with work, rather than personal circumstances or lifestyle. Half of all changers give career related reasons like promotion or seeking a new challenge.

The proportion of people reporting career related reasons for change declines with age, but career remains the commonest reason until the late 50s, when stress and redundancy become more significant.

### **What difference do qualifications make?**

At all ages there are clear differences between the qualified and unqualified. The higher an

individual's qualifications, the more likely he/she is to change job, and to do so for positive reasons like promotion, or more money. Two thirds of graduates give career related reasons for change, compared to only a quarter of the unqualified. For the qualified, change is more likely to result in increased responsibility and skills, and they are more likely to receive training and guidance to help them make the change. The higher the level of qualification the more these things are true.

### **Are men and women different?**

Work related reasons predominate for both men and women, but men are more likely to give career and money reasons for change while women are rather more likely to seek flexible working hours. After the age of 50 there is a large body of women whose job change and retirement decisions are related to caring and domestic responsibilities. However, there are also many women in this age range whose job change patterns are similar to their male counterparts.

### **What difference does firm size make?**

There are clear differences in the pattern of job change between small firms (under 25 employees) and larger firms. People in small firms are less likely to report changes of any kind, and when they do they are more likely to cite personal reasons for the change, rather than career and money.

In large firms, people continue to report increasing responsibility in their 50s, while the number doing so in small firms halves. People in large firms are much more likely to continue to develop their skills in their 50s and 60s than those in small and medium sized firms.

## **How important is self-employment?**

One in ten of the workforce is classified as self employed. The number peaks for people in their 50's and 60's at 13%. The self-employed form three distinct clusters: Around 30% are people with high incomes and formal qualifications and two thirds of them with degrees. A second group of 40% are probably skilled craftspeople, with formal qualifications below degree level. The third group of 30% are all unqualified and on low incomes. All these groups are more likely to continue working after State Pension Age, and when they do leave the labour market are more likely than other workers to do so on health and stress grounds. The older people are, the less likely they are to move to self-employment, with only 5% of older workers doing this.

The self-employed are much less likely to report job change than any other group, but this is probably misleading, since it is likely that such individuals change roles on a day to day basis without perceiving this as a change of job.

## **Do regions differ?**

There is very little evidence of regional difference in the extent or causes of job change. However there are differences in the level of economic activity among people over 50. The South East has the highest proportion of older workers, which probably reflects both its low unemployment rate and the fact that it has an unusually high proportion of highly qualified, high earning, managers and professionals and self-employed people (since these are the groups who nationally are most likely to remain in work later).

## **Are people in control of their job changes?**

The extent to which peoples' job changes are a matter of choice rather than compulsion is important, especially in relation to the decision

to retire, and aspirations to work after formal retirement. Those who feel in control of their job changes are much more likely to stay in work, to report positive job changes and to be willing to consider continuing in work after formal retirement.

For the workforce as a whole, the survey shows a clear divide between those whose job changes are the result of choice, predominantly the better qualified in professional and managerial occupations, and those whose changes are the result of factors beyond their control, like poor health and redundancy, who are mainly unqualified and in routine/semi-routine occupations. This divide increases progressively with age and those who report externally imposed changes are less likely to stay in work after 50.

## **Does job change increase skills and responsibility?**

Nearly half of all changers report increased responsibility as a result of the change. This is especially true of those with higher qualifications, higher incomes, in managerial or professional occupations and working in larger firms.

40% of all those changing jobs say that they "had to learn a lot of new skills" to do the new job. They are younger, better qualified and working in larger firms.

People in their 50s are less likely to increase their skills and responsibility as a result of change, but they still outnumber those reducing skills or responsibility. However this pattern is reversed for those in their 60s.

## **Do people get support for change?**

Job change is a time when one might expect individuals to need training, advice, guidance or other support. However, two thirds of people report receiving no support at all for job change, even when prompted with specific options like training, guidance, support from colleagues, reading books or consulting the Internet.

Even among those who say that their new job required “a lot more skills” a third of all respondents report receiving no support at all, and a similar pattern appears for those who say they increased their responsibilities with job change. The question of how people acquire the new skills they need when they change jobs without any identifiable support is an important issue for further research.

Those who do receive support are more likely to be highly qualified, higher earners, in professional/managerial jobs and working in larger firms. The proportion of changers receiving support declines with age.

Where support is received it is most commonly employer provided training or support from colleagues/workmates. Very few report using information, advice and guidance agencies, or paying for their own training.

## **Would people consider working after formal “retirement”?**

Most economically active people are willing to consider some form of paid work after formal retirement, but the large majority of these would only consider doing so on a part-time basis. The proportion willing to consider working after retirement increases with age, especially among men. One third would consider voluntary work after retirement. The proportion rises with age until the 50s, but then declines.

On the other hand, those who are economically inactive (of all ages) are unlikely to want to work after retirement, and the older they are, the less likely they are to want to work either on a paid or voluntary basis.

## **Who stays and who leaves the labour market?**

The general polarisation of the labour market increases with age, but most people appear to regard “retirement” as something which is normal at a specific age. Most of those in their 60s cite “reached retirement age”, rather than something more specific, as the reason for retirement. However, over a third of retirees give reasons implying some form of positive choice like “I always planned to retire when I did”.

Job change, including leaving the labour market is reported positively by most people. The one exception is those who leave work in their 50s through ill health or disability. These people appear to be the group least happy with job change.

The population falls into three distinct groups in terms of retirement behaviour and work expectations. Each has a different set of characteristics, and policy to encourage longer working life is likely to need to address each one differently:

- Those with high qualifications and incomes in professional and managerial jobs have the greatest control over their working lives and the most positive experience of work. If they retire, they do so by choice, and they are the group most likely to consider voluntary work afterwards. They are well motivated to stay in work if the work is attractive.
- Those with low or no qualifications in routine and semi-routine jobs. These have the least control over their working lives,

and are most likely to leave work early through sickness or redundancy. They are reluctant to stay in work, and are on low income. It is likely that if they return to work it will be for money.

- A large group of women, mostly with qualifications below degree level, and in intermediate occupations. Their job choices are conditioned by domestic and caring responsibilities. If they are in work it is most likely to be part-time and in small firms. After retirement they are much more likely to consider voluntary than paid work

## Conclusions: implications for policy

In many ways, the picture emerging from this survey is encouraging. Most people who change their jobs (around half the workforce) appear to have a positive view of work, with a high proportion willing to consider working longer. However, only a small proportion actually do extend their working lives beyond first retirement, suggesting a policy opportunity missed. However the pattern is strongly polarised between the well qualified and the unqualified, whose experience of work, and aspirations for the future are clearly very different.

The following are some of the policy implications of this research:

1. Any policy initiatives aimed at increasing workforce participation after 50 must take account of the very different experiences and aspirations of the qualified and unqualified.
2. The extent to which individuals feel in control of their working lives (or perhaps their lives in general) is an important factor affecting their attitudes to work and willingness to stay in work later. Moves to increase individuals' engagement with the workplace may increase the likelihood of retention.
3. Willingness to consider working longer is high for people in their 50s, but it declines rapidly for those who become economically inactive. Strategies to extend working life need to address people before they retire or very soon after.
4. Any policy initiatives need to take account of the very different cultures and ways of working in small firms.

5. There are powerful cohort effects at work, with younger generations much better qualified, and much more likely to be in professional and managerial roles. With each generation, the population will therefore include a higher proportion of the kind of people who can be expected to stay in work later.
6. It will be much easier to persuade the well qualified professionals and managers to continue in work.
7. Those who leave work through ill health and disability (the principal cause of labour market exit for those in their 50s) are a special group, who are especially likely to take a negative view of exit from the labour market.
8. Retention in the workforce of those in routine and semi-routine occupations will probably depend heavily on their financial circumstances (both rates of pay and pension entitlements), and on their health. Retention might be improved by more focused training earlier (perhaps in the 40s), since higher qualification levels are so strongly associated with the propensity to remain in work.
9. Moves to retain workers later in life need to focus on part-time employment, since far fewer people actually work part time after retirement than would consider doing so, and very few people aspire to full time work after retirement. This is particularly true of women.
10. There appears to be a serious mismatch between the numbers of people who increase their skills and responsibility with job change, and the numbers who receive support. It is probable that training at this point would be particularly effective at raising skill levels, and that greater investment here would be productive.
11. The majority of people change jobs for work related reasons, and work-life balance appears not to be a major issue for most people in making decisions about job change, although it is an issue for some women. After 50 a growing proportion of people report changing jobs to reduce stress levels, and this may include a desire to increase control over working life. This issue might be addressed both by increased flexibility in working arrangements, and by moves to raise the status of older workers by recognising their contribution.
12. The tendency for self-employed and owner managers to stay in work longer than other people, and their tendency to retire on health grounds, suggests a serious problem about succession planning in such firms, which might merit further attention.

# 1. The process of the CROW research

The basic data gathering tool for this research was the national Omnibus Survey which is carried out ten times a year by the Office of National Statistics. This involves an extended face to face interview with a carefully controlled sample of the population in their own homes. Data is gathered about a wide range of factors, including basic information about domestic circumstances, work, income and education.

The CROW study added eight questions to this interview, providing detailed individual data on 5402 individuals aged over 16, between January and March 2003<sup>2</sup>. 31% of these people were in the primary target age range from 50-69.

## The CROW questions

The CROW questions asked about:

### 1. Number of work changes

The first question asked for brief information about any changes in the interviewee's work in the previous 5 years. Eighteen options were offered, covering possibilities like: changing employer; changing work with the same employer (different hours, responsibility etc); becoming self-employed/temporary or freelance; entry or re-entry to the labour market; leaving the labour market (retirement, redundancy).

They were asked to identify all the types of transition they had made, and subsequent questions asked for detailed information about the most recent of these. The data tells us how many people make transitions, what types they make, and what kinds of people make them.

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<sup>2</sup> The full questionnaire appears in Appendix 3.

## 2. Reason for change

This question asked about the causes of the most recent transition, offering 29 possible options, including: “offered promotion”, “dismissed”, “wanted less responsibility”, “wanted more money”, and “decided to take a career break”. Interviewees were allowed to choose as many options as they liked. The resulting reasons were classified in two ways: into a set of 8 types, and into positive and negative (in impact on the individual). Since the extent to which individuals feel in control of their working lives may be important in understanding job change, a group of responses were classified as “external”, in the sense that the change was imposed on the individual, rather than a matter of choice.

## 3. Effect of change

This question asked what the change had meant to the interviewee, offering 14 options. The majority of results were classified into three pairs: more/less responsibility; more/less skills; more/less hours.

## 4. Support for change

This question asked what support respondents had received to assist in the change, offering 10 options including attendance at courses, guidance, advice from workmates, the internet, and read a book.

## 5. Usefulness of the support

This question asked which support had been most useful: offering the same ten options.

## 6. After retirement

The final question asked whether the respondent would consider any form of work after retirement. The choices offered included working full/part time in the same or a different

industry; setting up own business; occasional work and voluntary work. The results were classified into full-time work; part-time work; voluntary work; own business; and nothing. The questions were asked both to those still in work and those who had retired.

## Analysis of data

The data for the whole population over 19 was analysed against a standard set of variables, which were:

- Age, examining especially the features of the 50-69 year olds
- Gender
- Region
- Marital status
- Size of firm worked for
- Qualifications
- Socio-economic class<sup>3</sup>
- Income (using personal gross income)
- Household status
- Ethnicity

## Methodological problems

This research had to deal with a number of particular methodological issues. They include the definitions of “retirement”, and of “economic activity”; the fact that ONS does not collect data on occupational sector or household income; and the lack of data to indicate the precise age at which job changes took place<sup>4</sup>.

“Economically active” includes all those who are in employment, or unemployed and seeking work at the time of interview. This group excludes those whose last job change was retirement, unless they are still in paid

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<sup>3</sup> The ONS Survey uses a five part classification – Managers/Professionals, Intermediate Workers, Small Employers/ Own Account Workers, Lower Supervisory/Technical workers, Routine/Semi-Routine Workers. We have used this classification throughout this report, and references to “class” relate to this.

<sup>4</sup> Methodological issues are explored in more depth in Appendix 3.

employment. The definition is not a precise one, since self reporting of these issues among people over 50 is problematic for two reasons. Firstly, some people will prefer to describe themselves as “retired” rather than “unemployed”, since the former is more acceptable in terms of self esteem, and social status. Conversely, some people who are technically “unemployed and seeking work” and who are therefore defined as economically active will not, in reality, ever find work, since the chances of successfully returning after a break decrease rapidly after the age of 50. A further complicating factor is the inactive category of “long term sick and disabled”, which has sometimes been used to conceal long term unemployment, or as a socially acceptable alternative to “unemployed”.

“Older worker” includes those in paid employment between the ages of 50 and 69 at the time of interview (although there are people working after 69, these are commented on separately)

“Job change” includes change of employer, of role with the same employer; of hours, responsibility or skills. It also includes entering and leaving the labour market. The definition is problematic especially in relation to small firms and the self employed, where the extent of change is probably understated, since much change happens on a day to day basis without any formal recognition in new job descriptions or contract documents.

The nature of the ONS survey limits the information available in two areas. ONS collects data on individual gross income, but not on household income. This means that a proportion of people who appear as on low incomes are second or third earners in a high income household. This makes it difficult to comment on the relationship between job change and income in a meaningful sense.

Secondly, ONS does not collect data on occupational sector<sup>5</sup>, which is unfortunate, since it is likely that workers in different industries and occupations will be subject to different pressures and incentives. CROW will follow up these issues in subsequent study.

When this study was conceived, it was not known how frequent job change might be. To ensure that sufficient data was generated, it was decided to ask interviewees about job changes within the last five years, and it was impractical to ask for specific dates. As a result, good volumes of data were generated, but it is not possible to define clearly the age at which a particular change occurred. Thus a record of a change to someone now aged 51, may refer to an event at any age from 46-51, and changes reported by people in the age range 50-54 will refer to events happening over nearly a decade. Most of the changes referred to as happening to “people in their 50s” will therefore refer to changes between 50-59, but a proportion will have taken place between 45 and 49. Where this issue is especially critical, date of birth data has been used to provide a more specific picture.

## Literature

During recent years there has been a growth of research into ageing and work, and the research literature has been expanding. Appendix 1 discusses some of the main issues raised by this literature, and relevant points are touched on in Chapter 8, which reviews those issues with evident policy implications.

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<sup>5</sup> The ONS questions ask about occupational roles and general level of employment, but they do not provide details of occupational sector in the conventional labour market categories.



## 2. Changing work

### Why job change matters

Labour market research tends to concentrate on what people do in the workforce, on entry and exit and on skills levels and change. It less often looks at how individuals change while in the workforce. However, job change in all its forms is critical to the working of the labour market. Its frequency is an indicator of the flexibility of the market, which is widely regarded as a measure of economic competitiveness. An examination of job change can reveal changing patterns of economic capacity and skill levels in firms and the workforce. It can also reveal changes in motivation and commitment which are important to productivity.

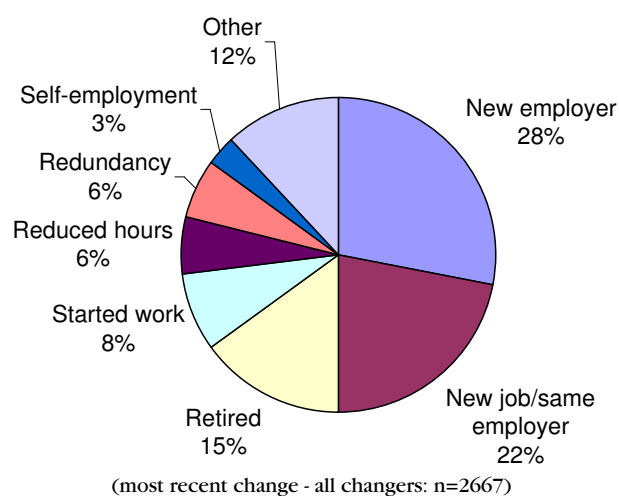
Job change can be attractive and motivating for those whose changes are positive – accepting a new challenge, learning new skills, or earning more. However, for those whose job changes are imposed on them – as at result of redundancy, dismissal, unacceptable pressure, or quarrels with workmates – change may result in reduced commitment to work in general; a reduced contribution to the economy; and perhaps to a more general demoralisation, with negative outcomes not only in work but in health and social life.

While change in work is important both to the efficiency of the economy and to the health of society, relatively little is known about its extent and nature. The present study therefore sets out to examine the issue across a wide cross section of the population, concentrating particularly on those over the age of 50, whose retention in the labour market is an economic and social priority, but whose experience of job change might be expected to be distinctive, as some begin to experience age discrimination, and as the option of withdrawing from work becomes a serious option.

## The kinds of change made

Half of all respondents surveyed (51%) made some form of job change during the previous 5 years.<sup>6</sup> Figure 1 shows the distribution of types of change, (considering only the most recent change for each individual). The commonest type is changing employer, followed by changing role with the same employer, and then retirement from the main job.

Fig 1 : Most frequent types of change



Of those who were still economically active at the time of interview, two thirds make some form of job change within a 5-year period. Two thirds of these make only one change, and one third make more than one<sup>7</sup>.

## Who changes job?

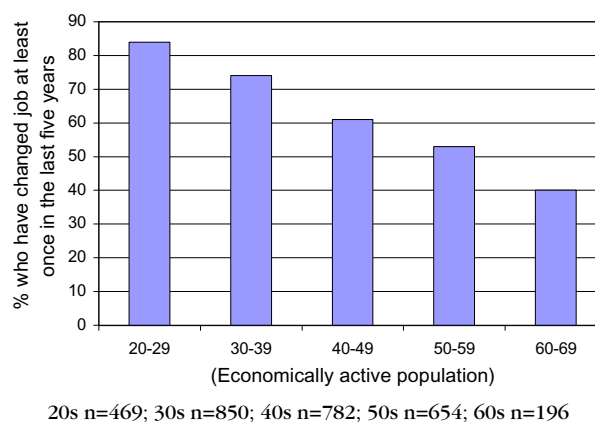
### Age and change

The likelihood of change declines with age (fig. 2). While 85% of economically active people in their 20s report a transition of some kind, the proportion doing so falls progressively to about 40% in their 60s.

As will be explained in the report, characteristics such as qualifications, socio-

economic status, income and gender influence the likelihood that workers will change their jobs as they grow older.

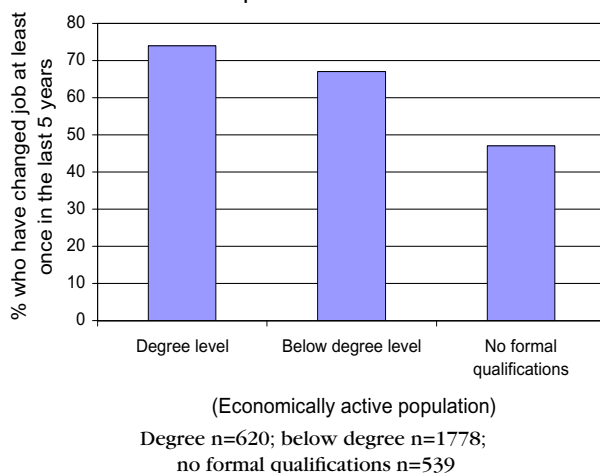
Fig 2 : Proportion of job changers by age



## Qualifications and Change

Work mobility is directly related to level of qualifications (fig. 3). Three quarters of graduates make changes, compared with under half of those without qualifications (74% to 46%). This pattern is paralleled (at lower levels of mobility) in people over 50. An individual with any kind of qualification is more likely to have made a change than not. The reverse is true for the unqualified.

Fig : 3 Proportion of job changers by educational qualifications



<sup>6</sup> This includes those who were retired at the time of the interview.

<sup>7</sup> Interviewees were asked to identify all the types of change made in a five-year period, but not how many changes of each type, so the data cannot reveal the precise frequency of change. Thus an individual who changed employer three times would appear as one type of change, someone who changed employer once and changed hours once would count as two types.

Not surprisingly, the same pattern can be seen in relation to the age of finishing education. Nearly three quarters of those who finished education after 25 make a change, compared to one quarter of those who left school before 15 (72%/23%). However, this partly reflects the fact that those finishing education before 16 are very much older than the population in general, since the school leaving age was raised to 16 in the early 1970s.

### Socio-economic class

The ONS uses a five-part classification of socio-economic status. Table 1 shows these, and demonstrates that there are significant gender differences between the categories. Some apparent features of social class distribution may, therefore, be the result of gender, rather than class.

There is no simple relationship between social class and job change, and managers and professionals are as likely to make a job change as semi-routine and routine workers. However, those in lower supervisory roles are slightly less likely to make a change (60% to 65% of other groups), and those classified by ONS as Small Employers and Own Account Workers are much less likely to report a change.<sup>8</sup> However, it is likely that the latter group under-report job change, since it is in the nature of such work that change is a continuing and gradual process, rather than a matter of formal job descriptions and promotions.

### Firm size

Firm size does affect the likelihood of individuals reporting change, and small firms are particularly distinctive.<sup>9</sup> Those in small

firms are notably less likely to report change than those in medium or large ones, while the likelihood of changing employer, as distinct from other kinds of change, is also related to firm size. 45% of the changes made by people in large firms involved changing jobs with the same employer, compared to 36% in medium and 24% in small firms. However, a significant number of people (13% of all economically active respondents) were unable to identify in which of the three firm size bands used by ONS, their own firm belonged.

### Other Factors

There is no significant regional variation in England in the proportions of economically active people changing jobs within the five-year period.

Women are more likely to change than men (68% to 61%), but this is the result only of a high level of change by women in their 40s, when they are twice as likely as men to reduce hours (25% to 12%) and also much more likely to start work after family responsibilities (7% of women to 1% of men). For all other age groups women and men are equally likely to change job.

Neither home tenure nor marital status significantly affects the likelihood of change. The numbers of people from ethnic minorities in the sample were too small to test for variations between ethnic groups.

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<sup>8</sup> Small employers and own account workers make up three quarters of the self-employed. Like the small employers and own account workers, a majority of the self-employed report no job change in the past five years.

<sup>9</sup> Small: under 25 employees. Medium: between 25 and 499 employees. Large: 500 or more employees

Table 1

<b>Socio-economic classification</b>	<b>Sub-classifications</b>	<b>% of the Census working population<sup>10</sup></b>	<b>% of CROW/ONS sample</b>	<b>% female</b>
Managers and professionals	Higher and lower managers Higher and lower professionals Higher supervisors	32	32	49
Intermediate	Clerical and administrative Sales and services Technical and auxiliary	13	13	80
Small employers and own account workers	Non-professional employers Own account workers	8	8	38
Lower supervisory and technical	Lower supervisory Crafts trades	11	10	33
Routine and semi-routine	Semi-routine and routine sales, services, production, technical and operations	33	31	62

<sup>10</sup> Census 2001: All people 16 and over. For comparative purposes, the Omnibus survey figures quoted above also cover 16+. Figures not listed are the long-term unemployed, full-time students and those who have never worked.

### 3. The reasons for change

In the light of the ageing population and of skill shortages in some fields, Government is keen to find ways to persuade people to stay in work longer, and to increase the flexibility of the workforce generally (Cabinet Office 2000). This calls for more knowledge about why change happens; how far this is a matter of individual choice or compulsion; and how far the reasons are related to work or lifestyle.

All those who had reported any kind of change were therefore asked to indicate the main reasons for their most recent change, and were offered a list of 29 options, from “offered promotion” to “redundancy”<sup>11</sup>. To ensure that any unanticipated responses were noted, an “other” option allowed interviewers to record any other reason offered, almost all of which were satisfactorily recoded into the 29 categories.

Respondents were asked to provide detail about their most recent change, since this is the one they are most likely to remember clearly. They were allowed to report as many reasons as they chose in order to ensure that all relevant causes were recorded, but were not asked to rank these in any way.

Of those who had made some form of change (just over half the total population), about two thirds identified only one reason, a fifth offered two, and the remainder offered more than two<sup>12</sup>.

For analysis, the reasons for change were grouped in four ways:

- eight broad types of change (career, workplace, pressure, redundancy, retirement, money, personal and leisure)
- positive or negative reasons (for the individual);

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<sup>11</sup> The full questionnaire is included at Appendix 2

<sup>12</sup> There was some bias in the responses, with those in higher social classes and with higher levels of qualification offering more reasons for change.

- work or lifestyle related;
- imposed on the individual, or a matter of choice.

The options offered to interviewees were classified after the interviews into these groups.

### Types of change

The 29 reasons for change were classified into eight types as follows.

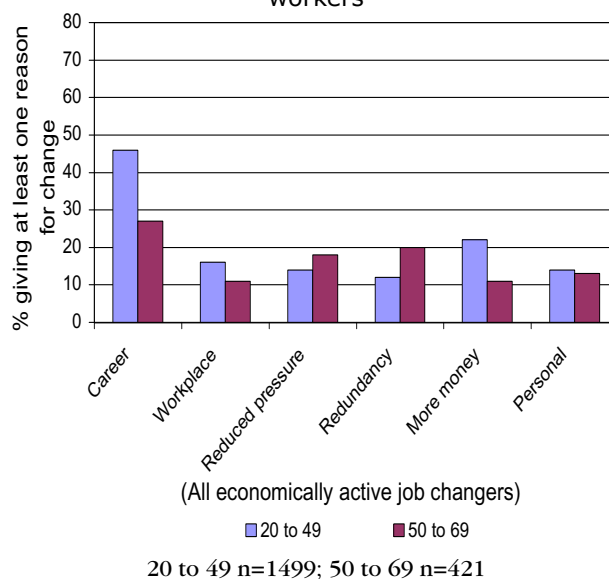
Table 2

Types of reason- examples

Career	Promotion, challenge, raise skills, work related study
Workplace	Work environment, relations with colleagues, dismissed, redeployed, changed hours
Reduced pressure	Job too demanding, wanted less responsibility, wanted less stress, reduced travel time
Redundancy	Firm closed, end of contract, compulsory or voluntary redundancy
Retirement	Reached retirement age, offered early retirement, told to retire, reached my planned retirement age, wanted to stop work
More money	Post offered more money
Personal	Moved home, career break/maternity, take up caring responsibilities, ill health
Leisure	Study (not work related), take up voluntary/ community work, time for leisure pursuits/travel

Career reasons are the most frequently cited by all age groups up to the age of 59. People in their 60s cite retirement, redundancy and reduced pressure most often, while those over State Pension Age<sup>13</sup> were most likely to give reasons related to retirement.

Fig 4 : Reasons for change of younger and older workers



### Work or lifestyle

There is considerable public debate about “work life balance”, and the extent to which people make job changes for reasons to do with their lifestyle rather than their work is clearly important in understanding the causes of change. Responses were therefore grouped into “work related” and “lifestyle related” as the table below shows.

Table 3

Work and lifestyle reasons - examples

Work	Lifestyle
Promotion	Wanted more flexible hours
Didn't like workplace environment	Wanted more money
Wanted to develop my skills	Wanted less stress
Redundancy	Take up domestic responsibilities
Wanted to study (work related)	Wanted to study (not work related)
Firm closed	Wanted more leisure time

Among those changers who have not retired, far more people cite work related reasons for change than lifestyle ones (69%/44%).

<sup>13</sup> State Pension Age is currently 60 for women and 65 for men. Because interviewees were asked about job change over the past 5 years, references to interviewees “in their 60s” may include changes made between the ages of 55 and 60. References to changes by people “over State Pension Age” may include changes made by men 60-64 and women 55-59.

Men are more likely to give work related reasons (76% /62%), but men and women are equally likely to cite a lifestyle reason for a job transition.

The balance of work and lifestyle reasons for change does not change with age.

## Positive and negative reasons for change

It is likely that people's attitudes to work, and their self image, will be affected by whether they perceive job change to be a positive or negative experience. The reasons for change were therefore also classified as positive and negative, and the table below shows examples of how this was done. Responses which could not be classified as either positive or negative (for example, "retirement") were classified as "neutral", and ignored in this analysis.

Table 4

Positive and negative reasons – examples		
Positive	Neutral	Negative
Offered Promotion	End of fixed term contract	Work was too demanding
Wanted a challenge	Voluntary redundancy	Didn't get on with boss/colleagues
Wanted less responsibility	Moved home	Dismissed
Wanted to study	Domestic responsibilities	Ill health/disability
Planned to retire	Reached retirement age for the job	Compulsory redundancy
Wanted to take up voluntary work	Firm reorganised	

Most economically active people report work and job change as positive (at least in retrospect<sup>14</sup>). Economically active job changers were much more likely to give positive reasons than negative ones (64% positive/ 25% negative). However, this is not the case for those whose last change involved leaving the labour market<sup>15</sup>, who were evenly divided (39% each), suggesting that leaving the labour market is more likely to be a negative experience than a job change within the labour market.<sup>16</sup> This confirms an overall pattern of positive views of work across the workforce as a whole, and suggests that, for many people, labour market exit is not a happy experience.

There is some variation by gender: Although economically active men and women are equally likely to give positive reasons for change, men are also more likely to also identify negative reasons for change (28% of men compared to 22% of women). Men are more likely to cite redundancy, but after redundancy women are more likely than men to leave the labour market altogether.

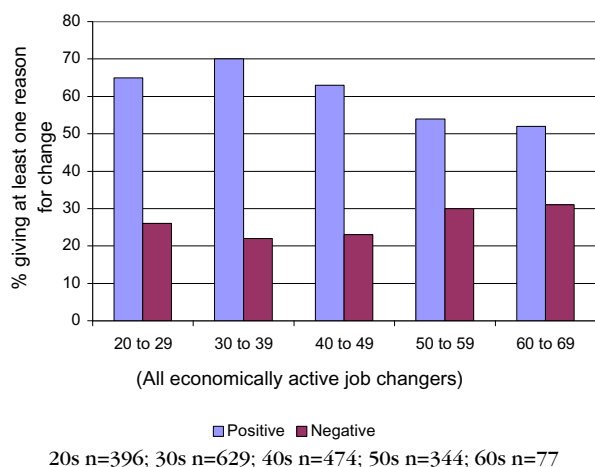
Although positive reasons for change predominate for all age groups, positive reasons decline and negative ones increase with age (fig. 6). For economically active people in their 30s the positive/negative balance is 7:2, but by the 60s it has reduced to 5:3. However, this does not necessarily mean that attitudes to change become more negative with age. It may mean that the different experiences of work (and life more generally) of different cohorts affect their attitudes to change.

<sup>14</sup> It is possible that retrospective reporting of this is subject to positive bias, with individuals seeking to rationalise their past mistakes to themselves and the interviewer.

<sup>15</sup> Respondents who left the labour market comprised those who were, at the time of the survey, economically inactive and who also cited as their last job change one of the following: redundancy, unemployment, stopped paid work, retirement (including retired more than 5 years ago), became a full-time student, stopped for ill health, or stopped for pregnancy.

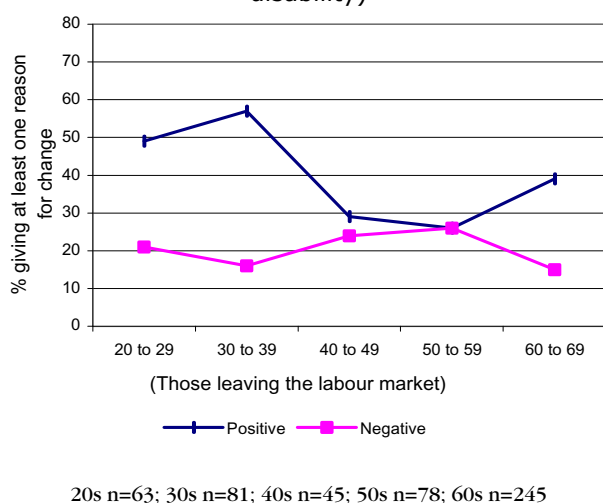
<sup>16</sup> The sum total for causes of change add up to more than 100% because some people cited more than one cause.

Fig 5 : Postive and negative reasons for job change by age



Positive reasons for change outweigh negative ones for all changers in all age groups except the late 50s and early 60's. For a brief period between the ages of 57 and 62, negative reasons outweigh positive ones. This reflects the negative forms of labour market exit which happen in this age group, and especially ill health and disability. It is notable that those who stay in the labour market after this age are much more likely to take a positive view of their changes, whether the change is retirement or changing work.

Fig 6 : Positive and negative reasons for labour market exit by age (excluding ill health and disability)

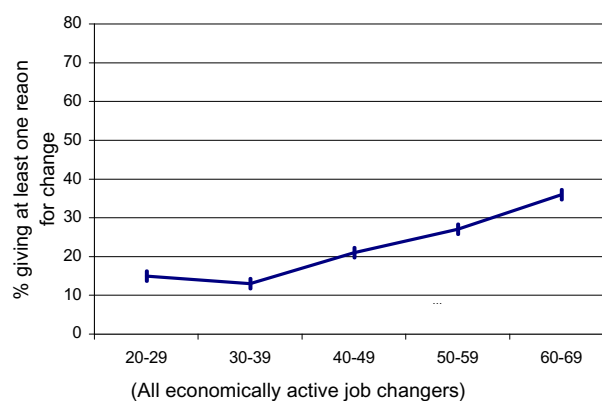


## Choice or imposition?

It is possible that those with low degree of autonomy at work will be less committed to work than those who with a strong sense of control over their working lives. To explore this issue, a set of reasons for change was identified where the individual clearly had no control. These included “end of fixed contract”, “firm closed”, “redundancy” and “ill-health or disability”.

As figure 7 demonstrates, such causes of job change increase progressively with age, although they never affect more than half of the workforce.

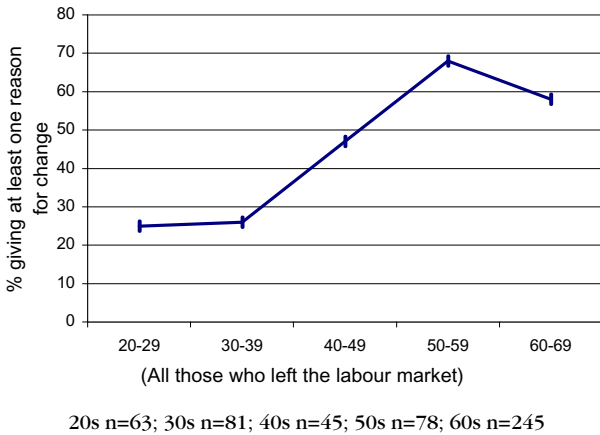
Fig 7 : External reasons for job change by age



20s n=396; 30s n=629; 40s n=474; 50s n=344; 60s n=77

However, those whose last change was to leave the labour market are much more likely to give external reasons. These labour market exiters are increasingly likely to cite external reasons for change as they grow older, peaking before state pension age, with 69% of respondents in their 50s citing an external reason for leaving the workforce. Ill health is most often cited (by 45%) followed by compulsory redundancy (10%).

Fig 8 : External reasons for labour market exit by age



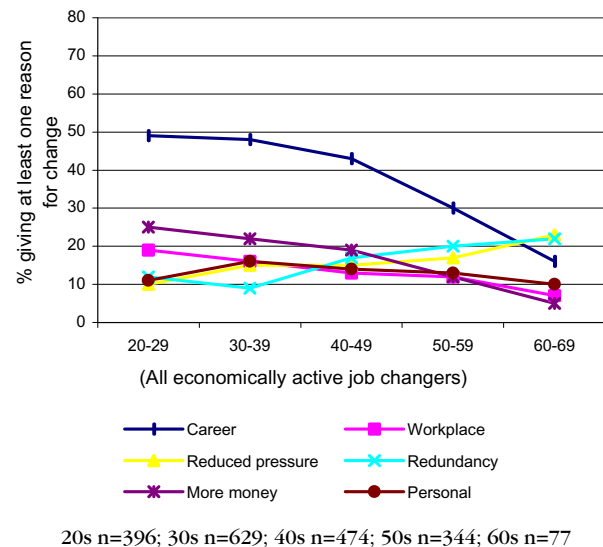
### The effect of age

Figure 9 shows that career, and to a lesser extent, workplace and money related reasons for change decline progressively with age. Career is cited by nearly half of all economically active people between 20 and 39, but falls to 16% of those in their 60s. Workplace reasons, which relate to the working environment, decline from 19% of those in their 20s, to 8% of those in their 60s, presumably because over time individuals find workplaces which they like or can tolerate, and because some older people can choose to retire if they dislike their workplaces.

The decline in money as a motive for change (from 26% of those in their 20s to 5% of those in their 60s) presumably reflects both the financial pressures and ambitions of different life phases, and a realistic view of the chances of increasing income through job change in later working life. Since this study examined only those who changed jobs it cannot, of course, indicate whether older workers increase their incomes while staying in the same job.

Until the late 50s, reducing work pressure is not a major cause of job change. However, for those who remain economically active in their 60s it becomes one of two most likely reasons for change (with redundancy). The proportion of economically active respondents seeking change in order to reduce pressure rises progressively from 10% of those in their 20s to over 24% of those in their 60s.

Fig 9 : Reason for change by age



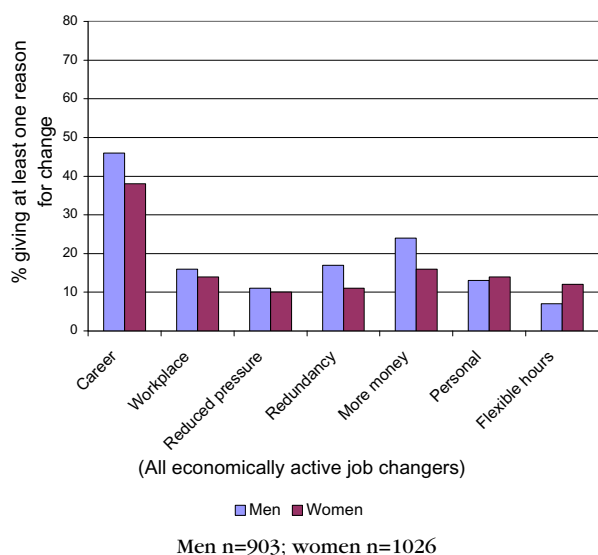
### Do men and women differ?

Men cite career, money and redundancy as reasons for change more often than women, but none of the other broad reasons for change shows a significant difference between men and women (figure 10). However, women are more likely to make a job change specifically to work more flexible hours, presumably reflecting women's greater involvement in caring and domestic responsibilities.

While men are more likely to have been made redundant in the last five years, they are also more likely to stay in the labour market (either finding or continuing to seek, work). Among those who reported redundancy as their last change, two thirds were back in work at the time of interview (67% men and 63% women).

However, twice as many men as women were seeking work (15% to 8%) and nearly half as many men as women were economically inactive (17% to 29%). 9% of women who have been made redundant, and no men, left the labour market in order to look after the family home.

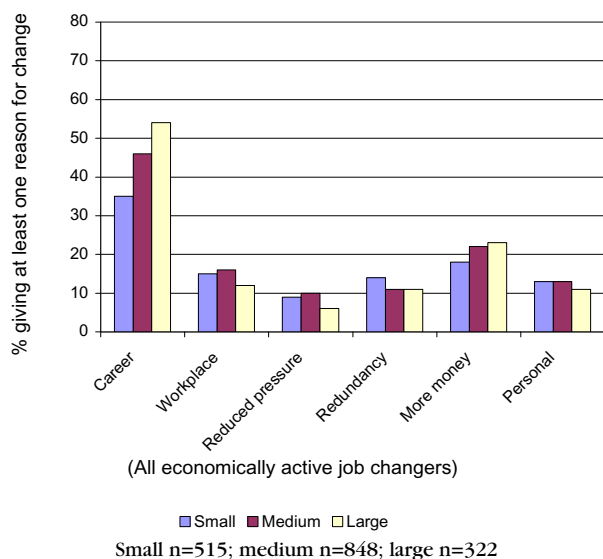
Fig 10 : Reasons for change for men and women



### The impact of firm size

Career related reasons for change are more prominent in large firms, where employees are most likely to cite promotion and the wish to develop experience and skills as their reasons for change. None of the other reasons for change correlate significantly with firm size.

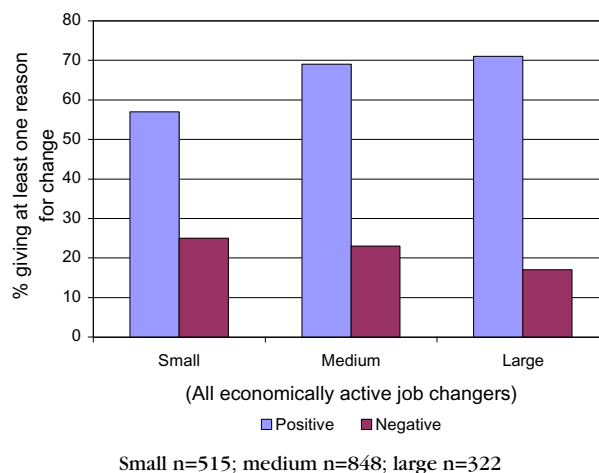
Fig 11 : Reasons for change by size of firm



The lower likelihood of career as a reason for change in small firms may mean at least three things: that workers in small firms are less interested in “careers”; that people in such firms are less accustomed to think in terms of “career”; or that larger firms are better equipped to offer career development opportunities for staff (both in terms of promotion and skills development).

The positive/negative balance also correlates with the size of firm, with employees of large and medium firms more likely to report at least one positive reason for change than those in small firms (71% , 69% and 57% respectively); and those in small and medium firms more likely to report at least one negative reason for change than employees of large firms (17% large, 23% medium and 25% small).

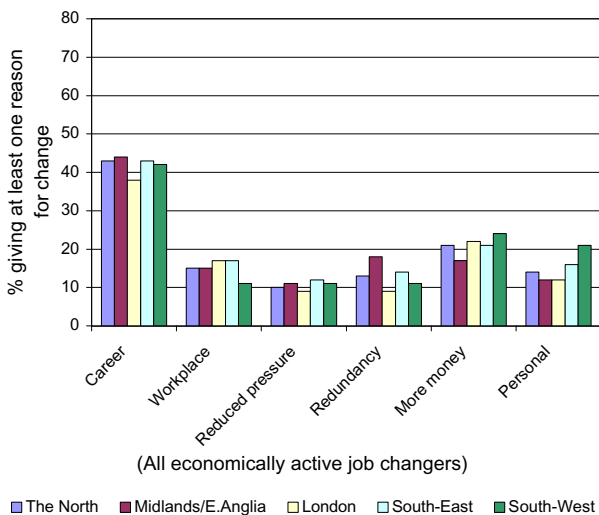
Fig 12 : Positive and negative reasons for change by size of firm



### Regional differences?

In view of the wide variation in economic activity rates between regions, one might expect to see regional variation in the reasons for change. However, there is little evidence of this, and it would appear that regions differ not in the frequency of redundancy but in the speed with which those made redundant return to work, which is much higher in the stronger economic regions like the South East than the others.

Fig 13 : Reasons for change by region



(All economically active job changers)  
 North n=474; Midlands/East Anglia, n=491; London n=234; South East n=323; South West n=159

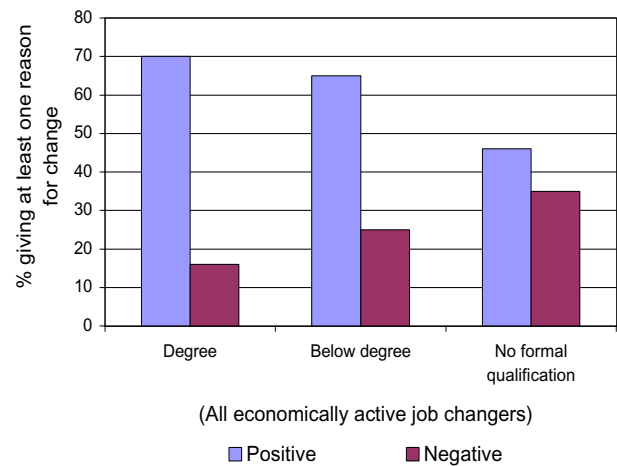
### Housing and family circumstances

There is a clear association between housing tenure and reasons for job change. Those who are buying their houses are more likely to cite career and money as reasons than those who are renting or who own their homes outright. This remains true for older workers. There is no significant association between marital status and the reason for job change when age is taken into account.

### The role of qualifications and education

Those with higher qualifications are much more positive in their reasons for change than those with none, and the reverse is true for the negative reasons. 70% of graduates gave at least one positive reason, against only 46% of the unqualified, while those with no qualifications were more likely to report at least one negative reason for change (35% compared with 16% of those with degrees, see fig. 14).

Fig 14 : Positive and negative reasons for change by qualification



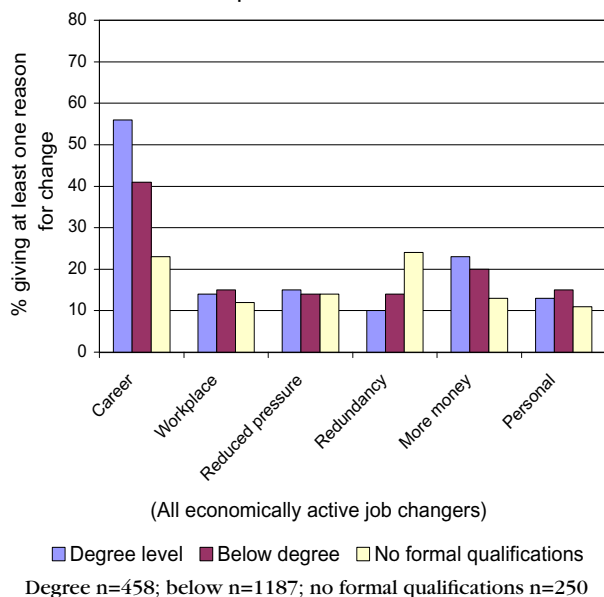
(All economically active job changers)  
 Degree n=458; below degree n=1187; no formal qualifications n=250

Those with formal qualifications are much more likely to give career reasons for job change than are the unqualified. Career reasons are cited by 56% of all economically active graduate changers, compared to 41% of those with below degree qualifications, and 23% of the unqualified. The better qualified an individual, the more likely it is that change will be the result of being offered promotion (26% of graduates/ 8% of the unqualified), wanting a new work challenge (30%/16%); or an opportunity to develop skills or experience (25%/6%).

This remains true for those over 50, with positive work related, positive lifestyle, and career reasons all remaining prominent for the better qualified. On the other hand, the unqualified over 50s are much more likely to cite external and negative reasons for change - ill health, compulsory redundancy or the employer closing down.

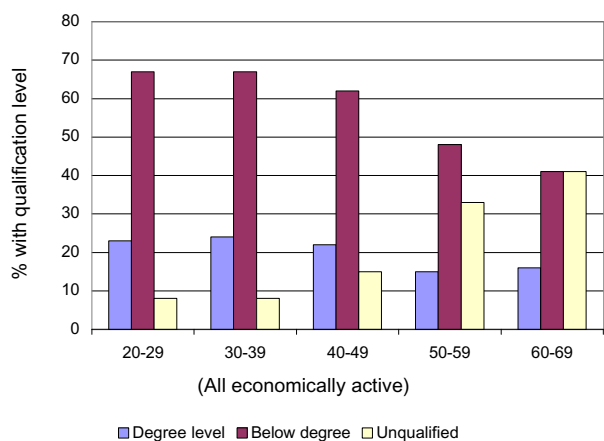
Among the economically active, the unqualified are more than twice as likely to have experienced redundancy as graduates (24%/ 10%).

Fig 15 : Reasons for change by educational qualifications



The importance of qualifications remains for older people, even when allowance is made for the fact that the qualification levels of those over 50 are significantly lower than those of younger workers (fig. 16). This does, however, have important implications for future labour market trends. Since the qualification levels of younger generations are higher, and those with lowest qualifications are the least likely to remain in employment, the numbers of people predisposed to stay in work may increase as these “early school leavers” (and the larger group who left school before 16) gradually move out of the workforce. It may also be that active moves to improve the qualifications of workers would increase their retention in the workforce.

Fig 16 : Qualifications by age group

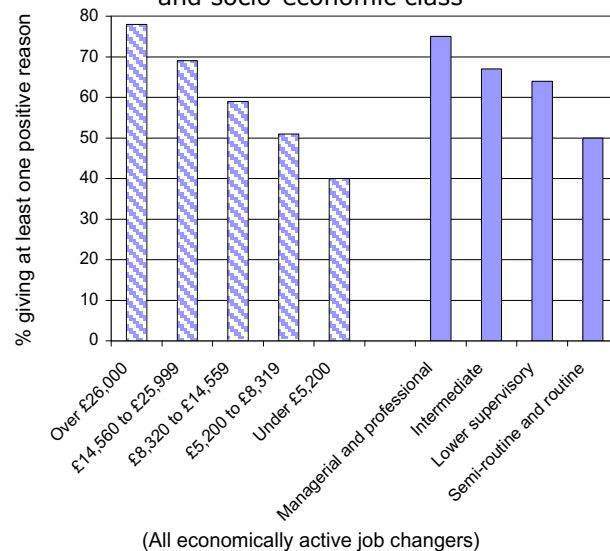


20s n=469; 30s n=850; 40s n=782; 50s n=654; 60s n=196

## Socio-economic class and income

For those in work, socio-economic class and income are closely associated, with clear evidence of a relationship in the patterns of job change. Figure 17 shows that both higher income and higher socio-economic class is associated with positive job change, with career and money featuring strongly among those reasons.

Fig 17 : Positive reasons for change by income and socio-economic class



Over £26,000 n=459; £14,560 - £25,999 n=596; £8,320-£14,559 n=440; £5,200-£8,319 n=178; Under £5,200 n=194; Managerial and professional n=848; Intermediate n=262; Lower supervisory n=174; Semi-routine and routine n=488

In relation to labour market exit, on the other hand, socio-economic class and income are not as strongly associated. Men and women in the managerial/professional class are more likely than other groups to cite positive reasons for labour market exit. However, male blue collar workers are less likely than male white collar workers to cite positive reasons for exit, due to the high incidence of health and disability problems. Income appears to have no influence on the positive/negative balance of reasons for exit.

## Self-employment

The self-employed<sup>17</sup> are a special case. They are much less likely to report job change than any other group, but this may merely mean that self-employed people expect changes on a day to day basis and there is no formal process for defining “change”. However, when they do make change they are most likely to cite work pressure as the reason. This would support the hypothesis that those who run their own businesses continue longer in work than any other group (as our evidence confirms) and only make a change when stress, personal and health factors intervene. As noted below, the self-employed are significantly more likely to retire through ill-health than other workers.

## The decision to retire

One in ten of the sample reported that they had retired in the last five years (443 individuals) and 9% of these were still economically active in some form. Three factors are associated with continuing economic activity. The strongest link is between activity and qualification, with 27% of graduates, 16% of those with other qualifications, and 3% of the unqualified still active. Home ownership is also a significant factor, with 22% of those still paying a mortgage active, compared to 9% of those owning their homes outright and 3% who are renting. Marital status also appears to play a part, with 14% of those married or cohabiting still active, compared with 7% of the divorced, 3% of the single, and 2% widowed.

Although 27 different reasons were given for retiring<sup>18</sup>, there is a great deal of overlap, as table 5, which shows the most commonly cited reasons, indicates. Perhaps the most striking findings are the very low numbers

citing reducing stress, leisure and caring responsibilities. There appears to be a general perception that retirement is inevitable, and that there is a normal age at which it should happen.

For those under 50, retirement is almost entirely related to ill health, and this remains the most common cause for those in their 50s. By the 60s, however, retirement appears to be seen as inevitable or natural (56%) pushing “ill health or disability” into second place (17%).

The self-employed, who are more likely to continue working later, also display a distinct pattern, with a high proportion retiring through ill health or disability (26%). Since they typically stay in work longer than those in any other group, it is possible that these are people who work until they are physically unable to continue. There are several possible explanations for this pattern with the self-employed, including financial pressure, the intrinsic attraction of work, or an inability to imagine other ways of meaningfully spending time.

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<sup>17</sup> The self-employed are identified as those who own their own business regardless of size. Most, but not all, of the self-employed are also identified under the socio-economic classification as small employers or own account workers.

<sup>18</sup> When discussing the reasons for retirement, only responses from the 427 respondents who said their last job change was retirement were used.

Table 5- Reasons for retirement<sup>19</sup>

	% of all those whose last move was retirement
Reached retirement age for job	37
Ill health/ disability	18
Wanted to finish/stop working	15
Always planned to retire when I did	13
Offered opportunity for early retirement	7
Wanted a less stressful life	4
Wanted more time for leisure pursuits/ travel	4
Left to take up caring/ domestic responsibilities	3
Told to take retirement	3

All those whose last change was retirement n=427

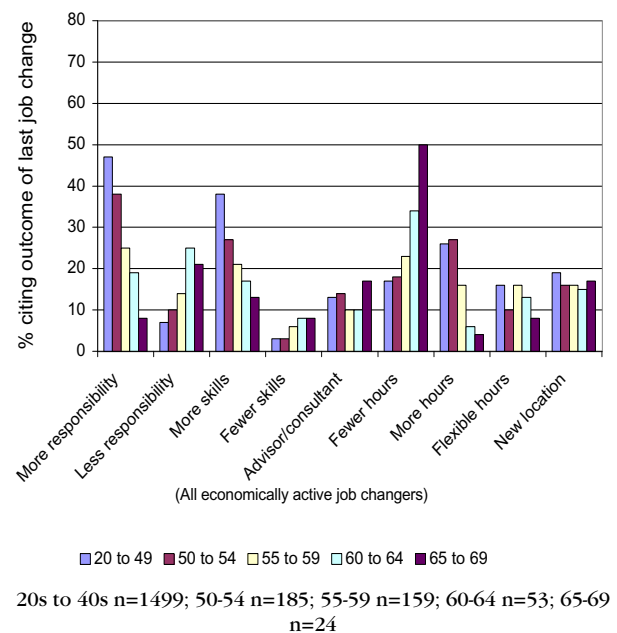
<sup>19</sup> Multiple answers were permitted

## 4. The outcomes of change

For economically active people under 60, the most common outcomes of job change are increased responsibility and skills, followed by longer hours. However, in the mid 50s this shifts, and the commonest outcomes become reduced hours and reduced responsibility<sup>20</sup>.

Respondents were asked “which of the following describe what the change meant for you”, and were offered a series of options, related to changes in level of responsibility, skills and working hours. The outcomes of change do not vary significantly by gender or marital status.

Fig 18 : Outcomes of change by age



### Changes in responsibility

Below the age of 60, increased responsibility is the single most cited outcome of job change, reported by nearly half of all changers (47%), while only 7% reported decreasing responsibility.

<sup>20</sup> This chapter considers only respondents who were economically active at the time of the interview (unless otherwise stated).

The pattern changes around the age of 60, and for those who remain economically active at that age, the balance reverses, with only 16% reporting increased responsibility, and 23% reporting decreased responsibility.

Those who increase responsibility through job change are better qualified, work in larger firms, on higher incomes and in higher socio-economic groups. This pattern is consistent across regions and gender.

The strongest relationship is between qualifications and increasing responsibility. In the workforce as a whole, half of all graduates increased responsibility (51%), compared to only less than three in ten (29%) of the unqualified. Although, as people age, they are less likely to report increased responsibility, the association of qualification and responsibility remains strong, with increases among 50-69 year olds still being reported by 37% of graduates compared with 21% of the unqualified.

Large firms appear to make more use of the talents of older workers than do small ones. Although those increasing responsibility clearly outnumber those reducing it in all sizes of firms, increases were more commonly reported in large and medium firms (53%) than small ones (37%), and this pattern increases with age (although the sample size is small). While the proportion of people increasing responsibility in small firms falls rapidly after the age of 50 (22% of 50-69 year olds compared to 42% of those under 50), this is not true of those in large firms, where the numbers remains constant even for those in their 60s.

Income also correlates with increasing responsibility, with those with personal gross incomes above £26,000 more than twice as likely to report increased responsibility as those earning below £5,200 (70% to 29%).

Although overall, older workers are less likely to increase responsibility with job change, they show similar patterns with regard to income (46% to 8%).

Those in the lowest socio-economic classes are least likely to say that their job change resulted in more responsibility. While 60% of managers and professionals, and 54% of lower supervisory and technical workers report increased responsibility, less than a third (29%) of routine and semi-routine workers do. For older workers, the same pattern is evident, but with lower proportions in all groups.

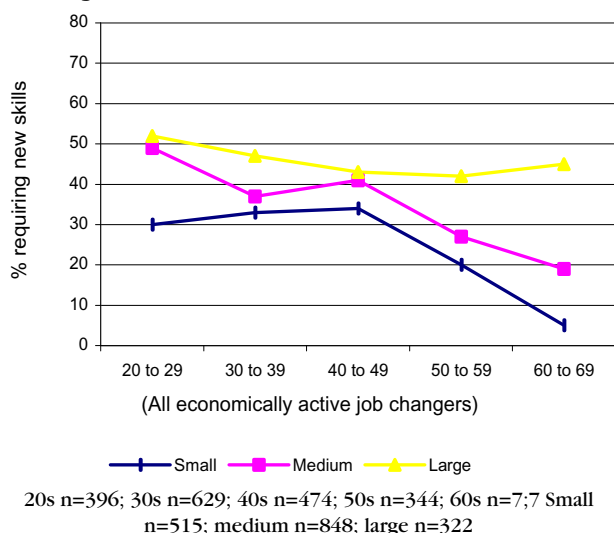
### Changes in skill levels

Needing to learn new skills is the second most common outcome of change. One third of all economically active job changers (34%) reported that they “had to learn a lot of new skills” to do their new job, and the proportions remain fairly stable from the late 20s to late 40’s. Thereafter, the proportion falls sharply to 24% of those in their 50s and 16% of those in their 60s.

There is no significant regional variation, with the proportion reporting increased skills needs remaining in the 30-40% range for all regions.

There is a significant and progressive association between size of firm and skill change. Those in large firms are more likely to have had to acquire more skills than those in medium ones; and medium ones more than small ones (46%, 38% and 28% respectively). This effect appears to be even more pronounced for those between 50 and 69. As figure 19 shows, older workers in large firms are as likely to require new skills than younger workers. However, for those in small and medium size firms, the proportion requiring new skills drops significantly with age.

Fig 19 : "I had to learn a lot of new skills"



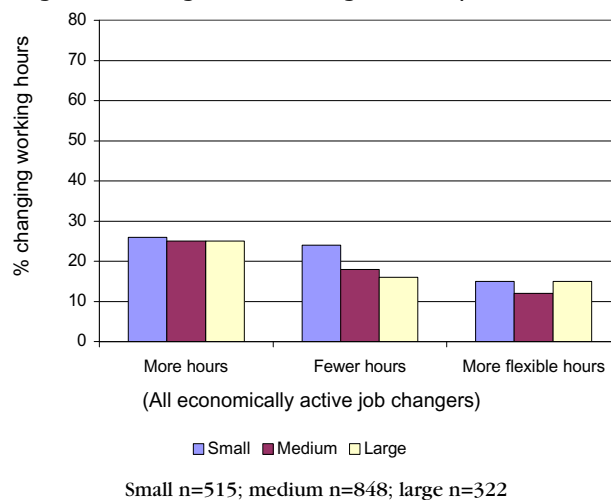
There is no strong relationship between the need for increased skills and qualification, income or socio-economic group. The unqualified are slightly less likely to report increasing skills at all ages. The self-employed are least likely to report any change in skill levels, with 30% reporting increased skills, and a very low proportion reporting reduced skills<sup>21</sup>.

### Changes in working hours

The third most common outcome of job change is change in working hours, with a broad trend upwards across the whole workforce. Longer hours were cited by 24%, shorter hours by 19% and more flexible hours by 15%. Those in their 60s are significantly more likely to report reduced hours and significantly less likely to report increased hours. However, age does not appear to affect the proportion reporting more flexible hours, which remains constant around 15% across the full age range.

Employees of small firms are more likely to reduce their hours than those working in medium or large ones (fig. 20). However, there is no relationship between firm size and either increased or more flexible working hours.

Fig 20 : Changes in working hours by size of firm

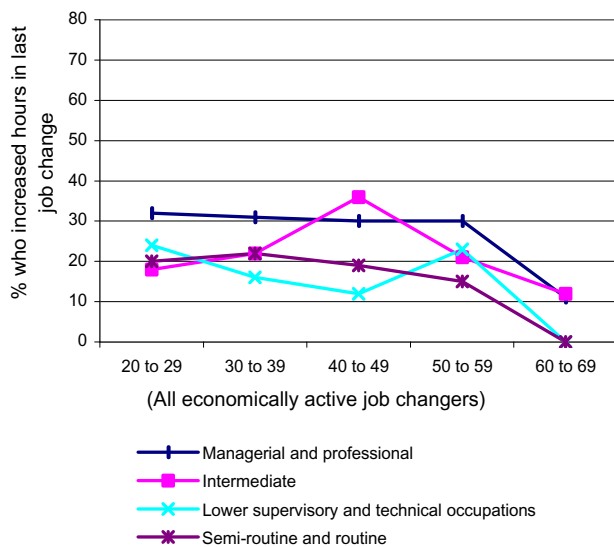


There is a strong link between level of qualification and changes in hours, with graduates twice as likely to report working longer hours as those without qualifications (30% to 15%).

Changes in hours are also linked to socio-economic class, with those in higher groups more likely to change their hours, both upwards and downwards. 30% of managers and professionals increased their hours, against 18% semi-routine and routine workers. Among older workers, managers and professionals are more likely to increase their hours than semi-routine and routine workers (26% to 12%). For the higher socio-economic groups it is clear that the pressure to work longer hours continues well after 50, and between the ages of 50 and 69, the proportion increasing hours falls more steeply for routine and semi routine workers than for managers and professionals. For those in routine and semi-routine work, the proportion working longer hours drops from 19% of people in their 40s to 15% of people in their 50s, with none reporting increases in their 60s. Between the ages of 50 and 69, the self-employed are the most likely to report working more flexible hours following a job change (37% against 15% of all economically active job changers).

<sup>21</sup> Once again, this may be a reporting effect, with change being part of everyday life for many of the self-employed, and thus not registered as a "change"

Fig 21 : Increased hours as a result of job change



Managerial and professional n=848; Intermediate n=262; Lower supervisory n=174; Semi-routine and routine n=488

There is a relationship between income and increased hours. More than a third (36%) of those earning over £26,000 report increased hours, while only a tenth (10%) of those earning below £5,200 do so. The lowest earners are nearly twice as likely to reduce their hours as the highest (20% of those earning below £5,200, compared to 11% of those earning over £26,000), and this pattern continues for economically active people between 50 and 69.

The numbers reporting moving from full-time to part-time work are small, but rise slightly after 50 (5% of all economically active respondents and 8% of those over 50)<sup>22</sup>. Other status changes are more rare, with only 3% reporting change from part-time to full-time, and 3% changing from temporary to permanent.

### Moving to advisory or consulting roles

It is sometimes suggested that moving from managerial or practising roles into advisory or consulting one is common among people approaching retirement age. This would clearly be one way in which employers could continue to use the talents of experienced staff without blocking succession and career routes for other staff.

Across the whole workforce, 13% of all job changers described the outcome as “moving to an advisory/consulting/mentoring/training role”. It appears that this type of change does become relatively more likely as people age, since, unlike increased hours, responsibility and skills, the proportion reporting it does not decline after the age of 50.

However, this change is not evenly distributed across the workforce. Taking on advisory roles is much more common among well educated professionals and managers, and by those working in large firms; suggesting once again that larger firms have more developed strategies for using the talents of their older workers. Among those over 50 this change is twice as likely to be reported by people working in large firms (21% of changers) as in small or medium ones (11%), and by managers and professionals (21%) as by other socio-economic groups (10%). It is also positively related to income, with the highest earners most often reporting it.

<sup>22</sup> These figures should perhaps be treated with some caution, since the distinction between reducing hours and changing to part-time is not a simple one, and different individuals may have reported differently here.

## 5. Support for change

If the talents of older people are to be better used in the workforce, it is clearly important to ensure that they find appropriate jobs, and have (or acquire) the relevant skills to do them. One might expect this to be particularly important for those who reported taking on increased responsibility (47% of all changers) or needing to learn a lot of new skills for their new role (34%).

All those who reported making a job change were therefore asked whether they had received training, guidance or other forms of support. Interviewees were asked, “What, if anything, did you do to help you make the change?”, and were offered 10 options, and the opportunity to add further sources of support if they wished<sup>23</sup>. They were also asked which kinds of support had been most useful.

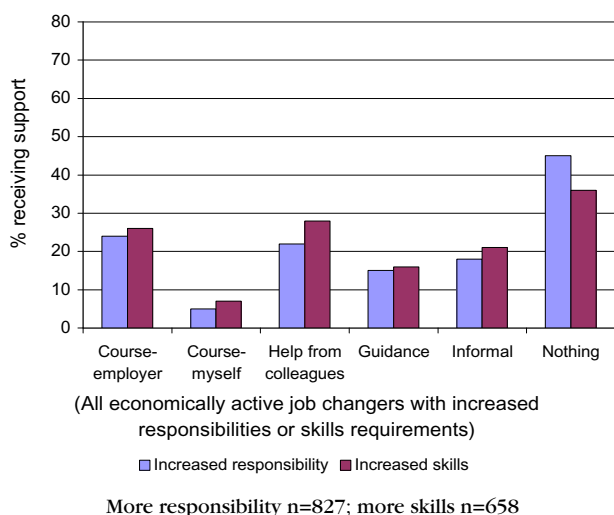
The clearest finding is that two thirds of all those who change jobs report that they had received no support at all<sup>24</sup>. As figure 22 shows, this is true not only for all job changers, but specifically for those whose last job change resulted in increased responsibilities or skills requirement. Those who need support after changing jobs do not appear to be receiving it.

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<sup>23</sup> The full list of options offered are in Appendix 2

<sup>24</sup> This is self reporting, and it is possible that, despite the prompts in the questionnaire, a proportion of people forget support which they have received.

Fig 22: Support received by those whose job changes resulted in increased responsibility or skills

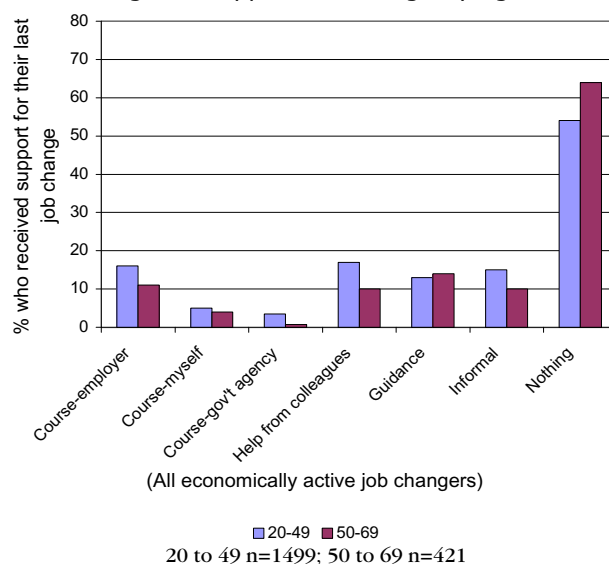


Among the minority who did receive support, courses paid for by the employer, and help from colleagues, are the commonest types, followed by “other informal learning” and, with a much smaller proportion, career advice from their employers, and information from the Internet. The other sources of support are very rare. Although interviewees were asked how useful they had found the support they received, the very small numbers involved make any quantitative analysis impossible.

Broadly, the pattern does not appear to differ greatly for men and women, although women are more likely to have taken a course organised by a government agency.

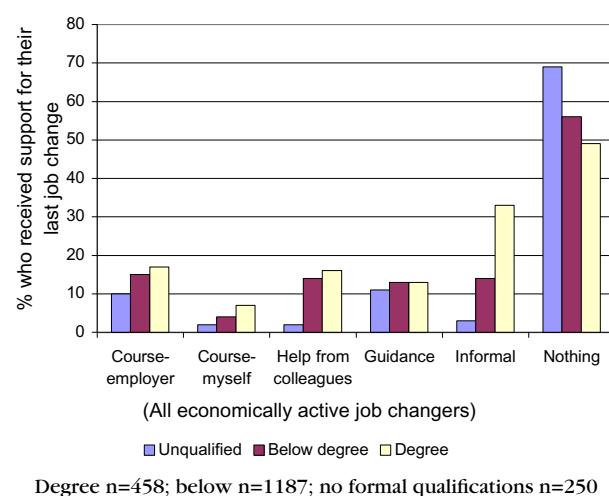
Levels of support decline with age. Older workers are less likely than younger ones to receive any help during a job transition (37% of older workers, against 47% of those under 50). They are less likely to receive training from their employers; help from their work mates and colleagues; or support from a government agency. They are also less likely to have sought out support themselves, either through the Internet or other informal sources.

Fig 23: Support for change by age



For those concerned to encourage successful retirement, the low reporting of participation in pre-retirement courses will be disappointing, since only 5% of all people who have retired reported this.

Fig 24: Types of support used by qualifications



The patterns found in previous questions continue to appear in relation to this question. Those with higher qualifications, in higher socio-economic classes, and with higher incomes, all receive more support. While half of all graduates (51%) receive some support, less than a third (31%) of the unqualified receive any, and graduates are also more likely to have used the Internet or other informal sources. Half of managers and professionals (50%) receive support, compared to one third (33%) of routine and semi-routine workers. Half of those earning above £26,000 pa received support, compared to 30% of those earning below £5200 pa. The quality of support may also be uneven, since among those who received support, the higher earners are more likely to have received training from their employers, while low earners are more likely to rely on advice from new colleagues. Employees of small firms are less likely to have received any form of support than employees of either medium or large firms (10% to 15%).



## 6. Expectations of retirement

The age of 50 is sometimes regarded as the point at which people first begin thinking about retirement, and this has been used as the dividing point for much of this report. However, the study suggests that the older workforce does not differ dramatically from the general workforce in its overall profile. There are features associated with age, like the declining likelihood of increasing skills or responsibility, particularly for the unqualified, the less well paid, and the lower socio-economic classes. However, on the whole, these are long-term trends, and there is no simple age at which the overall pattern changes radically.

If people are to be persuaded to stay in employment longer, it is important to understand how they view retirement, and any preferences they might have for working after formal retirement age. All interviewees were therefore asked whether they would consider undertaking any kind of work, paid or voluntary, after formal retirement. The same question was asked of those who had already retired, or were otherwise economically inactive. The survey did not, however, ask the reasons for these preferences, and it is impossible from the data to establish how far these aspirations are the result of an attachment to work itself, to the financial or other rewards of staying in work, or financial necessity. This question, and the strength of the “willingness to consider” work are issues for further research.

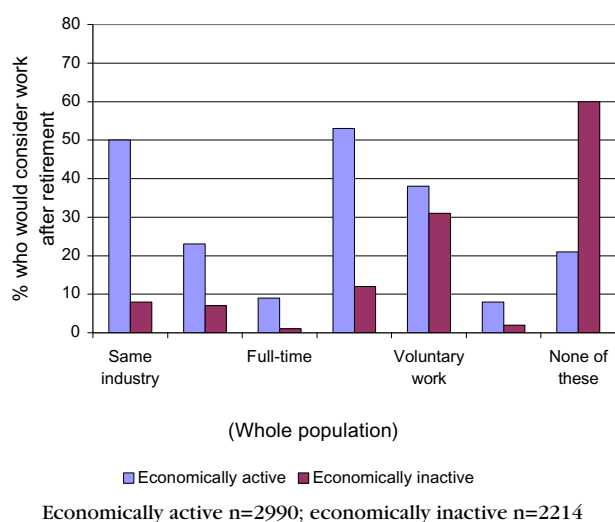
Nearly half of all economically active people (48%) say that they would consider working part-time or occasionally after they “retire”, but few (10%) would consider full-time work. They are far more likely to consider working in the same industry than to change industry, and over a third (36%) say they would consider voluntary work. This suggests a substantial untapped pool

of labour, bearing in mind that the survey found that, for those who have retired in the last five years, only 9% are still in paid work.

The factors which are strongly associated with a greater willingness to work after retirement are qualifications, current economic status, gender, and social class.

It is perhaps unsurprising that willingness to consider work after formal retirement correlates strongly with current working status. Those who are currently working are much more likely to consider paid work after retirement than those who are not (fig. 25). Furthermore, while the economically active become increasingly willing to consider this as they grow older, for the economically inactive the reverse is true. By contrast, however, the proportion of the economically inactive not willing to consider any kind of paid work after retirement doubles, from one third (33%) of people in their 20s to nearly two thirds (62%) of people in their 60s. However, the proportion of economically inactive people who would consider voluntary work remains fairly static, at around a third.

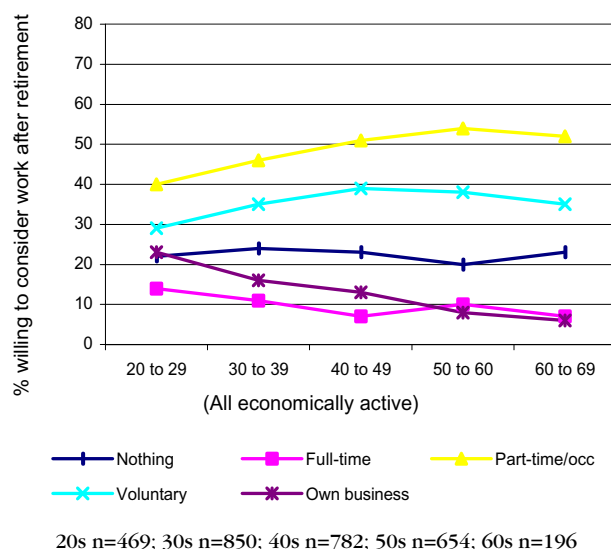
Fig 25: Retirement expectations of economically inactive populations



## Attitude change with age

The proportion of the economically active who would consider working after retirement remains steady for people from their 20s to 60s, with over three quarters saying they would consider work in some form. As figure 26 shows, as they become older, part-time and occasional work becomes increasingly attractive, peaking for those in their 50s. Older workers are also more likely than younger workers to consider voluntary work after retirement. By contrast, establishing a business becomes a less attractive option the closer workers reach retirement age.

Fig 26: Willingness to consider work after "retirement" age

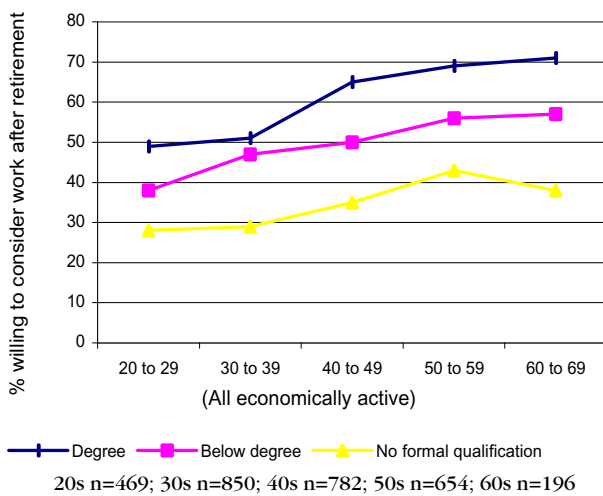


## The impact of qualifications

Qualification has an impact on workers' willingness to consider work after retirement. Those with degrees are most likely to consider work of some kind (87%), while those without formal qualifications are least likely to do so (65%). Regardless of qualifications, however, workers are more likely to consider work of some sort as they approach 60 (fig. 27). For people with qualifications of any kind, the trend continues upward into the 60's. For the unqualified, however, it declines, perhaps reflecting a realistic assessment of the opportunities open to them. For the self

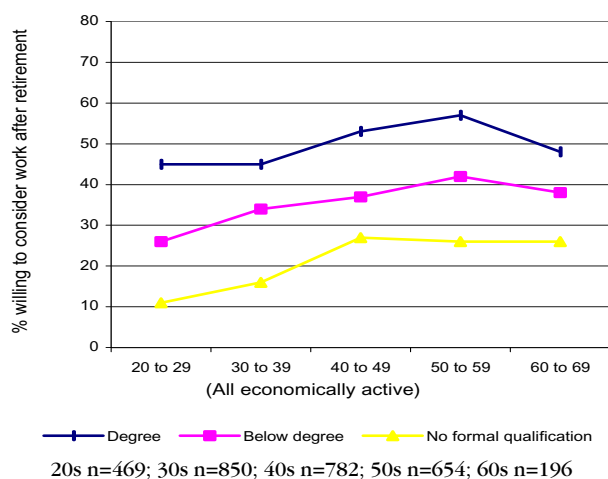
employed the pattern varies according to the kind of self employment involved.

Fig 27: Willingness to consider part-time or occasional work by qualification level



The pattern of attitudes to voluntary work after retirement is a little different. Over the life-span this option appears to become progressively more attractive, peaking in the late 50s as figure 28 shows. However, for those without qualifications the peak appears to come ten years earlier, with about a quarter of the economically active willing to consider this, and the level then remains stable into the 60s, once again supporting the hypothesis that the unqualified begin to make a psychological withdrawal from the labour market earlier than the qualified.

Fig 28: Willingness to consider voluntary work by qualification



For all three qualification groups, self-employment becomes an increasingly unattractive option with age. This is especially true of the qualified: while 28% of graduate workers in their 20s would consider setting up their own business, the proportion reduces to 16% by the time they are in their 60s. However, there may be cohort effects here, since different generations may have different experience of, and attitudes to, entrepreneurial activity.

### Socio-economic class, income and expectations of retirement

Once again, socio-economic class has a major bearing on attitudes and expectations. 55% of managers and professionals would consider working part-time or occasionally, compared to only 39% of routine/semi-routine workers. Managers and professionals are four times as likely to be interested in setting up their own businesses (16% against 4% of routine and semi-routine workers). Full time work is equally unappealing to all classes.

Income also influences expectations. Those earning £26,000 per year or more are more likely to consider work than those earning less than £5200 (84% to 72%). Of those who would consider work, those on high incomes would be more likely to consider part-time or occasional work (73% to 51%). However, income does not have a bearing on the likelihood for considering voluntary work.

### Gender and expectations of retirement

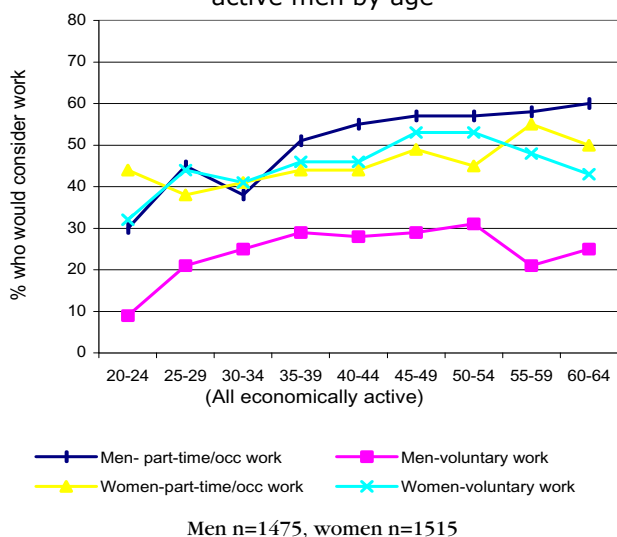
Men and women are equally likely to consider work of some sort in retirement, and their willingness to do so does not vary significantly with age. However, they differ in the kind of work in which they are interested. Men are more likely than women to consider part-time or occasional work (52% to 45%); and women are much more likely than men to consider voluntary work (45% to 25%).

Figure 31 shows the way in which expectations of retirement change by age, and how this differs between men and women in the two options which are most frequently cited. In the case of men, the option of part-time or occasional work increases in attraction steadily across the life span, and is highest for those economically active in their early 60s (60%). Their interest in voluntary work also increases steadily with age, up to the mid 50s, when it drops again. Around a third of economically inactive men in their 50s and 60s would consider returning to work, but for them, voluntary work is more likely to be considered than paid work.

As with men, the attractiveness of part-time or occasional work to women increases steadily with age. While willingness to consider part-time/occasional work peaks at 55% for women in their late 50s. Women in their 30's and 40's are as likely to consider voluntary work as paid work. From their early 50's, the attractiveness of voluntary work goes down as women become more likely to consider paid part-time or occasional work.

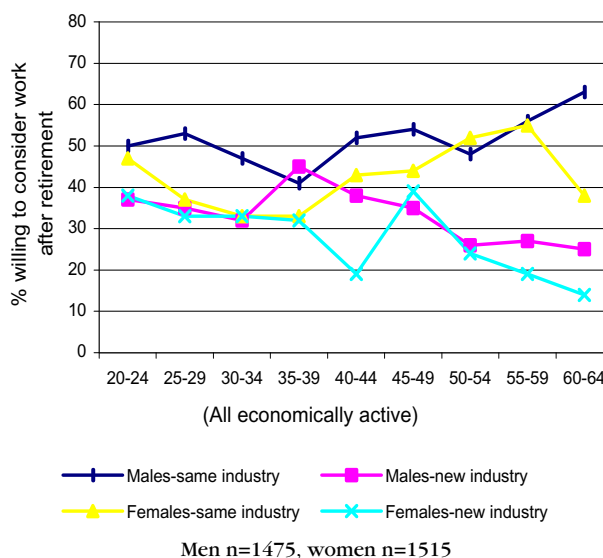
Interviewees were able to select multiple answers to this question, and figure 29 shows that, as women get closer to retirement, they are more likely to consider more than one form of work.

Fig 29: Retirement expectations of economically active men by age



Interviewees were asked whether they would wish to work in the same industry or another one after retirement (figure 30). Overall, a clear majority would prefer to stay in the same industry, and for both men and women it would appear that attachment to the particular industry in which they currently work increases from the mid 30s onwards. From a life planning perspective, the figures for men in their 30s are particularly interesting, suggesting that there may be a point in the mid 30s when men are more likely to consider a more radical change of course after retirement, before settling back into the familiar route. Women show a similar pattern which begins in their late 40's.

Fig 30: Retirement expectations of economically active men and women



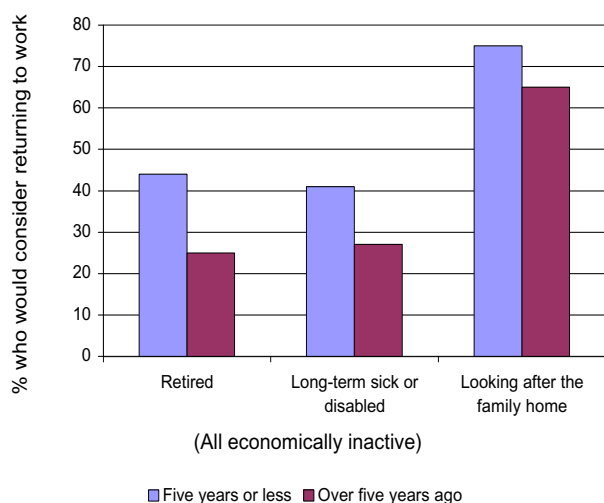
### Views of the economically inactive

Only 28% of retired people and 30% of those who left the labour market for health reasons would consider returning to work. The likelihood of the economically inactive considering work in retirement follows similar patterns to workers, with qualifications, socio-economic status, and income having influence. Retirees are significantly more likely to consider returning to work in their 50's than in their 60's (68% to 39%). Those who retired from managerial or professional occupations are three times as likely to consider returning to work than those who left semi-routine or

routine jobs (45% to 15%). Those on incomes above £14,560 are almost twice as likely to consider work as those below (48% to 25%). Socio-economic status and qualifications influence the likelihood of those who are long-term sick or disabled returning to work.

An additional factor which influences whether the economically inactive would consider returning to work is length of time outside the labour market. The longer a person is out of work, the less likely (s)he would consider returning. (fig. 31)

Fig 31: Willingness to consider returning to work



Retired n=1417; Long-term sick or disabled: n=281; Looking after family home: n=353

Even within five years of labour market exit, willingness to consider work dissipates. A majority (52%) of those who have retired within a year would consider some form of work, against 37% of those who retired five years ago. Similarly, while 53% who have left work for health reasons would consider returning, only 41% of those who left five years ago would do so.

Among those who would consider work of some kind, the large majority of retirees opt for voluntary work (82%). Less than a quarter (23%) would consider part-time or occasional work, and almost none would consider either setting up their own businesses or working full-time. Once retired it seems that the attachment to a particular industry weakens, with 16% saying

that they would consider working in the same industry as they had before retirement, and 12% willing to consider a new industry.

Those who are out of the labour market for health reasons are somewhat more likely than retirees to consider part-time or occasional work (35%) and less likely to consider voluntary work (62%). 50% of those who are looking after the family home would consider part-time or occasional work; 50% would consider voluntary work; and 9% would consider full-time work.



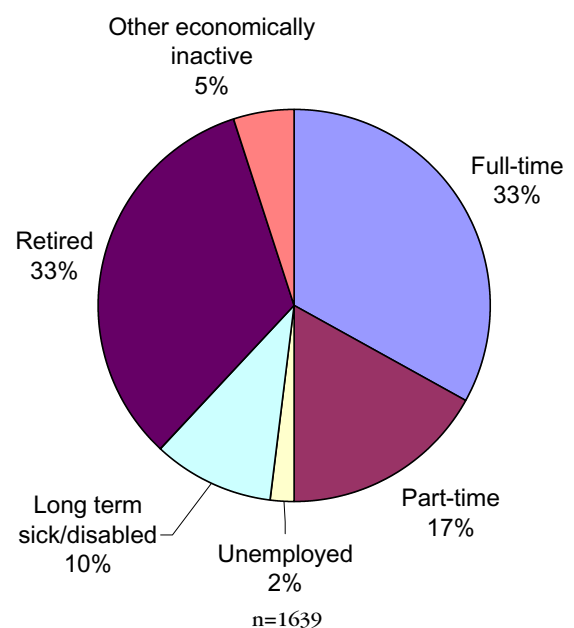
## 7. Older people and job change

### The sample

Although the survey gathered data on the whole population over 19, the main interest of the research was in the extent to which those who are economically active in their 50s and later differ from the workforce in general.

The survey sample included 1639 people in their 50s and 60s (31% of the total sample), and figure 32 shows their distribution. The numbers still economically active after State Pension Age are very small, and are commented on separately later in this chapter.

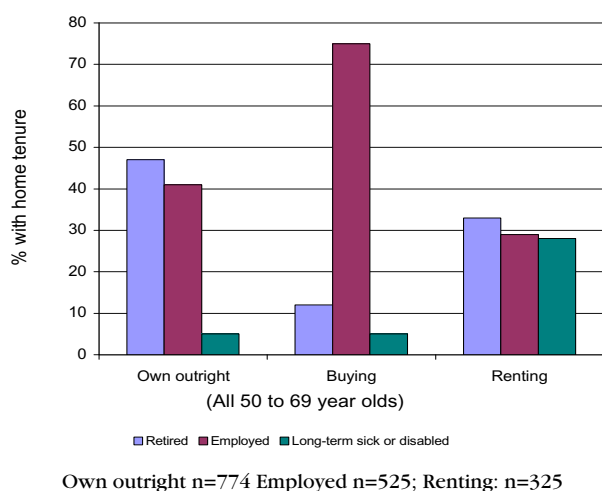
Fig 32: Employment status of people aged 50 to 69



The most striking feature is the difference between those in employment and the long term sick and disabled. Employed older people have the most money, are best educated and are most likely to be married home owners, while those who are sick or disabled have the least money, are least qualified, are most likely to be divorced or separated, and least likely to own their homes.

Home ownership is clearly an important factor in understanding patterns of employment in later life. Those who work full-time are most likely to be still buying their homes; those retired are most likely to own their homes outright; and those who are out of work for health reasons are most likely to be renting (fig 33). Clearly, once the financial pressure of home purchase is removed, some older workers choose to give up work.

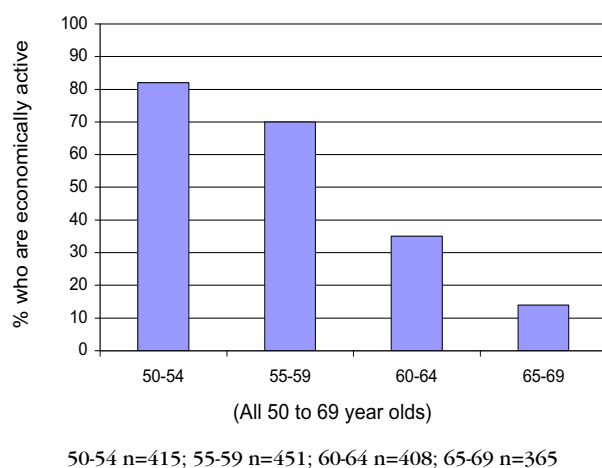
Fig 33: Home tenure by employment status



### Economic activity and age

It is not surprising that economic activity drops rapidly around the age of 60 (fig. 34), but while the proportion of people still economically active between 60-65 falls to just over a third (35%), 17% of people between State Pension Age and 69, are still economically active.

Fig 34: 50 to 69 year olds - Percent of age group who are economically active



### Qualifications

Those with formal qualifications are much more likely than the unqualified to stay later in work, and the effect increases with level of qualification (fig 35). This is particularly true for full-time work, but the effect is also evident for part-time employment. Two thirds (66%) of 50 to 69 year old graduates are still in full time employment, compared to only 39% of the unqualified. By contrast, the unqualified are twice as likely to be long term sick or disabled than those with any qualification. (fig. 36)

Fig 35: Economic activity by qualification group: over and under 50

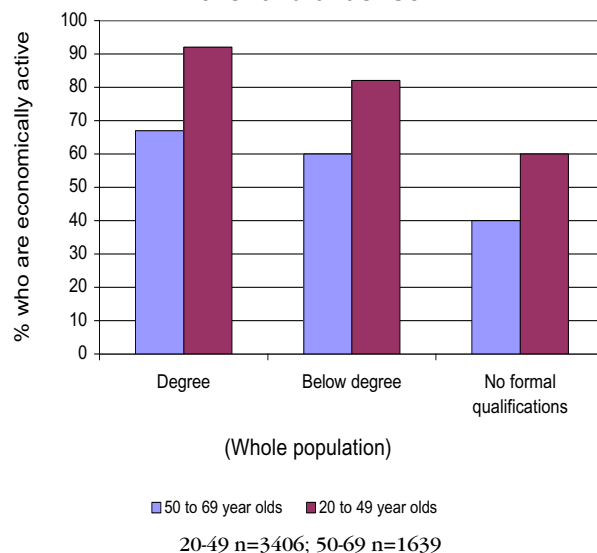
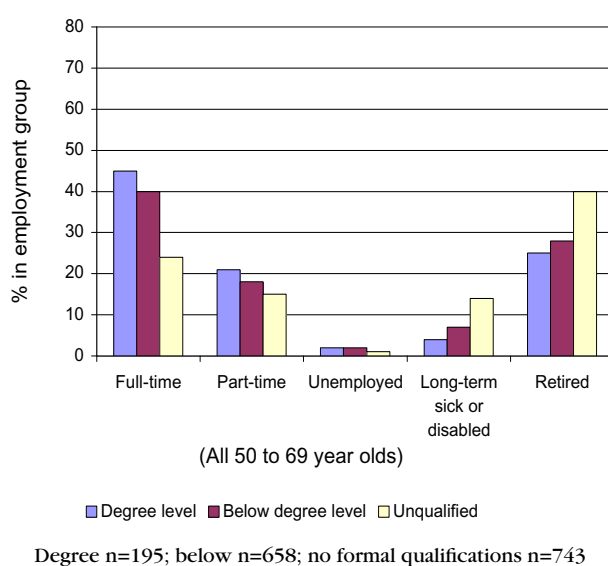


Fig 36: 50-69 year olds - type of employment by qualifications



## Socio-economic class and gender

The likelihood of remaining economically active, and of working full time, is also linked to socio-economic class, with men and women showing different patterns<sup>25</sup>. Men in “white collar” jobs (managerial, professional or intermediate) are more likely to be economically active than men in “blue collar” jobs (lower supervisory, technical, routine and semi-routine) (fig. 37). The difference is almost entirely the result of the high level of sickness and disability amongst older male blue collar workers. (fig 38)

Fig 37: Levels of economic activity by economic status and gender

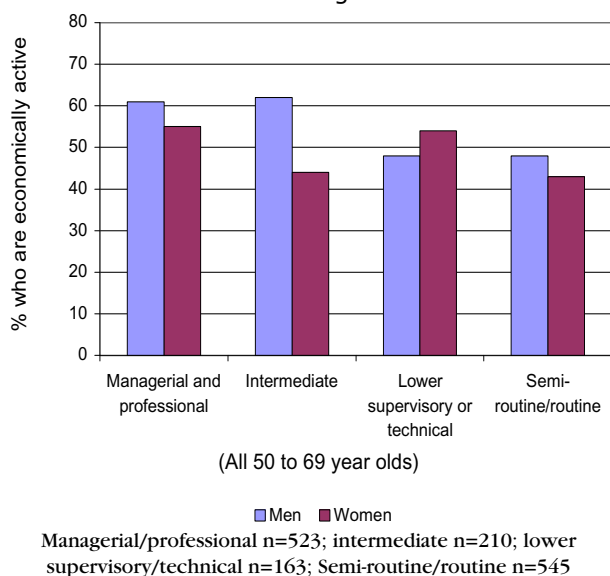


Fig 38: Type of employment by socio-economic status - men

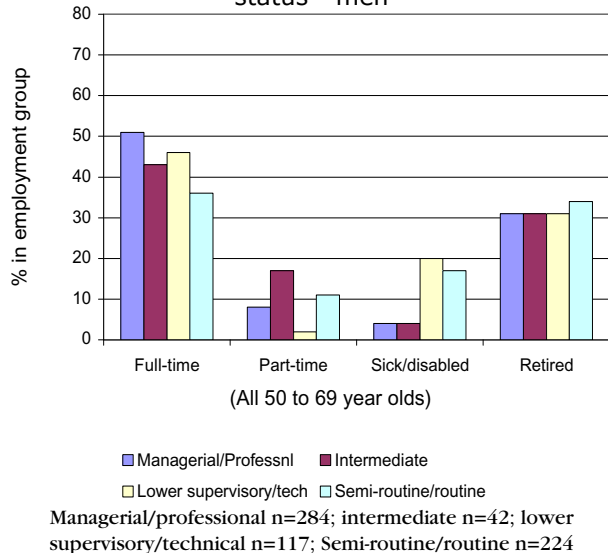
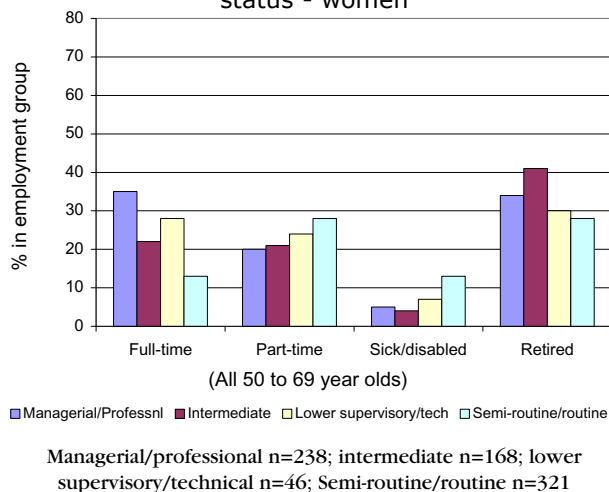


Fig 39: Type of employment by socio-economic status - women



For women, those in managerial, professional, lower supervisory and technical occupations are more likely to be economically active, specifically in full-time work, than those in intermediate, semi-routine or routine classes. Women in the semi-routine/routine class are most likely to have left the labour market for health reasons, while those in the intermediate class are most likely to have retired. (fig. 39)

## Self-employment

The self-employed (defined as those who are currently in, or whose last job was, self-employment) are the group most likely to be still working in their 50s and 60s, with almost two-thirds employed (65%), while one in five (19%) are still employed in their 70s. They are also more likely to be working full-time than all groups except managers and professionals. 5% of those who have been self-employed are long-term sick or disabled.

## Marital status

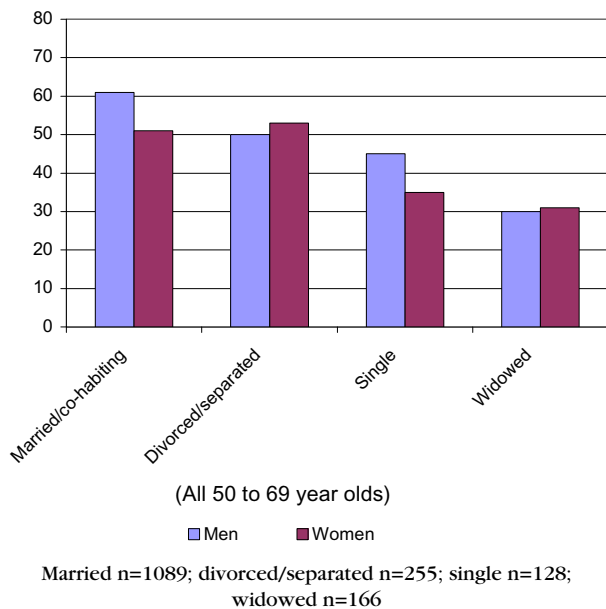
The likelihood of remaining economically active is related to marital status, although patterns are affected by gender.

Those who are single or widowed, both men and women, are less likely to be economically

<sup>25</sup> The picture is slightly confused by the ONS socio-economic classification, which is based on the individual's, rather than the head of household's, occupation, and produces a gender imbalance between the social classes, with intermediate occupations dominated by women, and lower supervisory ones by men.

active than those who are married or divorced. For men, divorce clearly reduces the chances of staying in work, but this is not true for women. (fig. 40)

Fig 40: 50 to 69 year olds who are economically active by marital status

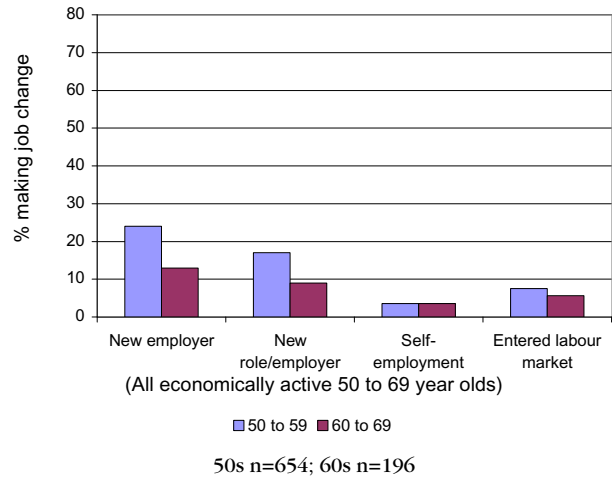


### Special features of job change among older workers

Job change is less frequent among older workers than among younger ones, with only 44% of over 50s reporting a job change other than retirement. However, there are some patterns which would merit further research<sup>26</sup>. Firstly, while younger people are more likely to change their employer than change their working hours, the reverse is true for older workers, and this pattern is stronger for those in their 60s. It is also clear that moving to self-employment becomes increasingly unattractive as an option as people grow older, with only 1.3% of those in their 60s making this move.

There is also a small but interesting group who enter the labour market after the age of 50 (7% of the economically active changers), the largest number of whom started after unpaid work (60% of job starters).

Fig 41: 50 to 69 year olds' job changes



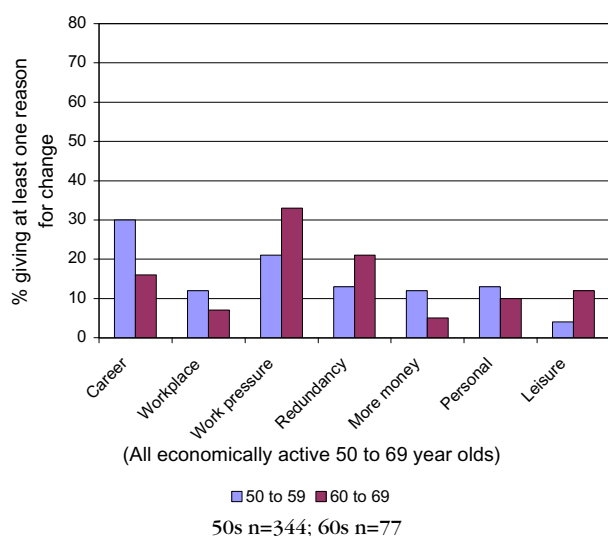
As people pass through their 50s and 60s, their reasons for changing job change significantly. Career, workplace, money and personal reasons all decline in importance, while work pressure, redundancy and leisure all increase. Career progression, which dominated reasons for change among younger age groups, and especially among higher social classes, remains the most frequent reason for change for those in their 50s, but this proportion halves as people move into their 60s. By contrast, work pressure, which is reported by fewer than 10% of people up to the age of 50, rises progressively to become the second most common reason for change for those in their 50s (affecting 16%), increasing to 24% of those in their 60s. Redundancy also becomes much more common among those in their 60s, indicating a persisting age discrimination issue in the workforce.

Although the reasons for change shift with age, the underlying social patterns remain, and workers who change jobs in their 50s and 60s have most of the same characteristics as those who change earlier in their working lives. Those with higher qualifications and higher income, and those in managerial, professional, lower supervisory and technical occupations are more likely to change jobs for positive or career related reasons. As they age, job

<sup>26</sup> It is important to remember that, the precise age at which change happened is not known, since people were asked about changes in the last 5 years, and some of the changes reported by those in their early 50s will have happened to people in their late 40s.

changers with high qualifications, status and income continue to receive more employer support than those without.

Fig 42: 50 to 69 year olds - reasons for change



Those with higher qualifications and in higher socio-economic classes, and those still paying off mortgages, are more likely to continue working past state pension age than other groups.

Men and women appear equally likely to remain economically active during the five years after State Pension Age (SPA). This is true despite the fact that the state Pension Age for men is five years later than women's.<sup>27</sup>

## Working past State Pension Age

About one in ten people work beyond State Pension Age (SPA), and broadly, the patterns of activity seen in the 50-69 age group are replicated here. Three quarters of this group are in their 60s, and 71% of them in part-time work.

Over a third (38%) of those working past SPA have made a job transition in the past five years. The most common changes are reduction in working hours and retirement from main job, with 15% of the latter continuing to work, either in a new job or with a new working pattern. Over half of all changers in this age group (56%) gave a positive reason for their last job change, and work is still more likely than lifestyle to be given as the reason for change (70%/44%).

<sup>27</sup> Although the difference in the level of economic activity of men and women was not statistically significant, the number of interviewees still in work after SPA was quite small.



## 8. Who is willing to consider work after “retirement”?

Although there is no such thing as a “typical” older person, since individuals do not grow more alike as they age, this study has demonstrated that identifiable patterns of experience in the labour market exist over both the population as a whole and the older population. Some groups of people are more likely than others to work into their 60s and beyond. This chapter seeks to identify which groups within the older population are more, or less, likely to be interested in working later.

Broadly, higher qualifications, socio-economic class and income are the strongest predictors of longer working life, but gender, marital status, size of firm and home ownership also have a bearing. These factors predict both likelihood of being in work after the mid 50s and willingness to consider working after formal retirement.

Across the population as a whole, those who are economically inactive are much less likely to consider entering the workforce after retirement than those who are active. Furthermore, willingness to consider work is influenced by the length of time they have been retired.

Using the eight key variables, older workers and economically inactive older people have been grouped into six clusters, each based around a set of common attributes. These help to identify the people most amenable to work in retirement; and suggest what support different groups of older people might need to continue or return to work. Each group represents between 10% -20% of the population, and table 6 shows the characteristics of each<sup>28</sup>.

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<sup>28</sup> These clusters do correspond with features which have been identified in previous literature. The specific links are noted here, but a fuller literature review is contained in Appendix 1

## Choosers - retired

*This group is most amenable to returning to work, although they are more likely to consider voluntary than paid work.*

Among the economically inactive this is the most highly qualified group, and they are predominantly male. Five in six are on post-retirement incomes above £8320; and most are home owners. A majority of those who have retired from self-employment are in this group. Almost half gave at least one positive reason for leaving the labour market, and almost half left within the past five years. This group includes a significant proportion of people who have retired for health reasons. As long as their income remains high they are likely to be able to choose whether or not to work.<sup>29</sup>

## Jugglers - retired

*Almost half would consider work, although they are much more likely to consider voluntary than paid work.*

This group is overwhelmingly female, although there are significant numbers of women in the other retired groups. About one in five describe themselves as looking after the family home. They have been out of work the longest and are on the lowest personal incomes (although personal income may be misleading since a proportion will be/have been “second income earners” in their households). Almost half have

some qualifications, but few hold degrees. Most are married home owners.<sup>30</sup>

## Survivors - retired

*This group is likely to be most resistant to returning to work: only 6% would consider paid work of any kind.*

A high proportion of this group have left the workplace for health reasons. Most are men, and like the women at home, three-quarters are on low incomes. Most are renting their homes. Most have no qualifications, and almost two thirds are in semi-routine or routine work before leaving the labour market. They are least likely to be married and most likely to be divorced. They are the least likely to have left work through positive choice, and are the most likely of all groups to have left work for reasons outside their own control. This group has the highest proportion of long term sick and disabled people.<sup>31</sup>

## Choosers - working

*This group is most amenable to staying in work. Nine in ten would consider work after retirement, particularly paid work.*

Most of this group are male managers or professionals on high incomes who own their homes. They are the best qualified group, with fewer than one in ten unqualified.

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<sup>29</sup> Titmuss (1955) first developed the concept of the “two nations” in which those with higher qualifications and better socio-economic class have more choice of activity in retirement. DTI (2000) notes that high socio-economic status may not necessarily translate into high post-retirement income, as lower rates of return on investment can erode savings and pension funds. Meadows (2002) notes that people in this cluster tend to live longer and are better off than other retired groups. Campbell (1999) identifies those in the top income quartile and those with the lowest skills as the most likely to leave the labour market early: the former because of choice and the latter for health reasons.

<sup>30</sup> Campbell (1999) refers to the lower rate of economic activity amongst older women than older men. Dixon (2003) notes that, while the “two nations” effect is less a significant feature for women than men, it is likely to grow as women who have progressed to senior positions with better pensions, enter retirement.

<sup>31</sup> Campbell (1999) identified the marked decline in economic activity amongst men with lower qualifications, particularly those in declining industries such as manufacturing. Barnham (2002), Tanner (1998) and Meadows (2002) refer to the high poverty rate and relatively low life expectancy of people who have left the labour market for health reasons. Cabinet Office (2000) notes that few who leave the labour market for health reasons return later. Scales and Scase (2000) identify a rise in the number of men in low-skilled occupations leaving work for health reasons.

They are much more likely than any other group to have changed job for positive reasons, and least likely to have had change imposed on them.<sup>32</sup>

### Jugglers - working

*While three quarters would consider work in retirement, they are much more likely to do this on a voluntary basis than a paid one.*

This group is overwhelmingly female, and the large majority work part-time. They are on low incomes; and half are in semi-routine or routine work. Over half have qualifications, but mostly below degree level. They are much more likely than other groups to work for small firms.<sup>33</sup>

### Survivors - working

*A majority would consider paid work after retirement, but if they do so they are much more likely to seek paid work.*

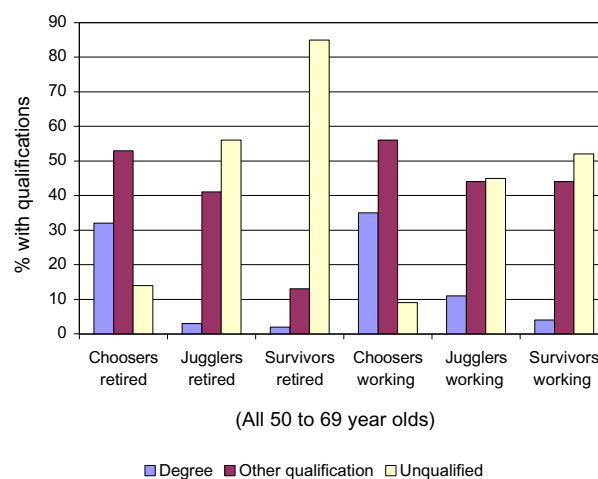
Two thirds of this group are male, and a majority are on low incomes. They are the least qualified of the three economically active groups, with half unqualified, and the least likely to be in high socio-economic occupations. Significantly, the working survivors are twice as likely as the retired survivors to be home owners. Among the three economically active groups they are least likely to have made a job change through positive choice.

This group includes a large proportion of the self-employed.<sup>34</sup>

A striking feature of table 5 is that while income drops after retirement for all groups, the drop is much steeper for the survivor group than for the choosers.

Figure 43 shows the role of qualifications in distinguishing the groups. While for the choosers, the pattern of qualification is the same for retired and employed, for the other two groups, and especially for the survivors, qualification is a major determinant of the likelihood of being in work.

Fig 43: Qualifications by group



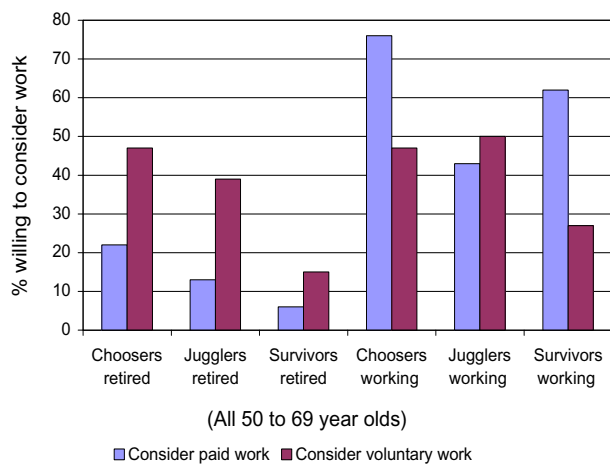
<sup>32</sup> Disney and Hawkes (2003) note the recent upturn in the number of skilled older workers, attributing the increase to economic expansion.

<sup>33</sup> Mooney et al. (2002) refer to older female workers as the “pivot generation”, balancing significant work and home responsibilities. This group is particularly amenable to flexible working practices to help them balance home and work responsibilities. Bardasi and Jenkins (2002) and Gough (2001) identify a relationship between gender pay gaps and women’s part-time work and interruptions in career paths. Bernard et al. (1995) note that women workers are perceived to age earlier than men, and as such are likely to experience age discrimination earlier. Disney and Hawkes (2003), Beck (2000) and Adnett (1996) note that many part-time (predominantly women) workers have been unable to acquire adequate pension provision, leading to post-retirement poverty. Lissenburg and Smeaton (2003) note that older women workers have more transferable skills than older men workers which make them more amenable to recruitment into “bridge” jobs. Taylor and Unwin (2001) argue that older men are less likely to receive training than older women.

<sup>34</sup> Phillipson (1998) and the Carnegie Trust (1993) refer to the relative vulnerability in the labour market of unskilled workers to technological changes. Taylor-Gooby (2001) notes that this has hit blue collar male workers particularly hard, as job creation has been concentrated among part-time and service sector industries. Beck (2000) refers to this as the feminisation of the labour market. Smeaton and Mackay (2003) put most of those still in work past SPA in this cluster: associating work with financial hardship.

Figure 44 shows how very distinct the groups are in willingness to consider work after retirement, with the active much more likely to consider work of any kind, and only the working choosers and working survivors more interested in paid work than voluntary.

Fig 44: Willingness to consider work after retirement



Those who are or were self-employed are an unusual group: Most of those who define themselves as self employed but economically inactive are among the choosers, while those who are still employed are found among the survivors. This would suggest that a minority of the self-employed are able to retire on sufficient post-retirement income. A large proportion of the self-employed, however, do not retire, perhaps because of inadequate finances, and are continuing to work on low income.

Table 6: The Older Population: six groups

	Economically inactive			Economically active		
	Choosers - retired	Jugglers - retired	Survivors - retired	Choosers - working	jugglers - working	Survivors - working
<b>Percent of 50-69 year old population</b>	10	18	19	18	14	21
<b>Employment status</b>						
Employed full-time				92	13	75
Employed part-time				8	87	20
Unemployed				0	0	6
<b>Work Status</b>						
Retired	80	78	60			
Long term sick/ disabled	18	6	38			
Looking after home	2	16	2			
Out of work less than 5 years	47	37	40			
<b>Qualification</b>						
Degree	32	3	2	35	11	4
Sub-degree qualification	53	41	13	56	44	44
Unqualified	14	56	85	9	45	52
<b>Class</b>						
Managers/ professionals	77	22	6	85	24	4
Semi-routine/ routine workers	0	38	63	0	50	42
Self-employed	25	7	5	13	0	26
<b>Income</b>						
% below £8320	16	76	75	0	63	15
£8321-£14559	33	17	23	3	24	38
% above £14560	51	7	2	97	13	47
<b>Gender</b>						
Female	13	99	33	32	98	32
Married	74	69	50	80	77	64
<b>Small firms</b>				25	52	25
<b>Home owners</b>	92	94	41	97	86	79
<b>Reasons for change</b>						
Positive reasons for job change	45	37	24	70	50	46
External reasons for job change	57	57	70	19	30	33
<b>Attitudes toward work</b>						
Would consider some work after retirement	61	48	19	90	76	73
Consider paid work	22	13	6	76	43	62
Consider voluntary work	47	39	15	47	50	27



## 9. Hypotheses for further study

There are limitations to what can be deduced from simple quantitative data, but to advance the research agenda we list below some hypotheses about these groups, their characteristics, and the likelihood of their staying in the workforce.

It is evident that these six groups are quite distinct, but that the three inactive and the three active ones fall into pairs, (Choosers, jugglers and survivors) each representing broadly the same group of people before and after retirement.

### General Hypotheses

- a. It is much more likely that those already in work will be persuaded to stay, than that those already inactive will be persuaded to return.
- b. Different strategies will be needed for each group. The choosers will be motivated by interest, the survivors by money, and jugglers by flexibility.
- c. Many of the self employed remain in work because of inadequate finance.
- d. Finance is an important factor in the decision to stay in work, especially for the, survivors, where self employment is quite commonly used as a way of extending earning and working life.

## Choosers

This is the best off group with the financial security to choose when and how they will retire, and the strongest history of controlling their own working lives.

- a. They are motivated to stay in or return to, work by the intrinsic rewards of work, like identity, contact, influence and enjoyment; rather than financial need.
- b. If work ceases to be enjoyable, they can afford to leave employment. Conversely, if work is attractive and interesting they may choose to return from retirement.
- c. Since they are financially secure, they are unlikely to be persuaded to return by money (provided they remain financially secure)<sup>35</sup>
- d. Those who retire see voluntary work as a way of combining the benefits of work with the flexibility of retirement.
- e. They have the most opportunities to work, as their high qualifications put them in the most demand in the labour market.
- f. They are likely to need the least amount of support from intermediaries, but are the most likely to get it.
- g. For those still in work, current working arrangements are acceptable (since they have the choice to opt out).
- h. They are most likely to take a positive view of Government proposals for extending working life

## Jugglers

This group is mainly women who have experienced less autonomy in their working lives, for some, at least, because their fate has been linked to a partner.

- a. Their work decisions are influenced, more or less strongly, by external commitments like family and caring roles, which constrain their job choices and opportunities.
- b. Those who work do so for a combination of financial and intrinsic reasons.
- c. They are more likely to consider voluntary than paid work in retirement because this is more often compatible with their other responsibilities.
- d. There is some demand in the labour market for their skills, but they do not have the same opportunities to control the design of their jobs as the choosers.
- e. This group would benefit most from initiatives which introduce flexibility into work, particularly in relation to working hours, travel distance and attendance.
- f. Small firms are more able to accommodate the flexibility required by this group.
- g. This is the group whose behaviour is most likely to change, as the historical change in women's working roles which took place in the 1970s and 1980s works its way into the older workforce.

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<sup>35</sup> It may be that some, after retirement, experience reductions in financial circumstances and return to the labour market. It is also possible that some of these will move into different jobs, and may be then classified for socio-economic group purposes by their new, rather than old class, thus distorting the results.

## Survivors

These groups have the least experience of controlling their working lives, and the fewest qualifications to sell in the market

- a. They have least control over their working lives, including the timing of retirement, and are most likely to see retirement as the end of work.
- b. They are most likely to be forced out of the labour market through redundancy, health, or inability to continue work.
- c. If they are in work it is through financial necessity, and if they are out of work they are most likely to experience financial hardship.
- d. They have the least skills, and therefore the least opportunity to find rewarding work.
- e. While retired survivors, particularly those who have left the labour market for health reasons, might benefit from training and guidance to build skills, confidence and motivation, they need convincing that a return to work will bring about positive change.
- f. Survivors present the biggest challenge to intermediaries. They are most likely to require a combination of new skills, peer support, guidance, and redesigned jobs.
- g. Some will require help to overcome disabilities.
- h. This group is most likely to see Government proposals to extend working life as a threat to what they perceived retirement to be.



## 10. Issues and conclusions

This study has produced some new evidence about the behaviour of the labour market and particularly its older members<sup>36</sup>. However, many of the questions which it raises can only be answered by quite different kinds of research in the future.

However, there are a number of conclusions which can be drawn.

1. In many ways the older workforce is like the younger workforce. The broad patterns, in terms of frequency, nature and causes of change remain stable until the late 50s, after which there is substantial change, as a growing proportion retire, leaving an increasingly atypical workforce. Trends which run across the life-span include a decline in the frequency of job change, and in positive outcomes of change, matched with a progressive increase in the proportion of changes over which the individual has no control. After 50, job change ceases to mean increased responsibility for most people, and reasons for change related to work pressures increase from there onwards.
2. However, this survey suggests clearly that there is a powerful motivation to work in the population at large, and that work remains a source of challenge and satisfaction for many. Most job change is perceived as positive by the individuals concerned, and a large proportion of people would consider working after formal retirement if appropriate opportunities were offered. Three quarters of the economically active between 20 and 59 would consider work, after formal retirement age but only 43%

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<sup>36</sup> It is possible to extract more evidence from the data, and CROW will be undertaking further examination of specific issues.

of workers within five years of SPA would consider work. There is strong evidence that people make job changes for career reasons well into their 50s, and a policy approach which concentrates on promoting the positive benefits of continuing in work, linked to a strategy for increasing flexible work options might fall on fertile ground.

3. There is room for further investigation of the trends in the causes and outcomes of change which occur across the life-span. There could be three explanations of the patterns found in this study:
  - that the changes are necessary concomitants of ageing;
  - there are cohort effects reflecting the different work experiences of different generations;
  - that there are processes at work which progressively demotivate individuals and devalue their contribution to the workforce.

In reality it is likely that the truth is a combination of the three. However, if the last is significant, policy intervention might produce the kinds of change which Government seeks, and might provide more rewarding lives for some older people.

4. Economic inactivity is self reinforcing. Other studies have found that those who leave the labour market in their 50s stand a poor chance of successfully returning to it. This study shows clearly that those who are economically inactive are very much less motivated to work after retirement age, and that this effect increases with age. A policy approach which increases participation at earlier ages might result in greater retention in later life.

5. There is a serious mismatch between the increase in responsibility and skills needs which individuals report as the result of job change, and the support which they receive. Although half of those who make job changes report increased skills or responsibility (or both) as outcomes of their change, at least a third of them record receiving no support of any kind to prepare them for this, and levels of support decline with age. This is a major policy issue needing attention from the education and training sector and from guidance agencies, in relation to the workforce in general as well as the older workers in particular.

6. There is clear evidence that job change intensifies social polarisation, reinforcing existing inequity in the population. Those from higher socio-economic groups and with higher incomes report positive outcomes of change and are more likely to remain in work later than the unqualified. Most clearly, the higher the level of an individuals' formal qualifications, the more likely he or she is to remain in work, to make positive career moves and increase skills and responsibility. It may be that these patterns will become more widespread among older people as their general qualification levels rise (since qualification levels across the population are much higher among younger generations), and this may make older workers more attractive into employers in the future. Alternatively, policy intervention to raise educational levels might enable more people to adopt the positive work patterns, and to remain in employment longer.

7. The situation of those who work in small firms may merit further investigation. Although the notion of “job change” may be more problematical for this group, workers in these firms appear less inclined to change jobs for career reasons, and receive less support for job change. Their owner managers are less likely themselves to report changes, and continue working longer than any other group. When they retire it is typically due to health or work pressure. This is probably not healthy for firms or individuals.
8. Despite policy debate and media attention, work-life balance is not a cause of job change for most people. Most job change is related to work, rather than broader lifestyle issues, which only became the largest reason for change when people enter their late 50s.
9. There is some evidence that those who are married are more likely to stay in work than those who are single, and that the latter more often express negative reasons for and outcomes of change. This might reflect some of the issues raised by those who have studied the social isolation of men in retirement.
10. There is relatively little difference between Regions in the patterns of job change, despite very different economic circumstances.



## APPENDIX 1

### The literature on the older workforce

In recent years there has been a rapid growth of research interest in ageing, and in the activities of people over 50, as the issues rise to policy prominence throughout the developed world. In the UK, Government has launched the Age Positive Campaign, and there have been initiatives from the EU and the OECD (see Taylor, 2002; Hornstein et al, 2002; Beck, 2000; Walker & Maltby, 1997). There have also been two major research programmes from ESRC (the Growing Older Programme), and from the Joseph Rowntree Foundation (Transitions after 50 programme). This chapter briefly summarises some of this work and other literature on older workers and the labour market. It is divided into three sections:

- What has been happening in the labour market?
- What transitions are people making?
- What factors work to enable or constrain older worker's choices?

This Review will attempt to highlight some key issues, identify relevant texts and those issues that are under-researched at present. It is worth noting a number of limitations at the outset that the majority of work already published focuses on the UK as a whole and as such does not highlight any regional differences. Most of the body of material currently available focuses on paid work, as distinct from unpaid work, such as voluntary and community work carried out in the community and/or informal care, although we know that the latter plays an important role in the activity of people in their 50s and 60s within the context of close relationships. There is an extensive literature on finance and older people, but the intricacies of this are outside the remit of the present project, and therefore not touched on here.

## What has been happening in the labour market?

Over the last 30 years there have been a number of significant structural changes to the make up of both the population and the economy which have had an impact on the dynamics of the labour market. We live in an era of ongoing and increasing 'greying' of the population, as people live longer and subsequent generations continue to shrink in size. This means that there will be more older people as a proportion of the working population. This is not necessarily a problem and can be seen as a triumph of the post-war welfare state nations of Europe, as people's health, education, standards of living and working conditions have improved significantly. However, it raises real issues in the management of the workforce.

Running parallel to this have been structural changes in the economy, resulting in a de-industrialisation and 'flexibilization' of the labour market, and an increasing polarisation between the high-skilled core or primary workers and the low-skilled peripheral workers. Both are required for the economy to function, but the shrinkage of the intermediate groups makes social and economic mobility increasingly difficult.

At the same time, there has been a corresponding trend in most advanced industrialised nations for people to leave the labour market earlier. In short, we are healthier, living longer and working less; a factor that is exacerbated in the South East of England where skills shortages are increasing in an economy operating permanently at near full employment.

### Older workers and the labour market

Research into the older labour market has been patchy. Much of the focus of existing work has been on the polarised ends of the two-nations of old age: the healthy and wealthy and the poor and the sick. There does not appear to be much research into the labour market activity for

those who remain in the labour market and the constraints and choices they face. Equally much of this research has looked at and commented on the labour market habits and experiences of older men rather than older women.

### Early Retirement

Extensive analytical work, most notably by Campbell (1998), Scales and Scase (2000) and more recently by Disney and Hawkes (2003), into the older worker labour market has focused especially on the early exit phenomenon that has been growing since the late 1970s. Labour market participation rates for older men and older women are markedly different and have changed at differing rates since 1979 (Campbell, 1999:p26). The biggest rise has been in early exit amongst older men, whose labour market activity fell dramatically in the early 1980s. There are signs of small increases since the lows of the mid-1990s and recent research by Disney and Hawkes (2003) indicates a halt in the decline. Campbell (1999) in his study of the Labour Force Survey and the British Household Panel Survey identified further features of men's employment rates, including:

- bigger declines in labour market participation since 1979 for men with lower qualifications, and especially those with no qualifications;
- a marked decline in employment rates for more qualified men in their late 50s;
- working in a declining industry means a greater risk of displacement from the labour market;
- as does having an occupational pension, which significantly increases chances of displacement;
- there would have been 1.8 million more men in the labour market in 1997 had participation rates not fallen (pp1-40).

## Older women

Whilst employment rates for all men have fallen since 1979, as has their relative wage value, women's employment rates have risen and has been growing with each successive cohort. However, women over 50 appear not to have experienced the same increases as their younger counterparts. Women of all ages participate less in the labour market than men do (Campbell, 1999:pp1-30), they tend to be lower paid and largely work part-time, and their work histories are often interrupted to raise families or care for other relatives (see Bardasi & Jenkins, 2002; Gough, 2001). Research carried out in the early 1990s indicates that women in the workplace are perceived by management as being older earlier and as a result experience age discrimination in employment opportunities earlier than men (Bernard, Itzin, Phillipson & Skucha, 1995:pp61-2). Women are more likely to experience poverty in old age, due largely to lower pay and interrupted work histories, and it is anticipated that the inequalities in post-retirement earnings between men and women will widen faster in the next 30 years (Gough, 2001:p330). This obviously has serious ramifications in terms of retirement income for women.

## Two-nations

Many of these findings about a polarisation in outcomes for older workers have been borne out in later studies and have resulted in a resurgence of the concept of the 'two nations' of old age, first coined by Richard Titmuss in the 1950s. This demonstrated how the distinct differences in levels of personal income and autonomy for those at the top and the bottom of the labour market contribute to determining choices about work, retirement and lifestyle.

Arguably, it could be said that these two nations are polarised between

- a) the high skill, high paid affluent workers, usually in managerial and professional careers who, having an occupational pension, are more likely to retire early through choice and in comfort, and
- b) the low skill, low paid, as well as the sick and disabled, who usually leave the labour market involuntarily and find it difficult to return, leading to an extended period of poverty post-work for many (see Bardasi & Jenkins, 2002:p2; Phillipson, 2002: p13; Scales & Scase, 2000; Cabinet Office, 2000).

Men who retire early are most likely to be in either managerial, craft or semi-skilled industrial occupations. Those who leave the labour market early due to ill health appear to have a low survival rate in the long term. (see Barnham, 2002; Tanner, 1998; Meadows, 2002).

## Gender

Women traditionally have had fewer and smaller occupational pensions and so a 'two nation' effect amongst women has not been so significant. Dixon (2003) suggests it is possible that as early cohorts of women progress into more senior positions a polarisation may grow amongst women in terms of work transition and post-work income; this is one area where there is currently a gap in the literature.

## Demand issues

Most work to date has looked at older workers in terms of gender, age, educational and sectoral differences and few have commented on regional variation across the UK.

## Region

It is worth noting that there is some evidence that those areas that experience the highest overall employment rates, like the South East, see the highest employment rates for older workers (McKay & Middleton, 1998). Labour force mobility is a key issue, particularly in the South East Region where housing costs are high and transport congested.

As the population ages, it is likely to become a problem as geographical mobility has a tendency to decline with age (see Dixon, 2003: p71).

### **Service/retail**

Many older workers find themselves in the service sector and/or employed part-time, especially in the retail sector (Taylor & Walker, 1998). There are well known examples of firms, including B&Q, Smiths, Sainsbury's and Tesco's, taking a pro-active stance on employing older people for some very positive reasons (Walker & Maltby, 1997:p82). It is argued that this sector may serve to benefit older workers whose stronger interpersonal skills would make them more employable than perhaps younger workers (Disney & Hawkes, 2003). However, as Casey, Metcalf & Lakey (1993:p62) argue, targeting older people for very selective entry level-type jobs like these merely serves to exploit their vulnerable position within flexible labour markets and helps to reinforce ageist stereotypes.

### **Labour Market Restructuring**

A major influence on the status of older workers has been the restructuring of labour markets in Europe since the 1980s (see Phillipson, 1998; Carnegie Trust, 1993). Advances in technology and production methods have served to reduce demand for unskilled labour, causing distinct structural changes to the labour market in advanced industrialised societies. Europe has seen a marked decline in industrial employment, particularly in highly paid, low or semi-skilled full-time work, which has hit older men hardest, with a corresponding rise in part-time, predominantly female, low-paid, service industry jobs (see Taylor-Gooby, 2001); Beck (2000) has termed this a 'feminization' of the labour market. Demand for educated and highly skilled professional and knowledge workers who command high salaries has also increased, leading to a marked polarisation in the labour market and growing inequalities. The

characteristics of a flexible labour market can be seen as increasing employment insecurity and intensifying working practices, leaving many with work histories that are inconsistent with adequate pensions provision, which usually requires a lifetime of full-time work (see Disney & Hawkes, 2003; Beck, 2000; Adnett, 1996).

### **Increasing Demand**

On a positive note, it seems that the large scale losses of employment for the over 50s, particularly for men, brought about by major declines in manufacturing and the downsizing of the public sector are over. There does seem to be some evidence of an upturn in the numbers of skilled older workers, but Disney and Hawkes (2003) suggest that this maybe as much to do with economic expansion as to an increased demand for older workers per se. In the past, older workers have been far more susceptible to technological change and have historically had fewer related IT skills than younger workers; however this problem is likely to decline as technologically illiterate cohorts age (Scales & Scase, 2000). This is particularly pertinent for areas, like the South East, where there are shortages of IT skills (see Skills Insight, 2002) and could lead to the opening up of opportunities in the IT labour market for older workers as levels of ICT competencies rise with successive cohorts. It is also possible that as better educated cohorts of upcoming generations age then productivity levels for older workers could also increase (see Dixon, 2003); another issue that is of importance for the South East Region.

### **Age stereotypes, ageism and legislation**

It is widely recognised that many of today's stereotypes act as major barriers to older people both in work and seeking work (Help the Aged, 2002), and it is in this context that the Age Discrimination Bill (ADB) is being introduced. Many negative images about older

workers are linked to the gradual and increasing ousting of older people from the labour market (Hareven, 1995:p131); and are largely related to detrimental stereotypes about fitness for work (Blaikie, 1999:p42), such as work effectiveness, adaptability and physical strength (War & Pennington, 1993:p77).

Yet, as we have already seen, there are some sectors which have more positive attitudes to older workers and this is reflected in employment practices which would suggest that in some areas age discrimination is reducing. However, older worker friendly flexible working practices such as phased retirement or job redesign are still, it seems, rare (Taylor & Walker, 1998). Age discrimination is one of many factors that influence recruitment and retention decisions made by employers. Other reasons can be down to economic factors, industry restructuring processes, employees' health and most importantly, the desire and motivation of individuals to stay in the labour market (Moore, Tilson & Whitting, 1994:p4).

### Legislation

It is argued that the success of age discrimination policies depends upon active support of employers and trade unions as social partners (European Commission, 1999:p6); the "greying of the workforce" looks set to present major challenges that few organisations feel able to fulfil (IPM, 1993) and they are looking to government to help reverse the trend of early exit (DTI, 2000). How effective the upcoming Age Discrimination Act (due 2006) will be remains to be seen. Research findings from studies on the impact of age discrimination legislation in other countries shows that the impact of legal remedies are limited, and that it is difficult to pin point the effects of legislation on the labour market (Hornstein, 2001).

### Early retirement as policy

Public perceptions of older workers have fluctuated over time in relation to their position in the labour market and are linked to the use of delayed or early retirement as an instrument of labour-force policy (Dex & Phillipson, 1986: p45). In times of recession and increased (in)voluntary early exit, whole generations of workers have been removed from organisations, and this increased inactivity of the over 55s has a knock on effect on the whole economy (IPM, 1993:p1). Arguably, older people have, to some extent, functioned as a reserve army of labour, encouraged to either delay leaving or to exit early from the labour markets in times of labour shortage and high unemployment (Harris, 1991:p104). This has been true at least since the 1950s and can be linked to factors such as the changing needs of the economy and demographic changes, as well as prevailing stereotypes about workers (Casey, Metcalfe & Lakey, 1993:p65). Amongst these three distinct phases can be identified:

1. At a time of labour shortages during the post-war reconstruction period older workers were being commended for their steadiness and reliability and extolled for remaining past retirement age (Fennell, Phillipson & Evers, 1988:p38).
2. By the 1980s older workers were being actively encouraged and praised for leaving earlier (Phillipson, 1998:p2). This was during a time of recession and in a period in which the "Bulge" cohorts<sup>37</sup> were entering the labour market. Age selective redundancies, backed by the Job Release Act, 1977, gave rise to a consensus that accentuated negative stereotypes and accepted the political expediency of shedding older workers en masse (Casey, Metcalf & Lakey, 1993:p49), thereby enabling the restructuring of industry (Moore, Wilson & Whiting, 1994:p10).

<sup>37</sup> The UK is unusual in that during the post-world war period the population experienced two bulges. The first was between 1946-1950 and the second 1960-65 (see Evandrou, 1997)

3. The last ten years have seen a radical shift towards placing renewed value on older workers remaining in the labour-force and emphasising the positive side of age stereotypes in the process (Moore, Tilson & Whitting, 1994:p5). This has been reinforced by a politicised discourse of demographic ‘time-bombs’ and untenable ‘pension burdens’ (see McMorrow & Roeger, 1999).
4. In today’s economic climate, Government argues that for Britain to remain competitive it “needs to make better use of older people in the workforce” and needs to make jobs more accessible and appealing to them by increasing flexibility through gradual retirement, subcontracting, telecommuting and part-time options (DTI, 2000:p4-13).

### Trades Unions

Researchers disagree on the role of trade unions in furthering older workers’ interests. Some argue that, with longevity in the workplace, older workers benefit from union policies that favour long service, for example last-in/first-out redundancy procedures (Brugiavini et al, 2001). Most research highlights the difficulties for unions in balancing the interests of younger and older members, although unions themselves see a mutual interest for all members in a lower retirement age (Duncan et al, 2001). Others suggest that unions have a history of supporting early exit policies in periods of high unemployment in order to support the interests of younger workers (Blaikie, 1990). That being said, unions have in recent years devoted resources to helping older workers develop skills and re-enter the labour market. Projects have been developed both in declining industries which have seen large scale redundancies (e.g. ISTC’s Steel Partnership Training), and industries with high labour demand (e.g. Unison’s Return to Learn).

### Stereotypes

Dominant labour market stereotypes in operation today are again changing in response to new economic and demographic needs and are a mixture of both positive and negative perceptions. Table 7 provides a synopsis of typical stereotypes found in the workplace during research carried out by the Carnegie Trust (1999) and the DWP (2001).

Table 7

Younger Workers	
Positive	enthusiastic flexible/adaptable energetic ambitious healthy having IT skills having qualifications mobile
Negative	lacking loyalty/commitment lacking experience /knowledge lacking work ethic poor attendance/timekeeping ill-mannered irresponsible/immature
Older Workers	
Positive	experience/knowledgeable reliable conscientious loyal/commitment hard working having stability/maturity having managerial skills
Negative	difficulty adapting to new skills likely to be ill slow learners unambitious greater interest in job security over performance

Age related stereotypes used in work (Carnegie Trust 1999: p21 & DWP, 2001:pp12-13)

### Equal Opportunity Policies

Many of these stereotypes are found in the attitudes and practices of the workplace, specifically in terms of selection and recruitment processes and training and promotion (Walker & Maltby, 1997:p78). Age discrimination is readily accepted in the workplace as intrinsic and is often justified on the grounds of the needs of the business (Casey,

Metcalfe & Lakey, 1993:p51; DWP, 2001:p3&9), although a survey by the Institute of Personnel Management found that many employers were aware of the contradictory nature and tensions between their equal opportunity policies and the age discriminatory practices they carried out (Casey, Metcalfe & Lakey, 1993:p49). However, there is some evidence of change: research carried out by National Opinion Polls for the Government into the effectiveness of the Voluntary Code of Practice on Age Diversity (DWP, 2001) found that attitudes and practices towards older people in the workplace are generally becoming more positive.

### Key Texts:

- Cabinet Office, Performance and Innovation Unit (2000) *Winning the Generation Game*
- Campbell, N (1999) *The Decline in Employment Among Older People in Britain*
- Dept of Work & Pensions (2001) *Evaluation of the Code of Practice on Age Diversity in Employment*
- Disney R & Hawkes, D (2003) *Declining Employment for Older Workers: has Britain turned the corner?*
- Scales, J & Scase, R (2000) *Fit and Fifty?*
- Taylor, P & Walker, A (1998) *Employers and Older Workers: attitudes and employment practices*

### What transitions are people making?

There are a number of exit routes out of the labour market for the older worker including redundancy, retirement, sickness and disability and taking on caring roles (Cabinet Office, 2000; Taylor & Walker, 1993). There are also a number of 'bridging' options from full-time work into retirement such as reduced hours, part-time and/or temporary work and self-employment (Lissenburg & Smeaton, 2003). Research carried out suggests that

there is positive support from older workers for more flexible forms of working practices and retirement options with their existing employers (see Walker & Maltby, 1997; Penna Sanders & Sidney, 2002).

### Flexible working

Most research to date has looked at flexible working conditions in relation to either new jobs or caring responsibilities, Lissenburg and Smeaton's (2003) study of transitions out of full-time, permanent work into 'bridge' jobs such as reduced hours, self-employment, part-time and temporary work found that educational and pay levels were the main factors affecting whether men and women are likely to make this move. The findings showed that older women have more of the transferable skills suitable to flexible working than men have and are far more positive about making a transition. This bears out the position raised by Szinovacz (1991) who argues that women's discontinuous work-histories means that for many their mid-life job transitions are viewed as a 'special challenge and an opportunity' (cited Bernard et al, 1995:p57).

### Gender and flexibility

Men and women undertake different types of flexible employment. Men are more likely to be self-employed or work on a fixed term contract and women more likely to have part-time work (Lissenburg and Smeaton, 2003). As this study focused on transitions out of full-time work, it did not take into account that women of all ages do the majority of part-time work (Beck, 2000). Whilst concluding that women have a more favourable labour market position than men when it comes to 'bridge' jobs, Lissenburg and Smeaton make the point that many of these jobs are low quality and low-paid. This is in conflict with the desire of many older workers not to see a reduction in their levels of responsibility when considering more flexible working patterns (Penna et al, 2002).

## Self Employment

Those who are moving from managerial or professional positions are most likely to be self-employed and once there are more likely to stay working for longer. Indeed the self-employed are mostly amongst the over 50s (Curran & Blackburn, 2001; McKay & Middleton, 1998), although, it seems that the majority of those currently employed reject the idea of self-employment because of the risks involved, the insecurity it would bring and the effort involved in organising it (Curran & Blackburn, 2001).

## US comparisons

One of the largest studies of work transition by older people was carried out in the USA by AARP (2002). This found that flexible working arrangement and bridge jobs are high on the agenda for older workers in the US. Many of those interviewed were confident of their ability to find and retain work in the future but concerns about age discrimination are high. The study identified four clusters of older workers and their relationships with work and the labour market:

- **Sustainers:** the largest segment who work to live and for whom money is a major factor in their decision to work;
- **Providers:** workers 'in the middle' balancing caring roles with work and for whom working is important to their self esteem;
- **Connectors:** have particular connection usually to a particular workplace for whom work benefits and future pensions are important;
- **Contributors:** live to work and are more likely to be in executive and professional jobs and are most likely to experience job satisfaction. They are also the group most likely to re-enter the workplace after retirement.

However, the sample of the AARP study was predominantly aged between 45-56 years (70%)

in white-collar occupations (75%) and above, with most having qualifications over and above high school (93%). The average tenure with the current employer was 13 years. This bias towards a predominantly white, educated population in secure employment and its cultural and economic context make this work interesting, but probably not directly applicable to an UK context.

## New lifecourse transitions

The factors that influence older worker's transitions are complicated and linked largely to life-course factors and work histories. Phillipson (2002) argues that, transitions over the age of 50 are becoming more complex and relate to much broader life issues. He highlights three overlapping areas as significant for the over 50s when making decisions about work/life transitions today which should be seen within the context of the constraints of each person's own level of social capital and their ability to exercise choice.

**Citizenship transitions:** constructed around closer involvement with family, friends and community-based networks;

**Consumer and leisure transitions:** constructed around the development of more individualised lifestyles;

**Work transitions:** constructed around new types of engagement with paid work (p21).

## Early retirement

Since the post-war period the primary mechanism for exiting the labour market has been reaching state retirement age, but this is no-longer the case for large numbers of the over 50s (Walker & Maltby, 1997). However, employment levels for those approaching state retirement age have always been lower than average (Cabinet Office, 2000:13). This age has not changed since its inception in 1948, when it was assumed that the average person

would work for at least forty years; today many work for no more than thirty years with each successive generation expecting to retire earlier (Campbell, 1999:p48).

### Economic inactivity

The extended and prosperous lifestyle associated with early retirement is largely the prerogative of the few, notably those situated in the top quartile of wage distribution with good occupational pensions (Cabinet Office, 2000:p20; Campbell, 1999:p33). However, high labour market status does not necessarily guarantee wealth in old age as lower rates of return on investments are eroding pension funds and savings (DTI, 2000:p24). Most early exiters do so either involuntarily or through making very constrained choices (Cabinet Office, 2000: pp19-22). Unemployment for older people is usually long-term and few over 45s who become economically inactive return to the labour market once they have left (Cabinet Office, 2000:p15; Campbell, 1999: p46).

Table 8

Long term sick & disabled	1,250,000	44%
Retired	500,000	18%
Looking after home or family	400,000	14%
Seeking work	290,000	10%
Don't need a job	150,000	5%
Other	260,000	9%

#### Labour Force Status of Inactive 50+ Workers (Cabinet Office, 2001, p21)

Recent figures show that there are 2.8 million over 50s not working, with a significant number of these claiming state benefit and living in relative poverty (Cabinet Office, 2000: p5). Table 8 gives a breakdown of this figure in terms of types of economic inactivity and illustrates that there are far fewer job seekers than sick or disabled. In regions with high overall unemployment rates, especially through the loss of male semi-skilled employment, there is a corresponding rise in those claiming

Incapacity Benefit amongst the over 50s (Campbell, 1999:pp54-6, Howard, 1998:p144).

Some argue that because this is an involuntary situation for many, it reflects and is explained by weak labour demand for those over 50 (Catalyst Forum, 2002:p14; Taylor & Walker, 1993:p5). Flexible working options, such as temporary, part-time and self-employment, were the major route back into work for the unemployed of all ages during the 1990s, but few found this to be a step into full-time or permanent work (JRF, 1998); a factor that mitigates against those older workers who require the income that full-time work brings (Walker & Maltby, 1997). Clearly this is not such an extensive issue in the South East where employment levels remain high and where employment growth is projected to increase (Skills Insight, 2002), although, even there, there will be numbers of older workers who experience exclusion from the labour market.

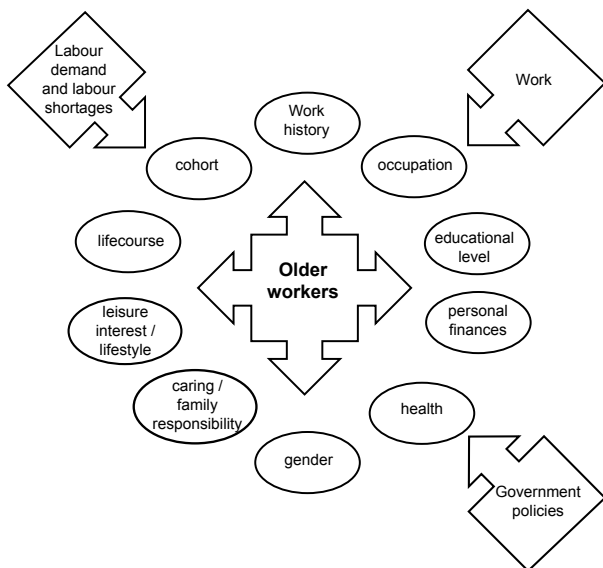
### Key Texts:

- Cabinet Office, Performance and Innovation Unit (2000) *Winning the Generation Game*
- Campbell, N (1999) *The Decline in Employment Among Older People in Britain*
- Curran, J & Blackburn, R (2001) *Older People and the Enterprise Society: age and self-employment propensities*
- Lissenburg, S & Smeaton, D (2003) *Employment Transitions of Older Workers: the role of flexible employment in maintaining labour market participation and promoting job quality*
- Phillipson, C (2002) *Transitions from work to retirement: developing a new social contract*
- Walker, A & Maltby, T (1997) *Ageing Europe*

## Factors which enable or constrain older workers choices

The major factors which enable or constrain the transitions of older workers in the labour market are shown in figure 45.

Figure 45 : Constraining and Enabling Factors for Older Workers



### Personal finances

Much of the research confirms that income and health are the primary factors affecting people's choices about making a transition within or out of the labour market. It is primarily those in the top quartile of income and those in low-skilled occupations who leave early (Campbell, 1999; Cabinet Office, 2000; Scales & Scase, 2000). Income distribution among older people is much the same as across other age groups (Carnegie Trust, 1993) although, inequalities in income increase as people age (Banks & Tanner, 1999). Amongst older people those who work are the highest income earners and the job seekers are those with the lowest income (Barker & Hancock, 2000). Those who work beyond retirement age are most likely to experience financial hardship and to still have mortgage commitments (Smeaton & Mackay, 2003). Banks and Tanner (1999) found that most households do not have large amounts of financial wealth, with most wealth being tied up in non-liquid assets such as property or

occupational pensions, with the poorest groups having no wealth at all. The long-term sick are also least likely to be homeowners or to have occupational pensions (Barker & Hancock, 2000).

### Home Ownership

Home ownership is a major factor in wealth distribution amongst older people, as for most households it represents their only non-pensions wealth (Disney et al, 2001), although this does not necessarily imply increased wealth in old age. Not all homes are of high value and those on lower incomes tend to be tenants or have lower value homes; and regional differences in housing values are not reflected in differing living costs (Hancock et al, 1999). The impact of the tax rules for occupational pensions have been a factor in influencing the more affluent to retire early, although recent Government proposals are set to make some changes to these (DWP, 2002).

### Health and disability

As was indicated earlier (see Table 9), long-term sickness and disability are among the main reasons for labour market inactivity for those between 50 and state retirement age. Increasing levels of poor health are experienced by older men from low-skilled occupations (Scales & Scase, 2000:p53); large numbers of whom end up claiming Incapacity Benefits (DWP, 2002:p100) and recent research from the Office of National Statistics suggests that these are more likely to be those with the greatest labour market disadvantage (Barnham, 2002:p309). Many of them end up on sickness and disability benefits, becoming increasingly detached from the labour market in the process; once detached, few return. The costs to the individual in terms of long term physical and mental wellbeing can be devastating (Campbell, 1999:p54-62).

Undoubtedly ill health increases for all with age but those who are economically inactive are more frequent visitors to doctors' surgeries (Scales & Scase, 2000:p38). Of those who retire

early, people from higher occupational groups are consistently better off in retirement and live longer. Conversely those who leave due to ill health are predominantly those with the least labour market advantage and have the lowest survival rate (Meadows, 2002).

### **Training and information and guidance**

Access to employer training is one of the main areas of age discrimination against older workers, especially when it involves training for new roles, and research shows there is a greater unwillingness amongst employers to train those nearing retirement age. Older people are less likely to be taken on for jobs which required additional training but would be recruited if they have the necessary skills or are over qualified. There are gender differences in access to training with older men less likely than women to receive training (see DWP, 2001; Taylor & Unwin, 2001).

IT training highlighted the difference between older and younger workers; younger workers were more likely to be selected for IT training, whereas older workers tend to deselect themselves for fear of revealing their own ignorance and lack of IT skills. Indeed, many older workers are quick to write themselves off as too old to learn. A survey by Sargant et al (1997) found that the older people are the less likely they are to be engaged in learning. Undoubtedly, dominant stereotypes and age discriminatory practices and attitudes are still very much in operation in the workplace. However, many of these are perpetuated by older workers as they exclude themselves; it could be argued that age discrimination in this way acts as a self-fulfilling prophecy (see DWP, 2001; Taylor & Unwin, 2001).

*“Age discrimination in employment is a complex interaction of employer and individual stereotypes and pre-conceptions” (Help the Aged, 2002:p5).*

It is also important to note that there appear to be few affordable, and therefore accessible, ways of retraining or acquiring new skills,

which many older workers say they are keen to gain (see TAEN, 2003); this last point is one area where little research has been carried out.

### **Caring responsibilities**

Women in mid-life are exposed to contradictory signals: on the one hand, they are being encouraged to re-enter or remain in the labour market, whilst on the other hand having more demands placed upon them in terms of informal caring responsibilities. Mooney et al (2002) have termed this the ‘Pivot Generation’ and their research shows that under the age of 65 those providing informal care are mostly women. The older workers who they surveyed said they wanted more flexible working practices to help juggle differing responsibilities. Whilst some of their employers offered some level of flexible working practices, the reality was that this was often blocked by managers as conflicting with the needs of the organisation, and that there were difficulties in balancing caring needs with work obligations. It would seem that combining care and work comes at great personal cost to the individual (Mooney et al, 2003). Although Government is aware of the need to introduce more family friendly working practices by allowing time out to care for elderly relatives (DTI, 2000:p22), recent measures under the Employment Act 2002 only offers limited protection for those with dependant children and no support for dependant elders or partners (DTI, 2002).

### **Government Policies**

Over time Government policies, like pension rules and tax regulations, have varied in their approach to older workers and have served to constrain or enable older worker participation in the labour market (Scales & Scase, 2003). More recently these policies have reflected a desire to encourage and enable older workers to stay, using both carrots and sticks, many of which are laid out in the recent Green Paper (DWP, 2002b) Simplicity, Security and Choice. In this there is a clear focus on ‘active’ support of those over 50 who are claiming Job Seekers

Allowance and Incapacity Benefit, with a 'strong return to work focus'. The 6 month qualifying period for New Deal 50+ is, however, seen by many as too long as many have by then become too detached from the labour market and experience pressure to accept unsuitable and low-level jobs (TAEN, 2003). Furthermore policy does not address older women who give up work to raise families; they are not seen as unemployed and are therefore not eligible for official training schemes (Walker & Maltby, 1997)

The carrots come in the form of in-work subsidies, training allowances and increased incentives for those who defer claiming state pensions, although Taylor (2002) is critical of employment subsidies, claiming that they serve to heighten negative stereotypes by separating older workers out as group requiring selective treatment. Disney and Hawkes (2003) suggest that recent tightening of the 'ill-health rules' allowing early exit in public sector pensions policies, such as local government, the fire and police services, have also been instrumental in persuading people to defer retirement (see also Audit Commission, 1997).

Government is also looking to increase the minimum age of retirement of occupational pension schemes to 55. Taylor (2002) found, in a comparative study of public policy across 4 countries, that abolishing or raising mandatory retirement ages as such does not work to deter early exit, as employers find other ways of removing older workers. He argues that campaigns to increase labour market participation amongst older workers are best carried out in collaborative localised form. As mentioned earlier, Government policies, such as the Age Positive Campaign and the upcoming Age Discrimination Act, are beginning to make in-roads into changing attitudes and practices about the older workforce.

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- Dept of Work & Pensions (2002) *Simplicity, security and choice: working and saving for retirement - a summary*
- Mooney, A; Statham, J & Simon A (2002) *The Pivot Generation: informal care and work after fifty*
- Scales, J & Scase, R (2000) *Fit and Fifty?*
- TAEN (2003) *Challenging Age: information, advice and guidance for older age groups*
- Taylor, P & Urwin (2001) *Age and Participation in Vocational Education and Training*
- Taylor, P (2002) *New Policies for Older Workers*

Increasing labour market participation and reducing age discrimination in the work place are major policy concerns for most western nations and there is an extensive body of literature available on the subject of the older worker and the labour market. A few key texts and studies have been summarised here; the bibliography provides full details of the texts covered. There is much research being currently undertaken, including new research by CROW.

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## APPENDIX 2

# Features of the South East Region

The South East Government Region embraces Kent, Sussex, Surrey, Hampshire, Berkshire, Isle of Wight and Oxfordshire. Its economy is dominated by London, and a large proportion of its workforce commutes into London to work. The inner ring - Surrey, Berkshire, North Hampshire and South Oxfordshire - is one of the most prosperous regions of Europe, but the coastal strip suffers serious economic and social problems.

The region is distinct in a number of ways from the rest of Britain, and some of those features are also evident among the 50-69 year old population. In the South East, a higher proportion of people are managers and professionals, and self-employed. They are more likely to be married, employed, highly qualified, in good health and own their own houses, and to earn over £26,000 pa. Conversely, they are less likely to be sick and disabled, unqualified and employed in routine and lower supervisory occupations. A low proportion are from ethnic minorities. The Region has a lower rate of sickness and disability than any other region.

Most of these characteristics are associated in this survey data with high labour market participation rates, suggesting that the region might expect to continue to have a higher participation rate than the rest of Britain. It already has the highest rate of economic activity among the 50-69 year olds, followed by the East Midlands, both with over 60% in employment

The implication of this is that as the current cohort of people in their 60s moves out of the workforce, their replacements will have more of the attributes which are associated with staying in the labour market.



# APPENDIX 3

## Research Methodology

### Office for National Statistics Omnibus Survey

### Information from ONS Technical Report

#### 1. The Sample

Interviews are conducted with approximately 1,800 adult individuals (aged 16 or over) in private households in Great Britain each month. The Omnibus Survey uses the Postcode Address File of “small users” as its sampling frame, all private household addresses in Great Britain are included in this frame. A new sample of 100 postal sectors is selected each month and is stratified by: region; the proportion of households renting from local authorities; and the proportion in which the household reference person is in Socio-Economic Group 1-5 or 13 (i.e. a professional, employer or manager). The postal sectors are selected with probability proportionate to size and, within each sector, 30 addresses (delivery points) are selected randomly.

If an address contains more than one household, the interviewer uses a standard ONS procedure to randomly select just one household. Within households, with more than one adult member, just one person aged 16 or over is selected with the use of random number tables. The interviewers endeavour to interview that person - proxy interviews are not taken.

#### 2. Weighting the data

Weighting factors are applied to Omnibus data to correct for unequal probability of selection caused by interviewing only one adult per household, or restricting the eligibility of the module to certain types of respondent. It should be noted that this weighting corrects for unequal probabilities of selection; it does not attempt to correct for any non-response bias.

#### Using weighted data

Within the calculation of the weight the base is scaled back to the unweighted total. If a module of questions applied only to a sub-group of the population, for example eligibility was restricted by age, or the module was asked only in England, the weight for the module is calculated for that sub-group and the base, for the weighted data, scaled back to the unweighted figure.

When conducting statistical significance tests, using weighted data, the unweighted base should be used. For tests on the total (module) population the base shown should be used - because this is the unweighted base. However, if sub-groups of the total (module) population are created, for example sub-groups in terms of sex, age-group, region etc., the base shown is the weighted base for that sub-group - because the weight was generated for the whole (module) population. Therefore, when conducting statistical significance tests on these sub-groups, the unweighted base for the sub-group should be used - this can be found by running tables, etc. without applying the weight - in conjunction with the weighted data. NB: For the purposes of our analyses, we have used unweighted data. Subsequent analyses may use weighted data, which then may differ from the numbers/percentages used in this report. However, they will not vary greatly, and will not affect the substance of the findings.

## Weight A - Unit of analysis:

### Individual

Because only one household member is interviewed, people in households containing few adults have a better chance of selection than those in households with many. Weight A is applied to correct for this unequal probability, and is calculated by dividing the number of adults in the sampled household by the average number of adults per household. The base is then adjusted back to the number of respondents who were interviewed. Weight A is applied to modules which use the individual adult as the unit of analysis.

### Effective Sample Size

This method of sampling and the consequent weighting affect the sampling errors of the survey estimates. The effect can be shown by calculating the Effective Sample Size which gives the size of an equal probability sample which is equivalent in precision to the unequal probability sample actually used. The Effective Sample Size will vary slightly from one month to another with the proportions of interviews in different sized households. On average the Effective Sample Size of the Omnibus Survey is 84% to 86% of the actual sample of individuals, when Weight A is applied. An achieved sample of 2000 individual adults in the Omnibus Survey is equivalent to an equal probability sample of about 1700<sup>38</sup>.

Where individuals are interviewed as representing their households and no weighting is needed, there is no reduction in precision. Where questions relating to the household are addressed only to the Household Reference Person (HRP) or the spouse of the HRP and Weight C is applied, the Effective Sample Size is 86% to 87% of the interviewed sample. The proportion of households in which the selected respondent is the HRP or spouse has varied between 82% and 95% so the sample size for this kind of module will be about 1665 if the total sample is 2000. The Effective Sample Size will be about 1450.

### 3. Field Work

All interviews are carried out face-to-face by members of the general field force of interviewers trained to carry out National Statistics surveys. Advance letters are sent to all addresses, prior to the interview, giving a brief account of the survey. The interviewing period starts during the last two weeks of the month and continues into the first week of the following month. Interviewers call at all the selected addresses unless a refusal has been made beforehand in response to the advanced letter. The interviewer makes at least three calls at an address at different times of the day and week before coding the household as a non-contact.

As with all National Statistics surveys, a quality check on field work is carried out through recall interviews with a proportion of respondents to make sure that the interviews actually took place with those respondents and that responses to questions are consistent.

### 4. Calculation of Response Rate

The small users' Postcode Address File includes some business addresses and other addresses, such as new and empty properties, at which no private households are living. The expected proportion of such addresses, which are classified as ineligible, is about 11-12%. They are eliminated from the set sample before response rates are calculated.

A responding individual may be ineligible for certain modules and may not have answered every single question.

The majority of ineligible cases for UniS module were telephone reissues (where the survey was administered by telephone rather than face-to-face). Due to complexity of our module it was omitted from the telephone interview.

## 5. Response Rate

The response rate is calculated as the number of achieved interviews as a percentage of the eligible sample. 3,000 addresses are selected per month. The weighted response rate for the Total (16+) sample for each wave, and in total is provided below.

Table 9

	Feb-03	Mar-03	Apr-03	Total	Total %
Eligible addresses	2768 (92%)	2755 (92%)	2800 (93%)	8323	92%
Refusals	693 (25%)	683 (25%)	595 (21%)	1971	24%
Non-contacts	227 (8%)	257 (9%)	336 (12%)	820	10%
Achieved interviews (Response rate)	1848 (67%)	1815 (66%)	1869 (67%)	5532	66%
Answered UniS Module	1804 (98%)	1778 (98%)	1843 (99%)	5425	98%
Willing to be re-contacted by UniS (aged 50-70)	360 (66%)	360 (62%)	416 (71%)	1136	66%

## 6. Data Processing by CROW

1. Following receipt of the data, SW used SPSS syntax to:

- Check the filtering for each question
- Check the logic for each question
- Check for missing or miscoded information (e.g. missing data or unusual codes)
- Recode data from all multiple response questions into dichotomous variables for analysis purposes.

2. All checking, filtering and cleaning of the data was recorded in a SPSS syntax file (ONS Omnibus.sps).

3. A number of derived variables were created for analysis purposes from ONS Classificatory Variables (see section below)

4. All of the free text OTHER responses in the UniS module were post-coded by SM, CH, and SW (see ONS Opens v2.xls). Additional codes were created for these questions and the responses have been recoded into the final data set.

<sup>38</sup> Elliot, D *The use of the effective sample size as an aid in designing weighted samples*. Survey Methodology Bulletin, January 1990.

5. A number of grouped variables were created from the variables in the UniS module for analysis purposes (see section below)
6. A variable was created for each UniS question counting the number of different types of response, e.g. number of different types of employment transition (see section below)
7. A SPSS syntax file was created to produce relevant cross-analyses and tabulations (ONS Table Code.sps)

## 7. Methodological problems

For most social science research “retirement” is a fairly straightforward category. However, when researching the behaviour of people in their 50s and 60s the conflicting and overlapping definitions are part of the subject of research, and the difficulties of producing quantitative data from overlapping categories becomes a problem, especially since individuals will report on their own status in ways inconsistent with Government classifications. State Pension Age (SPA) is different for men and women, so overall data on participation among people in their 60s produces an uneven result in gender terms. Some people continue working after SPA and are therefore not “retired” by most definitions. A second group choose to retire from their main job before SPA and will define themselves as “retired” (though some are still in work of some kind). Some become unemployed before SPA and are technically still available for work (3.6% of the age group, classified as “economically active”) but many of these are in reality unlikely to ever be employed again. Since social stigma attaches to “unemployment” some of these will describe themselves as “retired”, and a substantial number are classified as long term sick or disabled. Self reported information can thus be unreliable, while Government classifications can fail to describe the reality.

This study has chosen to examine the population between 50 and 69, which will include a higher proportion of retired women than men. On the key issues we have tested whether those over SPA are significantly different from the overall group. In general they are not, and where there are differences these are noted.

## 8. The CROW Module – Questions, Variables, Codes and Groupings

**M325\_1M: In the last 5 years, have you changed your job or working status in any of the following ways?**

BY JOB WE MEAN PAID EMPLOYMENT. IF MORE THAN ONE JOB ASK ABOUT MAIN JOB. MAIN JOB IS ONE SPENT MOST TIME IN. *CODE ALL THAT APPLY*

1. Job/role not changed/still in same job
2. Not worked in a paid job (in last 5 years)
3. Changed job – different employer
4. Changed job/role – same employer (e.g. changed department, additional responsibilities, promotion)
5. Reduced/increased working hours/days – same employer
6. Changed to occasional work (e.g. contract/freelance)
7. Became self-employed

8. Started paid work after period of self-employment
9. Started paid work after period when study was my full-time occupation
10. Started paid work after bringing up a family full-time
11. Started paid work after caring full time (e.g. relative/friend)
12. Started paid work after period of unpaid community/voluntary work
13. Started paid work after other period not in paid work (e.g. unemployed, retired, sickness)
14. Became redundant/ unemployed
15. Chose to stop working or to do unpaid work (e.g. voluntary/community work, caring)
16. Retired from main job
17. Became full-time student
18. Other (SPECIFY)
97. Telephone reissue
98. Refused
99. Don't know

### Additional codes

19. Still at school / f/t student
20. Stopped due to ill health
21. Retired over 5 years ago
22. Stopped working - pregnancy
23. Took maternity leave
24. Took on additional job
25. Changed shifts
26. Changed role - self-employed
27. Started job whilst studying
28. Changed from temporary to permanent

### Grouping – type of change

1. No change'(1)
2. Not worked in a paid job (2)
3. Changed employer (3, 28)
4. Changed role/hours (same employer) (4,5,25,26)
5. Changed to SE/Temp/Freelance (6,7)
6. Entered the labour market (8,9,10,11,12,13,27)
7. Left the labour market (14,15,16,17,20,21,22,23)
8. Other (18,19,24)
97. Telephone reissue
98. Refused

99. DK/NR

voluntary work

NB: We need to remember that these are not mutually exclusive groups, and that each individual could be a member of more than one (except no change and not worked). What we are interested in is simply identifying whether or not the respondent has experienced each type of transition.

13. Started paid work after other period not in paid work (e.g. unemployed, retired, sickness)

14. Became redundant/ unemployed

15. Chose to stop working or to do unpaid work (e.g. voluntary/community work, caring)

16. Retired from main job

17. Became full-time student

18. Other (SPECIFY)

98. Refused

99. Don't know

### Count of number of different types of transition

#### TRANSIT3

1. No transitions

2. 1

3. 2

4. 3

5. More than 3 types

6. Refused/NR

NB: Because of the way that we have set up Q1M, we cannot determine the frequency of job change in the last 5 years, simply because we have not asked the respondents the question 'How many times have you changed job...?'. For example, if the respondent reports that they changed employer, we cannot know from our questions HOW MANY TIMES they did this in the last 5 years. This was something that we were aware of when we were designing the questionnaire and we decided that we were less concerned with frequency and more with the incidence of employment transition.

The variable TRANSIT3 counts the number of different types of in the last 5 years (e.g. changed employer AND changed role/same employer = 2 types of change).

#### M325\_1a: And which change was the most recent? CHOOSE ONE ANSWER ONLY.

ASK IF: > 1 response at M325\_1M AND NOT 1, 2, 97, 98, 99 at M325\_1M

RECODED by UniS to combine with M325\_1M (i.e. if only one response at M325\_1M use this for M325\_1a)

3. Changed job – different employer

4. Changed job/role – same employer (e.g. changed department, additional responsibilities, promotion)

5. Reduced/increased working hours/days – same employer

6. Changed to occasional work (e.g. contract/freelance)

7. Became self-employed

8. Started paid work after period of self-employment

9. Started paid work after period when study was my full-time occupation

10. Started paid work after bringing up a family full-time

11. Started paid work after caring full time (e.g. relative/friend)

12. Started paid work after period of unpaid community/

#### Additional codes

19. Still at school / f/t student

20. Stopped due to ill health

21. Retired over 5 years ago

22. Stopped working - pregnancy

23. Took maternity leave

24. Took on additional job

25. Changed shifts

26. Changed role - self-employed

27. Started job whilst studying

28. Changed from temporary to permanent

#### Grouping – type of change

3. Changed employer (3, 28)

4. Changed role/hours (same employer) (4,5,25,26)

5. Changed to SE/Temp/Freelance (6,7)

6. Entered the labour market (8,9,10,11,12,13,27)

7. Left the labour market (14,15,16,17,20,21,22,23)

8. Other (18,19,24)

97. Telephone reissue

98. Refused

99. DK/NR

M325\_2M: (Thinking about the most recent change to your job or working status, and) using this card as a guide, **what was/were the/your main reason(s) for making that change?** CODE ALL THAT APPLY

ASK IF: Changed job/role, Left labour market or 'other' at M325\_1a.

1. Offered promotion

2. Wanted a new challenge

3. Job became too demanding
4. Didn't like workplace environment
5. Wanted less responsibility
6. Wanted more flexible/shorter hours
7. Wanted to develop my experience/skills
8. Didn't get on with boss/colleagues
9. The business/firm closed down
10. Dismissed
11. End of fixed term or temporary contract
12. Compulsory redundancy
13. Voluntary redundancy
14. New post offered more money
15. Wanted to reduce travel time/inconvenience
16. Moved home
17. Decided to take a career break/maternity leave
18. Wanted a less stressful life
19. Wanted to study (not work related)
20. Wanted to study (work related)
21. Wanted to do voluntary/community work
22. Wanted more time for leisure pursuits/travel
23. Left work to take up caring or domestic responsibilities
24. Ill health or disability
25. Reached retirement age for my job
26. Was offered the opportunity to take early retirement
27. Was told to take early retirement
28. Always planned to retire when I did
29. Wanted to finish/stop working
30. Other (SPECIFY)
97. Not applicable
98. Refused
99. Don't know

#### Additional codes

31. More security
32. Employer re-deployed staff / reorganised
33. Career prospects
34. Personal factors
35. Working hrs changed
36. Increase hours
37. New responsibilities

#### Grouping – Type of motivation (thematic)

1. Career (1,2,7,20,33,37)
2. Workplace (4,8,10,32,35)
3. Job (3,5,6,18, 31,36)
4. Redundancy (9,11,12,13)
5. Retirement (25,26,27,28,29)
6. More money (14)
7. Personal (15,16,17,23,24,34)
8. Leisure (19,21,22)
9. Other (30)
97. Not Applicable (97)
98. Refused (98)
99. NR (99)

#### Grouping – Type of motivation (other)

1. Work related (1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 20, 25, 26, 27, 32, 33, 35, 36, 37)
2. Lifestyle related (6, 14, 15, 16, 17, 18, 19, 21, 22, 23, 24, 28, 29, 31, 34)
3. Positive (1,2,5,6,7,14,15,17,18,19,20,21,22,26,28,29,31,33,36,37)
4. Negative (3,4,8,9,10,12,24,27)
5. Neutral (11,13,16,23,25,32,34,35)
6. Internal (1,2,3,4,5,6,7,8,13,14,15,17,18,19,20,21,22,26,28,29,31,33,34,36,37)
7. External (9,10,11,12,16,23,24,25,27,32,35)

#### Count of number of different types of motivation for change

##### MOTIV3

7. No motivations
8. 1
9. 2
10. 3
11. More than 3 types
6. Refused/NR

M325\_3M: (Still thinking about the most recent change to your job or working status) **which of the following describe what the change meant for you? CODE ALL THAT APPLY.**

**ASK IF:** Changers and Other only (most recent change) at M325\_1a.

1. I have more responsibility
2. I have less responsibility
3. I had to learn a lot of new skills

4. I moved to an advisory/consulting/mentoring/training role
5. My job is now less skilled
6. I now work fewer hours
7. I now work longer hours
8. I now work more flexible hours
9. I changed from full-time to part-time
10. I changed from part-time to full-time
11. I changed from permanent to temporary
12. I changed from temporary to permanent
13. I moved to a new location (building/town)
14. Other (SPECIFY)
15. No significant change
97. Not applicable
98. Refused
99. Don't know

#### Additional codes

16. I earn more money
17. I earn less money
18. Less stressful, pleasanter work environment
19. Some more skills
20. Pleasant working environment
21. More pressure/stress
22. More travelling
23. Less travelling
24. Less flexible hours
25. Not working

#### Grouping – Types of meaning

1. More responsibility (1)
2. Less responsibility (2)
3. More skills (3,19)
4. Less skills (5)
5. More time/hours (7,10,12)
6. Less time/hours (6,9,11)
7. Neutral (4,8,13)
8. Other (14,21,22,23,24)
9. No significant change (15, OR 16,17,18, 20 - AND NOT 1-13 and 19)
1. Not applicable (25, 97)
99. Refused/NR (98,99)

#### Count of number of different types of meaning of change

##### MEANING3

1. No meaning
2. 1 meaning
3. 2 meanings
4. 3 meanings
5. More than 3 types
6. Not Applicable
7. Refused/NR

**M325\_5M:** Still thinking about the most recent change, and) using this card as a guide, **what, if anything, did you do to help you make the change?** CODE ALL THAT APPLY.

**ASK IF:** Changers, Leavers, Enterers and Other only (most recent change) at M325\_1a.

1. I went on a course paid for by my employer
2. I went on a course paid for by myself
3. I went on a course provided by a government agency
4. I had help from new colleagues/workmates
5. I had career advice/guidance/counselling provided by my employer
6. I had career advice/guidance/counselling provided by an employment agency
7. I had career advice/guidance/counselling provided by a government agency
8. I went on a midlife planning/preparation for retirement/pre-retirement course or seminar
9. I looked for information on the Internet
10. I did some other form of informal learning (e.g. read a book, spoke to friends etc)
11. Other (SPECIFY)
12. Nothing
97. Not applicable
98. Refused
99. Don't know

#### Additional codes

13. Friends and family
14. Advice from Educational Agency
15. On the job training
16. Voluntary work/Work Experience
17. Further study
18. Other advice

**Grouping – Types of support**

1. Course (1,2,3,17)
2. Guidance (5,6,7,8,14,16)
3. Workmates/colleagues (4,15)
4. Informal (9,10,13)
5. Other (11,18)
6. No support (12)
97. Not applicable (97)
99. Refused/NR (98,99)

**Count of number of different types of support for transition**

SUPPORT3

8. No support
9. 1
10. 2
11. 3
12. More than 3 types
97. Not Applicable
98. Refused
99. DK/NR

**M325\_6: And which (type of support) was most useful?**

**ASK IF:** Changers, Leavers, Enterers and Other (most recent change) at M325\_1a and >1 response at M325\_5M. **CHOOSE ONE ANSWER ONLY.**

**RECODED** by UniS to combine with M325\_5M (i.e. if only one response at M325\_5M use this for M325\_6)

1. I went on a course paid for by my employer
2. I went on a course paid for by myself
3. I went on a course provided by a government agency
4. I had help from new colleagues/workmates
5. I had career advice/guidance/counselling provided by my employer
6. I had career advice/guidance/counselling provided by an employment agency
7. I had career advice/guidance/counselling provided by a government agency
8. I went on a midlife planning/preparation for retirement/pre-retirement course or seminar
9. I looked for information on the Internet
10. I did some other form of informal learning (e.g. read

a book, spoke to friends etc)

11. Other (SPECIFY)
12. Nothing
97. Not applicable
98. Refused
99. Don't know

**Additional codes**

13. Friends and family
14. Advice from Educational Agency
15. On the job training
16. Voluntary work/Work Experience
17. Further study
18. Other advice

**Grouping – Types of support**

1. Course (1,2,3,17)
2. Guidance (5,6,7,8,14,16)
3. Workmates/colleagues (4,15)
4. Informal (9,10,13)
5. Other (11,18)
6. No support (12)
97. Not applicable (97)
99. Refused/NR (98,99)

**M325\_9M: a) Do you do, or would you consider, doing, any of the following now or in the future? (retired)**

**(b) When you retire would you consider doing any of the following? (unemployed)**

**c) When you retire from your present main employment, would you consider doing any of the following? (working)**

CODE ALL THAT APPLY.

**ASK ALL**

VOLUNTARY WORK MEANS UNPAID EXCEPT FOR EXPENSES.

1. Work full-time in the same industry as before
2. Work part-time in the same industry as before
3. Set up my own business - same industry as before
4. Set up my own business - new industry
5. Work full-time in a new industry

6. Work part-time in a new industry
7. Work occasionally in the same industry as before (short periods or particular contracts)
8. Work occasionally in a new industry (short periods or particular contracts)
9. Do unpaid voluntary/community work
10. None of these

### **Grouping – Types of employment**

1. Full time (1,5)
2. Part-time/occ work (1,6,7,8)
3. Voluntary work (9)
4. Own business (3,4)
5. Nothing (10)
6. New Industry (1,2,3,7)
7. Same industry (4,5,6,8)
8. NR (98,99)

### **Count of number of different types of activities in retirement**

NWORK1

13. Nothing
14. 1
15. 2
16. 3
17. More than 3
99. DK/NR

**M325\_10: Researchers at Surrey University in the Department of Educational Studies will be conducting further research into peoples' attitudes to work when they are in their 50s and 60s.**

**They would like to ask your permission to be contacted by them in the future. That is sometime over the next two years.**

ASK IF: Aged 50-69

INTERVIEWER: If necessary, assure the respondent that the information given will be used for statistical research purposes only and will not be presented in a way which could be associated with names and addresses. Also that their name and address would not be passed on to any other organisation apart from the one they have agreed to.

1. Permission given
2. Permission refused

Table 10: Base sizes for each question (20+population)

Question	Topic	Eligible	Unweighted Base	Weighted Base
M325_1M	Transitions in last 5 years	Total sample	5204	5076
M325_1Ma	Most recent/only transition	Total sample	5204	5076
M325_2M	Reasons for transition	Changers, Leavers, and Other	2435	2443
M325_3M	Meaning of transition	Changers and Other	1613	1687
M325_5M	Support for transition	Changers, Leavers, Enterers, and Other	2672	2693
M325_6	Most useful/only support	Changers, Leavers, Enterers, and Other	2672	2693
M325_9M	Activities in retirement	Total sample	5204	5076