New Expectations, New Rewards: Work in Retirement for Middle-Income Boomers

By Bankers Life Center for a Secure Retirement
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A generation ago, retirement meant moving from a life of full-time work to one focused on full-time leisure. The move was often triggered by the employee reaching a particular age or qualifying for their full company-provided pension benefits.

Today, however, the views and expectations for work and retirement are rapidly changing, especially among Baby Boomers, the current generation of Americans now entering retirement. In fact, even as they approach and enter retirement, Boomers are just as likely or more likely to be engaged in their work than are the younger Generation X or Millennial generations.1

This new research from Bankers Life Center for a Secure Retirement, *New Expectations, New Rewards: Work in Retirement for Middle-Income Boomers*, explores how Boomers are blurring the lines between working for pay and retirement. In fact, most Boomers now view work as a part of the retirement experience. Middle-income Boomers working in retirement describe an experience different than their work experience before retirement. Most Boomers look for more flexible work arrangements and scheduling, and many try new career paths in different industries. In addition, middle-income Boomers working in retirement find that they are highly satisfied with their work, even more so than they were with their work before officially “retiring.” In exchange for this flexibility and satisfaction, retired Boomers are willing to work for less money than they were making before retiring.

The changes in the social expectations for retirement have implications for employers as well. Employers will need to ask themselves what role a highly experienced, part-time workforce can play in their organization. They should understand what elements of the employer-employee contract are most important to retired Boomers.

*New Expectations, New Rewards: Work in Retirement for Middle-Income Boomers* brings data-driven insight to the rapidly changing role of work in the new retirement equation.
Methodology and definitions

This study from the Bankers Life Center for a Secure Retirement — New Expectations, New Rewards: Work in Retirement for Middle-Income Boomers — was conducted in February and March 2015 by the independent research firm The Blackstone Group.

These findings are from two internet-based surveys:

1. Main survey: a nationwide sample of 1,005 middle-income Boomers. Quotas were established based on the U.S. Census Current Population Survey data for age, gender and income to obtain a nationally representative sample. The margin of error is +/- 3.1 percentage points at the 95% confidence level.

2. Supplemental survey: a nationwide sample of 2,293 retired middle-income Boomers to assess the percentage of retired Boomers who are working in retirement. The margin of error is +/- 1.6 percentage points at the 95% confidence level.

For the purposes of this study, the Bankers Life Center for a Secure Retirement used the following definitions:

What is middle income?
Middle-income Americans have an annual household income between $25,000 and $100,000 and have less than $1 million in investable assets.

Who is a Boomer?
Baby Boomers are Americans born between 1946 and 1964.

Who is retired?
Respondents to the survey self-identified as retired or nonretired, regardless of their work status.
Key findings

Middle-income Boomers view employment as a part of the retirement experience.

- Nearly one-third (28%) of retired Boomers indicate that they are either currently employed or have been employed for pay in retirement.

- Of retired Boomers who are not currently employed, half (48%) would like to work but are unable to work, most often because of health reasons.

- Of retired Boomers who are currently employed, more than six in 10 (61%) are working because they want to work not because they have to work.

- For six in ten (59%) employed retirees, the primary reasons they work are nonfinancial, including to stay mentally alert (18%), to remain physically active (15%) or to have a sense of purpose (14%).

- Half (49%) of employed middle-income Boomer retirees expect to work beyond age 70 or as long as their health will allow.

For middle-income Boomers, retirement is now a time of increased flexibility when it comes to their employment.

- Nearly nine out of ten (88%) employed Boomer retirees have work arrangements other than full time, including part time (59%), freelance (18%) or seasonal (7%).

- Four in ten (42%) working retirees indicate they are self employed or small business owners.

Despite lower compensation, working Boomer retirees are happier and more satisfied with their jobs than nonretirees.

- Nearly three-quarters (72%) of employed retirees report that their per hour compensation in retirement is less than it was before retirement.

- More than three-quarters (78%) of employed retirees report they are as satisfied or more satisfied with their job compared with their pre-retirement work. One-third (32%) report being much more satisfied now.

- Compared to nonworking retirees, employed retirees report lower stress levels and better relationships.
Many retirees would have liked to have worked longer but find that they must retire earlier than expected, most commonly because of health reasons.

- Nearly seven in ten (69%) retired middle-income Boomers say they retired earlier than expected.

- Among those retirees who retired earlier than expected, nearly eight in ten (79%) retired early for reasons that were not in their control, such as personal health reasons (39%), being laid off (19%) or to care for a loved one (9%).

Nearly two-thirds of nonretired middle-income Boomers plan to work in retirement, primarily because they will want to work.

- Of nonretirees who expect to retire someday, six in 10 (60%) plan to do some kind of work for pay in their retirement.

- Of this group, more than two-thirds (68%) plan to work in retirement because they will want to work.

Nonretired middle-income Boomers have unrealistic expectations about compensation and the work arrangements they will be able to find.

- Only two in ten (21%) nonretired Boomers would be willing to take a pay cut for their work in retirement, while more than half (53%) of currently employed retirees report making much less per hour in retirement.

- Nearly all (94%) nonretirees who plan to work in retirement would like some kind of special work arrangement, such as flex-time or telecommuting, but only about one-third (37%) of currently employed retirees have such an arrangement.

For employers, retirees represent a large category of potential workers with different values and needs than nonretired workers.

- More than one-quarter (26%) of employed retirees are looking for an employer that accommodates flexible work hours or schedules. In contrast, flexibility is the primary employer quality for less than one in 10 (9%) nonretired workers.

- More than one-third (34%) of nonretired workers say the primary quality they look for in an employer is one that pays well. In contrast, this is the primary quality for just over one-tenth (13%) of employed retirees.
Employment in retirement

According to a 2014 Center for a Secure Retirement study, about half (48%) of middle-income Boomers consider themselves retired or semi-retired.²

Among middle-income Boomers who consider themselves retired, almost three in 10 (28%) are currently employed for pay or have been employed for pay at some point in their retirement, with about one in 10 (11%) who are employed currently, and another two in 10 (17%) who have been employed previously during their retirement.

Employment status of retired middle-income Boomers

- 72% Not working for pay in retirement
- 17% Worked for pay in retirement
- 11% Working for pay in retirement

28% have worked in retirement

n=2293

Retirees work because of desire, not need.

Six in 10 (61%) employed middle-income Boomer retirees say they are working because they want to work, not because they have to work. In contrast, more than seven in 10 (71%) nonretired Boomers are working because they have to work.

Why nonretired Boomers work

<table>
<thead>
<tr>
<th></th>
<th>Want to work</th>
<th>Have to work</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>n=525</strong></td>
<td>29%</td>
<td>71%</td>
</tr>
</tbody>
</table>

Why employed retired Boomers work

<table>
<thead>
<tr>
<th></th>
<th>Want to work</th>
<th>Have to work</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>n=200</strong></td>
<td>61%</td>
<td>39%</td>
</tr>
</tbody>
</table>

Money still matters, but not as much.

While money is the primary reason for continuing to work for many employed retirees, they are more likely to work for nonfinancial reasons than for financial reasons.

Six in 10 (59%) employed retirees report that the primary reason they work is for a nonfinancial reason, versus four in 10 (41%) who work primarily for financial reasons. Two in 10 (18%) work to stay mentally alert and sharp, with others working to remain physically active (15%), to have a sense of purpose (14%) or to stay socially connected to others (7%).

Reasons middle-income Boomers work in retirement
Among employed middle-income Boomers who consider themselves retired

Financial reasons Boomers work:
• Day-to-day living expenses (24%)
• Extra spending money (10%)
• Other (7%)

Nonfinancial reasons Boomers work:
• To stay mentally alert and sharp (18%)
• To remain physically active (15%)
• To have a sense of purpose (14%)
• To remain socially connected to others (7%)
• Other (4%)

Health most common reason for not working.

Of retired middle-income Boomers who have never worked for pay in retirement, half (48%) would like to work but cannot, either due to their own health reasons (35%), the health of a loved one (5%) or because they cannot find a job (8%).

### Reasons for not working in retirement

Among nonworking retired Boomers

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I would like to, but my health will not allow it</td>
<td>35%</td>
</tr>
<tr>
<td>I would like to, but I am unable to find a job</td>
<td>8%</td>
</tr>
<tr>
<td>I would like to, but I have to care for a loved one</td>
<td>5%</td>
</tr>
<tr>
<td>I simply do not want to work anymore</td>
<td>31%</td>
</tr>
<tr>
<td>I want to spend more time with family and friends</td>
<td>11%</td>
</tr>
<tr>
<td>I want to spend time on hobbies</td>
<td>5%</td>
</tr>
<tr>
<td>I want to travel</td>
<td>3%</td>
</tr>
</tbody>
</table>

n=182

Most retirees who want to work can find work.

While one in 10 (9%) nonworking retired Boomers want to work but are unable to find a job, eight in 10 (80%) employed retirees found it very easy or somewhat easy to find a job in retirement. This is in contrast to just over half (56%) of nonretired Boomers who found it very or somewhat easy to find their most recent job.

Fewer than one in 10 (6%) employed retirees say it was very difficult or somewhat difficult to find retirement employment.

Ease of finding retirement employment

Among employed middle-income Boomers who consider themselves retired

- 80% Easy
- 14% Not particularly easy or difficult
- 6% Difficult

Common reasons:
- Had to put in minimum effort
- Strong qualifications and experience
- Used connections, contacts and referrals

n=200

Most employed retirees have a short transition between pre- and post-retirement employment.

Of middle-income retirees who are currently working, nearly two-thirds (63%) took six months or less off between the start of their retirement and the start of their employment in retirement. In fact, more than one-third (35%) continued working immediately after they retired. For these retirees, there was no gap between their pre- and post-retirement employment.

**Time off before start of retirement employment**
Among employed middle-income Boomers who consider themselves retired

<table>
<thead>
<tr>
<th>Time Off Before Start of Retirement Employment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No time passed</td>
<td>35%</td>
</tr>
<tr>
<td>0–6 months</td>
<td>28%</td>
</tr>
<tr>
<td>7–12 months</td>
<td>14%</td>
</tr>
<tr>
<td>1–3 years</td>
<td>15%</td>
</tr>
<tr>
<td>More than 3 years</td>
<td>8%</td>
</tr>
</tbody>
</table>

Work in retirement means greater flexibility.

For middle-income Boomers, retirement is now a time of increased flexibility when it comes to employment. For Boomers, flexibility in employment can include fewer hours; working because they want to work and not because they have to; and less emphasis on pay and climbing the company ladder. Increased flexibility is why many employed middle-income Boomers consider themselves retired even though they’re still working.

About three in 10 (29%) employed retirees consider themselves retired because they work fewer hours than before their retirement. About one-quarter (27%) consider themselves retired because they’re able to work because they want to work, not because they have to. And about one-sixth (14%) consider themselves retired because they’re able to set their own schedule.

Reasons why employed retired Boomers consider themselves retired

- I work fewer hours: 29%
- I work because I want to, not because I have to: 27%
- I set my own schedule: 14%
- I work for less money: 9%
- I have a job with less responsibility: 6%
- I am not trying to climb the company ladder anymore: 5%
- I changed my career or job: 5%
- Other: 5%

Working in retirement typically is not full time.

Nearly nine in 10 (88%) employed retirees have retirement work arrangements other than full time. Only one in 10 (12%) employed retirees work full time, versus three-quarters (75%) of working nonretirees who work full time.

Nearly six in 10 (59%) employed middle-income retirees have a part-time job. About one-fifth (19%) of employed retirees do freelance or project-based work and nearly one in 10 (7%) work seasonal jobs.

Work status of employed middle-income Boomers

<table>
<thead>
<tr>
<th></th>
<th>Employed nonretirees (n=453)</th>
<th>Employed Retirees (n=200)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time</td>
<td>75%</td>
<td>12%</td>
</tr>
<tr>
<td>Part time</td>
<td>17%</td>
<td>59%</td>
</tr>
<tr>
<td>Freelance</td>
<td>6%</td>
<td>18%</td>
</tr>
<tr>
<td>Seasonal</td>
<td>&lt;1%</td>
<td>7%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>4%</td>
</tr>
</tbody>
</table>


Dramatic increase in entrepreneurship in retirement.

Four in 10 (42%) employed Boomer retirees consider themselves self-employed or small-business owners, compared to less than one in 10 (7%) nonretired middle-income Boomers.

Middle-income Boomers who consider themselves self-employed or a small business owner

<table>
<thead>
<tr>
<th></th>
<th>Employed nonretirees n=453</th>
<th>Employed retirees n=200</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-employed</td>
<td>7%</td>
<td>42%</td>
</tr>
</tbody>
</table>

Many working retirees plan to work into their 70s or later.

Half (49%) of employed middle-income Boomer retirees expect to work beyond age 70 or at least as long as their health will allow.

How long employed retired Boomers plan to work in retirement

- As long as my health will allow: 16%
- Until age 75+: 9%
- Until ages 70−74: 24%
- Until ages 65−69: 27%
- Until ages 60−64: 14%
- Until ages 55−59: 3%
- Until ages 50−54: 1%
- Until I don’t want to anymore: 6%

Hobbies and travel become more fulfilling than work for retirees.

When asked to name the most fulfilling aspects of life, friends and family topped the list for both nonretired Boomers and employed retired Boomers.

For nonretired Boomers, work was the fourth most frequently cited aspect. For employed retired Boomers, work is still mentioned, but drops in importance below hobbies, travel and spirituality.

<table>
<thead>
<tr>
<th>Most fulfilling aspects of life for middle-income Boomers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
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<tr>
<td>3</td>
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<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
</tr>
<tr>
<td>7</td>
</tr>
</tbody>
</table>


Employed retirees take on less responsibility.

Before their retirement, one in four (25%) employed retirees held manager or director positions. However, in retirement, only one in 10 (10%) hold a management position.

Management responsibilities

Employed retired Boomers with manager or director title

Work doesn’t drive where retired Boomers choose to live.

Though it remains important, in retirement work plays a less central role in the lives of middle-income Boomers. For example, work does not drive where working Boomer retirees choose to live in retirement.

Less than one in 10 (8%) employed retirees moved to a different city or town to find suitable work in retirement. In contrast, more than twice as many (22%) nonretired middle-income Boomers have moved for work reasons.

For more than half (53%) of employed middle-income Boomer retirees, being able to stay in their existing home is their primary consideration for choosing where to live in retirement. Being able to find work was the primary consideration when choosing where to live for less than 1% of retired middle-income Boomers.

Middle-income Boomers and moving for work

Survey asked nonretirees if they had ever moved for work, and asked employed retirees if they have moved for work in retirement.

Work in retirement is more satisfying than pre-retirement work.

More than three-quarters (78%) of employed Boomer retirees report they are as satisfied or more satisfied with their job now than with their job before retiring. Furthermore, one-third (32%) of employed retirees reported they are much more satisfied with their post-retirement employment than they were pre-retirement.

Employed retirees’ job satisfaction compared to pre-retirement work

- 78% are as satisfied or more satisfied with their retirement job
- 32% much more satisfied
- 27% slightly more satisfied
- 14% as satisfied
- 19% slightly less satisfied
- 8% much less satisfied

n=200

Is working in retirement good for you?

Being able to “downshift” the role of work in their lives—while not eliminating it entirely—seems to have many benefits for employed retired Boomers.

Compared to nonworking retirees, employed retirees report lower stress levels, better relationships and other positive impacts.

- More than three-quarters (77%) of working retirees said their stress levels are better now than before retirement. This is compared to just half (51%) of nonworking retirees.
- More than half (53%) of working retirees said their family relationships are better now than before retirement. This is compared to just four in 10 (43%) nonworking retirees.
- More than half (53%) of working retirees also said their emotional health is better now than before retirement, compared to just three in 10 (29%) nonworking retirees.
- Working retirees also report significantly better knowledge of current events and relationships with friends.

Aspects of life that have changed since retirement

![Bar chart showing aspects of life that have changed since retirement for employed and nonemployed retirees.](chart)

Retirement employment usually means less money.

With added job flexibility and greater satisfaction, Boomers are willing to work for less money in retirement.

Nearly three-quarters (72%) of employed retirees reported their per hour compensation in retirement is less than before retirement, with more than half (53%) reporting their hourly compensation now is much less than before retirement.

Only about one in six (14%) currently employed retirees are making more per hour now than before retirement.

Per hour compensation for employed retired middle-income Boomers

Employed retirees bring unique value.

Nearly all (97%) employed retirees say they bring at least one unique value to their employer when compared with younger workers.

More than nine in 10 (91%) employed retirees mentioned having more experience, nearly two-thirds (65%) mentioned their people skills, more than four in 10 (44%) cited technical skills, nearly four in 10 (38%) mentioned creativity and one-quarter (26%) said they have more energy than younger workers.

Unique value of employed retirees compared to younger workers
Among employed middle-income Boomers who consider themselves retired

In their own words: the best things about working in retirement

Employed retirees most often say the best thing about working in retirement is the schedule flexibility, such as making their own schedule, working fewer hours and shorter days, and spending more time with family. The second most common answer is that in retirement, the individual has freedom to make choices about what to do and where to work.

Other commonly mentioned reasons were financial benefits and keeping mentally and physically active.

What’s the best thing about working in retirement?

<table>
<thead>
<tr>
<th>Schedule flexibility</th>
<th>&quot;I work part time nights and weekends, so I get to have coffee at home in my pajamas every day.&quot;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial benefits</td>
<td>&quot;I have something I enjoy doing and bring in some extra money.&quot;</td>
</tr>
<tr>
<td>Keeping physically and mentally active</td>
<td>&quot;I keep busy. I am never bored. I have time for leisure activities. I am less tired and feel more agreeable. I have time for activities I love to do but had no time or energy for when I was working full time.&quot;</td>
</tr>
<tr>
<td>Having choices</td>
<td>&quot;For me it's choosing the jobs I want to take. I have freedom to do design work and I can sleep in.&quot;</td>
</tr>
<tr>
<td>Less pressure and stress</td>
<td>&quot;It is something I choose to do instead of something I have to do, and the stress level is gone.&quot;</td>
</tr>
<tr>
<td>Contact with others</td>
<td>&quot;I keep in contact with my previous co-workers.&quot;</td>
</tr>
</tbody>
</table>

n=200

While retired Boomers increasingly view work as part of their retirement experience, our survey also found that nonretired Boomers have expectations about the role work will play in their retirement.

Most already acknowledge that 65 is no longer the automatic age for retirement. Six in 10 (60%) nonretired Boomers expect to retire at age 66 or later or never expect to retire. One in 10 (10%) expect to retire at age 71 or older, and another one-sixth (16%) never expect to retire.

Retirement expectations of nonretired Boomers

Retirement timing expectations

Among middle-income Boomers who are not yet retired

Most retire earlier than expected.

Most Boomers who are not yet retired plan to retire at age 65 or later.

By comparison, nearly seven in 10 (69%) retired middle-income Boomers say they retired earlier than expected. Barely one-quarter (28%) retired when they expected.

Retirement timing for retired middle-income Boomers

Early retirement usually is not by choice.

Even for those who expect or want to work as part of their retirement plan, work is not always a guaranteed option. Many retirement and work choices are not in one’s control, due to health, employer actions or family reasons.

Among those retirees who retired earlier than expected, nearly eight in 10 (79%) retired early for reasons that were not in their control, including nearly four in 10 (39%) did so because their personal health situation required them to retire, about two in 10 (19%) were laid off and could not find new employment, and one in 10 (9%) retired to care for a loved one.

Only about one in 10 (9%) of those who retired earlier than expected did so by their own choice, including retiring early to spend more time with family (5%), or retiring early to pursue a passion other than work (4%).

Reasons for retiring
Among retired middle-income Boomers who said they retired earlier than expected

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>My personal health situation required me to retire</td>
<td>39%</td>
</tr>
<tr>
<td>I was laid off and could not find new employment</td>
<td>10%</td>
</tr>
<tr>
<td>To care for a loved one</td>
<td>9%</td>
</tr>
<tr>
<td>I was laid off and did not seek new employment</td>
<td>9%</td>
</tr>
<tr>
<td>I could no longer perform my job to my standards</td>
<td>6%</td>
</tr>
<tr>
<td>To please my spouse or family</td>
<td>5%</td>
</tr>
<tr>
<td>I reached mandatory retirement age at work</td>
<td>1%</td>
</tr>
<tr>
<td>To spend more time with family</td>
<td>5%</td>
</tr>
<tr>
<td>To pursue something I was passionate about other than work</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>12%</td>
</tr>
</tbody>
</table>

Three in five plan to work in retirement.

Of nonretirees who plan to retire someday, three in five (60%) plan to do some kind of work for pay in retirement, including two in five (41%) who plan to work in retirement because they will want to work and two in 10 (19%) who plan to work because they feel they will have to work.

Employment plans for nonretirees who expect to retire

Nonretirees are unrealistic about compensation.

While more than half (53%) of nonretirees would be willing to work in retirement for slightly less money per hour than they are making now, only two in 10 (21%) would be willing to work for much less per hour, and a quarter (26%) would not be willing to work for less at all. These expectations don’t match the reality that more than half (53%) of currently employed retirees report they are making much less per hour now than before retirement.

Expectations and reality for employment compensation in retirement

Special work arrangements aren’t sufficiently available.

Overall, nearly all (94%) nonretirees who plan to work in retirement would like some type of special work arrangement, such as flex time, job sharing or telecommuting. Yet only one-third (37%) of currently employed retirees report having any such special arrangement.

More than half (56%) of nonretirees who plan to work in retirement would like some kind of flex-time arrangement, two in 10 (20%) would like to telecommute and one in six would like a compressed work schedule (17%) or job-sharing arrangement (14%).

In reality, only one-quarter (27%) of currently employed retirees have a flex-time arrangement and less than one in 10 telecommute (9%) or have a compressed work schedule (8%) or job-sharing arrangement (7%).

Work arrangements for retirement employment
Desired vs. actual

<table>
<thead>
<tr>
<th>Desired by nonretirees who plan to work in retirement (n=269)</th>
<th>Actual among employed retirees (n=200)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flex time</td>
<td>56%</td>
</tr>
<tr>
<td>Telecommuting</td>
<td>27%</td>
</tr>
<tr>
<td>Compressed work schedule</td>
<td>20%</td>
</tr>
<tr>
<td>Job sharing</td>
<td>17%</td>
</tr>
<tr>
<td>No special arrangements</td>
<td>9%</td>
</tr>
<tr>
<td></td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>14%</td>
</tr>
<tr>
<td></td>
<td>17%</td>
</tr>
<tr>
<td></td>
<td>6%</td>
</tr>
</tbody>
</table>

Nonretirees want part-time and freelance work in retirement.

The type of retirement employment most desired by nonretirees is part-time work, and that is primarily the type of work employed retirees are doing. However, there is a mismatch between the expectations for some kinds of work nonretirees want to do in retirement and the reality of those who currently work in retirement.

More than one-quarter (26%) of nonretirees who plan to work in retirement would like to do freelance work. In reality, less than two in 10 (18%) currently employed retirees do freelance work.

Few nonretirees who plan to work in retirement indicate they would like to work full time (5%). Yet more than twice as many (12%) currently employed retirees work full time.

### Types of work arrangements in retirement

<table>
<thead>
<tr>
<th>Desired vs. actual</th>
<th>Full time</th>
<th>Part time</th>
<th>Freelance</th>
<th>Seasonal</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>5%</td>
<td>62%</td>
<td>12%</td>
<td>26%</td>
<td>6%</td>
<td>1%</td>
</tr>
<tr>
<td>12%</td>
<td>59%</td>
<td>18%</td>
<td>7%</td>
<td>1%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Implications for employers

Employers may want to consider the role of retirees in their staffing model. Boomer retirees represent a large and growing category of potential workers willing to “reenter the workforce.” In fact, while in 2010 Americans age 55 and older made up 19.5% of the civilian labor force, the Bureau of Labor Statistics projects that by 2020, those 55 and older will be 25.2% of the labor force, an increase of nearly 30%.

Retirees tend to be highly motivated, experienced and satisfied workers, and they are willing to make some sacrifices in compensation in return for greater flexibility.

While 80% of employed retirees report that it was easy to find a job in retirement, more than three in five (61%) middle-income Boomers feel there are inadequate job opportunities for retired workers.

Are there adequate job opportunities for retired workers?
Among middle-income Boomers

- 39% Yes
- 61% No

n=1005

Could employers do more to help older workers remain in the workplace?
Among middle-income Boomers

- 44% No
- 56% Yes

n=1005

Flexible hours trumps pay for working retirees.

To help retain skilled and knowledgeable workers as they approach retirement age as well as attract retirees, employers should do more to signal that experienced workers matter to them.

Middle-income Boomer retirees are looking for a different set of employer characteristics than nonretirees. Scheduling flexibility and nontraditional work arrangements are key issues for retired Boomers versus simply high pay.

More than one-quarter (26%) of employed retirees are looking for an employer that accommodates flexible work hours or schedules. In contrast, flexibility is the primary quality for less than one in 10 (9%) nonretired workers.

This is in contrast to nonretired workers. More than one-third (34%) of nonretired workers say the primary quality they look for in an employer is one that pays well. In contrast, this is the primary quality for just over one-tenth (13%) of employed retirees.

<table>
<thead>
<tr>
<th>Most desired employer qualities</th>
<th>Employed nonretirees (n=525)</th>
<th>Employed retirees (n=200)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognizes the value of experienced workers</td>
<td>26%</td>
<td>29%</td>
</tr>
<tr>
<td>Accommodates flexible hours and work scheduling</td>
<td>9%</td>
<td>26%</td>
</tr>
<tr>
<td>Pays well</td>
<td>34%</td>
<td>13%</td>
</tr>
</tbody>
</table>

Retirees still seek training and growth opportunities.

Employed middle-income Boomer retirees are interested in expanding their skills and broadening their knowledge.

Four in 10 (39%) employed retirees say they have completed work-related classes, education or training since retiring, including those who pursued training on their own (18%), those who received the training from their employer (17%) and those who received training both on their own and from an employer (4%).

Retirement training and continuing education
Among employed retired Boomers

Employed retirees are willing to try new jobs in retirement.

Employers should be amenable to looking outside their own company and industry for retired employees. Based on the survey results, employed retirees are willing — and even likely — to change companies and industries to find retirement employment.

Three-quarters (75%) of employed retired Boomers changed companies for their job in retirement, in addition to more than one-half (57%) who changed industries.

**Characteristics of post-retirement employment**

Differences and similarities among employed retired Boomers

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Different</th>
<th>About the same</th>
<th>Exactly the same</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>75%</td>
<td>8%</td>
<td>17%</td>
</tr>
<tr>
<td>Manager or boss</td>
<td>75%</td>
<td>18%</td>
<td>8%</td>
</tr>
<tr>
<td>Company size</td>
<td>73%</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td>Level of responsibility</td>
<td>67%</td>
<td>25%</td>
<td>9%</td>
</tr>
<tr>
<td>Job function</td>
<td>60%</td>
<td>29%</td>
<td>12%</td>
</tr>
<tr>
<td>Industry</td>
<td>57%</td>
<td>25%</td>
<td>19%</td>
</tr>
</tbody>
</table>

In their own words: working in retirement surprises

For employed retirees who were surprised by something about working in retirement, the biggest is that work is more enjoyable.

They also enjoy the added income, the job opportunities available to them and meeting new people.

What has been the biggest surprise about working in retirement?

<table>
<thead>
<tr>
<th>Work is more enjoyable</th>
<th>Income level</th>
</tr>
</thead>
<tbody>
<tr>
<td>“How much more enjoyable the work is when you are not the boss.”</td>
<td>“That between my retirement check and work check I make around the same and sometimes more than before retirement and I work less.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Job opportunities</th>
<th>Being able to perform the job</th>
</tr>
</thead>
<tbody>
<tr>
<td>“How easy it was to design and build my own business.”</td>
<td>“Retirement was a lot easier than I thought it would be.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Meeting new people</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Making new friends around my age.”</td>
</tr>
</tbody>
</table>

n=200


In their own words: lessons learned

When asked to offer advice about working in retirement, employed retirees most often say that it is important to find work you like and enjoy. Others add that it is important to take it easy and only work part time.

Respondents say that working helps mentally and physically, and that for those retirees who want to work there is no reason to wait — simply “do it!”

What advice would you offer to others who want to work in retirement?

<table>
<thead>
<tr>
<th>Find something you enjoy</th>
<th>Take it easy</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Start small. Maybe try several jobs until you find something new you really enjoy. Limit how many days and hours you are willing to work.”</td>
<td>“Find a simple job that you can do with less effort and time. I feel that retirement is supposed to be less stress and more fun.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>“Do it!”</th>
</tr>
</thead>
<tbody>
<tr>
<td>“If you have a passion you were unable to fulfill when you were working full time, now is the time to pursue it.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Keep yourself active</th>
</tr>
</thead>
<tbody>
<tr>
<td>“It is good for your morale. The more you sit at home, the worse you feel.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plan your finances</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Save your money so you don’t have to work.”</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Do what is right for you</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Try to find a balance between things you want to do and things you have to do.”</td>
</tr>
</tbody>
</table>

n=200

Recommendations for consumers

Consider work in retirement, even if it is only part time

The financial benefits of working longer can help contribute to financial security. Because we are living longer into our retirement years, working longer will help add to your retirement income and savings.

Work in retirement can also be the perfect time to explore a passion or interest that you were unable to pursue during your primary working career. If you enjoyed your full-time work prior to retirement, see if your employer is open to a more flexible part-time role for you in retirement. Don’t feel limited by prior employers, industries or work experience. Look around and find the situation that balances your needs with your interests.

Furthermore, employed retirees often report many health benefits from their work in retirement, including less stress and better relationships with their families.

Make a retirement care plan if working is not possible

Many retirees want to work, but cannot, while others are forced to retire earlier than they expect for reasons not in their control. If you plan to work to help fund your retirement, also consider a retirement care plan that may include disability or long-term care insurance to protect you and your loved ones if working is not an option.

Practice healthy financial habits both before and during retirement

Improving your financial security by reducing debt, living within your means and diversifying your investments can help your retirement experience be everything you plan it to be. If you don’t want to work in retirement, good financial habits can help ensure that you won’t have to work. And if you would like to work in retirement, good habits can help ensure that you can afford to accept a job that is satisfying with the hours and other arrangements that best meet your needs.

Set realistic expectations going in

Our survey found that many employed retirees are making much less per hour than they did before retirement, and part-time or flex-time work arrangements are not always available. Make sure that your planning includes contingencies for the work situation and compensation you’re likely to find, not just your ideal situation.
About the Center for a Secure Retirement

The Center for a Secure Retirement is the Bankers Life’s research and consumer education program. The Center’s studies and consumer awareness campaigns provide insight and practical advice to help everyday Americans achieve financial security in retirement.

About Bankers Life

Established in 1879 in Chicago, Bankers Life focuses on the insurance needs of middle-income consumers in the retirement market. The nationwide company, a subsidiary of CNO Financial Group, Inc., offers a broad portfolio of life and health insurance products and annuities designed especially for Boomers and retirees.

Bankers Life has more than 4,800 licensed professional insurance agents in more than 300 offices across the United States. Bankers Life agents meet with thousands of Americans each week for initial retirement reviews at no cost to clients. To learn more about Bankers Life, visit BankersLife.com or call (800) 231-9150.

Endnotes
