

Ohio University Phased Retirement Study



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Phased Retirement is a 'hot' topic!



- 140,000 hits from Google search
- A recent AARP survey indicates that 78% of workers prefer phased retirement to traditional retirement
- Studies reveal that many organizations are thinking of implementing phased retirement programs in the near future
- Phased retirement is advantageous in that it may help workers adjust to retirement
- It also may facilitate succession planning for the employer

What is Phased Retirement?



- In phased retirement employees stop working full-time to then work part-time for the same employer for a period of time before complete and permanent retirement.

Goals of Study



- 1.) Determine why, or why not, phased retirement may be beneficial to classified employees at Ohio University.
- 2.) Determine why, or why not, phased retirement may be beneficial to Ohio University.
- 3.) Identify factors that relate to a worker's preference to take phased retirement.
 - work attitudes
 - pension plan
 - demographic factors (e.g., age and gender)

Data Collection



- Data collected during month of August of this year.
- Non-Bargaining Classified Employees.
- 229 completed online surveys.
- Clerical (47%), Accounting/Recording Keeping (20%), Administration (10%), Other (23%).

Sample Description



- **Female (86%)**
- **Avg. Age (50)**
- **Married (74%)**
- **Caucasian (95%)**
- **Employed Full-Time (98%)**
- **College Degree (25%)**
- **Defined Benefit (at least 71%)**
- **Avg. years with OPERS (17)**
- **Avg. years with Ohio University (16)**
- **Avg. Expected Retirement Age (62)**

Results - 1



- A large percentage of workers (about 40%) preferred to extend their career through phased retirement.
- The majority of participants (67%) stated that their preference to work in phased retirement was primarily based on financial reasons.

Results - 2



- **The average number of years desired in phased retirement was four.**
- **67% of respondents reported that they would prefer to work between 18-25 hours per week in phased retirement.**
- **36% stated they would participate in phased retirement even if it meant they would perform a different job than their current job.**

Results - 3



- Females reported stronger desires to work past their planned retirement age in phased retirement.
- People with higher annual income were less likely to desire to extend their career through phased retirement.
- Participants who reported greater job satisfaction and greater involvement in their jobs report stronger preferences to work beyond their planned retirement date in phased retirement.
- **Note.* All relationships were statistically significant at the alpha .05 level.

Results - 4



- Participants who exhibited higher commitment to Ohio University reported stronger desires to extend career employment with phased retirement.
- Participants with stronger career commitment exhibited stronger preferences to extend employment with phased retirement.

**Note.* All relationships were statistically significant at the alpha .05 level.

Reported Benefits - 1



➤ Several respondents reported that phased retirement would be beneficial because it would allow them to gradually adjustment to retirement.

-e.g., “When [I am] unable to work full time [part time work] would make life much more interesting.”

-e.g., “[I] would love it. I hate the thought of staying home.”

Reported Benefits - 2



- Several employees reported that phased retirement is advantageous in that it would allow them to spend more time pursuing non-work activities.
 - e.g., “I am within one year of retiring. I love the people I work with... [Phased retirement] would [allow] me to spend more time with my husband.”
 - e.g., Phased retirement would allow one to...
 - ”spend more time traveling.”
 - ”do more for the community.”

Reported Benefits - 3



- Many respondents reported that phased retirement is desirable because it would allow them to supplement their pensions with part-time pay.
- Further, others reported that phased retirement could facilitate succession planning.
 - e.g., allow for “proper training of replacement staff”
 - e.g., allow older workers to pass on “institutional knowledge effectively”

Expressed Concerns



- Many feared not being able to accrue enough years of service to collect a full pension.
- Some feared that their pension would be calculated based on the last three years of service (instead of highest three years).
- There was concern that pension benefits would be delayed.