Older workers and short-term jobs: patterns and determinants

Data from the longitudinal Health and Retirement Study indicate that, among older Americans with work experience since age 50, approximately 12 percent of men and 32 percent of women never held a full–time career job; the retirement patterns of these non–full–time career older workers are diverse, just as they are for individuals with career jobs

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The retirement patterns of career workers have been studied extensively. One of the main findings of this literature is that a majority of older Americans with career jobs make at least one job change prior to leaving the labor force; only a minority leave a career job and the labor force simultaneously.[1] Kevin Cahill, Michael Giandrea, and Joseph Quinn found that 60 percent of older workers who left full-time career employment moved to short-duration or part-time employment (known as *bridge jobs*) before exiting the labor force.[2] In another paper, these authors found that a substantial minority (approximately 10 percent) of individuals with wage-and-salary career jobs move into self-employment later in life.[3] Likewise, evidence suggests that many workers (approximately 15 percent) with career jobs reenter the labor force after "retiring," that these reentry decisions are often voluntary, and that they are frequently anticipated prior to the workers' leaving career employment.[4] Collectively, these findings suggest that many career workers change jobs later in life and exit the labor force gradually.

An important question is whether the findings also apply to individuals who have never held a full-time career job. This question is relevant because a sizable fraction of older American workers—approximately 12 percent of men and about one-third of women—did not have a career job.[5] Thus, policy decisions based upon the existing literature may have different and unintended consequences for workers with intermittent work histories and a more tenuous connection to the labor force. For example, policies that promote work later in life are often proposed as a way to alleviate the financial burden of an aging population. As the ratio of workers to retirees shifts from about 3 to 1 today to near 2 to 1 by 2030, policymakers may keep looking for ways to encourage continued labor force participation among individuals who have reached traditional retirement ages.[6]

Retirement studies often analyze factors, such as wealth, private pensions, and employer-provided health insurance, that are more likely to be important to full-time career workers than they are to others. For example, Courtney Coile and Phillip Levine used data from the Health and Retirement Study, the Current Population Survey, and the Survey of Consumer Finances to examine the effect of wealth on labor force activ-

ity,[7] and several studies from the 1990s addressed the role of defined-benefit pensions in the labor force behavior of older workers.[8] More recent studies have examined the impact of defined-contribution plans on retirement outcomes, but these, too, are still unlikely to apply to many non-full-time career workers.[9] Similarly, many studies have focused on the impact of health insurance on the work-vs.-leisure decisions of older Americans, but this coverage is also unlikely to apply to most part-time or short-duration workers.[10]

Other studies that do address topics related to non-career workers by and large do not focus on older individuals, or they focus on short-term involuntary job losses late in life. For example, examining how intermittent work histories affect the wages of women, Julie Hotchkiss and Melinda Pitts found that intermittency resulted in a wage penalty even at low levels of labor force absence.[11] In another study, Jay Stewart used data from the Current Population Survey and the National Longitudinal Survey of Youth to examine the work histories of noncareer men and found that it was generally the same cadre of men who did not work from year to year. Stewart, however, did not follow these men through retirement.[12] Two other papers, one by Julie Whittaker and the other by Sewin Chan and Ann Huff Stevens, focus on unemployment among older workers and the likelihood that they will drop out of the labor force permanently after a spell of unemployment.[13] Although these two papers examine the role that retirement income sources play in the labor force outcomes of older workers, a topic that is relevant to the present study, the research presented in them focuses on individuals who experienced a spell of nonemployment later in life, as opposed to those with an entire work history without full-time career employment.

This article combines two strands of the literature by examining the labor force behavior of older individuals with a history of short-duration jobs and comparing their behavior with that of older career workers. The next section provides a brief description of the dataset used—the Health and Retirement Study (HRS)—and the research methods employed. The third section examines demographic and economic characteristics and labor force outcomes, by career job status, and the last section summarizes and discusses the main findings.

Data and methods

The HRS is a rich, nationally representative dataset with an initial base of more than 12,600 individuals born between 1931 and 1941 (hence aged 51–61 in 1992).[14] The data are longitudinal, with interviews conducted every 2 years since 1992. Attrition across waves ranged from 4 percent to 9 percent per year, and after 16 years about 62 percent of the original HRS core sample remained.

The analysis that follows focuses on men and women who have never held a full-time career job, defined here as a job in which an individual works 1,600 or more hours per year for at least 10 years. To identify these individuals, information from the initial 1992 interview is combined with employment information from subsequent interviews to construct a labor force history for each individual. Questions in the first interview ask about a respondent's current job and all previous jobs that lasted 5 or more years. If a respondent was not working at the time of the first interview, he or she was asked about the most recent job held, if any. The large majority of men and women responding to the HRS had work experience later in life, as shown in table 1. More than 90 percent of men and nearly 80 percent of women had worked since age 50. Those with work experience since age 50 were stratified according to whether they had ever held a full-time career job. A sizable minority of individuals with work experience after age 50—12 percent of men and 32 percent of women—had not held a full-time career position.

Results

Demographic and economic characteristics by full-time career job status. The demographic and economic characteristics

Table 1.	Sample size, by gender, survey participation, and work status, respondents ages 51–61 in 1992		
Survey participation and work status	**Total**	**Men**	**Women**
Participated in first wave:			
n	12,652	5,869	6,873
Worked since age 50:			
n	10,639	5,353	5,286
Percentage of all respondents	84	91	78
No full-time career job in work history:			
n	2,298	633	1,665
Percentage of respondents who have worked since age 50	22	12	32
Full-time career job in work history:			
n	8,312	4,719	3,593
Percentage of respondents who have worked since age 50	78	88	68

NOTE: Full-time career job status could not be determined for 1 man and 28 women, all of whom were deleted from the sample.
SOURCE: Authors' calculations based on Health and Retirement Study.

examined, stratified by gender and full-time career job status, are based on responses from the first interview in 1992. On average, for HRS respondents in 1992 who had worked since age 50, those who had never held a full-time career job were older and in poorer health than those who did hold a full-time career job, and the former also were less likely to have a college degree. (See table 2.)[15] Men without full-time career job experience were less likely to

be married than men with such experience, but their female counterparts were slightly more likely to be married. One-half of the men who never had a full-time career job had an employed spouse, compared with 57 percent of those with full-time career job experience. This statistic may indicate that employment and attachment to the labor force are complementary among spouses, as some of the literature suggests.[16] The lower marriage rates among

Table 2. Demographic characteristics in 1992, by gender and full-time career job status, respondents with work experience since age 50

[In percent]

Characteristic	Total	Men			Women		
		All men	No full-time career job in work history	Full-time career job in work history	All women	No full-time career job in work history	Full-time career job in work history
Age:[1]							
Younger than 54	37	29	20	30	45	33	51
54–57	29	29	27	30	29	32	27
58–61	25	25	31	25	25	33	21
62 and older	9	17	22	16	2	2	2
Subjective health status:[1]							
Excellent or very good	54	52	36	54	56	48	59
Good	29	30	33	30	27	27	28
Fair or poor	18	18	31	17	17	25	13
Educational attainment:[1]							
College degree	19	22	18	23	16	12	18
Less than college degree	81	78	82	77	84	88	82
Marital status:[1]							
Married	82	88	81	89	75	77	74
Not married	18	12	19	11	25	23	26
Children:[2]							
Dependent children	15	17	19	16	14	12	15
No dependent children	85	83	81	84	86	88	85
Spouse's health status:[3]							
Excellent or very good	53	56	48	56	51	50	51
Good	28	27	29	27	29	31	29
Fair or poor	18	17	23	16	20	19	20
Spouse's employment status:[3]							
Employed spouse	55	56	50	57	55	53	55
No employed spouse	45	44	50	43	45	47	45
n	10,639	5,352	633	4,719	5,258	1,665	3,593

    [1] Difference by full-time career job status is significant at $p < .01$ among both men and women.
    [2] Difference by full-time career job status is significant at $p < .05$ among women.
    [3] Difference by full-time career job status is significant at $p < .01$ among men.

NOTE: Detailed entries may not sum to totals because of rounding. Sample size *n* for spouse's health status is 4,602 for men and 3,814 for women.
SOURCE: Authors' calculations based on Health and Retirement Study.

women likely reflect a combination of women marrying older men, on average, and higher mortality rates among men.

The economic characteristics of the HRS respondents as of 1992 are presented in table 3. Men and women without a full-time career job in their work history were less likely than those with career jobs to have health insurance and also much less likely to have a defined-benefit or a defined-contribution pension on the job they reported in the first wave. In fact, two-thirds of these men and more than three-quarters of the women had no pension, compared with 31 percent of the men and 39 percent of the women with career job experience.

Consistent with their lower levels of education, men and women who never held a full-time career job were almost twice as likely as those with a full-time career job to be employed in a blue-collar position that did not require highly skilled labor.[17] Moreover, the wage distributions of those with and those without a full-time career job in their work history were significantly different for both men and women. Men who never had a full-time career job were 3 times as likely as full-time career men to be making $6 to $10 per hour on their 1992 job and were half as likely to be earning between $20 and $50 per hour. Women who never held a full-time career job were about twice as likely as women who did to earn between $6 and $10 per hour and nearly half as likely to earn between $20 and $50 per hour.

Individuals without full-time career jobs also had lower levels of wealth than others. More than one-half of the men with no full-time career job in their work history had nonpension financial wealth of less than $25,000, compared with about one-third of men with a career job. At the other end of the wealth spectrum, less than one-quarter of the men with no full-time career job in their work history had nonpension financial wealth of $100,000 or more, compared with more than one-third of men with full-time career job experience. Among men, increased labor force attachment is associated with increased nonpension wealth, a relationship consistent with more and larger paychecks providing increased opportunities for saving. Among women, however, differences in nonpension financial wealth by full-time career job status were much less pronounced. This finding may reflect the extent to which wealth among women is dependent on marital status.

Retirement outcomes. The labor force outcomes examined in this article include work status and work intensity (i.e., part-time versus full-time work) at the time of each biennial HRS interview and the number and types of job switches since the first interview. Not surprisingly, respondents were less likely to be working in later survey waves, regardless of career job status. (See chart 1). The patterns for men and women were remarkably similar, although women were somewhat more likely to be working in most survey years, reflecting in part the facts that (1) women with work experience since age 50 were, as a whole, younger than their male counterparts and (2) the spouses could be younger than the minimum age in the age range for respondents. In all survey years for both men and women, individuals with a full-time career job in their work history were significantly more likely to be working than those without.

Although the work status patterns of HRS respondents were similar by full-time career job status (i.e., a gradual monotonic decline in employment with age), those with and those without full-time career jobs in their work histories had different experiences with respect to part-time employment. (See chart 2.) As the respondents aged, part-time employment became increasingly common among individuals with a full-time career job in their work history, with substantial numbers of them moving into part-time work. When the career job respondents were 51 to 61 years old in 1992, only 10 percent of the men and 15 percent of the women were working part time. These percentages increased steadily to 50 or more percent (of a reduced number who were working at all) by 2008. In contrast, at the time of the first interview, the percentage of individuals who had never had a full-time career job and who were working part time was much higher (66 percent among men and 84 percent among women), and the percentage remained high and relatively stable (near 60 percent or above for men and 75 percent or above for women) through 2008. Those without full-time job experience are primarily part-time workers when they reach age 50 and beyond.

Job switching is also an important part of labor force transitions later in life. Table 4 shows the number of job switches since 1992 among those respondents who were working at the time of the first interview. Overall, men and women without full-time career jobs were significantly less likely to still be on their 1992 job (or to be last observed on their 1992 job) in 2008 and were significantly more likely to have left the labor force directly from their 1992 job, compared with those who had had a full-time career job in their work history. These two differences in behavior largely offset each other, so the numbers of job switches since 1992 were similar by career job status for both men and women: about one-third had one or two job switches, and relatively few respondents—6 or 7 percent—had more

| Table 3. | Economic characteristics in 1992, by gender and full-time career job status, respondents with work experience since age 50 | | | | | | | |

[In percent]

Characteristic	Total	Men			Women		
		All men	No full-time career job in work history	Full-time career job in work history	All women	No full-time career job in work history	Full-time career job in work history
Health insurance status:[1]							
Not covered on first-wave job	14	13	28	11	14	21	11
Covered and would maintain coverage	78	79	67	80	78	76	79
Covered and would lose coverage	8	9	5	9	8	3	10
Pension status:[1]							
Defined benefit only	37	44	20	47	30	14	38
Defined contribution only	16	16	11	17	17	9	21
Defined benefit and defined contribution	4	5	3	5	2	1	3
No pension	43	35	67	31	51	77	39
Worker status:[2]							
Self-employed	14	18	21	17	11	12	10
Wage and salary	86	82	79	83	89	88	90
Occupation status:[1]							
White collar, highly skilled	31	32	28	33	29	20	31
White collar, other	26	16	16	16	37	32	38
Blue collar, highly skilled	24	37	32	38	11	9	11
Blue collar, other	19	15	25	14	24	39	20
Wage rate:[1]							
$6.00–$9.99/hour	17	12	30	10	22	37	18
$10.00–$19.99/hour	29	21	26	21	36	36	36
$20.00–$49.99/hour	38	44	23	46	33	20	37
$50.00/hour or more	16	23	21	23	8	7	9
Wealth:[3]							
$0 or less	9	8	19	6	11	13	10
$1–$24,999	32	30	37	30	33	33	33
$25,000–$49,999	13	14	11	14	13	11	14
$50,000–$99,999	15	15	11	16	14	13	15
$100,00–$499,999	24	25	16	26	23	22	23
$500,00 or more	7	8	7	8	6	8	5
Homeownership status:[3]							
Do not own home	18	16	30	15	19	22	18
Own home	82	84	70	85	81	78	82
n	10,639	5,352	633	4,719	5,258	1,665	3,593

[1] Percentages based on respondents who were working in first wave; difference by full-time career job status is significant at *p* < .01 among both men and women.
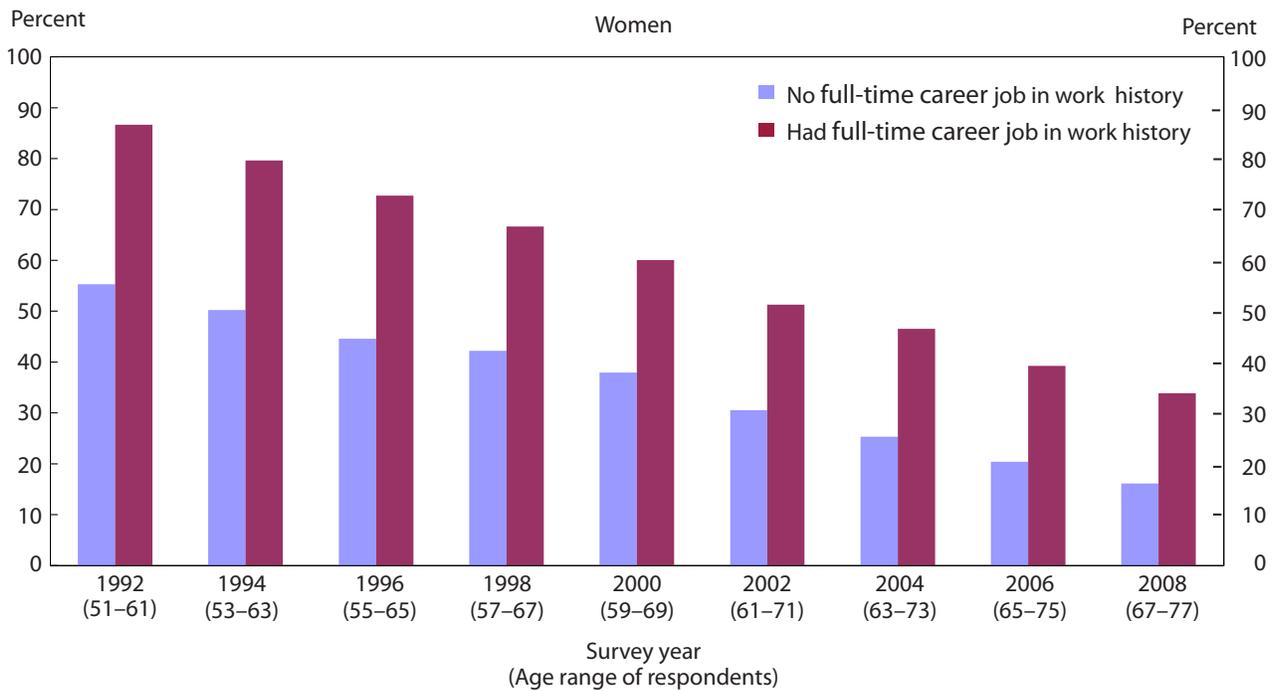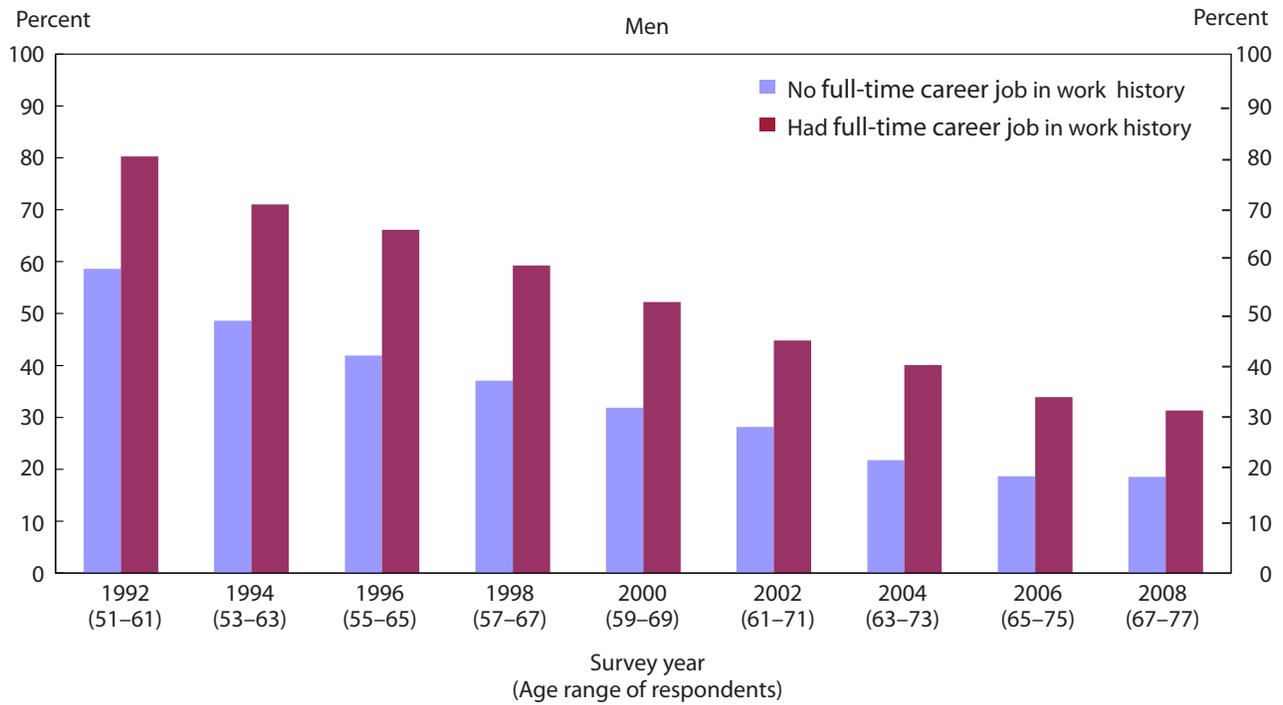
[2] Percentages based on respondents who were working in first wave; difference by full-time career job status is significant at *p* < .05 among both men and women.

[3] Difference by full-time career job status is significant at *p* < .01 among both men and women.

NOTE: Detailed entries may not sum to totals because of rounding. Sample size for health insurance status is 4,959 for men and 4,767 for women. Sample size for occupation status is 4,159 for men and 4,058 for women.
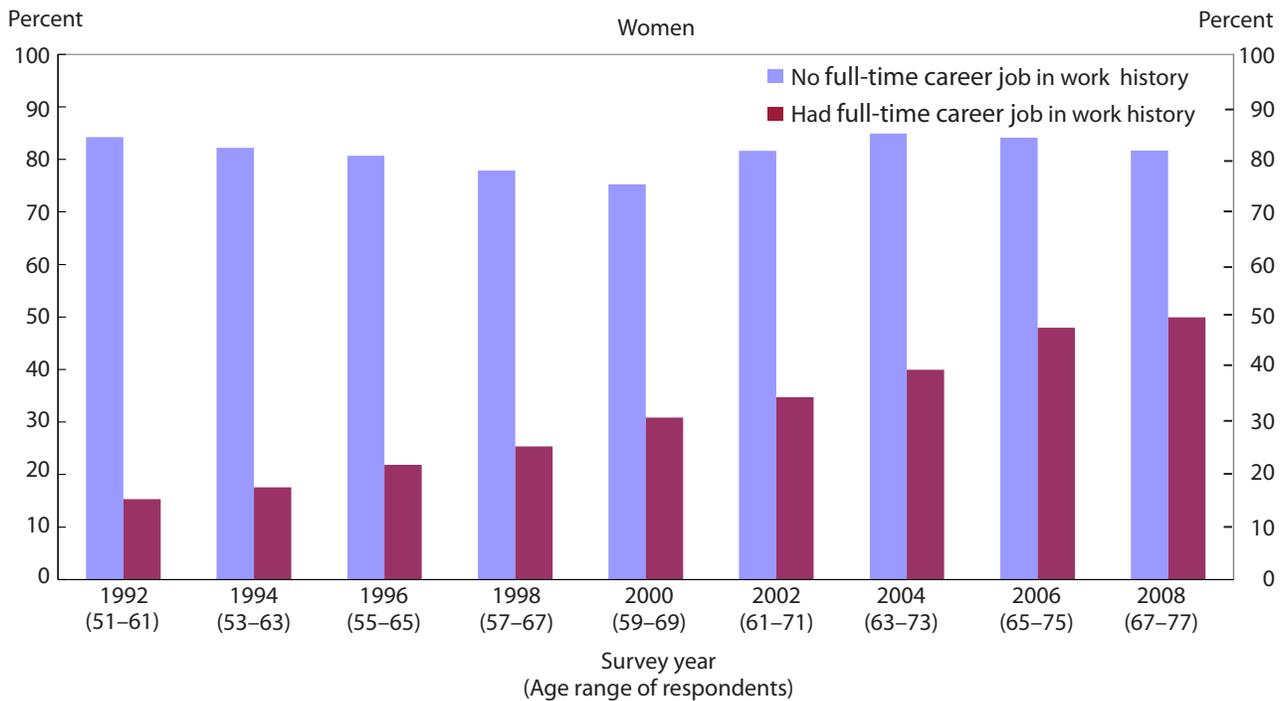
SOURCE: Authors' calculations based on Health and Retirement Study.

Chart 1. **Percentage working, by full-time career job status, 1992–2008, respondents who have worked since age 50**

Men

Percent

No full-time career job in work history
Had full-time career job in work history

Survey year
(Age range of respondents)

| | 1992 (51–61) | 1994 (53–63) | 1996 (55–65) | 1998 (57–67) | 2000 (59–69) | 2002 (61–71) | 2004 (63–73) | 2006 (65–75) | 2008 (67–77) |

Women

Percent

No full-time career job in work history
Had full-time career job in work history

Survey year
(Age range of respondents)

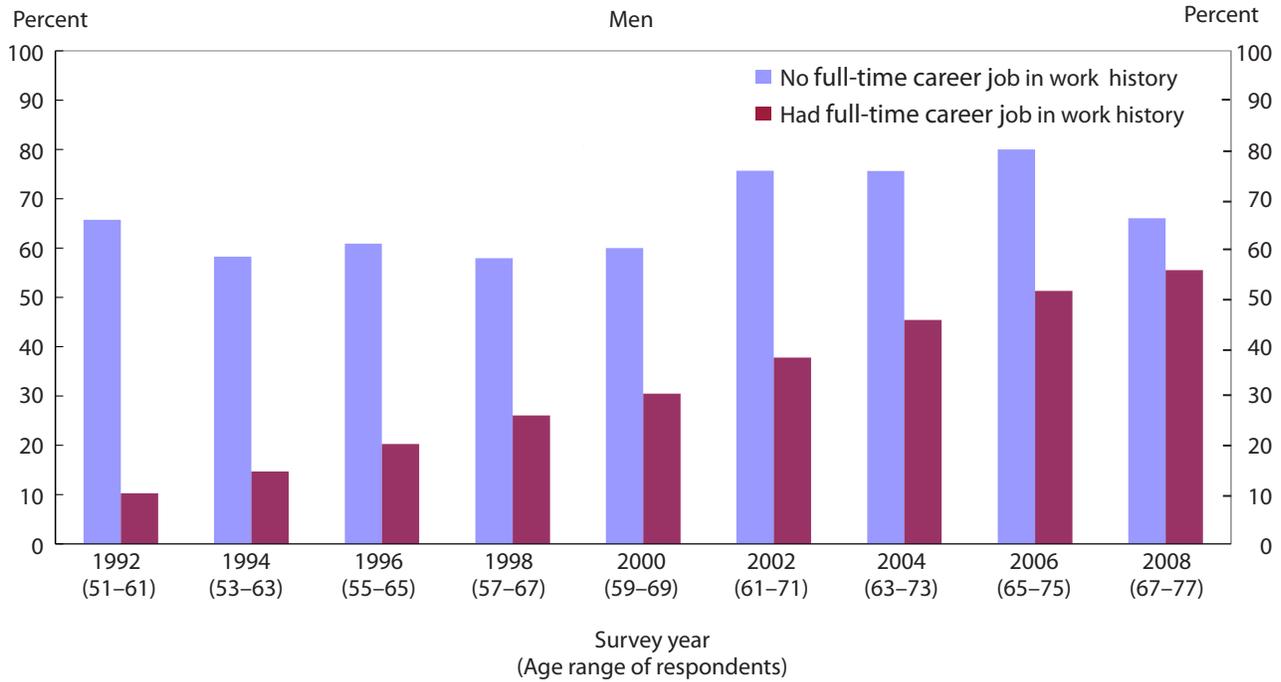| | 1992 (51–61) | 1994 (53–63) | 1996 (55–65) | 1998 (57–67) | 2000 (59–69) | 2002 (61–71) | 2004 (63–73) | 2006 (65–75) | 2008 (67–77) |

SOURCE: Authors' calculations based on Health and Retirement Study.

Chart 2. Percentage working part time, by full-time career job status, 1992–2008, respondents who are working in each wave

Men

Percent

No full-time career job in work history
Had full-time career job in work history

Survey year
(Age range of respondents)

Women

Percent

No full-time career job in work history
Had full-time career job in work history

Survey year
(Age range of respondents)

SOURCE: Authors' calculations based on Health and Retirement Study.

Table 4. Number of observed job switches since 1992, by gender and full-time career job status, respondents working in 1992

[In percent]

First-wave job status and number of job switches[1]	Total	Men			Women		
		All men	No full-time career job in work history	Full-time career job in work history	All women	No full-time career job in work history	Full-time career job in work history
Still on, or last observed on, first-wave job	17	17	8	18	16	11	18
Exited directly from first-wave job	43	43	53	42	43	50	42
Number of job switches:							
1	23	24	26	24	23	23	23
2	10	10	8	10	10	10	10
3	4	4	3	4	4	3	4
4 or more	3	2	3	2	3	3	3
n	8,206	4,173	371	3,802	4,033	921	3,112

[1] Difference by full-time career job status is significant at $p < .01$ among both men and women.

NOTE: Detailed entries may not sum to totals because of rounding. SOURCE: Authors' calculations based on Health and Retirement Study.

than two job changes, since the first interview.

Table 5 details the types of job changes among those who were working in 1992. Slightly more than one-third of men and women who had work experience since age 50 and who were working full time in 1992 moved from full-time to part-time work, with non-full-time career job respondents being somewhat more likely than career respondents to do so. Switches from self-employment to wage-and-salary work were more than twice as likely as switches from wage-and-salary employment to self-employment.[18] Specifically, 26 percent of men and 31 percent of women who were self-employed in 1992 subsequently reported a switch to wage-and-salary work, whereas 13 percent of men and 10 percent of women who were wage-and-salary workers in 1992 subsequently reported a switch to self-employment. Switches from wage-and-salary work to self-employment were similar by full-time career status; however, switches from self-employment to wage-and-salary work were less common among those without a full-time career job in their work history. Switches from white-collar to blue-collar positions and vice versa were not significantly different by career job status.

Most workers experienced changes in hourly wage rates when a job switch was made. The distributions were similar among men and women. About two-thirds of job switches involved a wage change of more than 10 percent, with declines (38 percent) outweighing increases (29 percent). A small percentage of job changers (13 percent) suffered wage reductions of 51 percent or more, and

another quarter had wage decreases of 11 to 50 percent. About 20 percent enjoyed wage gains in the range from 11 percent to 50 percent, with another 10 percent doing even better than that.

When wage changes are disaggregated by career job status, the two groups of women are similar. Among men, the percentages suffering wage declines were nearly identical (41 percent and 42 percent), but men with no career job history were about 10 percentage points less likely than men with a full-time career job in their work history to have a wage change of less than 10 percent and were 10 percentage points more likely to enjoy a wage increase of more than 10 percent. The difference may be because the noncareer men were starting from a lower wage base, from which a raise of 10 percent or more was easier to attain.

Multivariate analysis. Multivariate analysis is used to determine whether the existence of a full-time career job in an individual's work history affects the person's likelihood of working as he or she approaches traditional retirement ages. In general, one would expect those who never held a full-time career job to be less attached to the labor force and therefore less likely to be working at any given time. This subsection presents two multivariate models. The first model explores the timing of the retirement decision, defined here as leaving the labor force, with career status as a regressor. The model was estimated for men and women separately, with logistic regression used on the sample that includes just those with work experience since age 50. Table 6 presents the marginal effects from the re-

[In percent]

Work status	Total	Men			Women		
		All men	No full-time career job in work history	Full-time career job in work history	All women	No full-time career job in work history	Full-time career job in work history
Full time or part time:							
Any switch from full time to part time	36	35	41	35	36	39	36
Any switch from part time to full time[1]	19	22	22	6	18	18	13
Wage and salary or self-employed:							
Any switch from wage and salary to self-employed	12	13	13	14	10	10	9
Any switch from self-employed to wage and salary	28	26	21	27	31	28	33
White collar or blue collar:							
Any switch from white collar to blue collar	12	15	11	15	8	7	8
Any switch from blue collar to white collar	11	10	7	10	12	11	12
Hourly wage rates:[2]							
Reduction in wage of 51 percent or more	13	16	17	16	10	12	9
Reduction in wage of 11 percent to 50 percent	25	25	25	25	25	23	25
Reduction in wage of up to 10 percent or increase in wage of up to 10 percent	34	31	22	32	36	35	36
Increase in wage of 11 percent to 50 percent	19	17	19	17	20	19	21
Increase in wage of 51 percent to 100 percent	4	4	5	4	4	4	4
Increase in wage of 101 percent or more	6	7	12	6	5	6	5

[1] Difference by full-time career job status at *p* < .01 among both men and women.
[2] Difference by full-time career job status is significant at *p* < .05 among men.

NOTE: Detailed entries may not sum to totals because of rounding.
SOURCE: Authors' calculations based on Health and Retirement Study.

gressions, evaluated at the sample means.[19]

The results reveal that both men and women were more likely to be working the younger and healthier they were. At age 62, when most respondents first became eligible for Social Security retirement benefits, there was a large decrease in their likelihood of working. Respondents also were more likely to be working, all else being equal, if they were self-employed, had a spouse who was working (suggesting joint retirement decisions), had a spouse in poor health (women only), or were employed in a white-collar occupation or a high-skill blue-collar occupation. Respondents were less likely to be working if they were in fair or poor health or if their spouse was in excellent or very good health.

Older workers responded to economic incentives as well. Men and women with no health insurance (and therefore no benefits to lose) or with health insurance that was portable (i.e., that would not be lost if they left their job) were significantly less likely to remain working than were those with health insurance that was not portable. Men and women with defined-benefit pension plans were significantly less likely to be working than those without pensions, a finding that is consistent with the early-retirement incentives (or, equivalently, work disincentives) typically found in such plans. Men and women with a full-time career job in their work history were significantly more likely (16 percentage points for women, 21 percentage points for men) to be working, all else being equal, compared with their counterparts without career job experience. This finding reinforces the differences by full-time career status noted earlier with respect to the percentage of

Table 6.	Marginal effects from logistic regression, dependent variable = working at time *t*, respondents with work experience since age 50				
		Men		Women	
Category		Marginal effect	*p*-value	Marginal effect	*p*-value
Full-time career status:					
No full-time career job in work history		–	–	–	–
Full-time career job in work history		0.2143	0.000	0.1626	0.000
Age:					
57 or younger		–	–	–	–
58–61		–.1352	.000	–.1318	.000
62–64		–.3488	.000	–.2946	.000
65–69		–.4474	.000	–.4015	.000
Older than 70		–.5733	.000	–.5152	.000
Self-assessed health:					
Excellent/very good		.0624	.000	.0473	.000
Good		–	–	–	–
Fair/poor		–.2317	.000	–.2172	.000
Spouse's health:					
Excellent/very good		–.0476	.000	–.0387	.001
Good		–	–	–	–
Fair/poor		.0147	.287	.0398	.003
Education:					
Less than high school		.0127	.401	.0353	.024
High school		–	–	–	–
College degree		.0248	.133	–.0096	.582
Race:					
Black		.0108	.552	.0572	.000
White		–	–	–	–
Other		.0225	.573	.0669	.099
Married		.0425	.077	–.0425	.067
Children at home		.0283	.034	.0315	.003
Spouse employed		.1703	.000	.1837	.000
Health insurance status:					
Portable		–.4924	.000	–.4867	.000
Not portable		–	–	–	–
None		–.4968	.000	–.4755	.000
Pension status:					
Defined benefit		–.2652	.000	–.1101	.000
Defined contribution		.0064	.646	.0026	.853
Defined benefit and defined contribution		.0514	.110	.0416	.213
None		–	–	–	–
Occupational status:					
White collar, high skill		.2414	.000	.2570	.000
White collar, other		.2476	.000	.2884	.000
Blue collar, high skill		.2074	.000	.2281	.000
Blue collar, other		–	–	–	–
Self-employed		.1695	.000	.1623	.000
Wage		.0032	.000	.0061	.000
Wage squared		.0000	.002	.0000	.000
Wealth		–.0014	.000	–.0017	.000
Wealth squared		.0000	.000	.0000	.000
Own home		.0195	.213	.0219	.127
See notes at end of table.					

Table 6.	Continued—Marginal effects from logistic regression, dependent variable = working at time *t*, respondents with work experience since age 50				
	Men		Women	
Category	Marginal effect	*p*-value	Marginal effect	*p*-value
Year:				
1992	.2408	.000	.2375	.000
1994	.1403	.000	.1778	.000
1996	.0937	.000	.1193	.000
1998	.0834	.000	.1319	.000
2000	.0476	.021	.0996	.000
2002	.0324	.090	.0639	.001
2004	.0383	.019	.0787	.000
2006	.0124	.212	.0491	.000
2008	–	–	–	–

NOTE: Dash indicates reference, or base, category.   SOURCE: Authors' calculations based on Health and Retirement Study.

respondents working in each wave. (See chart 1.)

The next set of findings examines the determinants of job switching among the subset of respondents who were working at the time of the first interview. Over the observation period, each respondent with a job in 1992 either remained on the 1992 job, switched to another job (e.g., a bridge job for those moving from a full-time career job), or left the labor market directly from the 1992 job. As shown in table 7, men were more likely to remain working on the 1992 job if they were younger, were in excellent or very good health, had a college degree, or were self-employed, and were less likely to remain working on the first-wave job if they had a defined-benefit pension plan (again consistent with the early-retirement incentives typically incorporated into such plans). Men also were more likely to switch jobs before exiting the labor force if they were younger or had health insurance (portable or not), and were less likely to switch if they were blue-collar workers, were self-employed, or had a defined-benefit pension. Men who had a full-time career job in their work history were more likely (by a statistically significant 15 percentage points) to remain on the job they held in 1992 than those who never held a full-time career job, as one might expect, but were slightly less likely (3.5 percentage points) to switch jobs prior to exiting the labor force, although the latter effect was not statistically significant. The results were similar, but smaller, for women; still, women with defined-benefit pensions and women with defined-contribution pensions were more likely to remain working on the first-wave job and less likely to make at least one job switch. (See table 7.)

THIS ARTICLE HAS EXAMINED THE RETIREMENT decisions of workers who have had less attachment to the labor force than those workers who are typically studied in the retirement literature. The aim was to examine more closely the timing of retirement and the number and types of job switches that are made later in life by older workers who have not had a full-time career job in their work histories. These workers constitute 12 percent of the men and 32 percent of the women in the sample with work experience after age 50.

In each survey year, individuals who never held a full-time career job were less likely to be working than those who have or had held career jobs—a not unexpected finding. However, individuals without a full-time career job in their work history were found to change jobs later in life just as frequently as those with career jobs. The types of job switches were similar as well, including switches from wage-and-salary employment to self-employment and switches between white-collar and blue-collar jobs. Both groups that switched jobs later in life were more likely to experience wage reductions (of more than 10 percent) than enjoy wage increases (also of more than 10 percent).

Some notable differences by full-time career status do exist. For example, part-time employment became more pronounced over time for full-time career individuals, whereas it remained fairly constant (and high) among individuals without a full-time career job. Also, the percentage of men without a full-time career job who were working part time was near or above 60 percent in all survey years; for women, the percentage was above 70 percent. By contrast, among individuals with a full-time career job,

Table 7.	Marginal effects from logistic regression, dependent variable = still on 1992 job, switched jobs, or direct exit,[1] respondents working in 1992							

Category	Men				Women			
	Remained on first-wave job		Experienced at least one job switch		Remained on first-wave job		Experienced at least one job switch	
	Marginal effect	p-value	Marginal effect	p-value	Marginal effect	p-value	Marginal effect	p-value
Full-time career status:								
No full-time career job in work history	–	–	–	–	–	–	–	–
Full-time career job in work history	0.1476	0.000	−0.0347	0.260	0.0420	0.012	0.0162	0.459
Age in 1992:								
51–52	.1063	.000	.1127	.000	.1302	.003	.2235	.000
53–54	.0712	.002	.0897	.003	.0964	.015	.1251	.012
55–56	.0642	.006	.0576	.062	.1061	.009	.0950	.060
57–58	.0340	.155	.0020	.949	.0398	.286	.1351	.006
59–60	.0179	.472	.0119	.707	.0094	.807	.0938	.057
61	–	–	–	–	–	–	–	–
Self-assessed health:								
Excellent/very good	.0324	.018	.0270	.139	.0347	.012	.0436	.030
Good	–	–	–	–	–	–	–	–
Fair/poor	−.0056	.790	−.0572	.037	−.0037	.843	−.1050	.000
Spouse's health:								
Excellent/very good	−.0008	.958	.0375	.056	.0035	.789	.0131	.550
Good	–	–	–	–	–	–	–	–
Fair/poor	.0107	.601	−.0050	.855	.0140	.414	.0114	.695
College degree	.0529	.001	−.0178	.421	−.0015	.921	.0048	.848
Race:								
Black	.0422	.021	−.0431	.092	.0027	.848	−.0054	.816
White	–	–	–	–	–	–	–	–
Other	.0017	.964	−.0108	.841	.0572	.080	.0174	.770
Married	.0222	.326	.0496	.108	.0074	.674	−.0283	.320
Children at home	.0073	.623	.0160	.452	.0288	.048	.1041	.000
Spouse employed	−.0252	.052	.0028	.877	−.0112	.403	−.0205	.358
Occupational status:								
Blue collar, high skill	.0292	.082	−.0782	.001	−.0314	.181	−.0126	.700
Blue collar, other	.0366	.081	−.1231	.000	.0340	.043	−.0412	.126
White collar, high skill	–	–	–	–	–	–	–	–
White collar, other	.0182	.323	−.0249	.320	.0256	.062	−.0270	.233
Health insurance status:								
Portable	−.0055	.693	.0338	.074	−.0117	.336	.0154	.450
Not portable	−.0366	.093	.0941	.001	−.0326	.115	.0943	.002
None	–	–	–	–	–	–	–	–
Self-employed	.1333	.000	−.0819	.001	.0843	.000	−.0586	.040
Pension status:								
Defined benefit	−.0355	.016	−.0465	.029	.0296	.051	−.1405	.000
Defined contribution	−.0033	.847	.0269	.279	.0455	.010	−.0864	.000
Defined benefit and defined contribution	−.0798	.009	.1269	.001	−.0193	.586	.1273	.015
None	–	–	–	–	–	–	–	–
Own home	−.0149	.396	−.0322	.171	−.0016	.911	−.0412	.069
Wage	.0001	.693	−.0009	.161	.0003	.676	−.0004	.506
Wage squared	.0000	.424	.0000	.391	.0000	.393	.0000	.385
Wealth	.0043	.060	−.0026	.517	−.0025	.322	−.0009	.822
Wealth squared	.0000	.331	.0001	.553	.0000	.408	.0000	.793

[1] Direct exit from the 1992 job is the reference category with which the other two alternatives are compared.

NOTE: Dash indicates reference, or base, category.
SOURCE: Authors' calculations based on Health and Retirement Study.

the percentage working part time increased steadily from 1992 to 2008, moving from approximately 10 percent in the first wave to around 50 percent when the respondents were 65 years or older.[20]

Respondents with career jobs generally rated their health status higher than those without career jobs and had jobs with more desirable characteristics, such as pension and health insurance benefits. A question remains, therefore, about the extent to which the shift to defined-contribution pension plans, such as 401(k)s, will affect the retirement decisions of noncareer workers, if at all. The descriptive statistics examined in this study reveal that the large majority—two-thirds of non-full-time career male respondents and three-quarters of non-full-time career female respondents—did not have an employer-provided pension on their 1992 job. For these workers, the shift away from defined-benefit pensions will be of little consequence. Further, more than one-half of non-full-time career men and 46 percent of non-full-time career women had less than $25,000 in savings. These two findings combined—the paucity of defined-benefit pensions and the low level of savings—indicate that the traditional three-legged stool of retirement income—employer pensions, savings, and Social Security—appears to have only one strong leg for most non-full-time career workers.

A theme in the recent retirement literature is the importance of a fourth leg on the traditional retirement income stool: earnings. With two of the three legs missing for most non-full-time career workers, reliance on earnings later in life is very real for these workers. By switching jobs, these workers appear flexible with respect to the kind of work they do later in life, and many of them weather the fluctuations that come with late-life job changes, including reductions in wages. Earnings from work play a key role for many non-full-time career workers who would otherwise have to rely solely on Social Security.

One well-established conclusion from the retirement literature is that retirement is not a one-time, permanent event for many career workers. In fact, the majority of older Americans retire gradually, in stages, and often reenter the labor market after a significant time away from it. The findings presented in this article show that, like the retirement decisions of full-time career workers, those of noncareer workers are diverse. This flexibility with respect to the labor force withdrawal patterns of both career and noncareer older workers may be the key to retirement income security in the years ahead, as earnings from work fill the gap where other retirement income sources fall short. □

Notes

[1] See Joseph F. Quinn, "Retirement Patterns and Bridge Jobs in the 1990s," EBRI Issue Brief No. 206 (Washington, DC, Employee Benefit Research Institute, February 1999), **http://www.ebri.org/publications/ib/index.cfm?fa=ibDisp&content_id=119**; Joseph F. Quinn, Kevin E. Cahill, and Michael D. Giandrea, "Early Retirement: The Dawn of a New Era?" TIAA-CREF Institute Policy Brief (New York, TIAA-CREF Institute, July 2011), **http://www.tiaa-cref.org/institute/research/briefs/pb_earlyretirement0711.html**; Michael D. Giandrea, Kevin E. Cahill, and Joseph F. Quinn, "Bridge Jobs: A Comparison Across Cohorts," *Research on Aging*, September 2009, pp. 549–576; and Christopher J. Ruhm, "Bridge Jobs and Partial Retirement," *Journal of Labor Economics*, October 1990, pp. 482–501.

[2] See Kevin E. Cahill, Michael D. Giandrea, and Joseph F. Quinn, "Retirement Patterns from Career Employment," *The Gerontologist,* August 2006, pp. 514–523.

[3] See Michael D. Giandrea, Kevin E. Cahill, and Joseph F. Quinn, "Self-Employment Transitions among Older American Workers with Career Jobs," Working Paper Series WP-418 (U.S. Bureau of Labor Statistics, April 2008), **http://www.bls.gov/osmr/abstract/ec/ec080040.htm**.

[4] See Nicole Maestas, "Back to Work: Expectations and Realizations of Work after Retirement," *Journal of Human Resources*, summer 2010, pp. 719–748; and Kevin E. Cahill, Michael D. Giandrea, and Joseph F. Quinn, "Reentering the Labor Force after Retirement," *Monthly Labor Review*, June 2011, pp. 34–42, **http://www.bls.gov/opub/mlr/2011/06/art2full.pdf**.

[5] Cahill, Giandrea, and Quinn, "Retirement Patterns."

[6] See *The 2011 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds* (Washington, DC, U.S. Government Printing Office, 2011), p. 53; Alicia H. Munnell, "Working Longer: A Potential Win–Win Proposition," in Teresa Ghilarducci and John Turner, eds., *Work Options for Older Americans* (Notre Dame, IN, University of Notre Dame Press, 2007), pp. 11–43; and Nicole Maestas and Julia Zissimopoulos, "How Longer Work Lives Ease the Crunch of Population Aging," *Journal of Economic Perspectives*, winter 2010, pp. 139–160.

[7] See Courtney C. Coile and Phillip B. Levine, "Bulls, Bears, and Retirement Behavior," *Industrial and Labor Relations Review*, April 2006, pp. 408–429.

[8] See, for instance, Andrew A. Samwick, "New Evidence on Pensions, Social Security, and the Timing of Retirement," *Journal of Public Economics*, vol. 70, no. 2, 1998, pp. 207–236; Patricia M. Anderson, Alan L. Gustman, and Thomas L. Steinmeier, "Trends in Male Labor Force Participation and Retirement: Some Evidence on the Role of Pensions and Social Security in the 1970s and 1980s," *Journal of Labor Economics*, October 1999, pp. 757–783; and Christopher J. Ruhm, "Secular Changes in the Work and Retirement Patterns of Older Men," *The Journal of Human Resources*, spring 1995, pp. 362–385.

[9] See Alicia H. Munnell, Kevin E. Cahill, and Natalia A. Jivan, "How Has the Shift to 401(k)s Affected the Retirement Age?" Issue Brief no. 13 (Boston, Center for Retirement Research, September 2003); Leora Friedberg and Anthony Webb, "Retirement and the Evolution of Pension Structure," *Journal of Human Resources*, spring 2005, pp. 281–308; and Alicia H. Munnell and Pamela Perun, "An Update

on Private Pensions," Issue Brief no. 50 (Boston, Center for Retirement Research, August 2006).

[10] See, for example, Jonathan Gruber and Brigitte Madrian, "Health Insurance Availability and the Retirement Decision," *American Economic Review*, September 1995, pp. 938–948; Alan L. Gustman and Thomas L. Steinmeier, "Employer Provided Health Insurance and Retirement Behavior," *Industrial and Labor Relations Review*, October 1994, pp. 124–140; Lynn A. Karoly and Jeannette Rogowski, "The Effect of Access to Post-Retirement Health Insurance on the Decision to Retire Early," *Industrial and Labor Relations Review*, October 1994, pp. 103–123; David M. Blau and Donna B. Gilleskie, "The Role of Retiree Health Insurance in the Employment Behavior of Older Men," *International Economic Review*, May 2008, pp. 475–514; and Eric French and John Bailey Johns, "The Effects of Health Insurance and Self-Insurance on Retirement Behavior," Working Paper 2007-170 (Ann Arbor, MI, Michigan Retirement Research Center, October 2007).

[11] See Julie L. Hotchkiss and M. Melinda Pitts, "Female Labour Force Intermittency and Current Earnings: Switching Regression Model with Unknown Sample Selection," *Applied Economics*, March 2005, pp. 545–560.

[12] See Jay Stewart, "Male Nonworkers: Who Are They and Who Supports Them?" *Demography*, August 2006, pp. 537–552.

[13] See Julie Whittaker, *Unemployment and Older Workers*, CRS Report to Congress (Congressional Research Service, August 29, 2007); and Sewin Chan and Ann Huff Stevens, "Job Loss and Employment Patterns of Older Workers," *Journal of Labor Economics*, April 2001, pp. 484–521.

[14] For a description of the HRS, see F. Thomas Juster and Richard Suzman, "An Overview of the Health and Retirement Study," *Journal of Human Resources*, vol. 30, special issue, 1995, pp. S7–S56; and *Growing Older in America: The Health & Retirement Study* (U.S. Department of Health and Human Services, 2007), **http://www.nia.nih.gov/health/**

publication/growing-older-america-health-and-retirement-study.

[15] The HRS sample includes the spouses of age-eligible respondents, a factor that explains the higher percentage of women who were less than 54 years old in 1992 (45 percent), compared with men (29 percent).

[16] For an analyses of the retirement patterns of couples, see Courtney C. Coile, "Retirement Incentives and Couples' Retirement Decisions," *Topics in Economic Analysis and Policy*, July 2004, pp. 1–28; and Kanika Kapur and Jeannette Rogowski, "The Role of Health Insurance in Joint Retirement among Married Couples," *Industrial and Labor Relations Review*, April 2007, pp. 397–407.

[17] Occupations are categorized as blue or white collar and then as highly skilled or not highly skilled. Individuals working in managerial or professional occupations are considered as being white-collar, highly skilled workers. Those working in technical, sales, and administrative support occupations are categorized as being in white-collar positions that are not highly skilled. Workers in precision production, craft, and repair occupations; construction trades; machine operator, assembler, and inspector occupations; transportation and material moving occupations; and protective service occupations are considered blue-collar, highly skilled workers. All other occupations are labeled blue collar and not highly skilled.

[18] For an analysis of bridge jobs among the self-employed, see Giandrea, Cahill, and Quinn, "Self-Employment Transitions."

[19] Estimation was performed in two additional ways: with a linear probability model and a fixed-effects linear probability model. Similar results were obtained with all three methods.

[20] Although the level of part-time employment was associated with the way in which respondents were stratified in the first wave (i.e., full-time career status is defined, in part, by whether the respondent was working full time during that wave), the two groups also were compared many years later, including in the last survey (2008), 16 years after the first interview.