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### Working after retirement

Dingemans, Ellen Anna Antonetta

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# **CHAPTER 1**

Introduction



## 1.1 General introduction

Since the 1980s, the Dutch retirement landscape has been characterized by a strong culture of early exit (De Vroom, 2004). Since this time, the majority of older adults enjoyed beneficial early retirement arrangements and withdrew from work long before they reached the official public pension age of 65. Currently, older adults in the Netherlands are increasingly being encouraged to delay their transition to retirement and continue to work until their official public pension age. The extension of working lives is high on the policy agenda and receives much attention in public discourse. Rather less public attention hitherto has been given to the fact that after retirement, a growing number of older adults also re-enter the labor force (Henkens, Van Dalen, & Van Solinge, 2009). In the literature, increasing attention is being paid to the topic of post-retirement work, often called ‘bridge employment’ (Beehr & Bennett, 2014; Feldman, 1994). However, empirical evidence on the determinants and consequences of post-retirement work is still limited. Therefore, the central aim of this dissertation is to deepen our knowledge regarding who is working in bridge employment and who is not, and to what extent work status after retirement affects well-being in later life. More specifically, the research question can be expressed as: *To what extent do individual and contextual factors explain participation in bridge employment and how does participation in bridge employment impact the well-being of retirees?*

The relevance of research on bridge employment is important for several reasons. First, at the societal level, demographic developments such as aging populations and the changing age structures of workforces have raised concerns about the sustainability of the pension system and potential shortages in the labor market. Due to population aging, worker-retiree ratios are changing in such a way that while an increasing number of older adults are eligible for public pensions, the number of tax-payers financing these pensions – the population of working-aged individuals – is decreasing (Garssen, 2011). As a result, governments are forced to rethink and reform their retirement systems to promote extended working lives (Bongaarts, 2004; OECD, 2013). Moreover, non-traditional groups of workers in the labor force, such as working retirees, could be one way in which to address changing financial and labor market circumstances in aging societies (Maestas & Zissimopoulos, 2010). Because bridge employees were among the first to have extended their working lives, it is important to understand who these people are and what drives them to continue working.

Second, at the organizational level, previous studies have shown that employers are not particularly willing to recruit older adults (Conen, 2013; Karpinska, 2013), partly due to negative stereotypes about their productivity levels (Unson & Richardson, 2013). However, research among Dutch organizations has shown that

about half of all employers rehire retirees, mostly on an occasional basis (Oude Mulders, Henkens, & Schippers, 2015). Some employers rehire retirees into regular jobs. Others deploy them in irregular or on-call work, which may help to satisfy increasing demands for a flexible labor force (Blossfeld, Buchholz, & Hofäcker, 2009; Pleau & Shauman, 2013). These working retirees can be particularly valuable in mentoring positions, passing on key knowledge and skills to younger colleagues in the organization (Dendinger, Adams, & Jacobson, 2005). However, existing knowledge on the supply side of bridge employment in general, and in the Netherlands in particular, is limited. Insights into the potential availability and motivation of working retirees may help employers to retain existing human capital that would otherwise be lost to their organizations as a result of full retirement.

Finally, at the level of the individual, the nature and meaning of retirement is changing (Loretto, Lain, & Vickerstaff, 2013). Previously rigid boundaries between work and retirement have faded (Beehr & Bennett, 2007; Henkens, et al., 2009). Increasingly, retirement has become a process that may consist of various changes in work status and work content (Gobeski & Beehr, 2009), before and after the actual receipt of a pension. For instance, some older adults reduce their work hours and responsibilities in their career jobs (e.g., phased retirement, see Richard W Johnson, 2011), while others make use of retirement arrangements to leave career employment fully and re-enter the labor force in a different domain (Kantarci & Van Soest, 2008). This enlarged variation in retirement trajectories increases individual freedom but also poses new challenges for older workers to find solutions that suit their preferences and needs. Decisions on how and when to retire and what to do in retirement are frequently restricted by experiences in the broader organizational and labor market context in which older adults retire. Older adults may feel forced to leave their career jobs for example, they may experience barriers to re-entry into post-retirement work, or they may participate unwillingly in paid work after retirement in order to meet financial needs.

The restriction of choice in retirement may have consequences for the well-being of retirees. The wider retirement literature establishes that the initial transition to retirement can have both positive and negative outcomes (Quine, Wells, De Vaus, & Kendig, 2007). Important factors in this respect are the preferences of older adults concerning retirement and their perceptions about the degree of control they have over their participation in the work force (De Vaus, Wells, Kendig, & Quine, 2007; Van Solinge & Henkens, 2008). Similar to the transition to initial retirement (Quine, et al., 2007), bridge employment may have both positive and negative elements, depending on the preferences and experiences of older adults in relation to retirement. This dissertation therefore moves beyond the question of the extent to which bridge employment has positive consequences for well-being in later life, and offers a more penetrating focus on specific conditions under

which bridge employment has positive or negative consequences. It may be particularly important to account for the factors that enable or constrain decisions to exit and re-enter paid work in later life.

To date, the majority of studies on bridge employment have been conducted in the United States. A dominant factor of investigation in these studies is the presence of financial restrictions, such as levels of wages and wealth, and eligibility for pension benefits and health insurance (Cahill, Giandrea, & Quinn, 2006; Mutchler, Burr, Massagli, & Pienta, 1999). Because the pension system in the US is not as generous as it is in other developed countries, financial restrictions are highly important in retirement decisions in the US. Bridge employment is seen as a ‘fourth leg’ of the traditional three-legged ‘retirement income stool’ (in addition to social security, occupational pensions, and private savings, Bowman, 2014; Cahill, Giandrea, & Quinn, 2012). In contrast, the pension system in the Netherlands is among one of the more generous in worldwide terms (OECD, 2011). As a result, it is questionable whether these commonly studied financial factors also play a central role in bridge employment decisions in the Netherlands. Non-financial forces might be of greater importance for understanding bridge employment decisions among Dutch retirees. Therefore, the Netherlands is a particularly interesting study context to further understand bridge employment decisions and their consequences for well-being in later life.

The structure of this introductory section is as follows. First, in Section 1.2, the broader retirement context in the Netherlands will be described in order to present the background against which this study will be evaluated. In Section 1.3 attention is paid to conceptual and theoretical considerations in bridge employment research. Section 1.4 is an introduction to the research approach used in the dissertation. Information regarding the datasets used is provided in Section 1.5. The final section of this introductory chapter provides a brief outline of the dissertation.

## **1.2 The Dutch retirement context**

Before the first pension initiatives were developed at the end of the 19<sup>th</sup> century, older Dutch adults were forced to work until they were no longer able to, and were dependent on family and poor relief initiatives thereafter (Van Vorselen, 2008). Even after the establishment of the first occupational pension arrangements in the 1880s and 1890s, the majority of older adults needed to combine pensions with paid work activities in order to meet their economic needs. These initial pension initiatives had not yet attained their aim of the prevention of poverty in older adults, but it was an important step forward in securing income in later life. Somewhat later, at the beginning of the 20<sup>th</sup> century

the Dutch government introduced initiatives to secure a basic level of income for older adults. This eventually resulted in the implementation of the Old Age Security Law (Algemene Ouderdomswet, AOW) in 1957. When this law was implemented, pension benefits were far too low to provide a decent standard of living. As a result, other sources of income were still required, such as occupational pensions, savings, or earnings from paid employment.

In the 1970s and 1980s, high levels of unemployment, particularly youth unemployment, led to the onset of an early retirement culture. The first early pension arrangements (known as VUT schemes) were established in 1976 with the underlying idea that the early retirement of older workers could create job openings for younger cohorts (Van Dalen & Henkens, 2002). These early retirement options provided generous benefits, and as a result early retirement became very popular in a short period of time. What started as an experiment in social support became implemented more broadly and increasingly came to be seen as an acquired right for all older workers (Van Dalen, Henkens, Lokhorst, & Schippers, 2009; Van Vorselen, 2008). Early retirement arrangements were often seen as irresistible and most older workers were eager to take such arrangements and stop working. A minority, however, experienced serious pressure from their organizations or families to accept early retirement offers, despite not feeling ready to retire. Early VUT arrangements were strong disincentives for work after retirement, not only because the offer of early retirement was too good to refuse, but also in light of the restrictions placed on continued participation in paid labor after accepting the arrangement. In some VUT schemes, involvement in paid work resulted in a substantial reduction in pension benefits, while in other schemes paid work was prohibited altogether (Van Dalen, et al., 2009).

From the mid-1990s, there was an increased awareness of two trends that had emerged simultaneously in the latter half of the 20<sup>th</sup> century. While the average age of retirement had been decreasing due to early retirement arrangements, life expectancy after age 65 had gradually been increasing. Figure 1.1 (Statistics Netherlands, 2015c, 2015d) shows that life expectancy for men on their 65<sup>th</sup> birthday was about 14 years at the beginning of the 1980s, and had increased to 18 years in 2013. For women, the increase was slightly less, from about 19 years in the early 1980s to 21 years in 2013. Consequently, the number of years spent in retirement was on the rise. Moreover, forecasts from Statistics Netherlands (Statistics Netherlands, 2015d) predict that life expectancy after age 65 will further increase in the coming decades and reach 24 years for men and 26 years for women in 2060. Without a reversal in the trend towards early retirement, politicians and policy-makers realized that retirement would become an even longer life-stage in the future (European Commission, 2012).

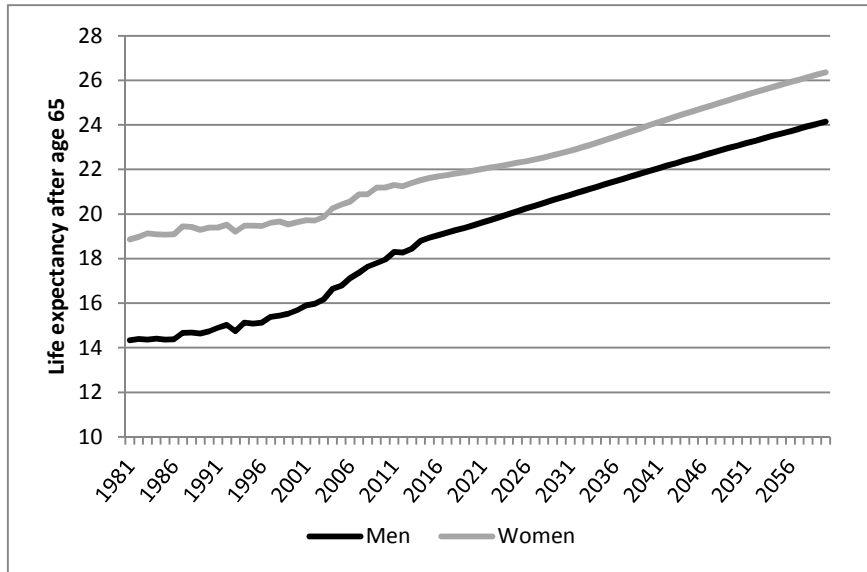


Figure 1.1. *Life expectancy after age 65 for Dutch men and women, years 1981-2060 (forecast from 2014 onwards) (Statistics Netherlands, 2015c, d).*

At the same time, increasing attention was being paid to the question of whether the social security system would be able to keep financing these very popular, but also very expensive, early retirement packages, as well as the pension system as a whole. In addition, concerns came to the fore about potential shortages in the labor market. While there were six individuals of working age for every person aged 65 and over in the early 1950s, this so-called ‘old age dependency ratio’ has decreased to four persons of working age for every person aged 65 and over at the beginning of the twenty-first century (figure 1.2; Statistics Netherlands, 2015b). The proportion of the population of working age is thus currently decreasing, while the number of older adults eligible for public pensions is increasing, which may be a burden on the sustainability of financial transfer from younger to older generations in the public pay-as-you-go pension system (Bongaarts, 2004). This is especially the case given that as a result of the large cohort of baby boomers reaching retirement age, the proportion of retirees in the overall population has been rapidly increasing since 2011 (Statistics Netherlands, 2012a).

To stimulate participation in the labor force in old age, in the second half of the 1990s existing VUT arrangements were replaced by Flexible Early Retirement packages (FER schemes). These new schemes were actuarially more neutral, and penalties for continuation in paid work after receiving FER benefits were eliminated. However, these FER schemes did not meet the expectation that they would encourage older adults to work longer (Van Vorselen, 2008) and a



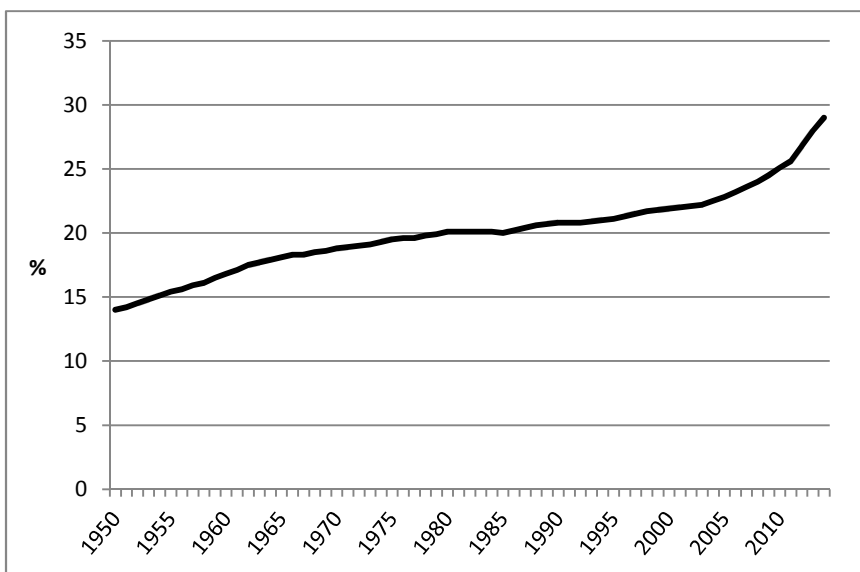


Figure 1.2. Old age dependency ratio, presented as the percentage of dependents (aged 65 and over) per 100 persons in working-age (age 20-64) (Statistics Netherlands, 2015b).

majority of older workers still opted for early retirement. Therefore, a new pension law was introduced in 2006 that completely abolished the FER schemes. As a result, older adults born after 1949 could no longer benefit from generous early retirement arrangements. They still enjoy some options to retire before the public retirement age, but this usually results in a substantial cut to their pension benefits. Furthermore, recent reforms in the Dutch pension system have increased the public pension age; it is gradually rising to 67 in 2021 and will be linked to anticipated life expectancy thereafter. The option to continue working in a career job after reaching public retirement age is still very much reliant on the willingness of employers to retain older personnel, because collective agreements generally prescribe mandatory retirement at public retirement age (except for civil servants).

In line with the objectives of the Dutch government, labor force participation among older adults is steadily growing, even among those who have already reached public pension age. The largest increase is between the age of 60 to 64, among both men and women (Figure 1.3). The net labor force participation for at least one hour a week almost doubled for men, from about 30 percent in 2003 to 60 percent in 2014. The increase for women was even larger, from about 15 percent in 2003 to more than 35 percent in 2014. These figures, however, are likely to include both career workers and bridge employees who continue

working after early retirement. Nevertheless, at least 40 percent of this group of older adults is still not at all active in paid work. Among those aged between 65 and 69, figures from Statistics Netherlands (2015a) indicate that 11 percent of men and 1 percent of women worked for at least one hour a week in a paid job in 2003. This increased to 22 percent for men and 8 percent for women in 2014. Between age 70 and 74, a small increase in labor force participation was evident for men, from 6 percent in 2003 to 9 percent in 2014.

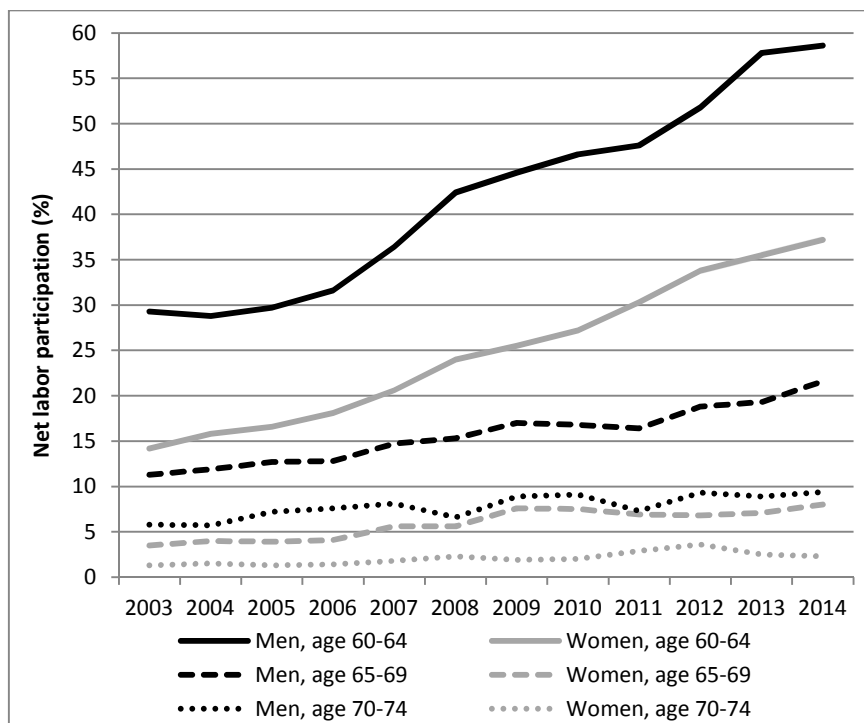


Figure 1.3. Percentage of Dutch older adults, aged 60-64, 65-69, and 70-74, with a net labor force participation of at least one hour a week (Statistics Netherlands, 2015a).

### 1.3 Conceptual and theoretical considerations

#### *The concept of 'bridge employment'*

Bridge employment is defined in various ways in the retirement literature. The most commonly used definition frames bridge employment as any kind of paid work after retirement from a career job, which is a full-time job for at least ten years of tenure (Feldman, 1994; Shultz, 2003). Recently, this definition has

received criticism for being rather arbitrary with regard to the constructs of ‘career job’ and ‘retirement’ (Beehr & Bennett, 2014; Cahill, et al., 2012). For instance, Cahill, et al. (2012) showed that an increasing proportion of American older adults did not participate in a full-time career job, working either part-time or having atypical career paths. In the Dutch context, as well as in other European countries, this definition is similarly problematic, because part-time employment is common (Eurofound, 2011; Statistics Netherlands, 2014). This complicates the definition of bridge employment as participation in paid work after leaving one’s ‘full-time career job’.

In this dissertation, the concept of bridge employment comprises two key notions, namely the receipt of pension benefits and involvement in paid work. Those who participate in paid work whilst simultaneously receiving a pension income are classified as bridge employees (Parry & Bown Wilson, 2014). Therefore, it does not matter how many hours retirees work or what kind of job they are involved in, be it full-time employment, small wage-jobs, on-call employment, or self-employment. The pension income could be an early retirement benefit, a state pension, or a combination of the two. Thus, in this study bridge employment includes retirees who participate in paid work after the acceptance of an early retirement arrangement as well as those who retire at the official public retirement age and participate in paid work thereafter. Those who retired via other routes, with a disability pension or unemployment benefits for example, are not the focus of this study, because they are faced with specific challenges in their retirement trajectories.

### *An interdisciplinary field of research*

Even though there is a long tradition of research on retirement, the phenomenon of bridge employment has only recently started to receive attention in the literature. Empirical insight in this area is still relatively limited, but it is an area of study that is growing rapidly. The central objective of most existing studies on bridge employment has been to establish who participates in bridge employment and who retires fully without re-entering the labor force after career exit. The results of these studies consistently point to it being younger, better educated, and healthier retirees who are most likely to continue to work in paid jobs (Cahill, et al., 2006; Cahill, Giandrea, & Quinn, 2011; Wang, Zhan, Liu, & Shultz, 2008). Some prior studies have also addressed the impact of family circumstances. For instance, marital status and the quality of the relationship among married couples are factors that have been assessed, but were not found to be important in the decision to enter bridge employment (Wang, et al., 2008). The increased popularity of bridge employment has also raised questions regarding the consequences of such employment for well-being in later life, but only a few empirical studies to date have examined this issue in any detail. The question

addressed in this body of literature is whether, and for what types of individuals, bridge employment can have positive consequences for well-being. In a limited number of cross-sectional case studies, it has been found that work after retirement is positively associated with retirement satisfaction and life satisfaction in general (Dorfman & Rubenstein, 1993; S. Kim & Feldman, 2000), while longitudinal research is much more scarce (Zhan, Wang, Liu, & Shultz, 2009).

The theoretical frameworks that have been used in prior studies are diverse and are embedded in a variety of social disciplines, such as economics, psychology, and sociology. Economists were among the first to consider paid work past retirement in a scholarly way. Drawing upon one of the dominant theories in economics, the life cycle perspective, it was postulated that older adults prefer to reduce their labor activities in response to their increased preferences for consumption and leisure in retirement (Ghent, Allen, & Clark, 2001; H. Kim & DeVaney, 2005; Maestas, 2010; Parker & Rougier, 2007). The main question in this strand of research is how to explain participation in bridge employment on the basis of key resources, such as wages and time (Allen, Clark, & Ghent, 2004; Cahill, et al., 2006; Hutchens, 2010; Kantarci & Van Soest, 2008). Other scholars have applied economic theory to focus on the wealth of individuals and to investigate whether changes in wealth upon retirement affect choices regarding bridge employment (Coile & Levine, 2006). Even though these kind of models tend to possess high explanatory power, their drawback is that retirement decisions are reduced to simple financial considerations.

Research on bridge employment rooted in psychological thinking emphasizes psychological dispositions in the decision-making process. The majority of these studies are guided by interdisciplinary theoretical frameworks, such as continuity theory (Atchley, 1999) and role theory (Ashforth & Mael, 1989). The argument here is that the desire for continuity, attachment to familiar activities, and the desire to prevent an abrupt loss of their working role drives those committed to work to take up bridge jobs after retirement. The authors of these studies therefore investigated to what extent commitment to the organization, commitment to the job, and attachment to a work role influence decisions regarding bridge employment (Gobeski & Beehr, 2009; Jones & McIntosh, 2010; Kalokerinos, Von Hippel, & Henry, 2015). More recently, psychologists have also begun to question how the well-being of retirees is affected by participation in paid work, for example with regard to mental or physical well-being (Zhan, et al., 2009).

In the field of retirement research, sociologists have mainly focused on the timing and accessibility of different retirement routes (Henkens, 1998; Radl, 2013). In the arena of inequality research, authors have examined to what extent social selection mechanisms determine work-related choices in the retirement process

(Blossfeld, et al., 2009; Buchholz & Hofäcker, 2004; Ekerdt, 2010). However, sociological studies of paid employment after retirement are relatively scarce. As a result, we know little about the degree to which specific subgroups of retirees are selectively sorted into bridge jobs or full retirement. More specifically, the focus in the few sociological studies that have examined post-retirement employment to date is on whether certain groups of individuals are employed in bridge jobs (Mutchler, Burr, Pienta, & Massagli, 1997; Raymo & Sweeney, 2006), while the arguably prior and more important question of whether work in later life is accessible and to which types of older adults has been neglected (Hardy, 1991; Hayward, Hardy, & Liu, 1994).

Much of the gerontological research in this area takes the life course approach, which integrates insights from economics, psychology, and sociology (Szinovacz, 2003). This approach assumes that major life events such as retirement (Damman, 2014) are influenced by broader individual and societal contexts. More specifically, life course theory emphasizes that individual development takes place in the context of personal life histories, in relation to various life domains and significant others, and as a result of the influence of the state and its institutional systems (Settersten, 2003). In the case of bridge employment, individuals may have particular preferences and needs, but these may be restricted by their experiences in organizational and labor market domains. Furthermore, the context in terms of national pensions may either constrain or enable specific choices in retirement. Despite the existence of studies on bridge employment that are rooted in life course theory (Mutchler, et al., 1997; Raymo & Sweeney, 2006; Von Bonsdorff, Shultz, Leskinen, & Tansky, 2009), the notion of restricted choice is rarely taken into account.

#### **1.4 Research approach**

To deepen our understanding of bridge employment, the present study supplements existing research with a consideration of the notion of restricted choice in relation to access to paid work in later life. It assesses both the determinants of bridge employment and its consequences for well-being in later life. The following important considerations have guided the research design:

- a. An acknowledgement that the characteristics of a country's pension context may determine who participates in bridge employment;
- b. An acknowledgement that the decision-making process regarding bridge employment and its consequences for well-being in later life may be impacted by the experiences that accompany initial career exit;
- c. An acknowledgement that some individuals may have no access at all to paid work after retirement.

Each of these proposed research considerations are elaborated upon in different empirical chapters of this study. These chapters are discussed below, first in relation to research on the determinants of bridge employment, and secondly in relation to how bridge employment affects well-being in later life.

### *The determinants of bridge employment*

In *Chapter 2* of this dissertation, the question of who participates in bridge employment internationally is investigated through an analysis of cross-country data. Empirical research that takes into account the way in which individuals are embedded in the pension context of their individual country is almost entirely absent in the literature, despite the fact that this context may well be important in determining the opportunities and constraints that affect decisions to continue in paid work (Zhan & Wang, 2015). For instance, based on economic models it could be concluded that variations in the availability of financial resources between countries may explain the differences in the number of people who work past retirement in those countries (Feldman & Beehr, 2011). At the same time, the normative context may play a role (Szinovacz, 2003). In some countries, participation in bridge employment may be generally accepted or even normatively enforced in line with the idea that working lives need to be extended. In other countries bridge employment may be seen as a barrier to career mobility among younger generations (Van Dalen & Henkens, 2002). Because countries are highly heterogeneous in their pension contexts, several authors have pointed to the importance of international comparative research (Beehr & Bennett, 2014; Zhan & Wang, 2015), but very few such studies are available (Brunello & Langella, 2012). In *Chapter 2* of this dissertation, it is suggested that an international comparison is required to better understand bridge employment. More specifically, the opportunities and constraints that result from each country's particular pension context need to be taken into account and compared to those of other countries.

*Chapter 3* addresses a question that has received little attention in research on bridge employment, namely to what extent the decision to participate in bridge employment is impacted by the individual experiences that accompany an initial career exit. Although retirement is often viewed as a voluntary decision, several studies have suggested that initial retirement from a career job may be involuntary in character (Szinovacz & Davey, 2005; Van Solinge & Henkens, 2007). For example, older workers may experience pressure from organizations or from their spouses to accept specific retirement arrangements. In these cases where older adults are not yet ready to retire but nevertheless experience such external pressure, the question arises of whether these older adults retire permanently or whether they prefer to re-enter the labor force in some way after retirement. By returning to paid labor, older adults can potentially regain control

over their working role and the timing of their full exit from the labor force later on. This suggests that in order to broaden existing understanding of bridge employment, it is necessary to take into account the question of the extent to which the initial retirement decision was indeed voluntary.

Moreover, in *Chapter 3* it is acknowledged that bridge jobs may be available for some retirees but not for others. Despite the fact that previous studies have provided important insights on working after retirement, they have generally focused on cases where selection had already occurred (Desmette & Vendramin, 2014). The point that has largely been ignored in the investigation of the dichotomy between bridge employment and full retirement is that not everyone is successful in achieving their bridge employment preferences. The search for a bridge job may be unsuccessful due to organizational or labor market forces (Blossfeld, et al., 2009; Hardy, 1991; Ruhm, 1994).

#### *Consequences for well-being in later life*

As is the case for the research on the determinants of bridge employment, studies investigating later life outcomes largely neglect processes of social selectivity in participation in the labor force. For instance, the combination of events in the retirement trajectory – i.e., involuntary retirement and bridge employment – may have important implications for well-being in later life. Previous literature has consistently shown that the experience of involuntary retirement impacts negatively on well-being in later life (Bender, 2012; Hershey & Henkens, 2014). It has been suggested that the uptake of new paid work could mitigate these negative effects on well-being (Wang, et al., 2008). This suggestion has not, however, been empirically investigated. Additionally, as involuntary retirement can be linked to a loss of control over the work domain, it could be posited that participation in a bridge job can be used as a tool to regain a sense of self-efficacy in later life (Mountain & Craig, 2011; Unson & Richardson, 2013). This aspect of mental well-being has not to date received adequate attention in previous empirical research on bridge employment. In *Chapter 4* of this dissertation research, it is argued that the impact of bridge employment on life satisfaction and self-efficacy could be conditional upon the experiences that accompany an initial career exit.

The phenomenon of bridge employment may also have its downside for many. In line with the notion of restricted choice, it is interesting to consider to what extent well-being changes among those who are unsuccessful in finding and securing a bridge job. Being unable to realize one's preferences regarding employment in bridge jobs may result in a lower level of life satisfaction. At the same time, participation in bridge employment may itself be the result of a restricted choice, with adverse effects on the level of life satisfaction. While some retirees are

motivated to continue working for enjoyment, other may feel forced to work in order to meet their financial needs in retirement (Dendinger, et al., 2005; Henkens & Van Solinge, 2006). In *Chapter 5* of this dissertation, it is argued that to achieve an in-depth understanding of the effects of bridge employment on well-being, work preferences and motives for bridge employment should be taken into account.

### **1.5 Data and methods**

In order to establish the link between earlier retirement experiences and the decision to continue labor participation after retirement, and to explore changes in well-being thereafter, a longitudinal research design is required. Therefore, longitudinal survey data from the ‘NIDI Work and Retirement Panel’ were used to gain insight into the determinants and consequences of bridge employment in the Netherlands. Secondly, cross-national comparative research is required to investigate retirement trajectories in their broader national pension context. To understand cross-national variation in bridge employment across European countries, data from the ‘Survey of Health, Ageing and Retirement in Europe’ project (SHARE) were analyzed. These two datasets are introduced below.

#### *NIDI Work and Retirement Panel*

The main dataset for this study is the ‘NIDI Work and Retirement Panel’. These data are collected by the Netherlands Interdisciplinary Demographic Institute (NIDI) and consist of three waves of data collection conducted in 2001, 2006-2007, and 2011. Due to the longitudinal character of the data, it is possible to follow older adults in their transition from career employment to bridge employment and full retirement. As a result, this dataset provides stronger evidence for potentially causal relationships compared with findings based on cross-sectional data. Another advantage of this dataset is that it incorporates data on issues that have hitherto received little attention in large-scale representative surveys (such as the SHARE project) and in the existing bridge employment literature. For example, it includes measures related to whether retirees have searched for bridge jobs and what their main motives were for working after retirement. Finally, the high number of retirees covered by the data allow for a detailed investigation of heterogeneity in retirement transitions and in resulting outcomes for well-being over time.

Data were initially collected in 2001 as part of a large-scale study carried out on behalf of ‘Stichting Management Studies’ in The Hague (Henkens & Van Solinge, 2003). Older workers aged 50 years and over were sampled from three large private-sector organizations in the Netherlands and the Dutch central



government (N=2403; response rate was 62 per cent). It is important to note that those who were self-employed pre-retirement were not included in the sample. The older employees selected as part of the sample received two mailed questionnaires; one for themselves and one for their partner. Both spouses (if existing) were asked to answer questions on employment, retirement intentions, health, and the circumstances in their household, among other matters. The initial cross-sectional study was later extended to a longitudinal panel study. The first follow-up study took place in 2006-2007 (N=1678, response rate 75 percent) and the second follow-up study was conducted in 2011 (N=1276; response rate 76 percent). In these two follow-ups considerable attention was paid to the choices, decisions, and outcomes involved in the retirement process.

### *Survey of Health, Ageing and Retirement in Europe (SHARE)*

The SHARE project is a cross-national survey project that contains micro data on, among other categories, employment status, retirement status, health issues, and family domain indicators. In the first two waves, conducted in 2004 and 2006, about 11 countries were covered. The third wave (2008) involved a different questionnaire covering the life histories of respondents. The fourth wave of data collection within the SHARE project corresponded to the format of the first two waves; this study was undertaken in 2011 and included data from 16 countries.

These data are deemed particularly suitable to an investigation of the determinants of bridge employment across Europe for two main reasons. First, the cross-national character of the data makes it possible to measure bridge employment in a similar manner across countries. This improves comparability among countries with different conceptualizations and operationalizations of bridge employment. A second clear advantage is that micro-level variation in the level of participation in bridge employment within countries can be linked to variation in the characteristics and context of those countries. Unfortunately, the longitudinal structure of the SHARE data could not be exploited due to the limited number of retirement transitions that were featured consistently over multiple waves of data collection. Moreover, while the fourth wave of data collection covers data from 16 countries, in previous waves data were gathered on 11 countries. Including data from previous waves would thus have limited the number of degrees of freedom at the macro level. Therefore, in this dissertation, data from the fourth wave of data collection only is considered.

SHARE was created in response to the European Commission's interest in population aging and in obtaining scientific insights on this demographic trend (Borsch-Supan et al., 2013). The target population consists of persons aged 50 years and over and their partners, who have their regular domicile in one of the respective SHARE countries. In the fourth wave, these countries were: Austria,

Belgium, Czech Republic, Denmark, Estonia, France, Germany, Hungary, Italy, the Netherlands, Poland, Portugal, Slovenia, Spain, Sweden, and Switzerland. Face-to-face interviews with respondents were conducted using computer-assisted personal interviewing (CAPI). Respondents in the fourth wave consisted of those included in the baseline sample and those who were included via refresher samples. The response rates were 56 per cent for the baseline sample and 49 per cent for the refresher samples. In total, information from 58,489 older adults was available in 2011.

### **1.6 Outline of dissertation**

Chapters 2 to 5 contain studies of the determinants and consequences of bridge employment in Europe, and more specifically in the Netherlands. These studies are ordered on the basis of the theoretical line of thinking presented in this introductory chapter. In Chapter 2, research on the determinants of bridge employment from a cross-national European perspective is presented in order to place the Dutch case in a broader perspective. The benefit of using the cross-national data of SHARE in addition to the Dutch data – from the NIDI Work and Retirement panel – is that it enables an investigation of contextual factors and the effect of gender in explaining bridge employment. This was not possible using the Dutch data alone, which do not include country-level variations. In addition, the number of women in the Dutch data was too low to obtain robust results on the different explanations and mechanisms for women's participation in bridge employment.

Chapters 3 to 5 deal with the determinants and consequences of bridge employment in the Dutch context. The longitudinal nature of the dataset enabled an in-depth investigation of variation in retirement transitions and experiences over time. In chapter 3, the focus is on the specific determinants of participation in bridge employment in the Netherlands. Chapters 4 and 5 elaborate on the outcomes of bridge employment for well-being in later life. In Chapter 4 the primary focus is on changes in self-efficacy and life satisfaction as a result of involuntary retirement and the later continuation of work in bridge employment. Chapter 5 offers more in-depth insights into the accessibility of and specific motives for bridge employment, and how this influences well-being in later life.

Chapters 2 to 5 were originally written as separate journal articles and may therefore contain some overlap (e.g., the data description). Overlap is particularly strong between Chapters 4 and 5, because the conclusions of Chapter 4 served as input for the research question in Chapter 5. Three of the empirical chapters (3, 4, and 5) have been published in international journals in various scientific disciplines. Chapter 2 has been submitted for publication.

Finally, Chapter 6 integrates and evaluates the findings of the empirical chapters in line with the overall general research question. Additionally, some scientific and societal implications are discussed. Pension landscapes are currently changing rapidly. Therefore, questions and suggestions for further research in the field of bridge employment and the extension of working lives are presented in chapter six.