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CHAPTER 5

Involuntary retirement, bridge employment, and satisfaction with life: A longitudinal investigation

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Abstract

The increased popularity of bridge employment has raised questions about its consequences for well-being in late adult life. This research explored the consequences of bridge employment for the level of life satisfaction of older adults during the retirement transition period. Changes in life satisfaction were considered to be a function of the different intentions and motives for taking bridge jobs. Furthermore, the impact of bridge employment was empirically examined conditional on the voluntariness of the exit from the career job. Panel data on Dutch retirees (N = 1248) were investigated using conditional change models. The results demonstrate that older adults willing to prolong their work careers but unable to find bridge jobs reported lower levels of life satisfaction compared with fully retirees not considering bridge employment. In addition, participation in bridge employment for financial motives was associated with decreases in life satisfaction compared with post-retirement working based on intrinsic motives. Moreover, compared with voluntary retirement, involuntary retirement was detrimental to life satisfaction, but participation in a bridge job was found to mitigate this negative shock. These findings contribute to the understanding of the consequences of various post-retirement employment trajectories for older individuals.

5.1 Introduction

Traditionally, retirement is considered to be an abrupt and complete discontinuation of paid employment in later life. Today, however, retirement can be characterized as a process that can take multiple forms (Beehr & Bennett, 2007) and may cover a substantial period of time, during which people must make a number of decisions about their participation in the labor force. Older workers may decide to retire early using appealing retirement arrangements or to keep working in the career job until the official public pension age. However, after deciding to retire from their careers, many people choose to remain in some type of paid employment, which is often referred to in the literature as ‘bridge employment’ (Feldman, 1994). The decisions regarding the exit from the career job and engagement in bridge employment can be the result of careful planning, but they can also be the result of external organizational and labor market forces. The increasing variety of retirement trajectories may have profound implications for late life outcomes, such as retirement adjustment, health outcomes, and life satisfaction (see Van Solinge, 2013, for an overview). Two aspects of the retirement transition are deemed to be particularly important to explain changes in well-being in late adult life: (i) how people experience their labor force exits (e.g., forced or voluntary) and (ii) whether retirees prolong their active working lives in bridge jobs. The present study determines the consequences of involuntary retirement and involvement in bridge employment on the post-retirement life satisfaction of older adults.

The consequences of retirement on life satisfaction have been inconsistently examined in the literature. For instance, previous empirical research has found a significant impact of retirement in both positive and negative directions, while other studies have failed to find any effect at all (Van Solinge, 2013). Involuntary departure from a career job is a key element to understanding lower levels of post-retirement well-being (Bender, 2012; Calvo, et al., 2009; Van Solinge & Henkens, 2008). Although retirement is often thought of as a voluntary transition, approximately 20 to 30 percent of older workers actually perceive retirement as forced, and mainly a result of health-related issues or organizational restrictions (Hershey & Henkens, 2014; Szinovacz & Davey, 2005; Van Solinge & Henkens, 2007).

However, the perception of involuntary retirement does not necessarily imply no-choice retirement. Any retirement decision also depends on older workers’ intentions to exit the labor force as well as the social context in which this movement will take place (Szinovacz & Davey, 2005; Van Solinge & Henkens, 2007). For example, older adults may perceive their retirement as forced when they retire off time (i.e., earlier or later; Wang, 2007) according to socially acceptable standards, or when they experience a lack of support for retirement

from relevant others (e.g., their spouse) (Van Solinge & Henkens, 2007). Hence, involuntary exits from the labor force may prevent older adults from having enough time to anticipate the potential changes caused by the retirement transition, such as a drop in income or changes in social relationships.

Less is known in the literature about the consequences of re-entry into the labor market after retirement in the form of bridge jobs. This dearth in the body of knowledge is remarkable because approximately half of US retirees participate in a bridge job after ending their careers (Cahill, Giandrea, & Quinn, 2005). Previous empirical research has rather focused on the determinants of bridge employment (e.g., Cahill, et al., 2005; Gobeski & Beehr, 2009; S. Kim & Feldman, 2000; Wang, et al., 2008; Weckerle & Shultz, 1999). Among the few studies that have investigated the consequences of bridge employment, the qualitative research of Ulrich (2003) found that participation in a bridge job made retirees feel better about themselves. Furthermore, based on quantitative longitudinal research, Wang (2007) showed that bridge employees are better able to maintain their pre-retirement levels of well-being during the retirement transition compared with retirees without bridge jobs. However, the research of Wang (2007) did not question whether participation in a bridge job can offset the negative changes in well-being caused by involuntary departure from a career job. Moreover, because people might have different motives for employment in a bridge job, which may lead to different consequences on post-retirement life satisfaction, understanding these differences may help refine the conceptualization of bridge employment.

This study contributes to the literature on retirement in three ways. First, it is among only a handful of investigations to link a person's post-retirement work patterns to his or her life satisfaction (S. Kim & Feldman, 2000; Wang, 2007). Beyond the impact of having a bridge job after retirement, we examine how the inability to find a bridge job influences post-retirement life satisfaction. In addition, the paper enhances our understanding of how different motives for bridge employment influence life satisfaction. For instance, feeling forced to participate in bridge employment for financial motives could be expected to contribute negatively to life satisfaction, while intrinsic motives, such as the enjoyment of work, might be beneficial for maintaining pre-retirement levels of life satisfaction.

Second, this study is among the first to examine the impact of bridge employment on how older adults evaluate their lives conditional on their experiences of the retirement process. Specifically, we posit that the negative impact of involuntary retirement on life satisfaction can be mitigated by engaging in bridge employment. As such, a dynamic approach that considers both labor force exit and re-entry is assumed to be a prerequisite to a complete understanding of the

retirement–satisfaction nexus. Moreover, we examine life satisfaction among those who experience different types of involuntary exits compared with individuals who choose to leave the workforce voluntarily.

Third, the present study uses panel data to investigate life satisfaction over the retirement transition period. Of the previous literature on the consequences of retirement, only a few studies have followed the retirement paths of older adults over time (e.g., Pinquart & Schindler, 2007; Wang, 2007), rather than making cross-sectional comparisons between workers and retirees. The proposed panel design thus enables us to control for pre-retirement levels of life satisfaction and account for the changes in resources faced by retirees. In particular, we followed the suggestion of J. E. Kim and Moen (2002), who emphasized “the importance of examining various resources and contexts surrounding retirement transitions (...) to understand the dynamics of the retirement transition and its relationship with psychological well-being” (p. 212).

The three-wave panel dataset on which we base our research was collected in the Netherlands between 2001 and 2011. A large proportion of the current population of older adults in the Netherlands has benefited from various early retirement arrangements in order to retire before the official public pension age of 65. For example, the mean age at which older workers retired between 2001 and 2006 was 61, which increased to 63 between 2006 and 2011 (Statistics Netherlands, 2012c). This finding concurs with the policy of the Dutch government to discourage people from retiring full-time at too early an age (Dutch Government, 2011). At the same time, there seems to be a trend towards increased participation in bridge jobs in the Netherlands. Between 2002 and 2007, the percentage of early retirees who subsequently re-entered the labor force increased from 16 to 23 percent (Henkens, 2011).

Bridge employment has been defined as “the transition into some part-time, self-employment or temporary work after full-time employment ends and permanent retirement begins” (Feldman, 1994, p. 286). However, this definition is unsuitable for capturing the specific labor market context in the Netherlands. The proportion of part-time workers is exceptionally high in the Netherlands (76% for women and 25% for men compared with the European averages of 32% and 8%, respectively; Eurofound, 2011), which makes it problematic to define bridge employment as work “after full-time employment ends”. Given this contextual distinction, bridge employees in the Netherlands are referred to herein as older adults who both receive retirement benefit and prolong their active working lives in the paid labor force.

5.2 Theoretical Framework

The retirement transition and life satisfaction

A number of theories of subjective well-being suggest that well-being is a stable personal characteristic. For example, the top-down approach (Heller, Watson, & Ilies, 2004), adaptation theory (Lucas, et al., 2003), set point theory (Lucas, Clark, Georgellis, & Diener, 2004), and the equilibrium model of subjective well-being (Headey & Wearing, 1989) all argue that “individuals react to events but quickly adapt back to baseline levels of subjective well-being” (Lucas, et al., 2003, p. 527). By contrast, the bottom-up approach assumes that major life events can change the level of well-being. Previous research has shown that unemployment (Lucas, et al., 2004) and divorce (Lucas, 2005) can have long-lasting negative effects on well-being. Although people eventually adapt to the change in question, resulting in an increase in well-being, they do not completely return to the same level as before the change occurred. Therefore, while personality does influence the stability of well-being, major life events also play a role.

Retirement is a major life event that influences the life satisfaction levels of older adults (Calvo, et al., 2009; De Vaus, et al., 2007; Quine, et al., 2007). In contrast to life events such as the loss of a spouse, divorce, or unemployment, which are widely perceived as highly stressful and detrimental to well-being (Lucas, 2005; Lucas, et al., 2004), the appreciation and consequences of retirement are much more nuanced. Based on insights obtained from focus groups, Quine, et al. (2007) reported that although retirement is related to freedom and flexibility in terms of living life without needing to work, it is also linked to losses in financial and social resources and a reduced sense of self-worth. As a result, older adults may look forward to this upcoming life stage or be anxious about how daily life will be structured in the absence of work-related activities (Lim & Feldman, 2003; Van Solinge & Henkens, 2008). Consequently, whether the retirement transition affects life satisfaction positively or negatively is not determined *a priori*.

Especially continuity theory, role theory, and the life course perspective have been used to theorize on the consequences of bridge employment for post-retirement life satisfaction. Continuity theory (Atchley, 1999) assumes that continuity in life is related to stable levels of well-being (Wang, 2007). Similarly, S. Kim and Feldman (2000) argued that “people's sense of well-being is closely tied to their ability to create a sense of continuity in their lives” (p. 1200). However, it is not necessarily the capacity to continue participating in the same activities but rather the ability to maintain valued life patterns that allows people to maintain their levels of well-being (Atchley, 1999). What these valued life patterns are may differ between individuals. On one hand, role theory (Ashforth

& Mael, 1989) assumes that people highly involved in non-work roles, such as in family roles or leisure activities, might prefer continuity in these tasks (Wang, 2007) and view retirement as an option to expand such non-work life patterns even further. On the other hand, older adults for whom the work role has always been an important part of their identities might prefer continuity in this respect after retirement.

Bridge employment provides one such opportunity to remain active in the work domain (Adams & Rau, 2004; Dendinger, et al., 2005; S. Kim & Feldman, 2000; Wang, 2007; Zhan, et al., 2009). However, like the decision to retire from the career job, the decision to participate in bridge employment may not always be completely under volitional control. The lack of control may threaten continuity in preferred life patterns and, consequently, the stability in late life well-being. In this vein, the life course perspective (Elder, 1994; Settersten, 2003) emphasizes human agency in the transition from work to retirement as essential for well-being. Accordingly, theories of personal control state that people attempt to control their lives in order to retain stable levels of well-being (Heckhausen & Schulz, 1995). Based on the foregoing, it can therefore be argued that the gap between the preferred and actual retirement paths is central to our understanding of how retirement influences life satisfaction. Specifically, continuity in preferred life patterns over the retirement transition can be expected to be related to relatively high levels of life satisfaction after retirement. By contrast, involuntary discontinuity in the work domain (e.g., no access to bridge jobs or needing to work to gain sufficient resources in retirement) may be associated to relatively low levels of post-retirement life satisfaction.

Intentions and motives for bridge employment

Bridge employment is thus assumed to be an important strategy to create some continuity in the work domain in the transition to retirement. A bridge job can fulfill intrinsically important aims, such as having a purposeful pastime, structuring one's time, keeping in touch with current developments, and increasing self-esteem (Heckhausen & Schulz, 1995; Lim & Feldman, 2003; Ulrich, 2003). However, some retirees may have failed to extend their working lives after retirement by being unsuccessful in finding a bridge job. Labor force restrictions, such as age discrimination (Karpinska, et al., 2011) and high unemployment rates (Gobeski & Beehr, 2009; Karpinska, et al., 2011), can restrict opportunities for bridge employment, forcing older adults to remain in full retirement. The lack of control on the realization of the preferred bridge job may result in lower levels of life satisfaction compared with retirees not considering to work after retirement, leading to the formulation of our first hypothesis:

Hypothesis 1: The inability of a retiree to find a bridge job results in lower levels of life satisfaction compared with retirees who were not considering a bridge job or were successful in finding one.

For bridge employees, it is unclear from the literature whether extending working life in this manner has a positive or negative impact on life satisfaction.

According to motivation theories, older workers vary in their evaluations of how instrumental work is in reaching certain valued goals (Feldman & Beehr, 2011). Previous research by Mor-Barak (1995) points to four reasons for older adults to consider work, namely social, personal, generative, and financial reasons (see Dendinger, et al., 2005; Loi & Shultz, 2007; Smeyer, Besen, & Pitt-Catsoupes, 2009). Other research revealed additional work motives such as to stay mentally and physically active, to remain productive, to have the health benefits, and to learn new things or pursue a dream (AARP, 2003). Of main interest here is whether older adults work after retirement primarily for enjoyment motives, which may reflect a voluntary decision, or feel forced to work due to financial needs. As Dendinger, et al. (2005) noted, retirees “may realize that the income they presently have (...) may be inadequate to accommodate their preferred style of living” (p. 25). As such, taking a bridge job for financial motives reflects a discrepancy between the preferred and actual retirement conditions, and may therefore be associated with a decrease in life satisfaction compared with those retirees who view the work primarily as something enjoyable. This leads us to formulate our second hypothesis:

Hypothesis 2: Bridge employment taken for financial motives is associated with decreased levels of life satisfaction compared with full retirees and bridge employees motivated by intrinsic work goals.

Bridge employment after involuntary retirement

The effect of bridge employment might also depend on events earlier in the retirement process, such as the circumstances under which older workers retire from their careers. In the case of involuntary retirement, people may feel as though they have been afforded insufficient time to prepare for this major life transition, either financially or psychologically (Szinovacz & Davey, 2005; Van Solinge & Henkens, 2007), which is expected to lower life satisfaction (Ashforth & Mael, 1989; Atchley, 1999; Zhan, et al., 2009). Feldman (1994) stated that forced retirees experience anger, frustration, and feelings of being ‘role-less’ in retirement. Indeed, the detrimental effects of involuntary retirement on well-being in later life have been consistently demonstrated (Bender, 2012; Quine, et al., 2007; Van Solinge & Henkens, 2008). Moreover, people forced into retirement for health reasons may experience sharper decreases in life satisfaction, caused

both by the withdrawal from the organizational context and by their physical disabilities, which might interfere in other life domains as well (Hershey & Henkens, 2014).

In this respect, bridge employment might be particularly valuable in the case of involuntary retirement. The absence of a choice about staying in a career job can motivate forced retirees to search for other ways to achieve a sense of perceived control over the work domain and to recapture their work role identities (Elder & Johnson, 2003; Heckhausen & Schulz, 1995; Szinovacz & Davey, 2005). Quine, et al. (2007) found that retirees who took up meaningful activities after forced retirement were able to regain a sense of control and find satisfaction in their retirement. This leads to the formulation of our third hypothesis:

Hypothesis 3a: Involuntary retirement has a negative effect on life satisfaction compared with voluntary retirement.

Hypothesis 3b: Bridge employment can mitigate the negative impact of involuntary retirement on life satisfaction.

5.3 Data and Methods

Data

The present study is based on a three-wave panel dataset obtained from the Work and Retirement Panel and carried out by the Netherlands Interdisciplinary Demographic Institute (NIDI). The panel was first convened in 2001, and comprises a sample of workers aged 50 years and older selected from two sources: (a) 80 business units attached to three Dutch multinational private-sector organizations operating in the fields of manufacturing, retail, and information and communication technology and (b) the Dutch central government. At three points in a 10-year period, respondents answered questions about their careers, ideas about retirement, actual retirement behavior, and well-being. The data are in the form of questionnaires completed by the retirees themselves. Altogether, 3,899 older workers received a mailed questionnaire in 2001, of which 2,403 responded (response rate 62%). In 2006–2007, surviving and traceable respondents from wave 1 were resurveyed, resulting in 1,678 responses (response rate 75%). The third wave of data collection took place in 2011 and yielded information on 1,276 older adults (response rate 76%). The analytical sample used herein consists of those respondents who made the retirement transition in the 10-year observation period. Study subjects were between 50 and 64 years old in 2001 (mean age 54), and 25 percent were women.

Following the approach used by Hershey and Henkens (2014), respondents were defined as retirees when they reported drawing on early retirement benefits or pensions. A large share of the investigated cohort retired between wave 1 and wave 2 ($N = 1019$), while a smaller number retired between wave 2 and wave 3 ($N = 292$). For each respondent, we used information of the first wave prior and the first wave after the career exit to investigate the changes in life satisfaction that coincided with the retirement process. Non-retirees during the period of data collection ($N = 215$) were excluded from the final sample. To account for the exclusion of workers, the statistical models presented in the results section were re-estimated using Heckman's two-step estimation approach (Heckman, 1979) to investigate whether self-selection in the sample resulted in biased estimates. In the first step of this approach, the probability of belonging to the sample (i.e., working in the career job vs. retired) was estimated based on the independent variables and additional measures related to retirement planning (e.g. whether people were familiar with early retirement arrangements). These planning variables were assumed not to affect life satisfaction directly, but were important factors for the timing of retirement. The estimated probability of sample selection was converted to the inverse Mills ratio (IMR) (Tucker, 2011; Vella, 1998). This term was included in the linear regression models in the second part of the Heckman approach to obtain consistent parameter estimates for the effects of our independent variables on life satisfaction. These Heckman selection models demonstrated the non-significance of selection bias in the present study.

The resulting sample consisted of 1311 individuals. In the next step, respondents were excluded because of missing information about levels of life satisfaction pre-retirement ($N = 13$), on life satisfaction post-retirement ($N = 29$), and/or on the voluntariness of retirement ($N = 23$). This yielded a final sample of 1248 individuals. The number of item nonresponse on the control variables was low (1.2%), and missing values were imputed using a multiple imputation procedure (mi: STATA). The imputations did not substantially change the descriptive statistics of the variables. In addition, the multivariate models based on the imputed data resulted in similar results compared with models without using these imputed values (listwise deletion) or using a mean substitution approach.

Measures

Life satisfaction – The life satisfaction of older adults was measured for each wave using the Satisfaction with Life Scale (SWLS), which considers life satisfaction to be a cognitive-judgmental process (Diener, et al., 1985, p. 71). The following three items were drawn from Diener, et al. (1985): 'In most ways, my life is close to my ideal', 'The conditions of my life are excellent', and 'So far, I have gotten the important things I want in life'. Respondents answered on a five-point Likert scale that ranged from 'totally agree' (1) to 'totally disagree' (5). The

SWLS was constructed by taking the mean score over the three items (Cronbach's alpha per wave: 0.71, 0.74, and 0.73, respectively), and ranged from 1 (low life satisfaction) to 5 (high life satisfaction).

Voluntariness of the retirement decision – By design, all respondents were working in their career jobs in wave 1. In subsequent waves, retirees were asked whether they 'perceive their retirements from their career jobs as voluntary'. They could answer with 'yes, completely voluntary', 'no, partly involuntary', or 'no, completely involuntary'. The latter two categories were taken together to indicate perceptions of involuntary retirement, resulting in a dummy variable that compared 'involuntary retirement' with 'voluntary retirement' (reference category).

Older adults who perceived their retirements from their career jobs to be involuntary were asked to report the reasons that made their retirement transition feel that way. The variable was measured using four categories (Dorn & Sousa-Poza, 2007; Szinovacz & Davey, 2005; Van Solinge & Henkens, 2007): (a) health-related issues, (b) organizational and/or institutional issues (i.e., pressure from the organization and/or colleagues, and/or mandatory retirement age), (c) a combination of health-related issues and organizational and/or institutional issues, and (d) other reasons.

Bridge employment – In waves 2 and 3, participants were asked the following two questions to determine their postretirement work patterns: (a) 'Have you searched for paid labor after leaving your career job?' and (b) 'Have you participated in paid labor after leaving your career job?'. In both cases, the answer categories were: 'yes' (1) or 'no' (2). In addition, we asked whether respondents were 'currently employed in paid labor' in order to determine bridge employment status on the occasion of measurement. Based on these answers, a variable that had three categories was constructed: 'full-time retirement without an intention for bridge employment' (reference category), 'full-time retirement and unsuccessful at finding a bridge job', and 'participation in bridge employment'.

An additional dummy variable was used to control for retirees who had already left their bridge jobs by the time of the first data collection after retirement (N = 87). For this group of respondents, it was not possible unambiguously to determine their reasons for leaving the bridge job, which might have been involuntary and could therefore have obscured the results. Therefore, these respondents were classified as full-time retirees without a bridge job (with or without the intention to take a bridge job), and an additional dummy variable for 'bridge employment in the past' was included in order to account for variations in life satisfaction for this specific group of retirees.

Bridge employees were further classified according to their main motives for participating in bridge employment. They were asked ‘what was the most important motive for re-entry into the labor force?’. The resulting five categories for this variable were as follows: ‘I needed the money’, ‘I was bored’, ‘I enjoyed working’, ‘for the social contact’, and ‘other motives’. Only a few (N = 10) bridge employees reported ‘being bored’ and this group was therefore merged with ‘other motives’. In addition, a sixth category for ‘missing information’ was created.

Control variables – Personal resources, such as money and health, as well as the contexts in which people live may jointly impact the retirement process and how people evaluate their lives (J. E. Kim & Moen, 2002). To account for these circumstances, a series of control variables contained information on personal characteristics, household composition, and the pre-retirement work context. First, for personal characteristics, gender and age at data collection were gathered. Health status was also measured in each wave by asking respondents ‘Do you currently have to deal with chronic health problems?’ (1 = yes, 0 = no). The pre- and post-retirement answers to this question resulted in four dummy variables: ‘no pre- or post-retirement health problems’ (reference group), ‘pre- and post-retirement health problems’, ‘negative health change’, and ‘positive health change’. A perceived insufficient pension was another control variable measured in wave 1 by asking respondents ‘Do you think you have sustained a pension shortfall during your career?’. The answer categories were: ‘yes’ (1), ‘no’ (0; reference group), and ‘don’t know’ (2). A dummy variable thus accounted for any perceived pension shortfall, to include those participants unaware of a shortfall.

Second, in terms of household composition, respondents were asked to indicate whether they lived with a partner (1) or not (0) in each wave. From these answers, dummy variables were created in order to indicate the change in partner status over the retirement transition: ‘constantly living with a partner’ (reference group), ‘constantly single’, ‘loss of a partner’, and ‘new partner’. A second household-related variable indicated whether the respondent had children (1) or not (0).

Third, we measured the pre-retirement work context. Pre-retirement job satisfaction with a career job was measured by asking respondents to what extent they were satisfied with their current jobs. Respondents answered on a five-point Likert scale that ranged from ‘very dissatisfied’ (1) to ‘very satisfied’ (5). In wave 1, we also asked whether respondents held a supervisory position (1) or not (0), which was included in the analyses as a dummy variable with non-supervisory employees as the reference group. The occupational level (i.e., the educational level required for the career job) was further queried in wave 1, resulting in three categories: ‘lower occupational level’ (primary or lower secondary education required), ‘middle occupational level’ (middle or higher secondary education

required), and ‘higher occupational level’ (tertiary education required). Finally, we measured time in retirement at the point of data collection.

Data analysis

To examine the changes in the ways in which respondents evaluated life over the retirement transition, the level of post-retirement life satisfaction was predicted using the pre-retirement life satisfaction score, retirement transition indicators, and control variables. Under this conditional change approach, the regression coefficients could be interpreted as ‘the effect of the predictor on changes in life satisfaction over time’, since the initial pre-retirement level of life satisfaction was controlled for (Finkel, 1995). For each respondent, we determined the timing of retirement (i.e., between wave 1 and 2 or between wave 2 and 3) and then included the post-retirement satisfaction score as the criterion.

The retirement indicator variables were measured in the first wave after retirement from the career job. For those individuals who retired in wave 2 but for whom information on key variables was missing, information from wave 3 was used (involuntariness (reasons), $N = 36$; motive for bridge employment, $N = 38$). In addition, control variables were measured in the pre-retirement wave or obtained from a comparison of pre- and post-retirement data. As reported in the measures section, some control variables were only measured in wave 1.

The data were analyzed in three subsequent steps to test the presented hypotheses. In the first step, the relationship between the reasons for involuntary retirement and life satisfaction was tested. In addition, we tested the effect of bridge employment, including the inability to find a bridge job. In the second step, measures of the different motives for bridge employment were added into the equation. In the final step, the combined impact of involuntary retirement and bridge employment on life satisfaction was tested using focused significance tests. These tests of simple effects are preferred over more general omnibus tests when specific group differences are expected *a priori* (Rosnow & Rosenthal, 1988). To ease interpretation across the models, we used the same reference groups for the categorical variables and provide additional information on the statistical differences between the various categories of interest in the text. In all models, we accounted for individual differences in pre-retirement life satisfaction, personal characteristics, household composition, and pre-retirement job characteristics. We also controlled for the study wave at which the post-retirement level of life satisfaction was measured.

Table 5.1. *Descriptive statistics: Percentages or means, standard deviations, and range.*

	Retirement wave II N = 972		Retirement wave III N = 276	
	Mean	SD	Mean	SD
SWLS post-retirement (range: 1-5)	3.67	0.64	3.67	0.57
<i>Personal characteristics</i>				
SWLS pre-retirement (range: 1-5)	3.72	0.62	3.66	0.59
Age (range: 55-70)	60.96	2.79	63.64	1.80
Women (versus men)	0.23	0.42	0.29	0.45
<i>Health problems</i>				
No pre- or post-retirement health problems	0.56	0.50	0.65	0.48
Pre- and post-retirement health problems	0.17	0.38	0.18	0.39
Negative health change	0.10	0.30	0.07	0.26
Positive health change	0.16	0.37	0.09	0.29
Perceived income shortfall	0.52	0.70	0.55	0.66
<i>Household composition</i>				
<i>Partner status</i>				
Constantly living with partner	0.82	0.38	0.80	0.40
Constantly single	0.10	0.30	0.14	0.35
Change: loss of partner	0.05	0.22	0.03	0.18
Change: new partner	0.02	0.15	0.03	0.16
Children (versus no children)	0.86	0.35	0.83	0.37
<i>Preretirement work context</i>				
Job satisfaction (range: 1-5)	3.94	0.89	3.88	0.85
Supervisor	0.27	0.44	0.33	0.47
<i>Occupational level</i>				
Lower level	0.16	0.36	0.16	0.37
Moderate level	0.33	0.47	0.33	0.47
High level	0.51	0.50	0.51	0.50
Time in retirement (range: 0-6)	2.82	1.39	1.89	1.24
<i>Voluntariness of the retirement decision</i>				
Involuntary (versus voluntary)	0.28	0.45	0.29	0.45
<i>Bridge employment</i>				
Full retirement without bridge job intention	0.72	0.45	0.73	0.44
Unsuccessful at finding a bridge job	0.09	0.28	0.10	0.30
Bridge job	0.20	0.40	0.17	0.37

Source: NIDI Work and Retirement Panel (2001–2011).

5.4 Results

Descriptive results

Table 5.1 provides an overview of the descriptive statistics. We found that life satisfaction slightly decreased over the retirement transition from 3.72 pre-retirement to 3.67 post-retirement ($t = -2.55, p = 0.01$) for those who retired

before wave 2. No differences were found in the levels of life satisfaction for retirees who retired between wave 2 and wave 3. In 29 percent of career job departures, the transition was perceived as involuntary. Approximately 13 percent of involuntary retirees felt forced to retire due to health-related problems. Most involuntary retirees experienced organizational and/or institutional pressures (58%). Another 10 percent experienced a combination of health-related problems and organizational and/or institutional pressures. A total of 19 percent of involuntary retirees reported other reasons why they perceived their leaving of their career jobs to have been forced.

After retirement from the career job, 19 percent participated in a bridge job (20% of those who retired between wave 1 and wave 2 and 17% of those who retired between wave 2 and wave 3), while a further 10 percent searched for a bridge job unsuccessfully. For bridge employees, the enjoyment motive (53%) was most often mentioned as the driving force to continue working, followed by financial necessity (15%) and social contact (10%). Another 12 percent reported 'other motives' for taking up bridge employment.

The data also showed that involuntary retirees did not necessarily participate in bridge employment more often (chi-square = 0.00, $p = 0.95$). For both groups, approximately 19 percent participated in a bridge job. By contrast, however, involuntary retirees were more often unsuccessful at finding the bridge job they desired (chi-square = 37.80, $p = 0.00$); approximately 17 percent of involuntary retirees were unsuccessful at finding a bridge job compared with 6 percent of voluntary retirees.

Multivariate analyses

Table 5.2 shows the results of the conditional change models that explain the inter-individual differences in life satisfaction after retirement. In model 1, the indicators of involuntary retirement and bridge employment, including the inability to find a bridge job, are included simultaneously with the lagged variable of life satisfaction and the control variables. As seen in this model, involuntary retirement because of health-related reasons (Cohen's $d = 0.66$), organizational and/or institutional reasons (Cohen's $d = 0.26$), and a combination of health-related and organizational and/or institutional reasons (Cohen's $d = 0.35$) were all negatively related to life satisfaction compared with those who retired of their own volition. This finding provides support for Hypothesis 3a.

Within the group of involuntary retirees, those who perceived their retirements to be forced because of health-related problems were associated with significantly lower levels of satisfaction than involuntary retirees who reported organizational and/or institutional reasons ($t = 2.99$, $p = 0.00$). In additional analyses (data not

Table 5.2. Results of conditional change regression models predicting post-retirement life satisfaction.

	Model 1		Model 2	
	b	SE	b	SE
Constant	2.58**	0.40	2.25**	0.40
<i>Personal characteristics</i>				
SWLS preretirement	0.42**	0.03	0.42**	0.03
Retirement wave (wave III = 1)	0.06	0.04	0.06	0.04
Age	-0.01	0.01	-0.01	0.01
Women	0.06	0.04	0.05	0.04
<i>Health problems</i>				
No pre- or post-retirement health problems	Reference			
Pre- and post-retirement health problems	-0.09*	0.04	-0.09*	0.04
Negative health change	-0.06	0.05	-0.05	0.05
Positive health change	0.06	0.05	0.06	0.05
Perceived pension shortfall	-0.12**	0.03	-0.11**	0.03
<i>Household composition</i>				
<i>Partner status</i>				
Constantly living with partner	Reference			
Constantly single	-0.15**	0.05	-0.15**	0.05
Change: loss of partner	-0.11	0.07	-0.12 [†]	0.07
Change: new partner	0.13	0.10	0.14	0.10
Children	-0.03	0.05	-0.02	0.05
<i>Pre-retirement work context</i>				
Job satisfaction	0.01	0.02	0.01	0.02
Supervisor	0.06	0.04	0.05	0.04
<i>Occupational level</i>				
Lower level	Reference			
Moderate level	0.10*	0.05	0.09 [†]	0.05
High level	0.13**	0.05	0.12*	0.05
Time in retirement	-0.00	0.01	0.00	0.01
<i>Retirement transition</i>				
<i>Reasons for involuntariness</i>				
Voluntary	Reference			
Involuntary: health problems	-0.41**	0.08	-0.41**	0.08
Involuntary: organizational issues	-0.16**	0.04	-0.15**	0.04
Involuntary: health & organizational issues	-0.22*	0.09	-0.20*	0.09
Involuntary: other	-0.18**	0.07	-0.17*	0.07
<i>Bridge employment</i>				
Full retirement without bridge job intention	Reference			
Unsuccessful at finding a bridge job	-0.10 [†]	0.06	-0.11 [†]	0.06
Bridge job	0.05	0.04		
Bridge job in the past	-0.00	0.06	-0.00	0.06
<i>Motives for bridge employment</i>				
Bridge job: financial motive			-0.24**	0.09
Bridge job: enjoyment motive			0.11*	0.05
Bridge job: social motive			0.01	0.11
Bridge job: other motive			0.02	0.11
Bridge job: missing information			0.20 [†]	0.11
R ² ^a	0.29		0.30	

Source: NIDI Work and Retirement Panel (2001–2011), N = 1248.

[†] $p \leq 0.10$; * $p \leq 0.05$; ** $p \leq 0.01$.

^a Explained variance statistic estimated on the original dataset without imputations

shown), it was further found that the degree of involuntariness (partly or completely involuntary) did not offer any incremental explanatory power. In addition, model 1 showed a non-significant effect of the participation in bridge employment on life satisfaction compared with retirees without a bridge job. However, some support was found for the hypothesized negative effect of the inability to find a bridge job (Cohen's $d = 0.16$), indicating that retirees who were unsuccessful at finding a job post-retirement experienced decreased levels of life satisfaction compared with retirees who were not considering a bridge job (Hypothesis 1).

In model 2, the measures of the different motives behind involvement in bridge employment were added into the equation. This model provides results that support Hypothesis 2. All other factors being equal, the lowest level of life satisfaction was found among those who took a bridge job for financial motives. This negative effect was significant both compared with fully retirees who were not considering bridge employment ($t = -2.60, p = 0.01, \text{Cohen's } d = 0.38$) and compared with bridge employees involved in paid work for reasons of enjoyment ($t = -3.47, p = 0.00, \text{Cohen's } d = 0.56$). In addition, support was found for the increased level of postretirement life satisfaction among bridge employees who re-entered the labor force because of the enjoyment they experienced at work compared with fully retirees without a bridge job intention (Cohen's $d = 0.18$).

Both models in Table 5.2 reported a significant and positive association between pre- and post-retirement life satisfaction. In addition, the models contained 11 control variables of which four were found to influence life satisfaction significantly once the retirement transition variables had been accounted for. Individuals with pre- and post-retirement health problems in the retirement transition period had significantly lower levels of life satisfaction than those without health problems in this period. Perceived pension shortfall was also associated with lower levels of life satisfaction compared with those that did not expect a pension shortfall, while not living with a partner over the transition period was significantly associated with lower levels of life satisfaction compared with individuals who lived with a partner. Finally, higher occupational levels in the pre-retirement jobs were related to enhanced post-retirement life satisfaction compared with lower occupational levels.

In addition to the results presented in Table 5.2 on the differences in life satisfaction between individuals, we illustrate the intra-individual changes in life satisfaction over the occasions of measurement graphically in Figure 5.1. The figure presents the mean pre- and post-retirement life satisfaction levels for five categories of retirees; those fully retired who were not considering a bridge job and retirees who participated in bridge employment because of financial, enjoyment, social, and other motives.

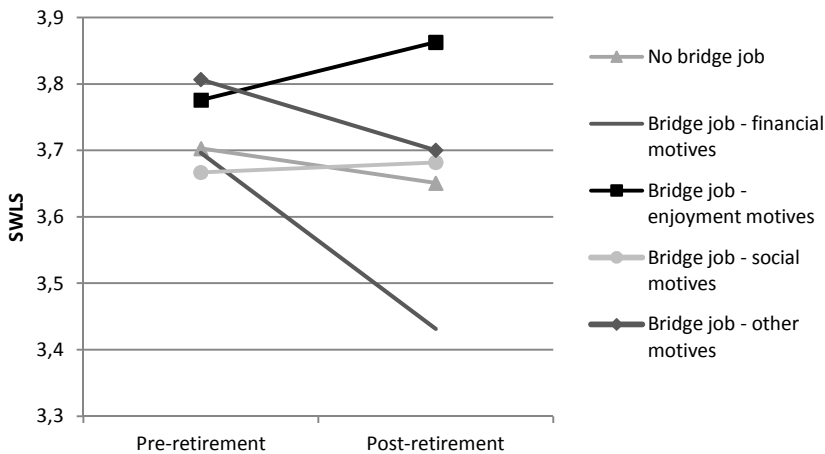


Figure 5.1. Mean pre-retirement and post-retirement life satisfaction (SWLS) conditional on the motives for bridge employment.

The changes in life satisfaction over the occasions of measurement in this figure show a clear trend even though the initial starting points of life satisfaction differ somewhat by category of bridge employee. In particular, bridge employment for social motives and retirement without bridge employment showed similar pre- and post-retirement levels of life satisfaction. Further, bridge employees with enjoyment motives demonstrated increasing levels of life satisfaction compared with their pre-retirement levels ($t(118) = 1.71, p = 0.09$). By contrast, sharp declines were found among those respondents who re-entered the labor force for financial motives ($t(33) = -2.45, p = 0.02$).

The findings necessary to test Hypothesis 3b, namely that bridge employment may mitigate the negative impact of involuntary retirement on life satisfaction, are reported in Table 5.3. We constructed six categories for the retirement paths using the basic variables for involuntary retirement (two categories) and bridge employment (three categories): (a) (in)voluntary retirement without considering bridge employment, (b) (in)voluntary retirement and the inability to find a bridge job, and (c) (in)voluntary retirement and participation in a bridge job.

Once individual differences in pre-retirement life satisfaction and the control variables had been accounted for, the model in Table 5.3 showed significant differences among these six retirement paths with the voluntary full retirees not considering bridge employment functioning as the reference group. In particular, involuntary retirees without a bridge job or bridge job intention (Cohen's $d = 0.39$) and involuntary retirees unsuccessful at finding a bridge job (Cohen's $d =$

Table 5.3. Results of the conditional change regression model with post-retirement life satisfaction (1–5) regressed on the simple effects reflecting involuntary retirement and bridge employment^a.

	b	SE
<i>Retirement transition</i>		
Voluntary – No bridge job / no intention	<i>Reference</i>	
Voluntary – Unsuccessful at finding a bridge job	-0.13 [†]	0.08
Voluntary – Bridge job	0.02	0.05
Involuntary – No bridge job / no intention	-0.24*	0.04
Involuntary – Unsuccessful at finding a bridge job	-0.27*	0.07
Involuntary – Bridge job	-0.09	0.07

Source: NIDI Work and Retirement Panel (2001–2011), N = 1248.

[†] $p \leq 0.10$; * $p \leq 0.05$

a. Controlled for pre-retirement life satisfaction (SWLS), retirement wave, age, gender, health status, perceived pension shortfall, partner status, children, job satisfaction, supervisory position, occupational level, time in retirement, and bridge job in the past.

Note: Main effects model (chi-square = 23.704, $df = 4$, $p < 0.01$); interactive model (chi-square = 0.426, $df = 2$, $p > 0.10$), based on original dataset without imputations.

0.44) were associated with sharp decreases in life satisfaction compared with voluntary, fully retirees not considering bridge employment. Some support was also found for the statement that older adults who retired of their own volition and were unsuccessful at finding a bridge job were less satisfied with their lives than voluntary retirees without a bridge job or bridge job intention (Cohen's $d = 0.21$).

In additional analyses, the differences in life satisfaction between the six retirement paths were tested using different reference groups. These analyses provided support for the compensating effect of bridge employment for involuntary retirees. On one hand, an increase in life satisfaction was found for involuntary retirees involved in bridge employment compared with involuntary retirees who were not considering bridge employment ($t = 1.93$, $p = 0.05$, Cohen's $d = 0.23$). On the other hand, satisfaction levels for involuntary retirees in bridge jobs were not significantly different from voluntary retirees participating in bridge employment ($t = 1.47$, $p = 0.14$) and voluntary retirees without a bridge job ($t = 1.36$, $p = 0.18$).

Again, insights into the intra-individual changes in life satisfaction are graphically presented. Figure 5.2 shows the unadjusted mean scores of life satisfaction over the retirement transition period plotted as a function of the six retirement paths. The figure illustrates the mitigating capacity of bridge employment among involuntary retirees. The mean scores for involuntary retirees without bridge employment showed a sharp decline in satisfaction levels that coincided with the transition from work in the career job to retirement (i.e., with or without a bridge job intention thereafter respectively, $t(59) = -2.07$, $p = 0.04$; $t(227) = -4.89$, $p = 0.00$). By contrast, involuntary retirees who found a bridge job after retirement experienced only small, non-significant declines in life

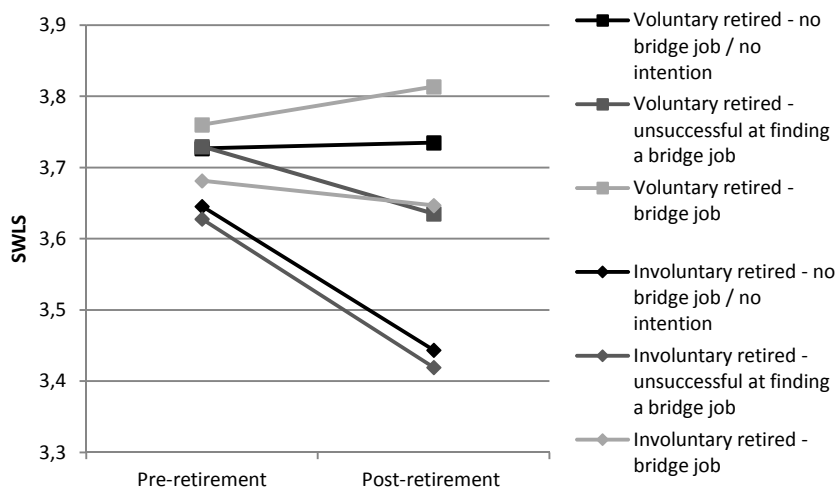


Figure 5.2. Mean pre-retirement and post-retirement life satisfaction (SWLS) conditional on the voluntariness of retirement and participation in bridge employment.

satisfaction over the retirement transition ($t(67) = -0.47, p = 0.64$). All those older adults who retired of their own volition (i.e., with or without a bridge job thereafter) had relatively stable satisfaction levels over the retirement transition.

5.5 Discussion

The increased popularity of bridge employment has raised questions about its consequences for well-being in later life. In particular, this research explored the consequences of bridge employment by examining the life satisfaction levels of older adults during the retirement transition period. Based on longitudinal data from 1248 respondents in the Netherlands, the empirical findings of this study lend partial support to the beneficial effect of bridge employment, while at the same time the findings revealed patterns of ‘involuntary full-time retirement’ and ‘involuntary bridge employment’ that appeared to be detrimental for late life well-being. Below, we elaborate on the three major findings of this study.

First, those retirees who were unable to find a bridge job despite their efforts to do so showed decreased satisfaction with their lives post-retirement. This interesting outcome is at one with the notion of the continuity of valued life patterns after the retirement transition (Atchley, 1999; Settersten, 2003); older workers might think about and desire (new) labor force activities after retirement but are not necessarily able to realize these preferences (Conen, 2013; Karpinska,

et al., 2011). These retirees may be referred to as ‘involuntary full-time retirees’. Furthermore, the presented research does not support the general positive impact of bridge employment on post-retirement life satisfaction, suggesting that those who participate in bridge jobs do not have increased satisfaction levels compared with full-time retirees.

Second, the current investigation showed a clear dichotomy in terms of the impact of participation in a bridge job, namely that such types of post-retirement employment can have both positive and negative consequences for the life satisfaction levels of older adults. This finding might help clarify the absence of a general effect of bridge employment on satisfaction. Specifically, bridge employees motivated by intrinsic enjoyment goals demonstrated higher levels of life satisfaction compared with those entering bridge employment out of financial necessity. Bridge employees who re-entered the workforce for reasons of enjoyment can be assumed to favor some involvement in a work role over full-time retirement (Ashforth & Mael, 1989) and may even experience personal enhancement when working. This finding agrees with those presented in the literature, which argue that older adults often perceive their bridge jobs positively; the jobs are less demanding, more flexible, and provide more free time for leisure compared with their career jobs (Kantarci, 2012; Lim & Feldman, 2003; McNamara et al., 2013; Ulrich, 2003).

By contrast, bridge employees who would have retired completely had their financial circumstances been better might feel forced to stay employed while actually preferring full-time retirement (Atchley, 1999), indicating a perception of ‘involuntary bridge employment’. It might be the case that those who re-entered the labor force for financial motives consider the downward mobility from the career job to the bridge job to be a negative development in their work lives, rather than a gradual transition into full retirement. Those retirees working mainly for financial motives may also be likely to feel forced to accept low quality jobs. Research on the structural characteristics of bridge employment often concludes that bridge jobs are poor quality jobs placing older adults in more disadvantaged positions compared to their career jobs (Cuelenaere & Veldhuis, 2011; Feldman, 1994; König, Van den Berg, & Ter Haar, 2011; Lissenburgh & Smeaton, 2003). In this vein, further research might profitably explore the relationship between post-retirement work motives and evaluations of job quality in bridge jobs. A better understanding of these perceptual and structural differences in post-retirement work and its consequences in late adult life may help refine the conceptualization of bridge employment.

Third, we explored whether bridge employment could mitigate the negative consequences of forced career exits on the level of post-retirement life satisfaction. Compared with voluntary retirement, involuntary retirement was

negatively related to evaluations of life satisfaction, particularly in instances of departure from the workforce for health-related reasons. Such individuals must not only deal with the loss of work but also might face health-related restrictions in other life domains (Hershey & Henkens, 2014). However, bridge employment after involuntary career departure was shown to at least partly compensate for the negative impact on life satisfaction. Those involuntary retirees who were able to engage in a bridge job might have regained control over the work domain and realized some working continuity. Moreover, these findings suggest that the valued work-related benefits from the career job lost due to a forced career exit can be compensated by the benefits of the bridge job.

The findings of the current study are consistent with the life course tenet of human agency (Elder, 1994; Settersten, 2003) and theories on perceived control (Heckhausen & Schulz, 1995) and self-management (Sterns & Kaplan, 2003). Being in control of the retirement transition is not only of importance in the case of a career exit (Quine, et al., 2007), but also applies to entry into bridge jobs after retirement. The involuntary discontinuity in preferred work and retirement trajectories, both in terms of involuntary full-time retirement and involuntary participation in bridge employment, appears to have negative consequences for late life well-being. Thus, even though bridge employment is found to be a beneficial strategy for involuntary retirees to regain control over their work role identities, it may also create barriers and restrictions that may hinder the stability in life satisfaction after retirement. In addition, the results of the current investigation suggest that retirement should be explored as a dynamic life event during a period that might include a number of voluntary and involuntary transitions into and out of the labor force.

The primary strength of our methodology lies in its capacity to explore the impact of the various reasons for involuntary career exits, and to ascertain the intentions and motives for re-entry into the labor force after retirement. A further advantage was the panel study used to investigate the consequences of retirement as a dynamic life event. Nevertheless, the present study also contained a number of limitations. Although the sample captured a broad range of organizational diversity, it was not fully representative of the Dutch labor market because only large organizations were included. This restriction might limit the generalizability of the findings. Furthermore, generalizability to other countries might be limited due to the relative generosity of Dutch pension arrangements (e.g., the net replacement rate equals 103 for a Dutch male worker compared with the European average of 76, Hershey, et al., 2007; OECD, 2011). It might be said that members of the Dutch cohort under investigation here have relatively few concerns about their financial situations.

The current study is one of the first to link the motives for bridge employment to life satisfaction levels. Nevertheless, a limitation is that we only measured the main motive for participation in bridge employment; it is highly conceivable that such participation has more than one driver (AARP, 2003; Kanfer, Beier, & Ackerman, 2013; Lepper & Henderlong, 2000). In further research, it would be advisable to measure various motives for bridge employment separately.

Finally, we studied the consequences of retirement using a general indicator of late life well-being. In addition to this general perception of how older adults evaluate their lives, future research should also explore the association between bridge employment and specific measures of the difficulties (e.g. social and financial) that retirees may experience in the adjustment to retirement (Van Solinge, 2013).

The traditional form of retirement as an abrupt and complete discontinuation of paid employment is increasingly being replaced by diverse work patterns in later stages of life. The present research found that the dynamics of individual retirement paths have clear implications for well-being in late adult life. At the individual level, human agency in the retirement process, including post-retirement work patterns, seems to be crucial for well-being in later life. At the organizational level, the presented results imply that career counseling should focus on mapping the retirement expectations and preferences of older workers. In this regard, psychologists or human resources employees engaged with older workers can help them build realistic expectations and acquire the tools to increase the likelihood of meeting these expectations. As this research has clearly shown, participation in bridge employment is beneficial for sustaining life satisfaction after retirement when it reflects the continuity of valued activities and a certain level of agency over the whole retirement transition process.

