An Exploration of Factors Influencing Older Women's Retirement Decisions

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Older women, retirement, partial retirement, and labor force participation

Abstract
The labor force participation of women has increased dramatically over the past few decades. As a result of this increase, retirement is becoming more relevant to women than in previous years. However, current research on retirement is mainly based on the experiences of men or stems from gender comparison studies (Quick & Moen, 1998; Skirboll & Silverman, 1992; Zimmerman, Mitchell, Wister, & Gutman, 2000). These studies do not take into account the distinctive nature of women's retirement decisions or the many contexts in which women retire (Calasanti, 1993; Richardson, 1999). For example, women are more likely than men to experience diverse work histories, be influenced by family responsibilities and family life cycle stages across the life span, be exposed to social roles beyond the work force, encounter financial instability, and live in retirement for a longer period of time (Price, 1998).

Using data from the 2002 and 2004 waves of the Health and Retirement Study this research in progress examines the factors influencing older women's retirement decisions. Human capital theory, the permanent income hypothesis, and the life cycle retirement model each contribute to the framework for the theoretical model and empirical models. The research question is: What factors influence women's retirement decisions (partial or full retirement)? Specifically, this study will provide empirical content to determine the objective functional relationship of human capital, demographic characteristics, occupational characteristics, and lifetime wealth accumulation on labor force participation, hours worked, and change in hours worked with respect to older women.

Descriptive analyses will be conducted to summarize the data and examine measure of association. Cluster analyses will be used to determine typologies of older women based on demographic characteristics, occupational characteristics, and lifetime wealth accumulation. Ordinary Least Squares regression (OLS) will be used to test interaction effects to determine if separate models are needed based on marital status. Ordinary least squares will be used to determine the effect of the demographic characteristics by marital status on lifetime wealth accumulation for each income source. Logit analyses will be used to determine the effects of the demographic and occupational characteristics on labor force participation. Path analyses will be used to estimate the direct, indirect, and total effects of the demographic characteristics, occupational characteristics, and lifetime wealth accumulation on change in hours worked.

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