

University of Nebraska - Lincoln

DigitalCommons@University of Nebraska - Lincoln

---

Theses, Dissertations, & Student Scholarship:  
Agricultural Leadership, Education &  
Communication Department

Agricultural Leadership, Education &  
Communication Department

---

Spring 5-1974

## A Survey of the Perceptions of Pre-retired Older Workers in Selected Businesses Toward Various Aspects of Retirement with Implications for Pre-retirement Education

Donald W. Swoboda

Follow this and additional works at: <https://digitalcommons.unl.edu/aglecdiss>



Part of the [Other Public Affairs, Public Policy and Public Administration Commons](#)

---

Swoboda, Donald W., "A Survey of the Perceptions of Pre-retired Older Workers in Selected Businesses Toward Various Aspects of Retirement with Implications for Pre-retirement Education" (1974). *Theses, Dissertations, & Student Scholarship: Agricultural Leadership, Education & Communication Department*. 40.

<https://digitalcommons.unl.edu/aglecdiss/40>

This Article is brought to you for free and open access by the Agricultural Leadership, Education & Communication Department at DigitalCommons@University of Nebraska - Lincoln. It has been accepted for inclusion in Theses, Dissertations, & Student Scholarship: Agricultural Leadership, Education & Communication Department by an authorized administrator of DigitalCommons@University of Nebraska - Lincoln.

A SURVEY OF THE PERCEPTIONS OF PRE-RETIRED OLDER  
WORKERS IN SELECTED BUSINESSES TOWARD VARIOUS  
ASPECTS OF RETIREMENT WITH IMPLICATIONS  
FOR PRE-RETIREMENT EDUCATION

Donald W. Swoboda, Ph.D.

University of Nebraska, 1974

Advisor: Roger Hiemstra

This study was designed to determine how older workers in Nebraska perceived their own retirement situation, specifically as related to financial issues and pre-retirement planning. Twelve questions were developed as guides for use in conducting this study. These questions were designed to determine older worker perceptions of: Personal retirement income adequacy, proportion of pre-retirement income necessary for retirement, responsibility for retiree finances, the role of children in the retirement finances of older persons, the responsibility of the government, present retiree income situation, willingness to make increased social security payments in order to increase the income of present retirees and themselves, spokesmen or leaders seen as most influential in improving the financial conditions of retired people, the need for pre-retirement planning, groups responsible for providing pre-retirement planning

education and assistance, and the point in their work life that pre-retirement planning should begin.

The sample population was limited to older workers age 45 and above, employed at randomly selected manufacturing firms in full-time blue collar jobs for which the entry level education requirement was high school graduate or less.

Data collected for this study were obtained via a survey questionnaire from 372 respondents. The survey questionnaire was constructed and pre-tested by the researcher.

The data were analyzed in terms of providing answers to the original twelve guide questions. Responses were further compared on the basis of personal characteristics to determine possible relationships.

Important results of the study are summarized as follows:

More than half of the participants felt their retirement finances would be inadequate.

Approximately half indicated they would need more than 60 percent of their current income to achieve an adequate retirement income.

Over half of the respondents perceived the government as responsible for indigent retirees. The second most indicated group was business or industry.

None of the participants felt that their children should be a major retirement income source. Most felt that children should not participate in the retirement support of family members at all or help out only in special emergencies.

Approximately two-thirds of the respondents felt that present retiree income was inadequate.

Participants were willing to make increased social security payments to improve benefits for both themselves and present retirees.

Government and business were the groups seen as the most influential spokesmen to improve financial conditions.

A majority of respondents felt that the average persons preparation for retirement was inadequate. The majority felt that planning should begin at least 10 or more years prior to retirement.

Respondents were not in agreement as to sponsorship or location for pre-retirement information programs.

A majority of the respondents looked forward to their own retirement.

The major recommendation, for which specific policies are suggested, is that immediate and positive action be taken by adult educators in Nebraska to coordinate research, development and implementation of pre-retirement planning programs to meet the expressed needs of the older workers.

A SURVEY OF THE PERCEPTIONS OF PRE-RETIRED OLDER  
WORKERS IN SELECTED BUSINESSES TOWARD VARIOUS  
ASPECTS OF RETIREMENT WITH IMPLICATIONS  
FOR PRE-RETIREMENT EDUCATION

by

Donald W. Swoboda

A DISSERTATION

Presented to the Faculty of  
The Graduate College in the University of Nebraska  
In Partial Fulfillment of Requirements  
For the Degree of Doctor of Philosophy  
Adult Education Area

Under the Supervision of Roger P. Hiemstra

Lincoln, Nebraska

May, 1974

## ACKNOWLEDGMENTS

I wish to express my sincere appreciation to all of the persons who made a contribution to this study.

A special note of appreciation goes to the representatives of the firms who so graciously cooperated with the efforts of this study and to the employees who supplied the data for this study.

I wish to thank Roger Hiemstra for his assistance as my graduate program advisor and as chairman of my doctoral committee. I am also indebted to the members of my doctoral committee, Professors Dillon, Lutz and Meierhenry, for their helpful suggestions and assistance.

Several colleagues and friends aided in various ways in the development and implementation of this study. To them I say thank you very much. Sincere thanks is expressed to three very excellent secretaries who assisted with various parts of this project, Virginia Crump, Kathy Radant and especially Nancy Robertson who typed the final drafts.

Most importantly, I thank God for giving me the strength and ability to attempt such an endeavor and for providing me with three very patient and understanding girls, my wife Virginia and daughters, Teresa and Shari. It is to them that I dedicate this work.

## TABLE OF CONTENTS

CHAPTER I.	INTRODUCTION . . . . .	1
	General Statement	
	Problem Setting	
	Purpose of the Study	
	Significance of the Study	
	Research Problem Restated	
	Limitations of the Study	
	Definition of Terms	
	Outline of the Study	
CHAPTER II.	SURVEY OF SELECTED LITERATURE . . . . .	12
	Introduction	
	Current Situation of Retirees	
	Early Retirement Trend	
	Interest in Pre-retirement Planning	
	Types of Pre-retirement Planning	
	Apparent Results of Pre-retirement Planning	
	Summary	
CHAPTER III.	DESIGN OF THE STUDY . . . . .	37
	Introduction	
	Type of Study	
	Selection of the Sample	
	Development of the Survey Questionnaire	
	Data Organization and Analysis	
	Summary	
CHAPTER IV.	PRESENTATION OF THE DATA . . . . .	48
	Introduction	
	The Sample Population Surveyed	
	Guide Question Findings	
	Summary	
	Pre-retirement Planning Information	
CHAPTER V.	SUMMARY, CONCLUSIONS AND RECOMMENDATIONS .	118
	The Study	
	The Sample Population Surveyed	
	Study Methods and Procedures	
	Summary of the Findings	
	Pre-retirement Information	
	Conclusions and Policy Recommendations	
	Recommendations for Further Research	

BIBLIOGRAPHY . . . . .	146
APPENDIX . . . . .	150

Appendix A  
Appendix B



## LIST OF TABLES

		Page
Table 1	Marital Status . . . . .	52
Table 2	Sex . . . . .	52
Table 3	Race . . . . .	53
Table 4	Living Quarters . . . . .	54
Table 5	Education Completed . . . . .	54
Table 6	Age . . . . .	55
Table 7	Number of Years Until Expected Retirement .	56
Table 8	Comparison of Present Age and Anticipated Retirement Age . . . . .	57
Table 9	Residence and Job Mobility . . . . .	59
Table 10	Family Gross Income Per Month . . . . .	60
Table 11	Number of People That Live on Family Income	60
Table 12	Perception of Family's Retirement Income . .	63
Table 13	Distribution of Statistically Significant Retirement Income Adequacy Comparisons . .	65
Table 14	Percent Distribution Summary of Non-significant Retirement Income Adequacy Comparisons . . . . .	66
Table 15	Perceived Proportion of Present Monthly Income Necessary to Maintain Adequate Monthly Retirement Income . . . . .	70
Table 16	Distribution of Present Monthly Income Proportion to Maintain Adequate Monthly Retirement Income Comparisons . . . . .	72
Table 17	Sources of Retirement Income Ranked by Importance . . . . .	75

	Page
Table 18	Perceived Major Income Source for Most Retired Families . . . . . 76
Table 19	Group Indicated as Responsible for Retirement Finances if Retirees Cannot Provide for Themselves . . . . . 78
Table 20	Distribution of Groups Perceived as Most Responsible for Providing Income for Retirees . . . . . 79
Table 21	Perceived Role of Children in the Financial Support of Retired Family Members . . . . . 80
Table 22	Perceived Present Income of Retired People . . . . . 84
Table 23	Perceived Difference in Standard of Living of Retired Families as Compared to Families Before Retirement . . . . . 84
Table 24	Perceptions of Most Probable Cause for Inadequate Retiree Income . . . . . 85
Table 25	Distribution of Most Probable Inadequate Retirement Cause Comparisons . . . . . 87
Table 26	Perceptions of Other Causes of Inadequate Income or Savings . . . . . 88
Table 27	Distribution of Present Family Income and Other Causes of Inadequate Income or Savings of Retirees Comparisons . . . . . 89
Table 28	Perceived Willingness to Make Increased Social Security Payments to Increase the Income of Present Retired Persons . . . . . 90
Table 29	Distribution of Willingness to Make Increased Social Security Payments to Increase the Income of Retired Persons Comparisons . . . . . 91
Table 30	Perceived Willingness to Make Increased Social Security Payments to Increase Retirement Benefits for Self . . . . . 93
Table 31	Distribution of Willingness to Make Increased Social Security Payments to Increase Retirement Benefits for Self Comparisons . . . . . 94

	Page	
Table 32	Perceptions Regarding Groups Which Should be Working the Most to Improve Financial Conditions of Retirees . . . . .	96
Table 33	Distribution of Group Which Should be Working the Most to Improve the Financial Condi- tions of Retirees Comparisons . . . . .	98
Table 34	Perception of Average Person's Preparation for Retirement . . . . .	100
Table 35	Distribution of Perceived Average Retirement Preparation Comparisons . . . . .	101
Table 36	Perceived Need for Most People to Plan for Retirement . . . . .	102
Table 37	Perceptions of Group Most Responsible for Providing Information Sessions . . . . .	104
Table 38	Perceived Time at Which Retirement Planning Should Begin . . . . .	106
Table 39	Distribution Comparisons of Perceived Beginning Point for Retirement Planning .	107
Table 40	Frequency of Topics of Interest to Participants . . . . .	112
Table 41	Desired Location for Sessions . . . . .	113
Table 42	Most Convenient Time of Day . . . . .	114
Table 43	Perceptions of Personal Retirement . . . . .	116

## CHAPTER I

### INTRODUCTION

#### General Statement

Retirement is a term which connotes a variety of ideas to persons in our society today. Perceptions toward retirement could be plotted on a continuum from that of a time of anticipated leisure life enrichment, viewed as a reward for dutiful service rendered; to that of a withdrawal from useful society, seen as a penalty for growing old. Much interest has been shown, in recent years, in assisting the retired person to better understand and develop in his new situation in society. However, if the retired person has done little or no planning for retirement living prior to retirement, he may be faced with an undesirable situation burdened with constant frustration and serious problems.

One alternative suggested to help meet the adjustment to retirement is that of pre-retirement planning. The interest in pre-retirement planning appears to be growing, although few studies have attempted to determine the point at which persons should begin to seriously plan for the day they will retire. Speculation ranges from the time at which an individual's work life begins to various points forward to actual retirement.

If education is in fact a life-long continuing process, rather than a kindergarten through high school or college preparation for employment process, it is suggested that educational programs on the aspects of aging, changing life styles through the work life, preparation for retirement and post retirement living must be included in such a process.

Society has placed heavy emphasis on the economic aspects of living, which is reinforced through the formal education system and throughout the remainder of life. Thus, it appears natural to expect that aspects of financial planning be included as part of the continuing educational process mentioned above. To assist in determining the extent of these needs in retirement education, one must attempt to measure the relevant concerns of the people involved.

#### Problem Setting

The scientific, medical and technological advancements made over the last two or three decades have caused dramatic cultural changes in our society. Never before in our history have so many people lived so long. The problems of these older people are of national concern today.

In the past, only a small proportion of Americans reached age sixty-five; for instance, in 1890 only 3.9 percent of the population were sixty-five or over; by 1963 this group had risen to 9.4 percent. Of those who did reach this age in earlier years, most continued to do work so that no real change in their status resulted.<sup>1</sup>

At the end of 1967, there were approximately 19.3 million persons aged sixty-five or over in the United States.<sup>2</sup> By 1970, 9.9 percent of the total population was over sixty-five,<sup>3</sup> and of this group 38.1 percent or slightly over 7.5 million people were 75 years of age and over.<sup>4</sup>

The trend referred to above will continue, however, in the 1970's the rate of increase will be outstripped by the younger segment of our population (age 16-44). Even so, it has been predicted that by 1980, there will be more older men and women, aged 45 and over, outside the labor force living in retirement than there will be working.<sup>5</sup> Thus, the probability of a continual decline in the traditional retirement age of sixty-five will be high.

Of the many issues facing the retired person such as: finances, living arrangements, mental and physical health, leisure time, etc., the most critical area seems to be that of income adequacy.

As people approach retirement, one of their principal concerns is how to make ends meet after they quit working. Most of them will have less to live on after they retire; and, to make matters even more serious, most of them will be living on a fixed income while the cost of living continues to rise year after year.<sup>6</sup>

Thus it is generally agreed that the older worker today, in many instances, faces a very real adjustment at the time of his occupational retirement. This adjustment may be further complicated by voluntary or forced early retirement, a growing trend.<sup>7</sup> Brennan, Taft and Schupach concluded, "If

retirement brings with it special problems, early retirement would tend to increase them. . . ."<sup>8</sup>

As pointed out earlier, many segments of our society are becoming increasingly more concerned about the plight of our nation's older members. To reduce the personal crisis of retirement faced by many people, the idea of pre-retirement planning has come about. Only recently has this concept been considered by a large cross-section of our economy. Business and industry, unions, educational institutions and government are all searching for their particular role or responsibility in this issue. It appears that the time has come to stop waiting to see which element of our economy will take the lead in helping workers plan for retirement.

#### Purpose of the Study

This study was undertaken as a result of the author's failure to identify, in Nebraska, any type of comprehensive pre-retirement planning program offered well in advance of the worker's retirement.<sup>9</sup> Since the interest in the issue was relatively high among all of the government, business and industry representatives visited, there appeared to be cause for research into the perceptions of those individuals facing retirement relative to their own retirement preparation.

The major purpose of this study was to determine how older workers in Nebraska perceived their own retirement

situation, specifically as related to financial issues, and their general thoughts on pre-retirement planning for these aspects.

### Significance of the Study

The meaningfulness of any research effort may be likened to beauty being in the eye of the beholder, significance is in the mind of the reader. The writer, as a firm believer in the need for practical research, found the selection and design of this effort to be extremely meaningful. It is hoped that for the companies cooperating in this project some valuable practical information might be gained to better serve the welfare of their employees; and thus, provide some degree of meaningfulness for the individuals themselves who cooperated in this study.

Naturally every beginning researcher would hope that his effort would, in some way, benefit the whole of society in his particular endeavor. The probability of this happening in any single research activity is no doubt infinitely small, if probable at all; however, this is not the expectation for this study. It is hoped that the findings of this study may be utilized in such a way as to benefit those responsible for designing programs and further research in pre-retirement planning and will have proved significance if it offers assistance to the retirement preparation of older workers.



### Research Problem Restated

The research problem may then be restated as a study to determine the perceptions of older workers on selected financial aspects of retirement and on pre-retirement planning relative to these aspects.

The following questions will serve as guides in developing and conducting this study:

1. How adequate do older workers think their retirement finances will be?
2. What proportion of their pre-retirement income do older workers perceive as adequate for retirement?
3. Whom do older workers see as responsible for finances of retirees?
4. How large a role do older workers believe that children should play in the retirement finances of older persons?
5. What do older workers perceive as the responsibility of the government for the finances of retirees?
6. Do older workers believe that present retirees should have larger retirement incomes?
7. Would pre-retired older workers be willing to make increased social security payments in order to increase the income of present retirees?
8. Would pre-retired older workers be willing to make increased social security payments in order to be assured of higher retirement income for themselves?
9. Whom do older workers see as the most influential spokesmen or leaders in improving financial conditions of retired people?

10. Do older workers see a need for pre-retirement planning?
11. Whom do older workers see as responsible for providing pre-retirement planning education and assistance?
12. What point in their work life do older workers believe pre-retirement planning should begin?

#### Limitations of the Study

This study is limited to the extent that the data collected to help solve the particular problem were objectively analyzed. An additional limitation of this research project is that of cost. Hiemstra pointed out that "in many cases where it seems that the quality of the data should be improved, the cost is the constraint."<sup>10</sup>

The data collected were further limited by the respondents ability to understand and react to the individual questions asked, and by the degree of influence the cooperating firms' representatives had over the respondents. The former was dealt with in pre-testing the instrument; however, the latter was difficult to control except to stress uniformity of directions given by the researcher to the company representatives.

This study was further limited to Nebraska manufacturing firms employing at least 200 persons located in the metropolitan areas of Omaha and Lincoln.

### Definition of Terms

For the purposes of this study, following are some terms and their definitions:

Older Worker. The term older worker is used and defined primarily by the United States Department of Labor as those members of the labor force 45 years of age and over. The maximum age of this group is generally 64 since age 65 is most generally known as a worker's retirement age. Age 45 is normally considered slightly past the midpoint of normal working life, and workers 45-64 generally have many special problems unique to any other age group in the labor market.<sup>11</sup>

Cooperating Firm. This term refers to those manufacturing firms randomly selected, as discussed in the sample selection section, and agreeing to cooperate with the researcher as determined by the study design.

Retirement. No specific age is fixed for the term retirement as used in this study. Rather retirement, as used here, means that point in a worker's life at which his or her continuous occupational activity terminates, either voluntarily or involuntarily.

### Outline of the Study

Chapter II of this study will present a review of selected literature relative to the current situation on

retirees, the trend toward early retirement, interest in pre-retirement planning, types of pre-retirement planning programs offered and the apparent results of pre-retirement planning.

Chapter III will describe the design of the study including the following: 1) The type of study utilized. 2) The selection of the study sample. 3) The development of the survey instrument. 4) The data collection and interpretation procedures.

Chapter IV contains the presentation and discussion of the data collected.

Chapter V of this study will present a brief summary of the findings, conclusions and policy recommendations of the researcher based on the findings, and offer some suggestions for further research relative to this topic.

References

<sup>1</sup>David A. Peterson, "Financial Adequacy, Retirement, and Public Policy: A Study of the Perceptions of Older Americans," (Unpublished Doctor's Dissertation, University of Michigan, 1969), p. 2.

<sup>2</sup>Lenore E. Bixby, "Income of People Aged 65 and Older: Overview from 1968 Survey of the Aged," Social Security Bulletin, Vol. 33, No. 4, April, 1970, p. 6.

<sup>3</sup>Herman B. Brotman, The Older Population Revisited, First Results of the 1970 Census, Number 2 of Facts and Figures on Older Americans. Washington, D.C.: Administration on Aging, U.S. Department of Health, Education and Welfare, 1971, p. 5.

<sup>4</sup>U.S. Department of Commerce, Bureau of Census, 1970 Census of Population, General Social and Economic Characteristics, United States Summary, (Washington: Government Printing Office, 1972), p. 380.

<sup>5</sup>Ewan Clague, Balray Palli and Leo Kramer, The Aging Worker and the Union, Employment and Retirement of Middle Aged and Older Workers. Prepared for the National Institute of Industrial Gerontology, National Council on the Aging, (New York: Praeger Publishers, 1971), p. 14-18.

<sup>6</sup>Woodrow W. Hunter, Preparation for Retirement, Division of Gerontology, The University of Michigan, Ann Arbor, 1968, p. 24.

<sup>7</sup>Paul M. Feine, "Early Retirement is Coming," Dynamic Maturity, May, 1972, p. 9.

<sup>8</sup>Michael J. Brennan, Phillip Taft and Mark B. Schupach, The Economics of Age, (New York: W. W. Norton & Company, Inc., 1967), p. 231.

<sup>9</sup>This conclusion was made prior to the design of this particular study, based on personal inquiries made of the State Department of Labor, the Nebraska Commission of Aging and other state and local agencies with knowledge of this type of concern.

<sup>10</sup>Roger P. Hiemstra, "Educational Investments and Economic Growth: A Case Study in Continuing and Community Education," (Unpublished Doctor's Dissertation, University of Michigan, 1970), p. 11.

11 This definition was developed from two major sources: Visits with representatives of the U.S. Office of Labor representatives in Nebraska, and from The Pre-Retirement Years, a longitudinal study of the labor market experience of men, Manpower Research Monograph No. 15, Vol. I & II, U.S. Department of Labor Manpower Administration, 1970.

## CHAPTER II

### SURVEY OF SELECTED LITERATURE

#### Introduction

The point must be made clear at the outset that income adequacy during retirement is not the only consideration to be faced by the older worker; nor is it, in many cases, the major issue. However, the facts, as will be pointed out, show that the issue of income adequacy of retired persons does have a major impact on the life style and standard of living of these people. This impact appears even more important when included with other retirement issues, such as health, housing, leisure activity, social activity and others. Retirement may be said to be a social or social-psychological event as well as an economic event. However, it is generally thought that improvement in an individual's economic security for retirement will tend to reduce, in some degree, the negative effects associated with departure from the formal work force.<sup>1</sup>

This chapter will present a review of some of the relevant literature which relates to the situation retired and nearly retired persons face in our society today. This discussion will be presented in terms of the current economic

situation of retirees, the trends toward early retirement, the growing interest in pre-retirement planning, types of programs being offered and the apparent results of pre-retirement planning.

### Current Situation of Retirees

The plight of retired Americans is not a new phenomenon, nor is it a problem which is easily solved. The President's task force on aging concluded that, "the Nation's 20 million citizens over 65 are so diverse a group that no generalization can fully describe them."<sup>2</sup> What the task force was saying was that simply because persons reach their sixty-fifth birthdays, they do not immediately fall into a homogeneous category stereotyped as elderly. Rather they continue to be individuals with unique combinations of mental, physical and psychological characteristics, who have particular desires and needs regardless of their chronological age.

One of the real problems which face a large number of retired persons is that of limited or inadequate income. Much concern relative to this issue has been expressed by both government and business at many levels. In 1968 President Nixon stated:

. . . the financial picture among older Americans. . . is a picture which badly needs improving. It is simply unacceptable in America that a large segment of older Americans have incomes below the poverty line. It is unacceptable that the aged should be the one group in the country where poverty is increasing today.<sup>3</sup>



National concern for income adequacy among the aged was further illustrated by the U.S. Senate Special Committee on Aging as reported in its study of the economics of aging.

A most distressing fact--a disgrace in a Nation pledged to an all-out war on poverty--is that there was an increase in both the number and the proportion of aged poor between 1968 and 1969. In 1969, there were approximately 4.8 million people aged 65 and older who were living in poverty, almost 200,000 more than in 1968. They represented 19.7 percent of all persons 65 and older in 1969, an alarming rise from the 18.2 percent found for 1968. Alarming, too, was an increase in the number of poor aged 60 through 64.<sup>4</sup>

A major study of persons 65 and over conducted by the Social Security Administration in 1968 pointed out two specific findings relevant to this review. Of the 15.8 million household units surveyed, slightly more than 50 percent of the units were aged 73 or over, and 44 percent of the units were classified as poor, with an additional 11 percent designated as near poor.<sup>5</sup> These findings tend to add support to the contention that retirement incomes are less than adequate for a large portion of our nation's retired persons, and that more people are living longer than ever before. The occurrence of these two findings taken together leads to the assumption that income adequacy will tend to deteriorate with age, especially for those persons with inadequate incomes at or near the beginning of their retirement.

Peterson reported high rates of perceived income inadequacy indicated by retirees in two separate studies.

In both study samples, more than half of the respondents indicated an income level inadequate to meet current family needs; in fact, only 30 percent of 428 respondents in one study and 15 percent of 178 in the second study indicated having adequate incomes. Findings of both studies agreed, also, that for nearly half of the respondents, their view of perceived financial adequacy from past to future was one of decline.<sup>6</sup>

In another report, Peterson reported the findings of financial adequacy for retired persons relative to specific characteristics of the respondent groups. Those groups indicating significantly higher proportions of income inadequacy were single, widowed, divorced or separated persons; blacks; those renting or buying a home; those with lower monthly or adjusted incomes; those with only one person in the family; and those with less education. Respondents indicating part time employment or no employment were also more likely to perceive their incomes as inadequate, but not significantly so.<sup>7</sup>

As reported by Streib and Schneider<sup>8</sup> and inferred by Peterson<sup>9</sup>, almost all retirees may expect to receive a reduction in income in retirement as compared to their pre-retirement situation. This reduction may be expected to be 50 percent or greater in many situations. Streib and Schneider point out that if this reduction in income is accompanied by a corresponding reduction in wants, the

impact may be lessened a great deal. "The amount of income an individual receives may not be as important as whether he thinks it is 'enough'."<sup>10</sup> The point made here should well be considered, however, successful adjustment to retirement must be defined by the retiree in the final analysis, therefore, the retiree must be the one to determine income adequacy.

There has been much speculation by many, from both private and political sectors, that the economic conditions which have brought about the current situation now faced by retirees will be changed in the near future. Peterson concluded, based on an extensive review, that:

It would appear. . .that neither the general economic conditions of this country nor private pensions are likely to change the financial situations of the majority of retirees in the near future. Their problems of today will more than likely remain with them tomorrow unless basic changes are made in the policy and programs of this country. The problem is, then, to determine what is to be done and who should take the leadership in working for these changes.<sup>11</sup>

The issue of adjustment to retirement, although highly dependent on the individual situation, depends upon a complex group of inter-related factors, many of which directly relate to income. Heidbreder concluded that adequate income in itself does not insure good adjustment, however, the findings of her study indicated that the degree of retirement adjustment was significantly related to finances.<sup>12</sup>

Many persons have attempted to insure a better financial position for themselves in retirement by establishing

a regular savings plan along with private pension plans. The participants in Heidbreder's study who had at least two sources of retirement income were generally better adjusted than those with only one. However, even those persons who were in a relatively secure financial position worried about their ability to meet future living expenses or emergencies. These fears were related to their retirement adjustment.<sup>13</sup> One would expect then that inadequate retirement income or the fear of it will most probably affect the life style and adjustment process, of these persons, toward aging and retirement living.

#### Early Retirement Trend

Until recent times, early retirement, that is to say retirement before the age of 65, was primarily a result of poor health or some type of accident resulting in a physical handicap, rendering a person incapable of performing the duties of his normal job. Another group electing early retirement consisted of a small percentage of persons who had accumulated sufficient wealth to provide a secure financial position for the remainder of their lives. Only a very small proportion of the total work force fell into either of the above categories, thus early retirement was not a reasonable alternative for most people.

The literature tends to agree that early retirement is directly associated with income. It has been pointed out

that, "the No. 1 question facing potential retirees at any age is: Can I afford it?"<sup>14</sup> Brennan, Taft and Schupack summarized this issue by stating that:

. . . until retirement income can compare favorably with employment income, the mere availability of retirement income will be unlikely to have a strong effect upon labor force participation of older people. If the future brings a sizable expansion of retirement income relative to employment income, however, its effect upon labor force participation will likely become significant indeed.<sup>15</sup>

The trend toward early retirement is being caused primarily by improving retirement benefits programs and providing for early retirement without major loss of benefits. A national survey indicated that an increasing number of private-industry pension plans provide options for early retirement without major loss of benefits. More lenient eligibility rules and rising Social Security benefits even at ages under 65 are also contributing to the increasing trend.<sup>16</sup> In a recent Oregon study of 201 firms nationwide, 93 percent of the companies had early retirement provisions, with age 55 indicated as the most common age for early retirement to begin.<sup>17</sup>

The government has also made allowances for early retirement based on length of service in both civilian and military positions. In some cases full benefits are awarded regardless of age.

Another factor associated with the increasing early retirement trend is the offering of financial incentives to

retire early. A company may find it desirable to offer such incentives to reduce the number of older workers, especially if they are less productive, to allow more upward mobility for younger workers. However, a company may be the loser in such cases if a large number of skilled workers avail themselves of the early-out incentives. There are of course, many types of special provisions which may make early retirement less inviting for the individual. Some plans contain stipulations as to income limitations in retirement, re-employment restrictions and others.

It is not always companies themselves that stress the early retirement issue. The United Auto Workers have negotiated with the auto makers to offer the alternative of early retirement after 30 years to all workers, currently at age 56.<sup>18</sup> This is not a mandatory retirement situation, only an option available to the older worker. The major fear of the companies granting this option was that it would strip them of their skilled craftsmen. This did not happen, in fact, only a relatively small proportion of those qualified chose to retire early.

Melvin Glasser, director of the UAW's Social Security Department, offered some insight into the reasons only one in four workers elect the early-out option. Many skilled workers can take advantage of their position and length of service to enjoy large pay differentials, over their unskilled

colleagues, which virtually disappear in pensions. Another reason is that many enjoy their work and take pride in their work and the social contacts it brings. Glasser further indicated that although a union survey showed a strong desire for early retirement, certain considerations tend to prevent most men from retiring much before age 60. These considerations included: "children or college students in the household, mortgages and other debts, family illness and other factors requiring more income than early retirement would provide."<sup>19</sup>

It has been pointed out that early retirement as well as normal retirement is directly related to income, so then one may ask why is it that more older workers chose to remain on the job when generous early retirement benefits are offered? Several of the reasons were pointed out earlier; however, A. J. Jaffe, of the Bureau of Applied Social Research at Columbia University maintains that,

. . . retirement in our society is a contradiction of the work ethic. . . . For men to enjoy their retirement, they will need years of practice in overcoming the work ethic. . . . Moreover, while there are some signs that the work ethic is losing its once pervasive importance. . . . we are still in a society where nonproductivity of adults receives economic punishment, not reward.<sup>20</sup>

Some research has been done relative to job satisfaction and age which has implications to early retirement and successful retirement adjustment. Sheppard and Herrick found that, "the older the worker, the less likely he was to be dissatisfied with his job."<sup>21</sup> They further reported that the age group of workers 55 and over were the least dissatisfied with their lives in general. From these findings

they suggest that the trend toward early retirement plans is in the wrong direction, at least as it applies to satisfaction with life. They suggest that,

Perhaps some innovation such as a major public service program for older workers should be considered. If pure volunteerism does not provide sufficient rationalization for people to become active, it may be that some economic incentives, such as normal compensation, travel expenses, etc., could be used.<sup>22</sup>

Others, too, have pointed out that early retirement may not be best for all persons. Brennall, et. al., state that,

Early retirement may well be desirable in specific instances, especially for those who have lost some of their working capacity, it is by no means evident that it would be expedient as a general social policy. (Early retirement brings) . . . personal adjustment problems; increased costs of retirement plus a longer period of his life away from work, and many will be deprived of employment during a period of their lives when they are in excellent physical and mental health.<sup>23</sup>

Davidson studied early retirees in the aircraft industry. His findings were similar to others in that only 5 percent of those eligible elected to retire early. The age at which early retirement was elected was greatly influenced by the age at which social security benefits were first available. Female employees tended to retire earlier, however, a majority of the early retirees were married, owned their homes debt-free and generally had substantial savings, \$10,000 was common. It appeared that success in a retiree's working career was inversely related to success received from typical retirement activity. This was understandable when one considers that the very successful usually have strong person-



ality drives which are many times difficult to satisfy in retirement. Next to ill health, the greatest shortcoming of those who elected to retire early was an inadequate activity program. Davidson concluded that, "Industry in the future. . . may be forced to give as much consideration to problems of health, housing and retirement activities as is now given to finance, if their employees are to have a satisfying early retirement."<sup>24</sup> The same conclusion would hold for retirement at a later age.

Early retirement is a trend which is on the increase in this country. Although no major exodus of workers has taken place, many persons have elected this option and many receive satisfaction from the knowledge that the option is available to them. The basic problems of adjustment to retirement are the same for those retiring early as for others, the main difference is a longer retirement period.

#### Interest in Pre-retirement Planning

Just as the trend toward early retirement is increasing, the realization that workers must make prior plans for their retirement is also growing. This increased interest in pre-retirement planning basically stems from the situations described to this point. The plight of the elderly in this country, the complex array of public and private retirement benefit programs being offered, the early retirement issue and the whole realm of social-psychological issues relative

to a retirement lifestyle have caused concern over this issue on the part of workers, employers and government alike.

It is often said that since a person has worked for or supported some industry or the government all their lives, it is the responsibility of that industry, government or other group to provide a satisfactory retirement life. Such reasoning may have common sense validity, but in reality it is the individual and his family that must exist in this period of life called retirement. In addition, although a worker may realistically expect help in planning his retirement, he must understand that a successful or unsuccessful adjustment to retirement is a very personal issue, one which he must endure for the rest of this life.

Individuals are interested in planning for their retirement. A recent nationwide study reported that retirees, who held favorable attitudes toward their supervisors and companies, were heavily in favor of company help in planning for retirement. About 84 percent of the retirees responding wanted such help, but only 40 percent indicated their companies offered programs to help older workers prepare for retirement.<sup>25</sup>

Peterson reported that one of the most often selected causes of financial inadequacy of retirees was that they did not plan well for retirement.<sup>26</sup> Thus, many individuals see a need for retirement planning; whether they see this need early enough to be able to have an effect on their own retirement life is the question.

Increasing the retirement alternatives for workers brings with it additional problems to be faced by both the employee and the employer.

Increasing the flexibility of options regarding retirement has the consequence that older workers need to understand a great deal more about retirement and about their own situation. The choices and options are often complex, requiring careful attention to many financial details. The advocates of flexibility need also to require increased counseling regarding the application of the alternatives to the circumstances of each employee.<sup>27</sup>

Assisting the employee to prepare for a successful retirement can have very definite benefits to an employer. First of all, when the worker feels his employer is truly interested in helping him to adjust to retirement successfully he can be a better adjusted employee. Secondly, the retiree who can reflect on his employment and feel his employer has helped him to successfully adjust to retirement is usually a good advertisement for his employer.<sup>28</sup> This situation may be further generalized to society as a whole. The better adjusted and financially secure the older segment of our population, the better chance society has of making use of the experience and talents of these people in helping to solve other problems and issues in our country.

Although we must do as much as possible to help retired persons and those about to retire to live out their lives to the fullest extent possible, this is merely the

short run. Maddox pointed to the long run situation when he wrote:

Whatever the origin and justification of concern about the social status of the elderly, consequential efforts at improvement lie not so much with what is done with the current generation of retirees as with what is planned for those who constitute future generations.<sup>29</sup>

The interest generated throughout our society relative to planning for retirement appears to be gaining momentum. Although pre-retirement education is still in its infancy, many believe that herein lies the solution to this issue. This educational effort must be based on practical research and evaluated on criteria established by the participants and their working definition of successful retirement adjustment.

#### Types of Pre-retirement Planning

There is a Greek Cypriot proverb "work is hard but no work is harder" and many retired men know only too well that once the "honeymoon" of retirement is over, a feeling of frustration may occur, unless some thought has been given before retirement on the planning of what can and should be at least a decade of enjoyable living.<sup>30</sup>

Pre-retirement programs have been known by many titles, such as: preparation for retirement, pre-retirement counseling, pre-retirement education, retirement planning and other such terms. Whatever their title, they have, for the most part, utilized one of two approaches to the issue: The individual approach whereby the employee and sometimes his or her spouse are invited or called in by the employer or his

representative to talk over such items as terminal pay, pension benefits or various forms of insurance. The second type is the group approach in which several employees are brought together at one time to participate in retirement planning discussions.<sup>31</sup>

What are the issues or major topics which older workers should consider prior to their retirement? This question has probably been asked by every individual or group charged with planning and developing a pre-retirement planning program. Attempts to answer this question have been researched by many. The real issues are uncovered by asking those persons who have experienced this situation themselves. Vontress provides a summary of many of the issues faced by persons in later maturity when he writes,

At the age of sixty-five, when a man often retires from his occupation, his chances are better than ever of living another ten years. During this time, a man or woman will experience several of the following: decreased income, moving to a smaller home, loss of spouse by death, a crippling illness or accident, a turn in the business cycle with a consequent change of the cost of living.

Since most women outlive men, by the late sixties there are in the average community as many widows as there are women living with their husbands. Learning to live alone again and to attend to business matters after being free of such responsibilities for forty years are difficult to undertake. The various solutions to these problems generally involve moving into an old folks home, living with children, remarriage, or moving in with relatives.<sup>32</sup>

Since a majority of older workers will face some or many of the issues described by Vontress, many of the leaders in the pre-retirement planning field include or suggest for inclusion in designing pre-retirement educational programs the following topics: An orientation session to set the stage for the remaining sessions and to give the participants a feeling of informality and openness about their personal retirement problems; changing roles and lifestyles which can be expected and accepted; financial situations and arrangements with specific issues depending on the income levels of the participants; physical and mental health issues; living arrangements; legal and tax matter; social and personal leisure time activities, including continuing education; and any other items of particular interest to the individual or group.<sup>33,34,35</sup>

Although the past discussion has shown that there is a growing interest in pre-retirement planning and that much work has been done by certain persons and groups to assist in such activity, the fact remains that comprehensive programs of this type are not generally being provided to the great majority of our older workers today. Some form of individual counseling is the approach taken by the majority of firms, and in general, these sessions are held very close to the individual's actual retirement date and fall drastically short of providing him with the assistance necessary to help

reach a successful adjustment to retirement. This discussion is by no means intending to focus blame on anyone. Many companies are working extremely hard at tackling this issue. Many have not gone farther simply because they had neither the staff with the necessary expertise, nor the interest from their employees necessary to develop such a program. Employees are becoming more and more aware of the problems associated with retirement life, and employers are committing themselves to assist with this issue.

One of the early issues of concern is the age at which to begin retirement preparation education. Here again is a question which has no single best answer. It has been reported that two years prior to the company's compulsory retirement age is not early enough. Others have indicated at least three years before the average early retirement age, while some companies start their retirement preparation work at age 45.<sup>36</sup> "Some experts suggest that ten years before retirement is not too soon to begin planning for it. . .,"<sup>37</sup> however, the Drake Pre-retirement Planning Center determined that the age group of 56-57 shows the greatest positive attitude change toward retirement after participating in a pre-retirement planning program.<sup>38</sup>

The most urgent issue at this point in time is not to solve the argument as to what the lower age limit for such programs might be, but rather to begin providing present older workers the opportunity to discover some of both the opportunities and hazards that retirement affords.

For those who are prepared to adjust to a new mode of living, the added time in retirement will be a bonanza. But for those who have not acquired the knowledge and attitudes necessary to cope with the drastic change in life style, additional non-working years will result in countless problems.<sup>39</sup>

#### Apparent Results of Pre-retirement Planning

The logical question which must be asked relative to pre-retirement planning programs is: Are such programs of real value to the individual? This is a difficult question to answer. There appear to be two rather obvious reasons for difficulty in evaluating these programs. First, comprehensive programs of this type are relatively new and longitudinal studies to determine results have been extremely limited. Secondly, exact effects of such programs on individuals can never be determined, since perfect matched pair experimental design cannot be achieved. General conclusions based on empirical evidence and response surveys can be made and some of these are discussed here.

In a nationwide study of men who retired early, the importance of planning was indicated by the fact that retirees who were not well adjusted were found to be twice as likely as those with high adjustment to have done little if any planning. Findings of this study also showed the importance of making retirement plans before deciding to retire rather than after retirement. "More than 70 percent of both blue collar and white collar men who scored high on the adjustment scale had made plans before retirement."<sup>40</sup>



The results of an evaluation conducted to determine the benefits of a pre-retirement program utilized by the United States General Services Administration found that retiring employees were noticeably better prepared than previously, especially those attending the program sessions. Retirement plans were cited by 99 percent of the agencies retiring employees based on their own or a co-worker's experience in the program. The program participants are enthusiastically behind the program and its continuance, and a 10 to 15 percent increase in the number planning to retire as soon as eligible was indicated. The program director's concluding remarks infer that attitude toward retirement is a key issue in retirement preparation, they stated that,

. . .if we have helped the individual deal with his feelings about retirement, the ground is laid for creative individual planning that will make the retirement years ones of deep personal satisfaction.<sup>41</sup>

Hunter reported favorable results of pre-retirement program evaluations in a review of three programs conducted in the late fifties. Significant positive changes in program participants were noted in the areas of retirement information, plans for retirement and plans put to action. Reduced fear and increased positive attitudes toward retirement was also identified as a positive change but was not significant in all of the studies.<sup>42</sup>

A recent study conducted to evaluate the Drake pre-retirement program series found that participant's, "attitude change was reported in a positive direction for awareness of financial effectiveness, pleasure in retirement planning, and in positive self-image."<sup>43</sup> These findings again point out the importance of attitudes in attempting to bring about behavioral change.

It was indicated earlier that companies and society also benefit in the long run from well adjusted employees. An example of a short run company benefit is given by Rolph.

Retirement preparation programs provide an excellent opportunity for management to explain exactly what the company is doing to help its retired and soon-to-be retired employees. Older employees who have had a chance to learn about their employer's efforts on their behalf, are more likely to consider retirement a reward and are less likely to be bitter about compulsory retirement.<sup>44</sup>

#### Summary

This chapter has attempted to discuss several issues relative to retirement. These include some of the current problems facing many older and retired workers, some trends in early retirement and the interest in and apparent benefits from pre-retirement educational programs. It has been said that older Americans will spend their time and dollars only on what they really need. "Thus, it seems very important that the interests and needs of older people be understood more clearly, especially if the scarce educational dollar is

to be invested wisely."<sup>45</sup> Trying to clarify and understand the interests of the older worker relative to their retirement is the general purpose of this study.

References

- <sup>1</sup>George L. Maddox, "Retirement as a Social Event in the United States," Middle Age and Aging, ed. Bernice L. Neugarten (Chicago: University of Chicago Press, 1968), p. 359.
- <sup>2</sup>Toward a Brighter Future for the Elderly, The Report of the President's Task Force on the Aging, (U.S. Government Printing Office, April, 1970), p. 1.
- <sup>3</sup>Toward a Brighter Future for the Elderly, p. 15.
- <sup>4</sup>U.S. Congress, Senate, Special Committee on Aging, Economics of Aging: Toward a Full Share in Abundance, Report, 91st Congress, 2nd Session, December 31, 1970 (Washington: Government Printing Office, 1970), p. 8.
- <sup>5</sup>Lenore E. Bixby, "Income of People Aged 65 and Older: Overview From 1968 Survey of the Aged," Social Security Bulletin, Vol. 33, No. 4, April, 1970, p. 6.
- <sup>6</sup>David A. Peterson, "Retirees' Views on Income Adequacy," The Aging Consumer, Occasional Papers in Gerontology, Number 8, (Ann Arbor: Institute of Gerontology, The University of Michigan, 1972), pp. 48-49.
- <sup>7</sup>David A. Peterson, The Crisis in Retirement Finance: The Views of Older Americans, Occasional Papers in Gerontology, Number 9, (Ann Arbor: Institute of Gerontology, The University of Michigan, 1972), p. 21.
- <sup>8</sup>Gordon F. Streib and Clement J. Schneider, Retirement in American Society-Impact and Process (Ithaca: Cornell University Press, 1971), p. 80.
- <sup>9</sup>Peterson, "The Crisis in Retirement," p. 35.
- <sup>10</sup>Streib and Schneider, p. 82.
- <sup>11</sup>David A. Peterson, "Financial Adequacy, Retirement, and Public Policy: A Study of the Perceptions of Older Americans," (Unpublished Doctor's Dissertation, The University of Michigan, 1969), pp. 13-14.
- <sup>12</sup>Elizabeth M. Heidbreder, "Factors in Retirement Adjustment: White Collar/Blue Collar Experience," Industrial Gerontology, No. 12, Winter, 1972, p. 70.

- <sup>13</sup>Heidbreder, p. 71.
- <sup>14</sup>"Why the Nationwide Trend to Early Retirement," U.S. News & World Report, October 23, 1972, p. 56.
- <sup>15</sup>Michael J. Brennan, Philip Taft and Mark B. Schupack, The Economics of Aging (New York: W. W. Norton & Company, Inc., 1967), p. 23.
- <sup>16</sup>U.S. News, p. 56.
- <sup>17</sup>Charles H. Pyron and U. Vincent Manion, "The Company, the Individual and the Decision to Retire," Industrial Gerontology, No. 4, Winter, 1970, p. 3.
- <sup>18</sup>"No Big Rush to Retire Early," Business Week, December 2, 1972, p. 62.
- <sup>19</sup>Statements by Melvin Glasser quoted in, "No Big Rush to Retire Early," Business Week, December 2, 1972, p. 62.
- <sup>20</sup>U.S. News, p. 56.
- <sup>21</sup>Harold L. Sheppard and Neal Q. Herrick, Where Have All the Robots Gone? Worker Dissatisfaction in the 70's, (New York: The Free Press, 1972), p. 5.
- <sup>22</sup>Sheppard and Herrick, p. 6.
- <sup>23</sup>Brennan, Taft and Schupack, p. 231.
- <sup>24</sup>Wayne R. Davidson, "Some Observations About Early Retirement in Industry," Industrial Gerontology, No. 1, February, 1969, pp. 26-30.
- <sup>25</sup>Pyron and Manion, p. 10.
- <sup>26</sup>Peterson, "Financial Adequacy, Retirement, and Public Policy," p. 184.
- <sup>27</sup>John R. Dunlap, "Technological Change and Manpower Policy--The Older Worker," Technology, Manpower and Retirement Policy, ed. Juanita M. Kreps (Cleveland: World Publishing Co., 1966), p. 23.
- <sup>28</sup>Donald L. Bowman, How Pre-retirement Planning Works, A Guide for Program Planners (Des Moines: Drake University Pre-retirement Planning Center, May, 1972), p. 5.

<sup>29</sup>Maddox, p. 364.

<sup>30</sup>G. Watkin Williams, "Retirement Counseling," Solving the Problems of Retirement, ed. H. Beric Wright, (London: The Institute of Directors, 1968), p. 65.

<sup>31</sup>Woodrow W. Hunter, "Trends in Pre-retirement Education," (Background paper prepared for the Welfare Planning Council of Los Angeles Region Conference on "Pre-retirement counseling: A Community Responsibility," November 28-30, 1962, at the Voorhis Campus of California State Polytechnic College, Mimiograph), p. 2.

<sup>32</sup>Clemmont E. Vontress, "Adult Life Styles: Implications for Education," Adult Leadership, Vol. 19, No. 1, May, 1970, p. 25.

<sup>33</sup>Bowman, pp. 7-21.

<sup>34</sup>Mark J. Staley, "Toward a Meaningful Retirement," (paper prepared for the American Society for Personnel Administration, Berea, Ohio), pp. 10-16.

<sup>35</sup>Woodrow W. Hunter, "Guidelines for Pre-retirement Education Programs," (paper presented at a conference on Education for the Aging conducted by the University of Rhode Island, May 8, 1969), pp. 1-3.

<sup>36</sup>Warren A. Rolph, "Planned Retirement is a Happy Retirement," The Personnel Administration, American Society for Personnel Administration, July-August, 1969, p. 18.

<sup>37</sup>Williams, p. 66.

<sup>38</sup>Bowman, p. 8.

<sup>39</sup>Rolph, p. 18.

<sup>40</sup>Heidbreder, p. 77.

<sup>41</sup>Helen Christrup and Clifford Thurman, "A Pre-retirement Program that Works," Journal of Home Economics, Vol. 65, No. 4, April, 1973, p. 22.

<sup>42</sup>Hunter, "Trends in Pre-retirement Education," pp. 11-13.

<sup>43</sup>Don C. Charles, "Evaluation of the Drake University Pre-retirement Planning Program," (mimio research report of 1968-69 classes presented by the Drake University Pre-retirement Planning Center, Des Moines, Iowa), p. 12.

<sup>44</sup>Rolph, p. 19.

<sup>45</sup>Roger P. Hiemstra, "Continuing Education for the Aged: A Survey of Needs and Interests of Older People," Adult Education, Vol. XXII, No. 2, 1972, p. 100.

## CHAPTER III

### DESIGN OF THE STUDY

#### Introduction

The preceding two chapters have attempted to point out several basic considerations relative to retirement and aging which must be dealt with by all members of society. These concerns are especially crucial to older workers since they must face the reality of retirement sooner than any other segment of the labor force. Although it has been pointed out that early retirement and interest in retirement planning are growing trends, to this point in time, especially in Nebraska, the implementation of comprehensive pre-retirement programs for the majority of the work force has been extremely limited and slow in developing. In determining the ultimate responsibility for retirement preparation Bowman indicates that:

Without question, primary responsibility for planning ones retirement rests with the individual. No one person, or organization, can tell an individual "how to" retire. This is a very personal experience to be experienced only by the individual. But guidance and direction can be offered the individual by encouraging him to make plans. However, for such planning to be effective, the individual must have the opportunity offered him that will explain and provide for participation in a systematic methodology to assist him in his planning.<sup>1</sup>



What Bowman and others have attempted to do is to build an argument based on the idea that continuing education must be the basis for providing people the opportunity and assistance whereby they may plan for their whole life, not only their work life. Knowles states that, "The primary and immediate mission of every adult educator is to help individuals satisfy their needs and achieve their goals. . . .the more ultimate needs and goals of human fulfillment."<sup>2</sup> The development of educational programs, whatever the type, should be based upon the assessment of the needs and interests of the persons for which the program is designed. This assessment process, which may be termed research, and which Knowles refers to as the search for, "clues as to what people ought to be learning for their own good. . .," may be obtained from several sources: the individuals themselves, sponsoring organizations or institutions and from the community or society at large.<sup>3</sup>

This study was designed and undertaken to determine some of these clues from each of the groups just listed, with the primary emphasis on the individuals themselves. Interviews and discussions with current and potential sponsors of pre-retirement programs were conducted. Literature produced by various segments of the community and the society at large was reviewed as preliminary input to designing this investigation of the individuals themselves, relative to their perceptions of selected issues of retirement and retirement planning.

### Type of Study

Since the intent of this study was to determine the current perception of a selected group of older workers in Nebraska, the method selected for collecting this information was the survey. Survey research as defined by Kerlinger is as follows:

Survey research is that branch of social scientific investigation that studies large and small populations by selecting and studying samples chosen from the population to discover the relative incidence, distribution and inter-relationships of sociological and psychological variables.<sup>4</sup>

Data collected from individuals themselves should provide the best resource for determining where to begin in designing educational programs to assist these individuals and others like them, regardless of the issue.

### Selection of the Sample

Based on the fact that the older worker, previously defined as age 45 and above, must face the issues of retirement earlier than any other segment of the labor force, it was determined that the study would be limited to this age group. As pointed out in chapter two, education has been significantly related to retirement adjustment, as has income level; therefore, these elements were also considered in determining the sample selection. It is the author's belief that persons in professional or managerial positions, because

of their educational attainment, potentially wider area of business and societal contact, and availability to an increased variety of resources, have a greater opportunity to prepare themselves for retirement than do blue collar workers. It is not suggested that this group does, in fact, prepare for or adjust to retirement more successfully than blue collar workers, only that their potential to do so seems to be greater. Therefore, the sample population was further limited to full-time older workers employed in blue collar jobs for which the entry level educational requirement was high school graduate or less.

It was further decided, based on limitations of time and financial resources, that even limiting the universe to such persons in the State of Nebraska would make random sampling and data collection thereof impossible. Therefore, it was decided to select larger firms in a single industry in Nebraska for which a readily identifiable and defined list was available. The manufacturing industry was selected to be used. The most recent inventory of manufacturing firms in Nebraska, produced by the Nebraska Department of Economic Development<sup>5</sup>, was used to identify all firms employing 200 or more employees. Slightly more than 50 percent of these firms were located in the Omaha-Lincoln area with the remainder scattered across outstate Nebraska. Since many of the manufacturing firms located throughout the state, outside of the metropolitan Omaha-Lincoln area, employ a large number of rural persons with secondary sources of income such as

farming, the determination was made to exclude these firms. Thus, the sampling process was based on the 48 firms of the Omaha-Lincoln area. This decision was made to achieve a more homogeneous sample in terms of the employment environment of the participants. A 15 percent proportionately stratified random sample was selected; this included five Omaha and two Lincoln based firms.

The procedure used to select the individual firms was to order the firms in each of the urban areas based on a random numbers table. The president or general manager of each randomly selected firms was then contacted by letter (see appendix) to briefly explain the proposed study. A personal phone call followed the letter asking for an appointment to explain the study in greater detail and request the firm's cooperation. When a firm declined cooperation, the same procedure was used with the next randomly ordered firm from the particular location until the necessary number of firm acceptances had been received.

Cooperation from the firm included the following items:

1. Agreement to participate in the study by following all of the conditions set forth by the researcher to the greatest extent possible.
2. Announcement to employees, defined earlier, that a survey questionnaire was being distributed, and including with the announcement, an appeal for cooperation.
3. Distribution of survey questionnaires and pre-addressed, postage paid envelopes.

4. Announcement of follow-up to the degree possible by the firm's representative.

This procedure was selected as the most appropriate method of distributing the questionnaire, since it provided the individual respondents complete anonymity and the firm was not required to provide the researcher with any listing of employee names or addresses. The primary limitation of this procedure was that the researcher had no means of identifying non-respondents to attempt follow-up. In return for cooperating in this research project, the researcher agreed to provide each firm with the results of the total study, as well as a tally of how each firm's respondents answered the questionnaires. The tally for each firm was accomplished by identifying each firm with color coded questionnaires.

#### Development of the Survey Questionnaire

The data for this study were collected by means of a survey questionnaire constructed by the researcher based on the general guide questions presented in chapter one. The general format of the questionnaire was patterned after an instrument constructed, tested and used by Peterson in a study of perception of older Americans in 1969.<sup>6</sup>

The questionnaire was constructed in two parts: The first part consisting of general personal information questions of both multiple choice and single word answer type; the

second part included questions relative to the respondent's opinion or belief about the question in the form of multiple choice questions. Three of these questions provided for additional comments to allow respondents to be more specific.

The pretest draft of the questionnaire included 42 total questions, 13 in part one and 29 in part two. To pretest the questionnaire, one of the Lincoln based manufacturing firms identified in the sample selection process, but not selected in the sampling procedure, agreed to distribute the survey questionnaire on the same basis as the cooperating firms discussed earlier. Fifty-three of the 97 questionnaires distributed were returned. All questionnaires were analyzed by the researcher. As a result of this analysis, two questions were omitted and two questions were combined into one to clarify the questions and simplify the response. The remaining questions were included on the final instrument. The revisions and pretesting hopefully improved the instrument. The overall response rate on the remaining questions was 93 percent, indicating that the older workers were able to understand the questions well enough to answer them.

The final questionnaire (see appendix) was commercially reproduced along with an introductory letter on a single four page form. Color coded questionnaires with attached self-addressed, postage paid return envelopes were distributed to the cooperating firms based on their requested amount.

### Data Organization and Analysis

The determination was made to analyze all questionnaires returned, provided that the age response fell within the predetermined 45 and older range. Although it was not possible to determine if every respondent met all of the qualifications as defined in the sample selection, there was no reason to believe that they did not.

The analysis and interpretation of the data was facilitated by the use of the computer, and specifically the Statistical Package for the Social Sciences<sup>7</sup> maintained in the program library at the University of Nebraska-Lincoln Computer Facility. Because of the nature of this descriptive survey research, no statistical testing of any hypothesis was employed; however, the chi-square statistic was used where deemed appropriate to assist in data explanations and point up specific relationships discovered. Chi-square values at the .05 level were chosen as the minimum level of significance. The Yates correction was applied to all two-by-two tables since the total N for all tables was larger than 21. The chi-square values for all multi-cell tables were accepted, even in cases where cell size was smaller than five since all of the criteria were met relative to the general rule for chi-square calculations. Richmond states that:

In general, the rule that the expected value should be at least five is a safe rule; but exceptions may be made when the other expected frequencies are large, the number of degrees of freedom is more than 2 and the 5 percent level of significance is being used.<sup>8</sup>

The data were organized by presenting the personal characteristic responses which describe the sample population surveyed. These personal characteristic responses, hereafter referred to in this paper as personal characteristic variables, were crosstabulated and presented in order of the guide questions presented earlier, rather than in the specific order identified on the survey questionnaire.

The term "crosstabulate" mentioned above, also known as "crossbreak", is a numerical tabular presentation of data, usually in frequency or percentage form, in which variables are juxtaposed in order to study the relations between them.<sup>9</sup> Kerlinger points out that the major purpose of crossbreaks is to facilitate the study and analysis of relations, and may be used to organize data in convenient form for statistical analysis.<sup>10</sup>

### Summary

Chapter three has attempted to point out to the reader how this study was designed and conducted. A brief rationale as to why the particular methods used were selected and employed in this study was included. The basis on which the sample studied was defined and selected was presented,



along with a discussion on the method used to construct and pretest the final survey questionnaire. Finally, a brief description on how the data collected were analyzed and ordered for presentation in the next chapter was given.

References

- <sup>1</sup>Donald L. Bowman, How Pre-retirement Planning Works, A guide for program planners, (Des Moines: Drake University Pre-retirement Planning Center, May, 1972), p. 5.
- <sup>2</sup>Malcolm S. Knowles, The Modern Practice of Adult Education, Andragogy Versus Pedagogy, (New York: Associated Press, 1970), p. 23.
- <sup>3</sup>Knowles, p. 91.
- <sup>4</sup>Fred Kerlinger, Foundations of Behavioral Research, (New York: Holt, Rinehart and Winston, Inc., 1964) p. 393.
- <sup>5</sup>Directory of Nebraska Manufacturers and Their Products, 1972-73, Department of Economic Development, State of Nebraska, Lincoln.
- <sup>6</sup>David A. Peterson, "Financial Adequacy, Retirement and Public Policy: A Study of the Perceptions of Older Americans," (Unpublished Doctor's Dissertation, The University of Michigan, Ann Arbor, 1969); pp. 228-232.
- <sup>7</sup>Norman Nie, Dale H. Bent and C. Hadlai Hull, Statistical Package for the Social Sciences, (New York: McGraw-Hill, Inc., 1970).
- <sup>8</sup>Samuel B. Richmond, Statistical Analysis, (2nd ed.: New York: The Ronald Press Company, 1964), p. 301.
- <sup>9</sup>Fred N. Kerlinger, Foundations of Behavioral Research, (New York: Holt, Rinehart and Winston, Inc., 1967), p. 625.
- <sup>10</sup>Kerlinger, p. 626.

## CHAPTER IV

### PRESENTATION OF THE DATA

#### Introduction

In chapter one the research problem was presented as: A study to determine the perceptions of older workers on selected financial aspects of retirement and on pre-retirement planning relative to these aspects. This study was then designed to collect data relative to this problem based on the following questions:

1. How adequate do older workers think their retirement finances will be?
2. What proportion of their pre-retirement income do older workers perceive as adequate for retirement?
3. Whom do older workers see as responsible for finances during retirement?
4. How large a role do older workers believe that children should play in the retirement finances of older persons?
5. What do older workers perceive as the responsibility of the government for the finances of retirees?
6. Do older workers believe that present retirees should have larger retirement incomes?
7. Would pre-retired older workers be willing to make increased social security payments in order to increase the income of present retirees?

8. Would pre-retired older workers be willing to make increased social security payments in order to be assured of higher retirement income for themselves?
9. Whom do older workers see as the most influential spokesmen or leaders in improving financial conditions of retired people?
10. Do older workers see a need for pre-retirement planning?
11. Whom do older workers see as responsible for providing pre-retirement planning education and assistance?
12. What point in their work life do older workers believe pre-retirement planning should begin?

This chapter will present the findings of this study, which will hopefully provide some of the answers posed by the guide questions just presented. It is hoped that these findings will assist those interested in planning pre-retirement programs in making recommendations for the development and implementation of such programs, to help people plan for the rest of their lives.

This chapter will be divided into two major parts to present the data. The first part will present the general information data describing the population studied. The second part of chapter IV will be sub-divided according to the 12 guide questions studied with the pertinent findings presented for each. The findings will be presented in the form of tables and discussion.

### The Sample Population Surveyed

Based on the methods and procedure used to select the sample and collect the data listed in chapter three, a total of 716 survey questionnaires were sent to the seven cooperating manufacturing firms in the Omaha-Lincoln area. Of the total questionnaires distributed, 394 were completed and returned for a 55 percent total return rate. All questionnaires which indicated a respondent's age being less than 45 were eliminated resulting in 372 of 94.4 percent of the total questionnaires received being considered as useable for analysis purposes. The 372 useable questionnaires represented a return rate of 52 percent of the total distributed.

The percent return was considered highly successful, based on the fact that the researcher had no previous association with the individual respondents or the cooperating companies prior to the initiation of this research study, and the fact that no direct follow-up of non-respondents could be made due to the procedure agreed to with the cooperating firms. One of the major criticisms made relative to mail questionnaires is the generally low rate of response. Travers indicated that:

The central difficulty in all direct-mail techniques is that the percentage of returns is small. A questionnaire of some interest to the recipient may be expected to show only a 20 percent return, even when conditions are favorable. If non-respondents are contacted a second and a third time, the return may be increased to 30 percent. Only rarely does it reach the 40 percent level.<sup>1</sup>

Based on Travers' statement, one might assume that the return rate is much greater than could be normally expected, and that the questionnaire was of more than average interest to the recipients.

The remainder of this section will contain a series of tables based on the first 12 questions on the questionnaire, which indicate the responses given to these questions relative to identifying the characteristics of the sample population surveyed. In addition, certain responses relative to these variables were regrouped for further analysis based on the frequency distribution and commonality of the responses. The regrouping information will be discussed in following sections.

Table 1 indicates that the majority of respondents in this sample were married rather than single, the ratio being approximately five to one. For the purpose of further analysis (see later tables) the variable of marital status was recoded as married or single, since single, widowed and divorced are actually the same status relative to this study.

Table 2 and table 3 also represent highly skewed distributions based on the characteristics of sex and race. Males outnumbered females four to one, and caucasians represented 83.3 percent of the respondents while non-caucasian races represented only 14.8 percent. Because of the distribution of responses to the race variable, further analysis was made on the basis of caucasian and non-caucasian with American Indian, Negro, Spanish American and other making up the "non-caucasian" category.

TABLE 1  
MARITAL STATUS

Response	Frequency	Percent
Single	18	4.8
Married	321	86.3
Widowed	13	3.5
Divorced	20	5.4
TOTAL	372	100.0

TABLE 2  
SEX

Response	Frequency	Percent
Male	301	80.9
Female	70	18.8
No response	1	0.3
TOTAL	372	100.0

Approximately 90 percent of the persons surveyed indicated that they either owned or were buying their own home. Table 4 indicates slightly more respondents owning their home than having a mortgaged home.

The responses to the variable of living quarters were regrouped for further analysis as: owned home, mortgaged

home and rented or other. The rented or other category includes the first and fourth responses indicated in table 4.

TABLE 3

## RACE

Response	Frequency	Percent
American Indian	3	0.8
Negro	1	0.3
Spanish American	2	0.5
Caucasion	310	83.3
Other*	49	13.2
No response	7	1.9
TOTAL	372	100.0

\*those selecting this category were of mixed race, unable to align themselves with any of the specific races listed.

Although the selection criteria for age and amount of education completed were restricted, i.e., those persons 45 years of age and over holding jobs for which the entry level educational requirement was high school graduation or less, table 5 indicates that more than 80 percent of the total sampled had completed at least nine years of education. The response categories were regrouped for later analysis to include: 0-8 years, 9-12 years and college or technical school.



TABLE 4  
LIVING QUARTERS

Response	Frequency	Percent
Rented home or apartment	24	6.5
Mortgage-free home	173	46.5
Mortgaged home	161	43.3
Home owned by someone else in the family	13	3.5
No response	1	0.3
TOTAL	372	100.0

TABLE 5  
EDUCATION COMPLETED

Response	Frequency	Percent
Grades 0-4	1	0.3
Grades 5-8	69	18.5
Grades 9-12	257	69.1
Technical school	21	5.6
College	22	5.9
No response	2	0.5
TOTAL	372	100.0

The actual age of each respondent was grouped into the age categories presented in table 6. One respondent indicated his age as 65 and was combined with the 60 and over group for analysis. The average age for all participants was 53.3 years of age and the median 53.4 years.

TABLE 6

## AGE

Group Response	Frequency	Percent
45-49 years	106	28.5
50-54 years	100	26.9
55-59 years	122	32.8
60-64 years	43	11.6
65 years and older	1	0.3
TOTAL	372	100.0

The average number of years until expected retirement for the sample studied was 8.9 years. The median number of years to retirement was 8.8. The distribution of responses by the number of years until expected retirement is presented in table 7.

The data collected relative to present age and number of years until expected retirement facilitated a calculation of the actual retirement age of the respondents. Table 8 presents a summary of these calculations by age groups. As

shown in this table, 55.6 percent of those responding to the questions of age and number of years until expected retirement indicated anticipated retirement by 62 or earlier, and 61.2 percent prior to age 65. This finding tends to strengthen the point made in chapter two that there appears to be a growing trend downward from the traditional retirement age of 65.

TABLE 7  
NUMBER OF YEARS UNTIL EXPECTED RETIREMENT

Response Group	Frequency	Percent
0-5 years	95	25.5
6-10 years	130	35.0
11-15 years	89	23.9
16-20 years	44	11.8
No response	14	3.8
TOTAL	372	100.0

Questions eight, nine and ten were included to determine the residence and job mobility of the sample surveyed. Table 9 indicates that generally the sample surveyed was highly stable for residence, employment at their present firm and present type of work.

The frequency distribution of the responses given to these three questions were grouped into three response

TABLE 8

## COMPARISON OF PRESENT AGE AND ANTICIPATED RETIREMENT AGE

Present Age Group	Anticipated Retirement Age							
	Less than 60	60	61	62	63	64	65	66 and over
45-49	19	11	4	27	2	1	34	2
50-54	8	8	2	47	4	2	25	2
55-59	7	6	3	44	3	3	47	3
60 and over	--	--	0	13	5	0	25	1
TOTAL	34	25	9	131	14	6	131	8
Percent of total	9.5	7.0	2.5	36.6	3.9	1.7	36.6	2.2
Accumulative percent	9.5	16.5	19.0	55.6	59.5	61.2	97.8	100.0

N=358

NR=14

categories for further analysis. These were: less than 10 years, at least 10 but less than 20 years and 20 or more years.

The responses to the question of present family average gross monthly income are presented in table 10. The mean response to this question fell somewhere between \$600 and \$999. The responses were, therefore, recoded as: less than \$600, \$600-\$999, and \$1,000 or more. This permitted analysis to be made between the mean group and the group both above and the group below the mean income group (see later tables).

Table 11 presents the responses indicated relative to the number in the family that live on the respondent's income. For the individuals surveyed, 50 percent of the total sample, or 52.2 of those responding to the question, indicated two persons or less living on this amount.

To summarize this section, the personal characteristics most common to the individuals surveyed were as follows: married, male, caucasian, living in either a mortgaged or mortgaged-free home, completed nine to 12 grades of formal education and having spent more than 20 years residing in the same area, type of work and at the present firm. The average age of the respondents surveyed was 53.3 years and the average number of years until expected retirement was

TABLE 9  
RESIDENCE AND JOB MOBILITY

Response	No. Years Lived in City or Local Area		No. Years Worked at Present Firm		No. Years Worked in Present Type of Work	
	Frequency	Percent	Frequency	Percent	Frequency	Percent
Less than 5 years	5	1.3	23	6.2	16	4.3
5 but less than 10	9	2.4	31	8.3	17	4.6
10 but less than 15	12	3.2	40	10.8	29	7.8
15 but less than 20	20	5.4	51	13.7	47	12.6
20 or more years	326	87.6	227	61.0	261	70.2
No response	0	0	0	0	2	0.5
TOTAL	372	100.0	372	100.0	372	100.0

TABLE 10  
FAMILY GROSS INCOME PER MONTH

Response	Frequency	Percent
Less than \$400	4	1.1
\$400-\$599	64	17.2
\$600-\$799	90	24.2
\$800-\$999	84	22.6
\$1000-\$1199	50	13.4
\$1200-\$1399	34	9.1
\$1400 or more	37	9.9
No response	9	2.4
TOTAL	372	100.0

TABLE 11  
NUMBER OF PEOPLE THAT LIVE ON FAMILY INCOME

Response	Frequency	Percent
One person	41	11.0
Two persons	145	39.0
Three persons	84	22.6
Four persons	44	11.8
Five or more	42	11.3
No response	16	4.3
TOTAL	372	100.0

8.9 years. The average monthly income fell within the \$600-\$999 range with a majority of the respondents indicating two persons or less living on this amount.

#### Guide Question Findings

The preceding eleven tables have presented the responses relative to the personal characteristics of the survey sampled. For the purpose of discussion clarity, these personal characteristic response groupings have been and will continue to be referred to in this paper as variables. This section will present the responses made to the 12 guide questions presented earlier. In addition to presenting the total group response to these questions, significant differences in responses relative to the personal characteristics will be presented. The tables used to present total sample responses will contain the actual frequency distribution, the percent distribution of the responses and the adjusted percent. The adjusted percent column represents a redistribution of the actual response frequencies disregarding the no-response category. With allowance made for rounding, the sum of each column's percentages approximate 100 percent. All chi-square tests for significance were based on the actual number of responses to each variable. The total N for each chi-square calculation is noted on the respective tables. Chi-square values at the .05 level were chosen as the minimum level of significance.<sup>2</sup>



How adequate do older workers think their retirement finances will be?

To provide information for answering this question the researcher simply asked, "How adequate do you feel your family's retirement income will be?" Table 12 presents the responses to this question. Probably the most noteworthy data shown on this table is the fact the 55 percent of those responding to the question felt that their retirement income would be inadequate, while only 12.5 felt it would be more than adequate to support their retirement living. These findings tend to follow Peterson's when perceived adequacy was used as the measure of income adequacy. He reported that 55 percent of the respondents in his study felt their present retirement income was inadequate. In addition, 40 percent of his respondents saw their income adequacy declining from past to present.<sup>3</sup>

The recoded personal characteristic variable responses presented earlier in this chapter were crosstabulated with the responses presented in table 12 and chi-square tests were calculated for each. Significant differences among the response groups were found for two of these variables. The responses associated with living quarters and present monthly gross family income indicated statistically significant differences in the way retirement income adequacy was perceived.

Table 13 presents the distributions for these two variables and indicates that a much smaller proportion of

TABLE 12  
PERCEPTION OF FAMILY'S RETIREMENT INCOME

Response	Frequency	Percent	Adjusted Percent
Much more than adequate	7	1.9	1.9
Slightly more than adequate	39	10.5	10.6
Just enough	119	32.0	32.4
Not quite enough	148	39.8	40.3
Not at all adequate	54	14.5	14.7
No response	5	1.3	0
TOTAL	372	100.0	100.0

persons who presently own their own home felt their retirement income would be inadequate than did the other two groups. In addition, a higher proportion of this same group felt that their retirement income would be more than enough to meet their needs. Those in the renting group were next in this order, indicating a smaller proportion perceiving more than enough income compared to the home owner group, but more than the group holding mortgages. The mortgaged group indicated a substantially larger proportion of respondents who felt their retirement incomes would be inadequate to meet their needs. To help understand this group's response, it might be suggested that persons with home

mortgage obligations could feel a greater need for larger retirement incomes than the other respondent groups, especially if the indebtedness was being projected into retirement. Little difference was found among the three groups as to the proportion selecting the category of having just enough retirement income.

Table 13 also indicates that the respondent's present family income level is related to his perception of retirement income adequacy. The data indicate that as the level of income increases, the proportion of respondents perceiving their retirement income as more than adequate increases; the proportion feeling their retirement income to be inadequate decreases. The greatest differences between the three groups as they are listed relative to the trends just described were between the middle and high income level groups.

No significant differences were found among the response groups of any of the other 10 variables relative to the income adequacy question. However, table 14 is included to present a summary of the percentage distribution of responses for each of the other variables tested in terms of the categories shown. This table is included here to show the reader how the variable groups were considered for all guide question responses. Non-significant response distributions will not be included for the remainder of the guide question data, however, these data are available from the researcher.

TABLE 13  
 DISTRIBUTION OF STATISTICALLY SIGNIFICANT  
 RETIREMENT INCOME ADEQUACY COMPARISONS

Variable Compared	Retirement Income Adequacy							TOTAL N %	
	Much More N %	Slightly More N %	Just Enough N %	Not Quite N %	Not At All N %				
<u>Living Quarters</u>									
Rent or Other	3 8.1	2 5.4	13 35.1	11 29.7	8 21.6	37 100			$X^2=26.51$
Own home	3 1.8	29 17.0	55 32.2	65 38.0	19 11.1	171 100			df=8
Mortgaged	1 0.6	8 5.0	51 32.1	72 45.3	27 17.0	159 100			P<.001
									N=367*
<u>Monthly Family Income</u>									
Less than \$600	0 0	2 3.0	21 31.8	25 37.9	18 27.3	66 100			$X^2=32.54$
\$600-\$999	2 1.2	16 9.3	49 28.5	86 50.0	19 11.0	172 100			df=8
\$1,000 or more	5 4.1	19 15.7	48 39.7	33 27.3	16 13.2	121 100			P<.001
									N=359*

\*Response totals less than 372 are due to non-responses.

It is noted that only two variables in table 14, race and years of education completed, show marked trends even though not statistically significant. Proportionately more caucasians perceived retirement incomes to be more than adequate than did non-caucasians. In addition, proportionately fewer caucasians perceived inadequate retirement incomes than the non-caucasian group. The data for years of education completed show that as level of education increased the proportion of those perceiving their retirement income as more than adequate increased and the proportion perceiving their retirement as inadequate decreased.

TABLE 14  
PERCENT DISTRIBUTION SUMMARY OF NON-SIGNIFICANT  
RETIREMENT INCOME ADEQUACY COMPARISONS

Variable Compared	Retirement Income Adequacy					TOTAL
	Much More	Slightly More	Just Enough	Not Quite	Not at All	
<u>Marital Status</u> (N=367)						
Single (n=51)	2.0	9.8	33.3	35.3	19.6	100
Married (n=316)	1.9	10.8	32.3	41.1	13.9	100
<u>Sex</u> (N=366)						
Male (n=296)	1.7	10.5	32.4	41.6	13.9	100
Female (n=70)	2.9	11.4	32.9	34.3	18.6	100

TABLE 14 - Continued

Variable Compared	Retirement Income Adequacy					TOTAL
	Much More	Slightly More	Just Enough	Not Quite	Not at All	
<u>Race</u> (N=362)						
Caucasion (n=309)	2.3	10.7	32.7	40.5	13.9	100
Non-Caucasion (n=53)	0	7.5	30.2	41.5	20.8	100
<u>Education</u> (N=365)						
0-8 years (n=69)	1.4	10.1	27.5	44.9	15.9	100
9-12 years (n=253)	1.6	10.7	33.2	39.9	14.6	100
College or Technical School (n=43)	4.7	11.6	37.2	32.6	14.0	100
<u>Age</u> (N=367)						
45-49 (n=105)	1.9	7.6	39.0	37.1	14.3	100
50-54 (n=100)	2.0	10.0	27.0	42.0	19.0	100
55-59 (n=120)	1.7	11.7	29.2	45.8	11.7	100
60+ (n=42)	2.4	16.7	38.1	28.6	14.3	100
<u>Years to Retirement</u> (N=353)						
0-5 (n=93)	3.2	11.8	33.3	37.6	14.0	100
6-10 (n=128)	0.8	11.7	32.0	43.0	12.5	100
11-15 (n=88)	2.3	11.4	31.8	36.4	18.2	100
16-20 (n=44)	2.3	4.5	36.4	43.2	13.6	100

TABLE 14 - Continued

Variable Compared	Retirement Income Adequacy					TOTAL
	Much More	Slightly More	Just Enough	Not Quite	Not at All	
<u>Years in Area</u> (N=367)						
Less than 10 (n=14)	7.1	7.1	42.9	35.7	7.1	100
10-19 (n=32)	0	15.6	25.0	34.4	25.0	100
20+ (n=44)	1.9	10.3	32.7	41.1	14.0	100
<u>Years in Firm</u> (N=367)						
Less than 10 (n=54)	5.6	5.6	35.2	44.4	9.3	100
10-19 (n=91)	1.1	9.9	30.8	37.4	20.9	100
20+ (n=22)	1.4	12.2	32.4	40.5	13.5	100
<u>Years in Work Type</u> (N=365)						
Less than 10 (n=33)	3.0	6.1	39.4	45.5	6.1	100
10-19 (n=76)	1.3	6.6	35.5	38.2	18.4	100
20+ (n=256)	2.0	12.5	30.9	40.6	14.1	100
<u>Number in Family</u> (N=354)						
One (n=41)	2.4	14.6	36.6	34.1	12.2	100
Two (n=143)	2.1	12.6	33.6	39.9	11.9	100
Three (n=84)	2.4	7.1	29.8	45.2	15.5	100
Four (n=44)	0	6.8	27.3	50.0	15.9	100
Five or More (n=42)	2.4	11.9	38.1	26.2	21.4	100

What proportion of their pre-retirement income do older workers perceive as adequate for retirement?

Data used to provide information to answer this question were obtained from responses to three separate questions on the survey instrument. Question 15 asked, "What proportion of your monthly income before retirement do you think you will need to maintain an adequate monthly retirement income?" The other two questions attempted to determine the sources of retirement income and what will be and should be the major source of retirement income for most retirees.

Table 15 presents the responses to question 14. Almost half (49.4 percent) of the total number of persons responding to this question indicated that they would need more than 60 percent of their current monthly income to maintain an adequate monthly retirement income. Less than one-fourth (23.2 percent) of this group felt they could live on a retirement income equal to 40 percent or less of their current monthly income.

No statistically significant differences in responses to this question were found for the personal characteristic variables of sex, race, living quarters, education, age, number of years to retirement, number of years in present firm and total number in family living on current income. However, for the variables of race, living quarters and years worked in the present firm, the following tendencies were noted: A larger proportion of non-caucasian respondents



indicated needing 61-100 percent of their current income in retirement than did caucasians. Proportionately more persons living in rental or other quarters indicated a need for 61-100 percent of their current income for retirement. Proportionately more respondents working in their present firm 20 or more years indicated a higher percentage of their current income needed for retirement than did either of the other groups.

TABLE 15  
PERCEIVED PROPORTION OF PRESENT MONTHLY INCOME NECESSARY  
TO MAINTAIN ADEQUATE MONTHLY RETIREMENT INCOME

Response	Frequency	Percent	Adjusted Percent
20 percent	38	10.2	10.5
21-40 percent	46	12.4	12.7
41-60 percent	99	26.6	27.4
61-80 percent	138	37.1	38.1
81-100 percent	41	11.0	11.3
No response	10	2.7	----
TOTAL	372	100.0	100.0

Statistically significant differences were found relative to the responses to this question for the variables of marital status, number of years living in present area, number of years worked in present type of work and present

family gross monthly income. The response distributions for these variables are presented in table 16. In general, a larger percentage of current income necessary for an adequate retirement income was indicated by: married rather than single respondents, those with 20 or more years living in the present location, those working at their present type of work 20 or more years and persons whose current income level was less than \$600.

To determine the sources of income older workers feel will make up their regular retirement income, question 14 asked, "What will be the sources which will make up your retirement income?" As a second part of this question, the respondents were asked to rank the sources indicated in order of importance to their total retirement income. Table 17 presents the items indicated as sources of income and the response frequencies by rank, individually for ranks one through four, and grouped for ranks five through eight.

The data presented in this table reveal that social security benefits and company retirement benefits are the primary sources expected to make up retirement incomes. All persons providing a response to this question identified social security benefits as a source of retirement income whether they ranked the sources or not. Of the total responding to this question (N=360), 86 percent (309) ranked at least one source; 93 percent of those who did rank sources rated as first either social security (59 percent) or company

TABLE 16  
 DISTRIBUTION OF PRESENT MONTHLY INCOME PROPORTION  
 TO MAINTAIN ADEQUATE MONTHLY RETIREMENT INCOME COMPARISONS

Variable Compared	Percent of Present Income						TOTAL N %	
	0-20 N %	21-40 N %	41-60 N %	61-80 N %	81-100 N %			
<u>Marital Status</u>								
Single	7 13.7	9 17.6	13 25.5	11 21.6	11 21.6	51 100	X <sup>2</sup> =11.57 df=4 P<.05 N=362*	
Married	31 10.0	37 11.9	86 27.7	127 40.8	30 9.6	311 100		
<u>Years in Area</u>								
Less than 10	2 14.3	4 28.6	3 21.4	4 28.6	1 7.1	14 100	X <sup>2</sup> =16.12 df=8 P<.05 N=362*	
10-19	6 19.4	8 25.8	9 29.0	5 16.1	3 9.7	31 100		
20 or more	30 9.5	34 10.7	87 27.4	129 40.7	37 11.7	317 100		

TABLE 16 - Continued

Variable Compared	Percent of Present Income												
	0-20		21-40		41-60		61-80		81-100		TOTAL		
	N	%	N	%	N	%	N		%	N	%	N	%
<u>Years in Work Type</u>													
Less than 10	7	21.9	5	15.6	14	43.8	5	15.6	1	3.1	32	100	$X^2=29.78$ df=8 P<.001 N=360*
10-19	13	17.1	9	11.8	26	34.2	19	25.0	9	11.8	76	100	
20 or more	17	6.7	32	12.7	59	23.4	114	45.2	30	11.9	252	100	
<u>Monthly Family Income</u>													
Less than \$600	9	13.6	9	13.6	10	15.2	22	33.3	16	24.2	66	100	$X^2=22.89$ df=8 P<.01 N=355*
\$600-\$999	10	5.9	24	14.1	54	31.8	65	38.2	17	10.0	170	100	
\$1,000 or more	15	12.6	13	10.9	33	27.7	50	42.0	8	6.7	119	100	

\*Response totals less than 372 are due to non-responses.

retirement benefits (34 percent). Eighty-three percent (298) of the respondents indicating source ranks identified at least two sources of retirement income; again, social security and company retirement benefits represented the major proportion of this group.

It is further noted that 226 persons surveyed, 63 percent of the total responding to this question by ranking sources, were able to identify three sources perceived as making up their retirement incomes. Fifty-seven percent of the respondents ranking at least three retirement income sources identified either interest income from savings bonds and/or savings accounts or part-time employment as their third source.

After asking the participants to identify their own retirement income sources, they were asked to identify the major source for most retirees. Question 16 asked, "Which of these do you think should be the major source of income for most retired families?" This question was included to determine if the study participants perceived their own major retirement income source to be similar to that of current retired persons.

The responses to this question were very similar to the responses given as to the perceived sources of their own retirement incomes. Table 18 presents the distribution of responses as to the sources listed. The distribution indicates that slightly less than 90 percent of those responding felt

TABLE 17

## SOURCES OF RETIREMENT INCOME RANKED BY IMPORTANCE

Source	Rank					Circled Not Ranked	N.
	1	2	3	4	5-8		
Social Security	182	105	8	4	0	61	360
Company retirement	104	157	18	1	2	60	342
Private retirement	6	7	35	13	5	10	76
Interest from savings	4	9	64	29	8	21	135
Regular savings withdrawals	0	1	11	14	12	4	42
Part-time employment	3	12	65	16	15	10	121
Returns from investments	5	4	19	10	10	6	54
Inheritance	1	3	2	4	7	3	20
Other	4	0	4	3	1	5	17

that either social security or company retirement benefits should be the major source of income for retired families.

TABLE 18  
PERCEIVED MAJOR INCOME SOURCE FOR MOST RETIRED FAMILIES

Response	Frequency	Percent	Adjusted Percent
Employment after retirement	9	2.4	2.8
Children	0	---	---
Interest from savings and investments	12	3.2	3.7
Guaranteed income from government	11	3.0	3.4
Pensions and/or company retirement plans	142	38.2	44.2
Welfare	0	---	---
Social security	145	39.0	45.2
Government grants to older people	2	0.5	0.6
No response	51	13.7	---
TOTAL	372	100.0	100.0

The selection of these items tends to indicate that the respondents felt that the major source of a family's retirement income should come from a source to which the retiree had contributed. This corresponds closely with findings reported by Peterson. Eighty percent of his respon-

dents indicated the same preferences as those in this study.<sup>4</sup> The apparent self-reliance of the respondents relative to their retirement income is further shown by the fact that the items of children and welfare were not perceived by anyone as major sources. These findings are again similar to those reported by Peterson.<sup>5</sup>

Whom do older workers see as responsible for finances during retirement?

The purpose of this question was to determine who older workers perceive as responsible to see that retirees have sufficient finances in maintaining an adequate retirement living if they are unable to do so themselves. The actual question on the survey instrument asked, "If a retiree just doesn't have enough income, who is most responsible for providing some for him?"

Table 19 presents the response distribution for this question. The most common response (54.6 percent) indicated that the government was perceived to be responsible for retirees. The second largest response was that of the business or industry he or she worked for, with the total of these two responses representing 83.6 percent of all persons responding to the question.

All personal characteristic variables were tested to determine if significant differences could be found relative to the responses for this question. Significant differences were found to exist among responses for the



variables of education and number of years worked at the present firm. Table 20 presents these distributions and indicates that a larger proportion of respondents with college or technical school training selected children and the business or industry they worked for as responsible for retiree finances than did the groups with less education. Respondents with no college or technical school training indicated the government as most responsible by a significantly larger proportion. Persons with less than 10 years at their present firm selected children and labor unions more often as the group responsible than did those respondents with greater tenure at their present firm.

TABLE 19  
GROUP INDICATED AS RESPONSIBLE FOR RETIREMENT FINANCES  
IF RETIREES CANNOT PROVIDE FOR THEMSELVES

Response	Frequency	Percent	Adjusted Percent
Children	42	11.3	12.1
Other relatives	0	---	---
Government	190	51.1	54.6
Business or industry worked for	101	27.2	29.0
Labor union	15	4.0	4.3
No response	24	6.5	---
TOTAL	372	100.0	100.0

TABLE 20  
 DISTRIBUTION OF GROUPS PERCEIVED AS MOST RESPONSIBLE  
 FOR PROVIDING INCOME FOR RETIREES

Variable Compared	Group Most Responsible										
	Children		Government		Business or Industry		Union		TOTAL		
	N	%	N	%	N	%	N	%	N	%	
<u>Education</u>											
0-8 years	5	7.5	40	59.7	16	23.9	6	9.0	67	100	X <sup>2</sup> =20.45 df=6
9-12 years	25	10.5	135	56.7	70	29.4	8	3.4	238	100	
College or Technical School	12	29.3	14	34.1	14	34.1	1	2.4	41	100	
											N=346*
<u>Years at Firm</u>											
Less than 10	11	22.4	21	42.9	12	24.5	5	10.2	49	100	X <sup>2</sup> =13.04 df=6
10-19	10	11.2	54	60.7	23	25.8	2	2.2	89	100	
20+	21	10.0	115	54.8	66	31.4	8	3.8	210	100	
											P<.05 N=348*

\*Responses totals less than 372 due to non-responses.

How large a role do older workers believe that children should play in the retirement finances of older persons?

Data for answering this question was provided by the response to question 18, "To what extent should children participate in the financial support of retired family members?" Table 21 presents the responses to this question.

TABLE 21  
PERCEIVED ROLE OF CHILDREN IN THE FINANCIAL  
SUPPORT OF RETIRED FAMILY MEMBERS

Response	Frequency	Percent	Adjusted Percent
Not at all	182	48.9	49.4
Special emergencies	162	43.6	44.0
Some regular help	15	4.0	4.1
All help necessary	5	1.3	1.4
Other	4	1.1	1.1
No response	4	1.1	---
TOTAL	372	100.0	100.0

The vast majority (93.4 percent) of those responding to this question indicated that children should either provide no financial help at all to retired family members, or help out only in special emergencies. The four respondents selecting the "other" category tended to agree with the

"special emergencies" group. Their statements as to what they meant by "other" were as follows:

"Help whenever and wherever needed."

"Help provide a home for them, perhaps with you."

"Help after self help is exhausted or as to their good judgment they see the need. Of course, within the limit of their ability to lend help."

"If need exists, the support should be shared equally by the children."

The distribution presented in table 21 appears to be substantiated by partial answers to two questions presented earlier. The responses to the question asked relative to the major source of income for most retired families, presented in table 18, indicated that none of the respondents felt that children should be the major source. In addition, when asked who was most responsible for providing a retiree with financial help if he just doesn't have enough, only 12.1 percent of those responding indicated his children (table 19).

What do older workers perceive as the responsibility of the government for the finances of retirees?

To determine an answer to this question, subparts from three separate questions on the survey instrument were used (see questions 16, 17 and 24 on the survey instrument found in the appendix).

Table 18 presented earlier indicated that 49.2 percent of the respondents felt the government should

provide the major source of income for retired families. The term government relative to that question included: guaranteed income from government (3.4 percent), social security (45.2 percent), government grants to older people (0.6 percent) and welfare (not indicated by any respondent as the major income source).

The responses to question 17 (presented in table 19) indicated that 54.6 percent of the respondents felt that the government should be the one most responsible for providing income to those retirees who cannot provide for themselves in retirement. As indicated in table 19, almost twice as many respondents chose the government as the response to this question than any other group.

The complete distribution of responses to question 24 will be reported later in this chapter under another guide question. However, it is noted here that 49.7 percent of those responding to this question indicated the government as the group which should be working most to improve the financial conditions of retirees.

The findings relative to the government's responsibility for retiree finances do not appear clear cut. However, a large proportion of the respondents agreed that the government should be responsible for working to improve retiree finances, and should be responsible to assist indigent retirees. The same general findings were reported by Peterson. In general, ". . . the older person wants to be

self-reliant; this failing, he prefers to fall back upon the government."<sup>7</sup>

Do older workers believe that present retirees should have larger retirement incomes?

The data for answering this question were collected from the responses given to survey question 19, "In your opinion, what do you feel best describes the present income of retired people you know?" As table 22 indicates, slightly less than 66 percent of those responding to this question indicated that they felt the income level of the retirees they know was less than adequate, and less than 10 percent indicated retiree incomes as more than adequate. No significant differences were found relative to the responses to this question when tested against all of the personal characteristic variables.

Directly related to income is the issue of standard of living. Therefore, respondents were asked in question 27, "What do you feel best describes the standard of living of retired families as compared to that of families before retirement?" Table 23 shows that slightly more than 10 percent indicated no change while 81.9 percent indicated a decrease in the perceived living standard of people once they retire. Thus, the response to changes in the standard of living of persons once they retire tends to support the income inadequacies presented in table 22.

TABLE 22  
PERCEIVED PRESENT INCOME OF RETIRED PEOPLE

Response	Frequency	Percent	Adjusted Percent
Not at all adequate	75	20.2	20.5
Not quite enough	166	44.6	45.3
Just enough	89	23.9	24.3
Slightly more than adequate	35	9.4	9.6
Much more than adequate	1	0.3	0.3
No response	6	1.6	---
TOTAL	372	100.0	100.0

TABLE 23  
PERCEIVED DIFFERENCE IN STANDARD OF LIVING OF RETIRED FAMILIES AS COMPARED TO FAMILIES BEFORE RETIREMENT

Response	Frequency	Percent	Adjusted Percent
Large decrease	120	32.3	33.0
Slight decrease	178	47.6	48.9
No change	37	9.9	10.2
Slight increase	22	5.9	6.0
Large increase	7	1.9	1.9
No response	8	2.2	---
TOTAL	372	100.0	100.0

To determine older worker perceptions of why retirees have inadequate incomes, two specific questions were asked. First, question 22 asked, "Some retirees don't have adequate income or savings. What do you think is the most probable cause?" Table 24 indicates that 61.7 percent felt retiree's income was too small to allow them to save enough during earlier years. The second largest response group (18.2 percent) felt that inflation destroyed savings, which could be directly associated with an inadequate income.

TABLE 24  
PERCEPTIONS OF MOST PROBABLE CAUSE FOR  
INADEQUATE RETIREE INCOME

Response	Frequency	Percent	Adjusted Percent
They didn't work or save enough during the earlier years	25	6.7	7.0
Inflation destroyed their savings	65	17.5	18.2
They didn't use their money wisely	47	12.6	13.1
Their income was too small to allow them to save enough during earlier years	221	59.4	61.7
No response	14	3.8	---
TOTAL	372	100.0	100.0



When the response distributions were tested against the personal characteristic variables for this question, two were significantly different. The variables were race and present income level. Table 25 indicates that a larger proportion of non-caucasian respondents felt retirees' incomes to be inadequate than did caucasians, while a larger proportion of caucasians felt inflation had destroyed retirees' savings than did non-caucasians. This table also indicates that three-fourths of the respondents with present incomes of less than \$600 per month chose inadequate income as the source of inadequate retiree income, with a smaller proportion of the higher income respondents selecting this response.

The second question asked concerning causes for inadequate retiree incomes was number 22; it read, "Here are four other answers, which of these do you think probably caused some retirees to have inadequate income or savings?" Table 26 presents the responses given to this question. The majority of the respondents (84.7 percent) felt that failure to plan well for retirement and medical bills using up their savings were primary causes of income inadequacy. Both of these responses could relate to a failure to plan ahead toward one's retirement.

When this question was compared with the personal characteristic variables for statistical differences, present family income was the only one significantly different. Table 27 presents the response distribution and indicates

TABLE 25

## DISTRIBUTION OF MOST PROBABLE INADEQUATE RETIREMENT CAUSE COMPARISONS

Variable Compared	Cause of Inadequate Retirement Income										
	Didn't work or save		Inflation		Poor money use		Inadequate income		TOTAL		
	N	%	N	%	N	%	N	%	N	%	
<u>Race</u>											
Caucasion	20	6.7	59	19.7	44	14.7	177	59.0	300	100	$X^2=9.32$ $df=3$ $P<.05$ $N=352^*$
Non-Caucasion	4	7.7	5	9.6	2	3.8	41	78.8	52	100	
<u>Monthly Family Income</u>											
Less than \$600	3	4.6	9	13.8	4	6.2	49	75.4	65	100	$X^2=14.04$
\$600-\$999	11	6.7	32	19.4	18	10.9	104	63.0	165	100	$df=6$
\$1,000+	11	9.2	21	17.5	25	20.8	63	52.5	120	100	$P<.05$ $N=350^*$

\*Response totals less than 372 are due to non-responses.

that as income level increased a larger proportion of the response groups chose lack of planning and a decreasing proportion selected the response of medical bills as other causes for inadequate retirement income or savings. It was also noted that as income level increased, the proportion of each level who felt that older people couldn't get jobs decreased.

TABLE 26  
PERCEPTIONS OF OTHER CAUSES OF  
INADEQUATE INCOME OR SAVINGS

Response	Frequency	Percent	Adjusted Percent
They didn't plan well for retirement	153	41.2	43.2
Older people can't get jobs	31	8.3	8.8
They believed others would look out for them	23	6.2	6.5
Medical bills used up all their savings	147	39.5	41.5
No response	18	4.8	---
TOTAL	372	100.0	100.0

TABLE 27  
 DISTRIBUTION OF PRESENT FAMILY INCOME AND OTHER CAUSES  
 OF INADEQUATE INCOME OR SAVINGS OF RETIREES COMPARISONS

Variable Compared	Reason for Inadequacy										
	Didn't Plan		No Jobs Available		Depended On Others		Medical Bills		TOTAL		
	N	%	N	%	N	%	N	%	N	%	
<u>Monthly Family Income</u>											
Less than \$600	19	30.6	8	12.9	2	3.2	33	53.2	62	100	$\chi^2=15.47$
\$600-\$999	66	40.2	16	9.8	14	8.5	68	41.5	164	100	df=6
\$1,000+	66	55.0	6	5.0	7	5.8	41	34.2	120	100	$P < .05$
										N=346*	

\*Response totals less than 372 are due to non-responses.

Would pre-retired older workers be willing to make increased social security payments in order to increase the income of present retirees?

Data to answer this guide question were obtained from the responses to survey question number 20, which asked for a simple yes or no response relative to their personal feelings on this issue. Table 28 indicates that approximately two out of every three respondents were willing to make increased social security payments in order to increase the income benefits collected by present retirees.

TABLE 28

PERCEIVED WILLINGNESS TO MAKE INCREASED SOCIAL SECURITY PAYMENTS TO INCREASE THE INCOME OF PRESENT RETIRED PERSONS

Response	Frequency	Percent	Adjusted Percent
Yes	230	61.8	63.5
No	132	35.5	36.5
No response	10	2.7	---
TOTAL	372	100.0	100.0

When the personal characteristic variables and this question were tested, two variables, age and number of years until retirement, showed significant differences. The distributions are presented in table 29, and indicate that a larger proportion of each of the age groups over 55 years

were willing to make increased social security payments for the benefit of present retirees, than were the groups less than 55. As might be expected, those respondents with five or less years to retirement indicated a substantially more positive position toward this question than did any of the other groups with more years to retirement.

TABLE 29

DISTRIBUTION OF WILLINGNESS TO MAKE INCREASED SOCIAL SECURITY PAYMENTS TO INCREASE THE INCOME OF RETIRED PERSONS COMPARISONS

Variable Compared	Increase Payments					
	Yes		No		TOTAL	
	N	%	N	%	N	%
<u>Age</u>						
45-49	58	55.8	46	44.2	104	100
50-54	55	57.3	41	42.7	96	100
55-59	88	73.9	31	26.1	119	100
60 and over	29	67.4	14	32.6	43	100
						$X^2=10.18$
						df=3
						P<.05
						N=362*
<u>Years to Retirement</u>						
0-5	72	77.4	21	22.6	93	100
6-10	72	57.1	54	42.9	126	100
11-15	54	62.8	32	37.2	86	100
16-20	23	53.5	20	46.5	43	100
						$X^2=11.85$
						df=3
						P<.01
						N=348*

\*Response totals less than 372 are due to non-responses.

Would pre-retired older workers be willing to make increased social security payments in order to be assured of higher retirement income for themselves?

The purpose of this question was to determine a willingness to make increased social security payments for higher personal retirement benefits rather than for those currently receiving benefits as asked in the previous question. Again a simple yes or no response was requested. As shown in table 30, 73.5 percent indicated a willingness to make additional social security payments, as compared to 26.5 percent being unfavorable. This finding is in line with evidence cited by Peterson. He reported that, "Demand for social security increases by older persons has been shown to be accompanied by a willingness to pay higher social security taxes in order to receive it."<sup>8</sup> Although a larger proportion would be willing to make increased payments to assure increased benefits for themselves rather than for others, the majority would be willing to make increased payments to improve retirement benefits both now for others and later for themselves.

Again as with the response distribution to the previous guide question, the personal characteristic variables of age and years until expected retirement were the only ones which yielded statistically significant differences in responses. Table 31 shows a higher proportion of older respondents, age 55 and above, indicating a willingness to make increased social security payments to assure higher

retirement benefits for themselves, than did the age groups less than 55 years of age. In addition, those respondents closest to retirement (five years or less) indicated a significantly larger proportion willing to make increased payments to benefit their own retirement incomes than did any of the groups with more than five years until retirement.

TABLE 30

PERCEIVED WILLINGNESS TO MAKE INCREASED SOCIAL SECURITY  
PAYMENTS TO INCREASE RETIREMENT BENEFITS FOR SELF

Response	Frequency	Percent	Adjusted Percent
Yes	269	72.3	73.5
No	97	26.1	26.5
No response	6	1.6	---
TOTAL	372	100.0	100.0

Whom do older workers see as the most influential spokesmen or leaders in improving financial conditions of retired people?

To determine the older workers perception as to who he or she perceives as the group responsible for improving the financial plight of retired people, question 24 asked, "In your opinion, which group which group should be working the most to improve the financial conditions of retirees?" Table 32 shows that almost one-half (49.7 percent) felt that



Congress and federal government agencies should be most responsible. Business and industry was chosen by respondents as the next most responsible group (35.6 percent), with labor unions selected by only 10.2 percent. Voluntary organizations and organizations of senior citizens together represented only 4.5 percent of the respondents.

TABLE 31  
DISTRIBUTION OF WILLINGNESS TO MAKE INCREASED  
SOCIAL SECURITY PAYMENTS TO INCREASE  
RETIREMENT BENEFITS FOR SELF COMPARISONS

Variable Compared	Increase Payments						
	Yes		No		TOTAL		
	N	%	N	%	N	%	
<u>Age</u>							
45-49	67	63.8	38	36.2	105	100	$X^2=12.61$
50-54	67	69.1	30	30.9	97	100	df=3
55-59	100	82.6	21	17.4	121	100	$P<.01$
60 and over	35	81.4	8	18.6	43	100	N=366*
<u>Years to Retirement</u>							
0-5	80	85.1	14	14.9	94	100	$X^2=8.43$
6-10	88	69.3	39	30.7	127	100	df=3
11-15	62	70.5	26	29.5	88	100	$P<.05$
16-20	30	69.8	13	30.2	43	100	N=352*

\*Response totals less than 372 are due to non-responses.

The response distribution to this question may have been expected for several reasons. Due to the fact, pointed out earlier in this chapter, that there is a general tendency for older persons to rely on the government for direct financial help when they feel they are unable to help themselves, one might expect a similar response for assistance in other issues affecting retirement income conditions. Peterson reported that nearly three quarters of his respondents indicated the government as the group which should be working the most to help them in retirement.<sup>9</sup> Secondly, because the respondents in this study were currently dependent on their firm for their incomes, they might be expected to select business and industry as being more responsible than the groups, other than government, listed for this question.

Although there was no attempt to determine the proportion of respondents belonging to labor unions, it has been pointed out that, "The majority of unions have not yet come to grips with the problems of helping their members to prepare for retirement . . ." <sup>10</sup> Thus, one might expect fewer persons to perceive their union as more responsible for improving the financial conditions of retirees than either the government or their firm.

Finally, it might be assumed that since the respondents were not retired, their knowledge of senior citizen organizations might be limited as to the goals and objectives of these groups. Thus, limited selection of this response might be expected.

TABLE 32  
 PERCEPTIONS REGARDING GROUPS WHICH SHOULD BE WORKING  
 THE MOST TO IMPROVE FINANCIAL CONDITIONS OF RETIREES

Response	Frequency	Percent	Adjusted Percent
Congress and federal government agencies	176	47.3	49.7
Voluntary organizations, (churches, service organizations, etc.)	5	1.3	1.4
Organizations of senior citizens	11	3.0	3.1
Labor unions	36	9.7	10.2
Business and industry	126	33.6	35.6
No response	18	4.8	---
TOTAL	372	100.0	100.0

The response distributions for this question were tested for each of the personal characteristic variables, with education, number of years in present type of work and monthly family income indicating statistically significant differences. Table 33 presents the response distributions for these variables.

As level of education increased, the proportion of respondents indicating government decreased, the proportion indicating business and industry increased and the proportion selecting labor unions as the most responsible in working for the improvement of retiree finances decreased.

Table 33 also indicates differences in the response distributions for the variable of number of years in present type of work. The major differences were found to exist between responses given by those respondents in the less than 10 years group, compared to those groups with 10 years or more years in the present type of work. The less than 10 years group indicated a much smaller proportion selecting government than the other groups, and a much larger proportion selecting labor unions than the 10 years and over group.

The final variable indicating significant differences in the distribution of responses to this question was that of present monthly income. As income increased, the proportion of respondents indicating the government decreased, the proportion indicating business and industry increased, and the proportion selecting labor unions as the most responsible group for improving retirement finances decreased.

Do older workers see a need for pre-retirement planning?

To determine if the older workers surveyed perceived pre-retirement planning as important, two questions were developed. Question 25 asked, "How would you describe the average person's preparation for retirement?" Responses to this question are presented in table 34. More than three-fourths (77.1 percent) of the respondents felt that the average person's preparation for retirement was probably not adequate. Only 22.3 percent felt preparation was adequate and only one respondent felt it was more than adequate.

TABLE 33

DISTRIBUTION OF GROUP WHICH SHOULD BE WORKING  
 THE MOST TO IMPROVE THE FINANCIAL CONDITIONS OF RETIREES COMPARISONS

Variable Compared	Group										TOTAL N %		
	Government		Voluntary Organizations		Sr. Citizens Organizations		Labor Unions		Business Industry				
	N	%	N	%	N	%	N	%	N	%			
<u>Education</u>													
0-8 years	35	53.0	0	0.0	0	0.0	12	18.2	19	28.8	66	100	$X^2=15.52$
9-12 years	123	50.4	5	2.0	8	3.3	20	8.2	88	36.1	244	100	df=8
College or Tech School	18	42.9	0	0.0	3	7.1	2	4.8	19	45.2	42	100	P .05
													N=352*

TABLE 33 - Continued

Variable Compared	Group												
	Government		Voluntary Organizations		Sr. Citizens Organizations		Labor Unions		Business Industry		TOTAL		
	N	%	N	%	N	%	N	%	N	%	N	%	
<u>Years in Work Type</u>													
Less than 10	11	34.4	2	6.3	0	0.0	8	25.0	11	34.4	32	100	$X^2=17.77$
10-19	38	52.8	1	1.4	3	4.2	8	11.1	22	30.6	72	100	df=8
20 or more	126	50.8	2	0.8	7	2.8	20	8.1	93	37.5	248	100	P .05
<u>Monthly Family Income</u>													N=352*
Less than \$600	38	59.4	0	0.0	0	0.0	11	17.2	15	23.4	64	100	$X^2=17.10$
\$600-\$999	82	50.6	3	1.9	4	2.5	17	10.5	56	34.6	162	100	df=8
\$1,000 or more	52	43.3	2	1.7	7	5.8	8	6.7	51	42.5	120	100	P .05 N=346*

\*Response totals less than 372 are due to non-responses.

TABLE 34

## PERCEPTION OF AVERAGE PERSON'S PREPARATION FOR RETIREMENT

Response	Frequency	Percent	Adjusted Percent
More than adequate	1	0.3	0.3
Adequate	83	22.3	22.6
Probably not adequate	283	76.1	77.1
No response	5	1.3	---
TOTAL	372	100.0	100.0

Race was the only personal characteristic that indicated a significant difference in comparison to this question. Table 35 presents this information and indicates that more non-caucasians indicated average retirement preparation to be adequate than did caucasians, and a smaller percent selected the inadequate response than did caucasians.

The purpose of the second question was to determine if the total group perceived retirement planning as important. Question 26 asked, "Do you feel that most people need to plan for the day they will retire?" Table 36 indicates that the respondents were almost unanimous (98.4 percent) in their agreement that most people need to plan for their retirement. No other question on the survey instrument received as great a response consensus as did this one.

TABLE 35

DISTRIBUTION OF PERCEIVED AVERAGE RETIREMENT  
PREPARATION COMPARISONS

Variable Compared	Average Retirement Preparation								
	More than Adequate		Adequate		Not Adequate			TOTAL	
	N	%	N	%	N	%		N	%
<u>Race</u>									
Caucasion	0	0.0	66	21.4	242	78.6	308	100	$X^2=8.00$
Non-Caucasion	1	1.9	16	30.2	36	67.9	53	100	df=2
									P .05
									N=361*

\*Response totals less than 372 are due to non-responses.



TABLE 36  
 PERCEIVED NEED FOR MOST PEOPLE TO PLAN FOR RETIREMENT

Response	Frequency	Percent	Adjusted Percent
Yes	359	96.5	98.4
No	6	1.6	1.6
No response	7	1.9	---
TOTAL	372	100.0	100.0

Whom do older workers see as responsible for providing pre-retirement planning education and assistance?

Data for answering this question was collected from responses to question 29: "Who do you feel should be most responsible for providing these types of information sessions?" As table 37 indicates, none of the selections offered received an overwhelming majority of the responses. The most frequent response group selected was that of government agencies (28.2 percent). Three other selections received more than 12 percent of the responses. These were: community service groups (21.2 percent), the University of Nebraska (18.5 percent) and business and industry (12.7 percent). None of the remaining categories received more than 8.5 percent of the responses.

The large number of non-responses to this question and the scattered distribution of the responses selected

indicates that, as a group, the persons surveyed were not in general agreement as to their perceptions of the group most responsible for providing pre-retirement planning education and assistance. This general finding might be expected since, as discussed in chapter two, no single element of society has been selected or has accepted the responsibility for leadership in this area.

The possibility of participation in prior information or pre-retirement classes could affect how a person might have answered the preceding question. Therefore, the question was asked, "Have you ever had any pre-retirement information classes?" Only eight of the 364 persons responding to this question indicated yes, while 356 (97.8 percent) responded no. This finding appears to be of meaningful importance in view of the previously reported consensus of the group in their perception of the need for most people to plan for their retirement (see table 36). In addition, it offers some insight into the reason as to why respondents lacked general consensus in response relative to the group responsible for providing pre-retirement assistance. With no previous experience on which to draw, respondents would have little basis on which to rationalize a uniform response.

Question 36 provided for those respondents having had some type of classes to briefly explain what these were and to give their general reaction to them. Four of the eight respondents having indicated prior information classes responded as follows: One had participated in a general

company information class, the second had attended a general retirement information session, another indicated a college level finance course and the last response indicated an automotive training class; which does not appear to directly relate to pre-retirement planning, however, it could be considered an interest that might be continued in retirement. All four persons indicated a favorable reaction to these classes.

TABLE 37  
PERCEPTIONS OF GROUP MOST RESPONSIBLE FOR PROVIDING  
INFORMATION SESSIONS

Response	Frequency	Percent	Adjusted Percent
Government agencies	93	25.0	28.2
Community service groups	70	18.8	21.2
University of Nebraska	61	16.4	18.5
Business and industry	42	11.3	12.7
Local public schools	28	7.5	8.5
Community technical college	18	4.8	5.4
Labor unions	11	3.0	3.3
Other	4	1.1	1.2
No response	42	11.3	---
TOTAL	372	100.0	100.0

What point in their work life do older workers believe pre-retirement planning should begin?

In this case the researcher felt the best approach in determining the perceptions of the older workers surveyed relative to this guide question was the direct approach. Therefore, question 37 asked, "At what point in a person's life do you feel one should begin planning for retirement?"

Table 38 presents the response distributions to this question. More than half (51.6 percent) of the respondents indicated planning should begin 20 or more years prior to retirement, and 80.7 percent indicated at least 10 or more years before retirement. Only 5.5 percent of the respondents felt one year was sufficient time to plan for retirement, and four of the 364 persons responding indicated no pre-retirement planning was necessary.

Two personal characteristic variables indicated significant differences in responses relative to this question. These variables were education and number of years until expected retirement. Table 39 presents these distributions and indicates that as level of education increases, the proportion of respondents selecting either the 20 or more years and the 15 or more years before retirement categories increases. These findings may relate to a higher value being placed on education and planning by those with higher levels of educational attainment, however, no data were collected in this study to support this explanation.

TABLE 38

## PERCEIVED TIME AT WHICH RETIREMENT PLANNING SHOULD BEGIN

Response	Frequency	Percent	Adjusted Percent
20 or more years before retirement	188	50.5	51.6
15 or more years before retirement	48	12.9	13.2
10 or more years before retirement	58	15.6	15.9
5 or more years before retirement	46	12.4	12.6
No more than a year before retirement	20	5.4	5.5
Adequate planning can be done after one's retirement	4	1.1	1.1
No response	8	2.2	---
TOTAL	372	100.0	100.0

Of the respondents indicating 20 or more years before retirement as the point at which planning should begin, the largest proportion were those persons with the greatest number of years to retirement. These findings may indicate a realization on the part of these respondents that planning for retirement is important, and they may be indicating an interest to begin now.

TABLE 39

## DISTRIBUTION COMPARISONS OF PERCEIVED BEGINNING POINT FOR RETIREMENT PLANNING

Variable Compared	Years for Planning														
	20 or more		15 or more		10 or more		5 or more		One year		After Ret.	TOTAL			
	N	%	N	%	N	%	N	%	N	%	N	%			
<u>Education</u>															
0-8 years	28	40.0	7	10.0	16	22.9	13	18.6	3	4.3	3	4.3	70	100	$X^2=20.09$
9-12 years	134	53.6	35	14.0	36	14.4	27	20.8	17	6.8	1	0.4	250	100	df=10
College or Tech School	25	59.5	6	14.3	5	11.9	6	14.3	0	0.0	0	0.0	42	100	$P<.05$
<u>Years to Retirement</u>															N=362*
0-5	50	53.2	6	6.4	10	10.6	21	22.3	6	6.4	1	1.1	94	100	$X^2=32.10$
6-10	59	46.8	17	13.5	25	19.8	13	10.3	9	7.1	3	2.4	126	100	df=15
11-15	40	44.9	18	20.2	19	21.3	7	7.9	5	5.6	0	0.0	89	100	$P<.01$
16-20	29	69.0	6	14.3	4	9.5	3	7.1	0	0.0	0	0.0	42	100	N=351*

\*Response total less than 372 are due to non-responses.

### Summary

The following statements represent the most common responses given relative to the study questions and are offered as a general summary of the findings of this section. More than half of the respondents perceived their future retirement finances to be inadequate, while only one in eight felt retirement finances would be more than adequate. Approximately one-half of the respondents felt that they would need more than 60 percent of their current income to achieve an adequate retirement income. Slightly less than one-fourth of the group felt they could live on a retirement income equal to 40 percent or less of their current monthly income. The majority (89.4 percent) of the respondents felt that either social security or company retirement benefits should be the major source for most retired families.

More than half of the respondents perceived the government as responsible for retirement finances if the retirees could not provide for themselves. The business or industry he or she worked for ranked second for this question, with 29 percent indicating this source. Respondents also perceived the government most often as the group which should be working most to improve the financial conditions of retirees.

When participants were asked about the role children should play in the retirement finances of older people, the majority (93.4 percent of those responding) indicated that

children should either provide no financial help or help out only in special emergencies.

Only 34.2 percent of the respondents felt that present retirees were receiving adequate incomes. In addition, 81.9 percent of those responding perceived a decrease in the standard of living for retired families compared to that of families before retirement. Major causes of inadequate retiree income selected by respondents were: "Their income was too small to allow them to save enough during earlier years," and "They didn't plan well for retirement."

A large majority of the respondents indicated that they would be willing to make increased social security payments in order to increase the income of present retirees, as well as to increase future retirement benefits for themselves.

When asked about their perceptions regarding groups which should be working the most to improve financial conditions of retirees, respondents tended to select those which they had indicated dependency on in other question responses. These groups were: "Congress and federal government agencies" and "business and industry".

More than three quarters of the respondents felt that the average person's preparation for retirement was inadequate. Almost all respondents (98.4 percent) felt that most people need to plan for retirement. In addition, over half (51.6 percent) felt that this planning should



begin 20 or more years before retirement, and slightly more than 80 percent indicated at least 10 or more years prior to retirement. However, there was much less agreement among respondents as to the group responsible for providing pre-retirement planning education and assistance, probably due in part to the fact that 97.8 percent had never participated in such session. The three most common groups indicated were: government agencies (28.2 percent), community service groups (21.2 percent) and the University of Nebraska (18.5 percent).

#### Pre-retirement Planning Information

The previous section presented the responses to 12 guide questions upon which this study was based. The remainder of this chapter will present the responses to eight questions which were felt by the researcher and the cooperating firms to be of general interest, and directly related to the topic of pre-retirement education. These questions were intended to provide data to assist in gaining a better insight for planning pre-retirement programs with persons included in this study, or like groups, if the situation so indicated. Since these questions were not directly related to the specific guide questions, and because of the general nature of the questions, no tests for statistical significance for the response distribution of the personal characteristic variables were made.

Question 28 asked participants to indicate any number of topics they would be interested in knowing more about if they were presented at a convenient time and location. Table 40 presents the responses made to this question in rank order from most frequently indicated to least. A total of 346 participants selected one or more of the topics listed as being ones they would be interested in. All items listed could be related to the economic situation of both pre-retired and retired workers.

The primary purpose of this question was to determine if the sample participants would indicate an interest in any type of continuing education sessions. The topics listed were not arranged in any particular order and did not portray a program series of any type. The responses gave a general indication that many persons would be interested in receiving information in a variety of areas, many of which directly relate to retirement planning.

Responses to the question of, "Where would you like to see such sessions held?", are presented in table 41. Three locations were indicated as the major choices. These were: local school building (29.2 percent), at home-using television (26.9 percent) and community buildings (21.8 percent). Respondents indicating the sessions be held at his firm totaled only 13.1 percent. The four "other" comments were: combine home TV and local community facilities, mail, wherever facilities are available and adequate to size of group.

TABLE 40  
 FREQUENCY OF TOPICS OF INTEREST TO PARTICIPANTS

Topics	Frequency
Choosing hobbies and recreational activities	138
Information on choosing financial investments	112
Family budget management	80
Personal and family health	70
Economical food buying and preparation	57
Gardening, lawn and yard maintenance	49
Insurance	47
Buying and selling real estate	45
Estate planning	43
Other	6

N=346

The responses to this question were of particular interest to the researcher. The relatively low response to holding these sessions at their firm, may indicate a desire of these persons to disassociate these types of activities from their work place, especially if not held as part of the work day. Although the local school was selected most often, this choice was made by less than a third of the respondents and by no means represents a general consensus. The second most selected response, "At home-using television",

was of special interest. This method would allow persons to participate, to the extent possible, in a familiar and uninhibited environment. Although other activities may have to be incorporated along with the at home television viewing, programs of this nature have been found to be successful in California.<sup>11</sup>

TABLE 41  
DESIRED LOCATION FOR SESSIONS

Response	Frequency	Percent	Adjusted Percent
Local school building	98	26.3	29.2
At home-using television	90	24.2	26.9
Community building	73	19.6	21.8
At the firm where I work	44	11.8	13.1
Other educational facilities	22	5.9	6.6
Church	4	1.1	1.2
Other	4	1.1	1.2
No response	37	9.9	---
TOTAL	372	100.0	100.0

Question 31 asked, "What time of the day would be most convenient to you?" As table 42 indicates, the greatest majority (74.3 percent) selected early evening.

TABLE 42  
MOST CONVENIENT TIME OF DAY

Response	Frequency	Percent	Adjusted Percent
Morning	36	9.7	10.2
Afternoon	24	6.5	6.9
Early evening	260	69.9	74.3
Late evening	30	8.1	8.6
No response	22	5.9	---
TOTAL	372	100.0	100.0

Participants were asked in question 32 if they would prefer these sessions immediately after work. Of the 350 respondents to this question, 70 percent indicated they would not prefer sessions after work, while the remaining 30 percent indicated they would like them held then.

Question 33 asked, "Would you prefer to attend such group activities alone or with your spouse?" Of the 308 married persons responding to this question, 270 (87.7 percent) indicated they would prefer to attend such sessions with their spouses. This finding is in line with Bowman's suggestion that pre-retirement education programs should be scheduled so that employee spouses can also be in attendance.<sup>12</sup>

When asked if participants felt their firms should provide time off to attend these sessions, the majority

(83.3 percent) of the 353 respondents indicated no. Only 16.7 percent of the respondents expected their firm to give them time off. This finding appears to be contrary to what one might expect. This response might be based on the uncertainty of employees to see such sessions as a responsibility of their firm. Bowman suggests that in-plant sessions be provided on an employee-employer shared time basis, or on a company time basis only. The latter is often used as a means of encouraging persons to attend.<sup>13</sup>

The last two of the eight general interest questions related directly to the participants own perceptions about their personal retirement. Question 28 asked, "How do you feel about your retirement at present?" Table 43 presents the response distribution to this question, and indicates that 73 percent of the respondents look forward to retirement and 10.4 percent dislike the idea of retirement.

The final question on the survey asked, "If your company permitted early retirement with full benefits, would you elect to retire early?" Of the 367 persons responding to this question, 86.1 percent indicated that they would elect to retire early under these conditions.

This chapter has presented the data collected in this study relative to the purposes and procedures discussed earlier. No attempt has been made to formulate conclusions based on these data in this section. A brief summary, conclusions and recommendations based on the data collected will be presented in the following chapter.

TABLE 43  
PERCEPTIONS OF PERSONAL RETIREMENT

Response	Frequency	Percent	Adjusted Percent
Look forward to retirement	268	72.0	73.0
Haven't thought about it	61	16.4	16.6
Dislike the idea of retirement	38	10.2	10.4
No response	5	1.3	---
TOTAL	372	100.0	100.0

References

<sup>1</sup>Robert M. W. Travers, An Introduction to Educational Research, (2d ed.; New York: The Macmillan Company, 1964), p. 297.

<sup>2</sup>George A. Ferguson, Statistical Analysis in Psychology and Education, (2d ed.; New York: McGraw-Hill Book Company, 1966), p. 407.

<sup>3</sup>David A. Peterson, "Financial Adequacy; Retirement and Public Policy: A Study of the Perceptions of Older Americans," Ph.D. Dissertation, The University of Michigan, Ann Arbor, 1969, p. 155.

<sup>4</sup>Peterson, p. 165.

<sup>5</sup>Peterson, p. 166.

<sup>6</sup>Peterson, p. 147.

<sup>7</sup>Peterson, pp. 166-168.

<sup>8</sup>Peterson, p. 1970, citing Ethel Shanas, The Health of Older People, (Cambridge, Mass.: Harvard University Press, 1962), p. 28.

<sup>9</sup>Peterson, p. 171.

<sup>10</sup>Ewan Clague, Balroy Palli and Leo Kramer, The Aging Worker and the Union, Employment and Retirement of Middle Aged and Older Workers.

<sup>11</sup>Evelyn Pickarts, Marion Marshall and Betty Smith, "Family Education by Television," Adult Leadership, Vol. 18, No. 3, September, 1969, pp. 72-74.

<sup>12</sup>Donald L. Bowman, How Pre-retirement Planning Works, A Guide for Program Planners, (Des Moines: Drake University Pre-retirement Planning Center, May, 1972), p. 9.

<sup>13</sup>Bowman, pp. 7-8.



## CHAPTER V

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### The Study

The purpose of this study was to determine how older workers in Nebraska perceived their own retirement situation, specifically as related to financial issues, and their general thoughts on pre-retirement planning for these aspects. The literature in the area of retirement and retirement planning points out that one of the major problems which face a large number of retired persons is that of limited or inadequate income. Several other issues facing the older worker as he considers retirement were also pointed out in the review of literature chapter. These included: A growing trend toward early retirement, fostered by improving retirement benefit programs; a general increase in interest for pre-retirement planning activities on the part of workers, employers and government alike; and an increasing effort being seen on the part of many individuals and groups to develop and implement retirement planning programs to reach a wider segment of our nation's older workers.

This study originated from a deep personal interest on the part of the researcher and a need expressed by many

Nebraska employers and governmental groups, contacted by the researcher, for more information on this topic. No known previous studies of this nature had been conducted in Nebraska relative to the perceptions of older workers toward any aspects of retirement or pre-retirement planning, and only very limited programs to prepare workers for their retirement could be identified.

The research problem was stated as: A study to determine the perceptions of older workers on selected financial aspects of retirement and on pre-retirement planning relative to these aspects. The following questions were developed as guides for use in designing and conducting this study:

1. How adequate do older workers think their retirement finances will be?
2. What proportion of their pre-retirement income do older workers perceive as adequate for retirement?
3. Whom do older workers see as responsible for finances of retirees?
4. How large a role do older workers believe that children should play in the retirement finances of older persons?
5. What do older workers perceive as the responsibility of the government for the finances of retirees?
6. Do older workers believe that present retirees should have larger retirement incomes?
7. Would pre-retired older workers be willing to make increased social security payments in order to increase the income of present retirees?

8. Would pre-retired older workers be willing to make increased social security payments in order to be assured of higher retirement income for themselves?
9. Whom do older workers see as the most influential spokesmen or leaders in improving financial conditions of retired people?
10. Do older workers see a need for pre-retirement planning?
11. Whom do older workers see as responsible for providing pre-retirement planning education and assistance?
12. What point in their work life do older workers believe pre-retirement planning should begin?

#### The Sample Population Surveyed

Participation in the study sample was limited to older workers, defined as age 45 and above, working in randomly selected manufacturing firms in the Omaha-Lincoln area employing 200 or more persons. In addition, the participants were employed in full-time blue collar jobs for which the entry level educational requirement was high school graduate or less.

#### Study Methods and Procedures

The data collected for this study were obtained by distributing a survey questionnaire to 716 older workers identified by the seven cooperating firms as meeting the sample selection criteria. Of the 394 survey questionnaires completed and returned, 372 (52 percent of the total) were considered useable for analysis purposes.

The survey questionnaire was constructed by the researcher based on the general guide questions presented earlier in this chapter. Constructed in two parts, the first section of the questionnaire consisted of several personal characteristic information questions which are referred to in the discussion sections of this report as variables. The second section of the questionnaire included questions relative to the respondent's opinion or belief about the particular question asked. The majority of the questions were multiple choice, with a few being of the short answer type. The survey instrument was pre-tested on the same sample type as that from which the data were collected, however, these data were not included in the analysis of this study.

The questionnaires and return envelopes were distributed to the sample members by a representative of each of the cooperating firms, thereby insuring complete anonymity of the participants on the researchers part. All questionnaires returned were analyzed, provided that the age response fell within the predetermined 45 and older age range.

Analysis and interpretation of the data was facilitated by the use of the computer. Because of the nature of this research study, no statistical testing of any hypothesis was employed; however, the chi-square statistic was used where deemed appropriate to assist in data explana-

tions and point up specific relationships discovered. Chi-square values at the .05 level were chosen as the minimum level of significance.

### Summary of the Findings

#### Personal characteristics of the participants

A majority (86.3 percent) of the respondents were married, and men outnumbered women by more than four to one. Caucasians outnumbered non-caucasians 310 to 55.

Approximately 90 percent of the respondents indicated that they either owned or were buying their own home. Slightly more than half of these respondents had mortgage-free homes.

The majority of the respondents indicated completion of nine or more grades of formal education. Slightly less than 20 percent indicated eight grades or less, almost 70 percent indicated the nine to twelve grade range, with the remainder indicating college or technical school.

The age range of the respondents was 45 to 65, with the average for all participants being 53.3 years. The average number of years until expected retirement was 8.9 years. More than half (55.6 percent) of the respondents indicated an anticipated retirement age of 62 or earlier, while 36.6 percent indicated retirement at age 65.

As a group, the respondents were highly stable in terms of the number of years they had lived in the present city or local area, the number of years employed at their

present firm and the number of years employed in their present type of work.

The mean gross family income of the respondents fell within the income range of \$600-\$999. Only 18.7 percent of the respondents indicated monthly family incomes of less than \$600, however, one-third of those responding indicated monthly incomes of over \$1,000. Half of the sample respondents indicated two persons living on their monthly income, with an additional 24 percent indicating three persons living on their income.

#### Guide question findings

About a third of the respondents (32.4 percent) indicated that they felt their retirement finances would be adequate to meet their needs, with 12.5 percent indicating retirement finances as being more than adequate. However, more than half of the respondents (55 percent) thought their retirement finances would not be adequate to meet their needs.

Respondents owning their own homes were more likely to see their retirement finances as more than adequate to meet their needs than those with mortgages or other living arrangements. As income level increased, the proportion of respondents indicating inadequate retirement finances decreased and the proportion indicating these finances as just enough or more than adequate increased.

Almost half (49.4 percent) of the respondents indicated that they would need more than 60 percent of their current monthly income to achieve an adequate monthly retirement income. Less than one-fourth of the respondents (23.2 percent) felt they could live on a retirement income of 40 percent or less of their current monthly income.

Proportionately more single respondents than married felt they could live on a retirement income of 40 percent or less, while nearly 20 percent more married than single respondents felt they needed 61 to 80 percent of their current income for an adequate retirement income. Generally, respondents with greater tenure at their present location and in their current type of work indicated a greater proportion of income needed for retirement living than did respondents with less tenure. Respondents with monthly incomes of less than \$600 felt a greater need for 61 to 100 percent of their current income level in retirement than did persons with higher incomes.

Major sources of retirement income indicated by respondents were social security benefits and company retirement benefits. Eighty-three percent of the respondents identified at least two sources of retirement income for themselves. None of the respondents felt that their children or welfare should be included as major sources of a retiree's income.

Over half (54.6 percent) of the respondents perceived the government as responsible for retirees' finances if they could not support themselves in their retirement. The second most often indicated group was his or her business or industry. As level of education increased, the proportion of respondents perceiving the government as most responsible for retiree finances decreased; and as income level increased, the proportion of respondents perceiving business or industry as responsible for retirees unable to provide for themselves increased.

Significant response differences were found for those indicating less than 10 years at their firm. This group indicated a much lower proportion than the more tenured groups as perceiving government and business or industry as being responsible for retiree finances, and a much larger proportion indicating children and unions as responsible.

Approximately half of the respondents (49.4 percent) felt that children should not participate in the financial support of family members at all. An additional 44 percent indicated that children should help out with financial support only in special emergencies.

Almost two-thirds of the respondents (65.9 percent) felt that the present income of retirees was inadequate to meet their retirement needs. Four out of five respondents perceived a decrease in living standard for retired families



as compared to families before retirement. Slightly over 10 percent of the respondents felt that no change in the standard of living would result due to retirement, while 7.9 percent felt retired families could expect an increase in their standard of living after retirement begins.

When respondents were asked to indicate their perceptions as to the causes of inadequate retirement incomes, 61.7 percent indicated that they felt that retirees' income was too small to allow them to save during the earlier years. The second most selected response (13.1 percent) felt that inflation destroyed their savings.

Additional causes of inadequate retirement income indicated were a failure to plan well for their retirement (43.2 percent) and that medical bills used up their savings (41.5 percent). As income level increased, a larger proportion indicated lack of planning as the primary cause, while fewer respondents indicated the problem of medical bills.

Approximately two out of every three respondents indicated a willingness to make increased social security payments in order to increase the income benefits received by present retirees. An even larger proportion of respondents (73.5 percent) indicated a willingness to make increased payments to insure higher future benefits for themselves. In both cases a significantly larger proportion of workers 55 and over, as well as those with five or less years to retirement, indicated a willingness to make increased payments

than did those under age 55 and those with more than five years before they retire.

Nearly half (49.7 percent) of the respondents indicated Congress and federal government agencies as the group most responsible for improving the financial conditions of retired people. Business and industry was indicated by 35.6 percent of the respondents. As level of education and income increased, the proportion of respondents indicating government decreased and those indicating business and industry increased. Those persons with less than 10 years in their current type of work were less inclined to see the government as responsible for leadership than were respondents with 10 or more years.

A majority of respondents (77.1 percent) felt that the average person's preparation for retirement was inadequate. A significantly larger proportion of non-caucasians felt retirement preparation was adequate than did caucasians.

There was almost unanimous agreement by the respondents (98.4 percent) that most people need to plan for their retirement. However, they were of much less agreement in their perceptions as to those responsible for providing pre-retirement planning assistance. The four groups indicated most frequently as responsible for these services were: government agencies, community service groups, University of Nebraska and business and industry.

Over one-half (51.6 percent) of the respondents indicated that planning for one's retirement should begin

20 or more years prior to the retirement date. An additional 29.1 percent of the respondents indicated planning should begin at least 10 years before retirement. Five and one-half percent indicated a year prior to retirement as soon enough to begin planning, and only four persons indicated that adequate planning could be done after retirement.

As level of education increased, significantly more respondents indicated that retirement planning should begin 15 to 20 years prior to retirement. Respondents with the greatest number of years to retirement indicated that planning should begin 20 or more years before retirement by a significantly higher proportion than any other group.

#### Pre-retirement Planning Information

A total of 346 (93 percent) of the participants indicated an interest in participating in one or more of the suggested topics presented. These topics related to both their present situation and retirement living. The four items selected most often were: choosing hobbies and recreational activities, information on choosing financial investments, family budget management and personal and family health.

No single location was seen as best for the majority of the group. The three major locations indicated were: local school building (29.2 percent), at home--using television (26.9 percent) and community buildings (21.8

percent). Only 13.1 percent of the respondents indicated their firm as the preferred location.

Approximately three-fourths of the participants indicated that they would prefer these sessions to be held in the early evening. Seven out of eight married persons indicated that they would prefer attending sessions with their spouses.

Contrary to the reaction of several employers visited by the researcher, the majority of the respondents (83.3 percent) indicated that they did not expect their firm to give them time off to attend information sessions.

In general, a majority of the participants in this survey (73 percent) indicated that they looked forward to retirement, while only 10.4 percent reported a dislike toward the idea of retirement. Slightly over 86 percent indicated that they would elect to retire early, if their company permitted early retirement with full benefits.

#### Conclusions and Policy Recommendations

The following discussion will present the researcher's conclusions based on the data collected and discussed earlier in this paper. These conclusions cannot be generalized to all older workers, however, one might assume that these data would hold for those persons with personal characteristics similar to those of the survey respondents, who find themselves in an environment likened to the sample population limits defined earlier.

As stated in the introductory chapter of this report, the major purpose of this study was to determine how older workers in Nebraska perceived their own retirement situation, specifically as related to financial issues, and their general thoughts on pre-retirement planning for these aspects. Based on the data presented in chapter four, relative to the specific guide questions under which this study was developed and conducted, the writer concludes that the major purpose of this study was accomplished, at least in part. The remainder of this section will present the researcher's conclusions relative to the issues of the specific guide questions, and offer policy recommendations and implications where deemed appropriate.

Of major concern is the fact that over half of the respondents perceive their future retirement finances to be inadequate to meet their needs. The literature presented earlier on poverty of the aged and the similar findings reported by Peterson relative to retired persons tends to support his conclusion that, "Such a situation requires that an immediate and thorough reappraisal of our nation's goals be undertaken."<sup>1</sup> The implication of this finding that may be drawn is that the perception of inadequate retirement income held by an older worker, whether real or imaginary, works as a definite factor which may temper the person's psychological, emotional and physical adjustment to retirement life. This factor should be dealt with well in advance

of retirement not only by the individual but by society as a whole.

To begin to deal with the issue of one's retirement finances, each individual must have as much information as possible, as early as possible. It would seem that as a minimal policy each firm should be sure that all employees, especially the older workers as described in this report, have a complete understanding of the personal retirement benefits they can expect from the company. In addition, a knowledge of how these benefits relate to social security and other retirement benefits is extremely important. Not only is it important to provide this information to employees early, it must also be reviewed and updated on a regular basis.

It is the responsibility of society to monitor retirement benefit programs, whether sponsored by government, business or private sources, to assure an adequate retirement income for the maximum number of our nation's retired persons. This responsibility implies, as Peterson suggests above, that an immediate and thorough reappraisal of our nation's goals be undertaken.

The respondents owning their own homes and currently at higher income levels perceived inadequate retirement incomes to a significantly lesser degree than did other respondents. These findings, along with the significant differences in responses found for other questions, further

substantiate the point made earlier in this paper, that older people have different individual situations and different needs. The implication for developing pre-retirement programs here is a strong one, in that such programs must be based on the real needs of the persons involved, thus a single program cannot be developed for all older workers.

The challenge to adult educators is to develop and test, using the best techniques available, a practical personal inventory instrument which can be used cooperatively by the individual and the program coordinator to develop a pre-retirement program curriculum to meet the individual needs of the worker.

The pessimistic perception of the respondents toward their own retirement income adequacy was supported by their indicated perceptions relative to current retirees. Almost two-thirds of the respondents felt that current retiree incomes were inadequate, and four out of five respondents perceived a decrease in the standard of living for retired persons. The primary reasons indicated as causes for inadequate retirement incomes were: inadequate pre-retirement incomes, failure to plan well for retirement and high medical bills.

Three basic policy implications are directed to society as a whole, again relating to national goal assessment: 1) Minimum wage legislation must be continually

reviewed and updated when necessary, both in terms of the labor classifications included and considerations necessary to adjust for inflation. 2) Funding must be made available for research to develop, test and implement pre-retirement planning programs to reach a greater number of older workers. 3) Immediate action must be taken to help all citizens meet the increasing costs of health care. One solution to this issue has been proposed, that being a national health insurance program. Such a program could reduce the financial and emotional concerns of health care for millions of Americans of all ages.

Another conclusion based on data collected in this study again closely compares with that collected by Peterson<sup>2</sup> from retired persons. This conclusion is that retirement does not necessarily result in a perception of there being a great decline in needs for the older worker once they retire. Approximately one-half of the respondents indicated that they would need more than 60 percent of their current incomes to achieve an adequate retirement income.

The policy implication for adult education here appears to be a need for further research to determine the actual proportion of pre-retirement income necessary to assure an adequate retirement income. If findings show an actual retirement income need of 60 percent or more of pre-retirement levels, immediate action must be taken to provide this amount, not only from government sources but company and private sources as well.



The vast majority of the respondents (96 percent) indicated that the contributory programs (social security, pension plans, savings and post-retirement employment) should be the major source of income for retirees. Thus, the conclusion made is that older workers feel that they should be responsible for their own retirement incomes. This conclusion is again in line with previously cited research findings.

The data further indicate that when individuals cannot maintain themselves, they tend to shift their reliance to the government. This conclusion is based not only on the fact that over half of the respondents indicated the government as responsible to provide financial assistance for retirees who cannot support themselves, but also on the fact that approximately half of the respondents chose the government as being the group most responsible for working to improve the financial conditions of retirees. Business or industry was the second most selected group seen as being responsible for both financial assistance and for working the most to improve the financial conditions of retirees.

It may further be concluded, based on the data collected, that older workers believe that government and industry are the major groups responsible for improving the conditions of retired persons. Based on the conclusions just presented, the writer feels that a strong, immediate and

meaningful commitment to improving the welfare of retired people must be taken by government and industry alike. Implied in this commitment as one of the means whereby the welfare of retired people will be improved, are programs to assist persons to plan for their retirement life well in advance of their actual retirement.

Related to the issue of retirement income sources is the role and responsibility older workers perceive for children of retired persons. The respondents of this study felt that children should play a very minor role in helping to provide the finances for retirees. It is significant to note that none of the respondents indicated children as being the major source of income for retirees. In addition, half of the respondents felt no participation in retirement financing should be made at all by children and another 44 percent indicated that children should help out only in special emergencies. These findings further support the idea of self-reliance of the retiree.

Therefore, those charged with determining or developing retirement benefit plans or pre-retirement planning programs should not assume assistance from children to be a major consideration in determining the financial situation of retired persons. In fact, these findings would indicate that such an assumption could injure the older worker's sense of pride and self-reliance.

Peterson concluded, based on the findings of his study, that social security benefits should be raised to a level that would provide an adequate income for all retirees. He further indicated that persons would be willing to make increased payments to support these benefits.<sup>3</sup> The data collected indicate a heavy reliance by older workers on social security benefits in retirement and, therefore, support a conclusion similar to Peterson's that social security benefits should be raised. Since the time that these data were collected, an increase in social security benefits has been instituted. As an example of the recommendation made earlier in this section relative to monitoring such programs, research must now be conducted to determine the results of this latest increase on the financial conditions of retirees to determine if and when additional increases might be necessary.

Approximately two-thirds of the respondents indicated a willingness to make increased social security tax payments to increase the income benefits of current retirees, and nearly three-fourths of the respondents were willing to make increased payments to be assured of higher benefits for themselves. Thus, based on these data one may conclude in support of Peterson, that older workers are willing to make increased social security payments to increase benefit payments for both themselves and current retirees. This conclusion was further validated through

the absence of worker objection to increasing social security tax payments when the latest benefit increase was adopted.

The following statement was taken from a background paper on retirement prepared for the 1971 White House Conference on Aging:

Despite general interest in pre-retirement education programs, the development of such programs seems to be in a very early stage. Significant numbers of workers do not have access to such programs, sponsored by either employers, non-profit organizations, or the community. And there is still disagreement over the need for such programs and whose responsibility it is to provide them.<sup>4</sup>

The respondents in this study, although not asked about the need for particular types of pre-retirement programs, were in overwhelming agreement (98.4 percent) that people need to plan for their retirement. This finding would indicate that, from the older workers point-of-view, a real need does exist. The implication is that programs to meet these needs should be developed immediately, since these persons have indicated a desire and a readiness to learn.

Since this particular study was not designed to develop any specific pre-retirement programs, no program curriculum will be presented here. However, the need expressed by the data collected would appear to dictate to adult educators especially in Nebraska, that such programs must be developed and implemented now.

Although respondents perceived the government (49.7 percent) and business and industry (35.6 percent) as

being the most influential spokesmen or leaders for improving the financial conditions of retired people, they were in much less agreement as to the group most responsible for providing retirement planning programs. This finding would support the above quote at least from the employees' viewpoint in that there does appear to be some disagreement over the group perceived as responsible for providing pre-retirement programs. The groups selected most often as responsible for these sessions were: government agencies, community service groups, University of Nebraska and business and industry.

It appears clear to this researcher that the initiative that must be taken to begin a comprehensive program of research, development and implementation of pre-retirement planning efforts in Nebraska must come from adult educators. Such an effort must include resource input from government, business and all individuals and groups interested in this issue throughout the state. The state university and the state technical college structure appear to be the educational units which are in a position to take the leadership in this matter in the immediate future. However, an effort of this type must be provided with the necessary resources to insure the highest quality program possible in the shortest possible time frame.

Based on the results of this study, older workers are not in agreement as to who should sponsor pre-retirement

planning sessions, nor are they in agreement as to where the sessions should be held. The sponsoring group would probably have a definite influence on where program sessions would be held, however, when no sponsoring group was listed, respondents indicated several different locations that they would prefer attending such sessions. The major locations indicated were local schools, at home using television and community buildings. The implication in this case appears to be that session location is a factor which should be considered in developing retirement planning programs. Again remembering that individuals needs and preferences are different, it may be necessary to consider holding sessions at multiple locations at different times of day, and using more than one delivery system to reach the maximum potential audience.

Time of day is a factor for consideration, even though 70 percent preferred sessions to be held in the early evening, 30 percent indicated other times and these must be considered.

Still another finding of this study which supports the background paper quote is the fact that 97.8 percent of the respondents indicated that they had not attended any type of pre-retirement planning activity. The assumption made is that these workers do not have access to such programs, since the data indicate that these older workers are willing to attend information sessions relative to aspects of retirement

planning. The obvious recommendation to adult educators and to employers would be to provide such programs to this waiting audience as quickly as possible.

Two of the specific problems noted by researchers studying existing pre-retirement programs are: "A large majority of programs do not invite or encourage the attendance of spouses, despite strong indications that this is desirable." and "Programs often do not begin till shortly before retirement."<sup>5</sup> Data were collected in this study which speak to both of these points.

Most married respondents (87.7 percent) would prefer to attend information sessions with their spouses. Based on this conclusion, retirement planning sessions should be developed for attendance by both husband and wife since adjustment to retirement and a retirement life style will affect both parties, regardless if both work outside the home or not.

The majority of respondents felt that planning for retirement should be done on a long range basis. Over half indicated that preparation should begin 20 or more years prior to retirement, and another 29.1 percent indicated at least 10 or more years prior to retirement. Since only four of the 364 total respondents indicated that adequate planning could be done after retirement, support for early retirement planning was again indicated by this data.

Because of the lack of retirement planning assistance currently being received by the participants in this

study, programs implemented immediately must include those workers nearest to retirement. However, to provide more assistance on a long term basis, comprehensive pre-retirement planning programs should be open to workers of any age and promoted strongly among those with 10 or less years to retirement.

Nearly three out of four respondents indicated a favorable perception toward their own retirement, however, of major concern is the 10 percent who indicated a dislike toward the idea of retirement and the remainder of persons indicating that they hadn't thought about their retirement. It is the latter groups that offer the greatest challenge to retirement planning education. Means must be found to motivate these older workers to begin thinking about their retirement since it is inevitable, and programs must be planned and presented in such a way as to dispel the fears and negativism that the idea of retirement gives to these persons.

An interesting and somewhat suprising conclusion, that can be made based on the data collected, is that the majority of the respondents in this study would elect to retire early if their company permitted early retirement with no loss in normal retirement benefits. This finding is surprising because of the generally pessimistic attitude toward retirement income, living standard, and related issues which seems to be indicated by the respondents throughout the findings. No attempt was made to determine



why this situation exists, however, it is a very interesting issue and one which will be noted in the researcher's recommendations for further research.

In summary, the following quotation, which closely parallels the researcher's own philosophy and conclusions based on this study, is presented for the reader's consideration:

In recent years there has been general recognition of the importance of helping the retiring employee, and his spouse, in adjusting economically, socially and psychologically to a new way of life. Although sophisticated techniques have been developed for motivating employees in the work environment, there has been almost no effort to develop equally sophisticated techniques for preparing individuals for their life in retirement. Unfortunately, the nature of retirement in our society often demands such a major readjustment of the life style that such education cannot be effectively begun after retirement. To be effective, the process of pre-retirement education probably should commence several years prior to retirement and should lead to effective long-range planning for life after retirement.<sup>6</sup>

#### Recommendations for Further Research

As with the completion of most research projects, the conclusions reached and questions answered are generally outnumbered by the new questions and issues that are raised while conducting the research. This study was no exception to this situation. The remainder of this section will present some of the major areas of interest which the author feels are worthy of further investigation:

1. Replication of this study on populations from other industries in both urban and rural settings would allow similarities and differences among older workers in a variety of industries to be determined, and to allow for broader pre-retirement programs to be developed. Investigations of this nature should concentrate particularly on comparisons made relative the significant personal characteristic variables found in this research. Attempts should be made to select sample populations which would increase the size of some of the smaller personal variable response groups, such as samples with larger numbers of minority race respondents and larger numbers of women.

2. Further attempts should be made to identify public and private organizations which offer comprehensive pre-retirement planning programs, and to investigate the potential and past participants of such programs in line with the concerns expressed by the older workers in this study. Investigation should also be conducted to determine the degree of success various programs have achieved.

3. Further study should be conducted on existing comprehensive pre-retirement planning programs to determine the extent to which these programs have been designed to meet the individual and group needs of the participants, those pointed out in this study, as well as others.

4. Investigation should be made relative to perceptions of early retirement, both from older workers and retirees.

In concluding this chapter, the researcher feels that a general recommendation is in order for adopting the particular methods and procedures used in this study for other descriptive research on pre-retirement issues. The major strengths of the particular research model used here were the involvement of the employers, both for questionnaire distribution and for guaranteed anonymity of the respondents, and using a survey questionnaire directed toward the actual persons who will hopefully be the benefits of their own participation. This model and the data collected might be strengthened by validity interviews with a random sample of the respondents, and with employer data for the same issues to allow additional analysis comparisons to be made.

It is the researcher's sincere hope that the results of this project will play a positive role in encouraging efforts from all sources to improve the retirement conditions of Nebraska's citizens; and to provide assistance to older workers for helping them to plan for the rest of their lives.

Reference

<sup>1</sup>David A. Peterson, "Financial Adequacy, Retirement and Public Policy: A Study of the Perceptions of Older Americans," Ph.D. Dissertation, The University of Michigan, Ann Arbor, p. 169, p. 193.

<sup>2</sup>Peterson, p. 196.

<sup>3</sup>Peterson, p. 196.

<sup>4</sup>James H. Schulz, Technical Committee for Employment and Retirement, White House Conference on Aging, Retirement, Background and Issues, (Washington: Government Printing Office, 1971), p. 41.

<sup>5</sup>Schulz, p. 41.

<sup>6</sup>Schulz, p. 45.

## BIBLIOGRAPHY

Books

- Bowman, Donald L. How Pre-retirement Planning Works, A Guide for Program Planners. Des Moines: Drake University Pre-retirement Planning Center, 1972.
- Brennan, Michael J., Philip Taft, and Mark B. Schupack. The Economics of Aging. New York: W. W. Norton & Company, Inc., 1967.
- Clague, Ewan, Balray Palli, and Leo Kramer. The Aging Worker and the Union, Employment and Retirement of Middle Aged and Older Workers. New York: Praeger Publishers, 1971.
- Ferguson, George A. Statistical Analysis in Psychology and Education. 2n ed. New York: McGraw-Hill Book Company, 1966.
- Hunter, Woodrow W. Preparation for Retirement. Ann Arbor: University of Michigan, 1968.
- Kerlinger, Fred. Foundations of Behavioral Research. New York: Holt, Rinehart and Winston, Inc., 1964.
- Knowles, Malcolm S. The Modern Practice of Adult Education, Andragogy Versus Pedagogy. New York: Associated Press, 1970.
- Kreps, Juanita M. (ed.). Technology, Manpower and Retirement Policy. Cleveland: World Publishing Co., 1966.
- Neugarten, Bernice L. (ed.). Middle Age and Aging. Chicago: University of Chicago Press, 1968.
- Nie, Norman, Dale H. Bent, and C. Hadlai Hull. Statistical Package for the Social Sciences. New York: McGraw-Hill, Inc., 1970.
- Richmond, Samuel B. Statistical Analysis. 2n ed. New York: The Ronald Press Company, 1964.
- Sheppard, Harold L. Where Have All the Robots Gone? Worker Dissatisfaction in the 70's. New York: The Free Press, 1972.

Streib, Gordon F., and Clement J. Schneider. Retirement in American Society - Impact and Process. Ithaca: Cornell University Press, 1971.

Travers, Robert M. W. An Introduction to Educational Research. 2nd ed. New York: The Macmillan Company, 1964.

Wright, H. Beric, (ed.). Solving the Problems of Retirement. London: The Institute of Directors, 1968.

### Periodicals

Bixby, Lenore E. "Income of People Aged 65 and Older: Overview from 1968 Survey of the Aged," Social Security Bulletin, XXXIII (April, 1970), 3-25.

Christrup, Helen, and Clifford Thurman. "A Pre-retirement Program that Works," Journal of Home Economics, LXV (April, 1973), 20-22.

Davidson, Wayne R. "Some Observations About Early Retirement In Industry," Industrial Gerontology, February, 1969. pp. 26-30.

Feine, Paul M. "Early Retirement is Coming," Dynamic Maturity, May, 1972. pp. 9-12.

Heidbreder, Elizabeth M. "Factors in Retirement Adjustment: White Collar/Blue Collar Experience," Industrial Gerontology, Winter, 1972. pp. 69-79.

Hiemstra, Roger P. "Continuing Education for the Aged: A Survey of Needs and Interests of Older People," Adult Education, XXII, 2 (1972), 100-109.

"No Big Rush to Retire Early," Business Week, December 2, 1972, p. 62.

Pickarts, Evelyn, Marion Marshall, and Betty Smith. "Family Education by Television," Adult Leadership, XVIII (September, 1969), pp. 72-74.

Pyron, Charles H., and U. Vincent Manion. "The Company, the Individual and the Decision to Retire," Industrial Gerontology, Winter, 1970. pp. 1-11.

Rolph, Warren A. "Planned Retirement is a Happy Retirement," The Personnel Administration, July-August, 1969. pp. 17-19.

Vontress, Clemmont E. "Adult Life Styles: Implications for Education," Adult Leadership, XIX (May, 1970), 11-28.

"Why the Nationwide Trend to Early Retirement," U.S. News & World Report, October 23, 1972. pp.55-58.

#### Other Sources

Brotman, Herman B. The Older Population Revisited, First Results of the 1970 Census. U.S., Department of Health, Education and Welfare Publication No. SRS 73-20182. Washington, D.C.: Administration on Aging, 1972.

Charles, Don C. "Evaluation of the Drake University Pre-retirement Planning Program." Des Moines: Drake University Pre-retirement Planning Center, 1970. (Memeographed.)

Directory of Nebraska Manufacturers and Their Products, 1972-73. Lincoln: Department of Economic Development, 1972.

Hiemstra, Roger P. "Educational Investments and Economic Growth: A Case Study in Continuing and Community Education." Unpublished Doctor's dissertation, University of Michigan, 1970.

Hunter, Woodrow W. "Guidelines for Pre-retirement Education Programs." Paper presented at a conference on Education for the Aging, University of Rhode Island, May, 1969.

\_\_\_\_\_. "Trends in Pre-retirement Education." Background paper prepared for the Welfare Planning Council of Los Angeles Region Conference. Voorhis Campus of California State Polytechnic College, 1962. (Mimeo-graphed.)

Peterson, David A. "Financial Adequacy, Retirement, and Public Policy: A Study of the Perceptions of Older Americans." Unpublished Doctor's dissertation, University of Michigan, 1969.

Retirees' Views on Income Adequacy. The Aging Consumer. Occasional Papers in Gerontology, Number 8. Ann Arbor: Institute of Gerontology, University of Michigan, 1972.

The Crisis in Retirement Finance: The Views of Older Americans. Occasional Papers in Gerontology, Number 9. Ann Arbor: Institute of Gerontology, University of Michigan, 1972.

Schulz, James H. Retirement, Background and Issues. Washington, D.C.: White House Conference on Aging, 1971.

Staley, Mark J. "Toward a Meaningful Retirement." Paper prepared for the American Society for Personnel Administration. Berea, Ohio. ND.

Toward A Brighter Future for the Elderly. Report of the President's Task Force on the Aging. Washington: Government Printing Office, 1970.

U.S. Congress. Senate. Special Committee on Aging. Economics of Aging: Toward a Full Share in Abundance. Report, 91st cong., 2nd session, December 31, 1970. Washington: Government Printing Office, 1970.

U.S. Department of Commerce, Bureau of Census. 1970 Census of Population, General Social and Economic Characteristics, United States Summary. Washington: Government Printing Office, 1972.

U.S. Department of Labor Manpower Administration. The Pre-retirement Years. Monograph Number 15. Washington: Government Printing Office, 1970.



APPENDIX A

LETTER OF INTRODUCTION

TEACHERS COLLEGE  
DEPARTMENT OF  
ADULT AND CONTINUING EDUCATION  
105 HENZLIK HALL

(Letter Sent to Selected Firms)

The Department of Adult and Continuing Education's graduate research efforts include helping to develop an awareness of the kinds of educational planning and action necessary to facilitate continual societal improvement. We realize that your schedule is a busy one, but we hope you will be able to assist in our current research efforts.

To increase our knowledge and planning skills in regard to the effectiveness of educational programs, we would like to identify what preparations various employees in Nebraska firms have made regarding their eventual retirement. Many examples have been found of individuals making inadequate preparations for their retirement, resulting in various economic and social problems. We believe that we have a responsibility in helping to solve some of these problems and we ask that you consider assisting us to meet this responsibility.

We propose, with your permission and assistance, to survey a portion of your employees by questionnaire in order to determine their knowledge, preparation and attitudes toward retirement. Several additional firms in Nebraska have also agreed to assist us. The information we obtain will be extremely useful in developing plans for future pre-retirement education programs in Nebraska. We also hope that the findings will be of use in your own in-service training programs. Copies of our study findings will be made available to you.

If it will be possible for you to assist in this study effort, we would like an opportunity to visit with you or your representative to determine the best procedure for surveying your employees. I will call your office for an appointment to discuss our project in a few days. Thank you for whatever assistance you can provide.

Sincerely yours,

Roger Hiemstra  
Research Supervisor

Donald W. Swoboda  
Graduate Student &  
Contact Person  
Lincoln phone: 472-3431

APPENDIX B

SURVEY QUESTIONNAIRE

University of Nebraska  
Continuing Education Survey

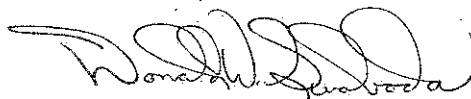
Dear Friend:

Your company has agreed to cooperate with us in asking for your help in a research project being conducted by the Department of Nebraska Adult and Continuing Education, University of Nebraska-Lincoln. We are asking for your help in obtaining some general information about how people at various ages feel toward certain aspects of retirement. The information we obtain will be extremely useful in developing plans for future pre-retirement education programs in Nebraska.

To begin, we would like to get acquainted with you, please answer the following questions about yourself and family. *Do Not* sign your name anywhere on this form. Your answers will not be identified with you personally, nor will anyone other than the researcher see any of the original survey sheets. Please answer all questions to the best of your ability.

Thank you for your cooperation in this study.

Sincerely



Donald W. Swoboda

---

**1. MARITAL STATUS**

(Circle one)

- a. single
- b. married
- c. widowed
- d. divorced
- e. separated

**2. SEX**

(Circle one)

- a. male
- b. female

**3. RACE**

(Circle one)

- a. American Indian
- b. Negro
- c. Spanish American
- d. Caucasian
- e. Other

**4. LIVING QUARTERS**

(Circle one)

- a. rented home or apartment
- b. mortgage-free home
- c. mortgaged home
- d. home owned by someone else in family

**5. EDUCATION COMPLETED**

(Circle the one which includes the highest number of years completed)

- a. 0 - 4 years
- b. 5 - 8 years
- c. 9 - 12 years
- d. College
- e. Technical school

**6. YOUR PRESENT AGE**

(Answer here) \_\_\_\_\_

**7. NUMBER OF YEARS UNTIL EXPECTED RETIREMENT**

(Answer here) \_\_\_\_\_

**8. NUMBER OF YEARS YOU HAVE LIVED IN THIS CITY OR LOCAL AREA**

(Circle one)

- a. less than 5 years
- b. 5 but less than 10
- c. 10 but less than 15
- d. 15 but less than 20
- e. 20 or more years

(Circle any that apply)

- a. family budget management
  - b. choosing hobbies and recreational activities
  - c. information on choosing financial investments
  - d. buying and selling real estate
  - e. personal and family health
  - f. economical food buying and preparation
  - g. gardening, lawn and yard maintenance
  - h. estate planning
  - i. insurance
  - j. (others - please list) \_\_\_\_\_
- 
- 

**29. WHO DO YOU FEEL SHOULD BE MOST RESPONSIBLE FOR PROVIDING THESE TYPES OF INFORMATION SESSIONS?**

(Circle one)

- a. community service groups
- b. University of Nebraska
- c. community technical colleges
- d. government agencies
- e. business and industry
- f. labor unions
- g. religious organization
- h. local public schools
- i. other

**30. WHERE WOULD YOU LIKE TO SEE SUCH SESSIONS HELD?**

(Circle one)

- a. local school building
- b. community building
- c. church
- d. other educational facilities
- e. at the firm where I work
- f. at home - using television
- g. other \_\_\_\_\_

**31. WHAT TIME OF THE DAY WOULD BE MOST CONVENIENT TO YOU?**

(Circle one)

- a. morning
- b. afternoon
- c. early evening
- d. late evening

**32. WOULD YOU PREFER THESE SESSIONS TO BE HELD IMMEDIATELY AFTER WORK?**

(Circle one)

- a. yes
- b. no

**33. WOULD YOU PREFER TO ATTEND SUCH GROUP ACTIVITIES ALONE OR WITH YOUR SPOUSE?**

(Circle one)

- a. alone
- b. with spouse

**34. DO YOU FEEL YOUR FIRM SHOULD BE EXPECTED TO GIVE YOU TIME OFF?**

(Circle one)

- a. yes
- b. no

**35. HAVE YOU EVER HAD ANY PRERETIREMENT INFORMATION CLASSES?**

(Circle one)

- a. yes
- b. no

**36. IF YOU ANSWERED QUESTION 35 YES, PLEASE TELL US BRIEFLY WHAT THEY WERE ABOUT AND GIVE YOUR GENERAL REACTION TO THEM.** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**37. AT WHAT POINT IN A PERSON'S LIFE DO YOU FEEL ONE SHOULD BEGIN PLANNING FOR RETIREMENT?**

(Circle one)

- a. 20 or more years before retirement
- b. 15 for more years before retirement
- c. 10 or more years before retirement
- d. 5 or more years before retirement
- e. no more than a year before retirement
- f. adequate planning can be done after one's retirement

**38. HOW DO YOU FEEL ABOUT YOUR RETIREMENT AT PRESENT?**

(Circle one)

- a. look forward to retirement
- b. haven't thought about it
- c. dislike the idea of retirement

**39. IF YOUR COMPANY PERMITTED EARLY RETIREMENT WITH FULL BENEFITS WOULD YOU ELECT TO RETIRE EARLY?**

(Circle one)

- a. yes
- b. no

When you have completed all the questions, please fold the questionnaire, place in the pre-addressed postage paid envelope and mail. Thank you for your help.

**9. NUMBER OF YEARS WORKED AT PRESENT FIRM**

(Circle one)

- a. less than 5 years
- b. 5 but less than 10
- c. 10 but less than 15
- d. 15 but less than 20
- e. 20 or more years

**10. NUMBER OF YEARS WORKED IN PRESENT TYPE OF WORK REGARDLESS OF THE NUMBER OF FIRMS WORKED FOR**

(Circle one)

- a. less than 5 years
- b. 5 but less than 10
- c. 10 but less than 15
- d. 15 but less than 20
- e. 20 or more years

**11. TOTAL NUMBER IN FAMILY THAT LIVE ON THIS INCOME (include self)**

(Answer here) \_\_\_\_\_

**12. YOUR FAMILY'S AVERAGE GROSS MONTHLY INCOME AT PRESENT (family may be one person (Yourself) or yourself and others living together and sharing an income)**

(Circle one closest to the actual amount)

- a. less than \$400
- b. \$400-\$599
- c. \$600-\$799
- d. \$800-\$999
- e. \$1000-\$1199
- f. \$1200-\$1399
- g. \$1400 or more

Next, we would like to find out how you feel about your family's future retirement finances and some other issues regarding retirement living. Please be frank. Circle only the one item you feel best answers the question, except where indicated otherwise.

**13. HOW ADEQUATE DO YOU FEEL YOUR FAMILY'S RETIREMENT INCOME WILL BE?**

(Circle one)

- a. much more than adequate
- b. slightly more than adequate
- c. just enough
- d. not quite enough
- e. not at all adequate

**14. WHAT WILL BE THE SOURCES WHICH WILL MAKE UP YOUR RETIREMENT INCOME?**

(Circle all items that apply) Now rank the items you have circled by putting a 1 in the blank next to the item you feel most important, a 2 by the next most important, 3 by the next most important, and so on for each item circled.

- a. \_\_\_\_\_ social security benefits
- b. \_\_\_\_\_ company retirement benefits
- c. \_\_\_\_\_ private retirement benefits (including insurance plans)
- d. \_\_\_\_\_ interest from savings accounts and savings bonds
- e. \_\_\_\_\_ regular withdrawals from savings
- f. \_\_\_\_\_ part-time employment
- g. \_\_\_\_\_ returns from investments (other than government bonds)
- h. \_\_\_\_\_ some type of expected inheritance
- i. \_\_\_\_\_ other

**15. WHAT PROPORTION OF YOUR MONTHLY INCOME BEFORE RETIREMENT DO YOU THINK YOU WILL NEED TO MAINTAIN AN ADEQUATE MONTHLY RETIREMENT INCOME?**

(Circle one)

- a. at least 20%
- b. 21 - 40%
- c. 41 - 60%
- d. 61 - 80%
- e. 81 - 100%

**16. WHICH OF THESE DO YOU THINK SHOULD BE THE MAJOR SOURCE OF INCOME FOR MOST RETIRED FAMILIES?**

(Circle one)

- a. employment after retirement
- b. their children
- c. interest from savings and investments
- d. guaranteed income from government
- e. pensions and/or company retirement plans
- f. Old Age Assistance (Welfare)
- g. Social Security
- h. government grants to older people

**17. IF A RETIREE JUST DOESN'T HAVE ENOUGH INCOME, WHO IS MOST RESPONSIBLE FOR PROVIDING SOME FOR HIM?**

(Circle one)

- a. his children
- b. other relatives
- c. the government
- d. the business or industry he worked for
- e. the labor union he belonged to

ILL  
you  
the  
lost  
on

18. TO WHAT EXTENT SHOULD CHILDREN PARTICIPATE IN THE FINANCIAL SUPPORT OF RETIRED FAMILY MEMBERS?

(Circle one)

- a. not at all
- b. help out only in special emergencies
- c. provide some regular financial help
- d. provide all financial help required above retirement benefits
- e. other \_\_\_\_\_

(if you have circled "e", what do you mean?)

19. IN YOUR OPINION, WHAT DO YOU FEEL BEST DESCRIBES THE PRESENT INCOME OF THE RETIRED PEOPLE YOU KNOW?

(Circle one)

- a. much more than adequate to meet their needs
- b. slightly more than adequate to meet their needs
- c. just enough
- d. not quite enough
- e. not at all adequate

20. WOULD YOU BE WILLING TO PAY INCREASED SOCIAL SECURITY PAYMENTS IN ORDER TO INCREASE THE INCOME OF PRESENT RETIRED PERSONS?

(Circle one)

- a. yes
- b. no

LD  
ST

21. WOULD YOU BE WILLING TO PAY INCREASED SOCIAL SECURITY PAYMENTS IN ORDER TO BE ASSURED OF A HIGHER RETIREMENT INCOME FOR YOURSELF?

- a. yes
- b. no

22. SOME RETIREES DON'T HAVE ADEQUATE INCOME OR SAVINGS. WHAT DO YOU THINK IS THE MOST PROBABLE CAUSE?

(Circle one)

- a. they didn't work or save enough during the earlier years
- b. inflation destroyed their savings
- c. they didn't use their money wisely
- d. their income was too small to allow them to save enough during earlier years

23. HERE ARE FOUR OTHER ANSWERS, WHICH ONE OF THESE DO YOU THINK PROBABLY CAUSED SOME RETIREES TO HAVE INADEQUATE INCOME OR SAVINGS?

(Circle one)

- a. they didn't plan well for retirement
- b. older people can't get jobs
- c. they believed others would look out for them
- d. medical bills used up their savings

24. IN YOUR OPINION, WHICH GROUP SHOULD BE WORKING THE MOST TO IMPROVE THE FINANCIAL CONDITIONS OF RETIREES?

(Circle one)

- a. Congress and federal Government Agencies
- b. voluntary organizations (churches, service organizations, etc.)
- c. organizations of senior citizens
- d. labor unions
- e. business and industry

25. HOW WOULD YOU DESCRIBE THE AVERAGE PERSON'S PREPARATION FOR RETIREMENT?

(Circle one)

- a. more than adequate
- b. adequate
- c. probably not adequate

26. DO YOU FEEL THAT MOST PEOPLE NEED TO PLAN FOR THE DAY THEY WILL RETIRE?

(Circle one)

- a. yes
- b. no

27. WHAT DO YOU FEEL BEST DESCRIBES THE STANDARD OF LIVING OF RETIRED FAMILIES AS COMPARED TO THAT OF FAMILIES BEFORE RETIREMENT?

(Circle one)

- a. large increase after retirement
- b. slight increase after retirement
- c. no change
- d. slight decrease after retirement
- e. large decrease after retirement

28. WHICH OF THE TOPICS ON THE FOLLOWING PAGE WOULD YOU BE INTERESTED IN KNOWING MORE ABOUT IF THEY WERE PRESENTED AT A CONVENIENT TIME AND LOCATION FOR YOU TO PARTICIPATE? (over)

VE  
LE