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EARLY RETIREMENT

Julie L. Brown, B.S.



An Abstract Presented to the Faculty of the Graduate
School of Lindenwood College in Partial
Fulfillment of the Requirements for the
Degree of Master of Human Resource Management

1990

ABSTRACT

The purpose of this study was to show the increasing rate of early retirement offered by corporations as a means of reducing the work force today. The study was also conducted to point out that more and more employees are opting for early retirement and taking the buyout.

A survey of 11 questions was administered to 22 participants from various age groups and employers for the study. The data analysis consisted of the measures of central tendencies: mean, median and mode, along with cross tabulations to test early retirement hypothesis.

The survey results were rather interesting. It was discovered that only eighteen percent of those surveyed would be willing to accept an early retirement package at this point and time in their life and career.

It is the writer's conclusion with respect to the numerical results of the survey that more employees today are not accepting early retirement programs and opting for the buyout. However, with some additional research it is the belief of the writer that the hypothesis that corporations are offering early retirement as a means to reduce the work force would be supported.

EARLY RETIREMENT

Julie L. Brown, B.S.

A Culminating Project Presented to the Faculty of the
Graduate School of Lindenwood College in Partial
Fulfillment of the Requirements for the
Degree of Master of Human Resource Management

1990

COMMITTEE IN CHARGE OF CANDIDACY:

Assistant Professor Dr. Susan Myers,
Chairperson and Advisor

Adjunct Assistant Professor Jeff Harris

Adjunct Assistant Professor Joe Ancona

Dedication

To Mom, Dad, Steve Dean, and my grandparents for their love, support and guidance throughout my education.

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Chapter I

INTRODUCTION

Early Retirement Defined

This paper examines early retirement, a subject that has attracted a considerable amount of publicity lately. Employers and employees are both concerned about early retirement today in small businesses and large corporations. Early retirement is on the rise.

Early retirement programs have become very popular. Some policemen and firemen may retire after only 20 years of service regardless of age while white collar managers are leaving their jobs as early as age 50 (Terrell, 1988).

Dr. Malcom Morrison, a lecturer in social gerontology at Johns Hopkins University and a specialist on aging, feels that such options as early retirement are being discussed more and more in response to the changing social and economic circumstances of aging in the work force today. We are experiencing longer life expectancies which puts an increasing burden on the younger population to support an expanding retired population (Yarmon, 1988).

A U.S. Census Bureau study in 1984 found 427,000 Americans 49 and younger were retired and about fifteen percent of the 11.5 million retirees receiving pension incomes were 60 years old or younger. They expect that

ten to thirty percent of the working force will retire before 60 years of age (Byers, 1988). Early retirement is definitely on the rise.

Corporate Reasons for Early Retirement

There are several reasons why companies need to offer early retirement to their employees:

1. Cost reduction by cutting back on employees.
2. Replacing high salaried workers with ones at lower wages.
3. Removing employees whose jobs were replaced with automation.
4. Opening jobs for the increased number of baby boomers looking to climb the corporate ladder.
5. A way to reduce the work force without layoffs or firings.

This is part of a technique called manpower forecasting. Corporations look ahead and see what their needs will be in the future and can then adjust their manpower needs accordingly. This helps corporations fine tune for later corporate planning and also allows them to provide growth for young staff members.

What do Early Retirement Programs Include?

Early retirement programs usually involve a considerable amount of money. These incentive programs often make the offer very attractive. Usually there are two types of early retirement programs:

1. A special program that will streamline the operation by offering a special deal for a short period of time.
2. A full retirement program.

An example of a special program would be six months of pay plus one week's salary for every year served, including benefits. A full retirement program would include the above plus pension and benefits throughout the employee's life. Only a select few would qualify for the full retirement package.

Usually a company will offer help with career transitioning along with early retirement. For example, when General Motors closed its doors in Norwood, Ohio in 1987 it eliminated 4,300 jobs. For many of the ex-auto workers who lost their jobs, retraining efforts were conducted to help them find new jobs. The program was definitely a success when in all but 1,000 workers were replaced in new jobs or opted for early retirement (Boyer, 1988).

Early retirement can be looked upon as a nice and polite way of allowing individuals to leave the company with dignity and their heads held high or it can be a new start for an employee. Either way it is not a decision to be taken lightly.

Experts suggest that no one should rush into accepting a retirement package and they agree that retirement benefits are usually a person's most valuable asset. Though the package may look attractive to a 48 year

old manager, it may not be enough to keep the family living in its accustomed style (Lisson, 1988).

Experts also suggest sitting down with a financial planner and an accountant to see if early retirement would benefit you or not since there are several things to take into consideration such as taxes, etc.

Even with all of the above statements to be taken into consideration, can early retirement be beneficial to the employee? The following two examples will help provide the answer.

Case Studies: Employees

Case Study #1

A computer analyst took his company up on an early retirement offer in 1987. But he was back at work five to six weeks later as a consultant.

He decided to retire early at age 50 after being with the company 32 years to spend more time with his wife. He was in a position to opt for the early retirement since his financial responsibilities were not as heavy as they were 10 to 15 years ago.

After retirement, he could spend more time in his own business which he had already started. He also got to sleep late, went to the library, and did all those things he wanted to do but could not while working full time. That's when he got the phone call from his company to come back as a consultant on a part-time basis.

He feels that the company benefits from this arrangement because they do not lose the skills he acquired over the years. He could go back on his first day and be productive without having a training period.

He also felt that he benefited because he didn't want to come back on a full time basis, but could manage two days a week. The additional income was also beneficial.

Case Study #2

A senior buyer at Hudson's, then 40, hasn't had such smooth sailing since his buyout. He does feel, however, that he made the right decision.

He was a retailer for 13 years when his company decided to relocate its headquarters and he decided to remain behind. He was offered an excellent retirement package and he took the money and ran.

In the three and a half years following the buyout, he has had four positions which ranged from his own business (which failed) to a general manager of a security lighting operation which lasted only six months.

Even though he has jumped around in his career since the buyout, he has enjoyed it and has been exposed to several different experiences (Coffee, 1989).

Case Studies: Employers

You may also ask if the employer would benefit after buying out all of the early retirees? This costs them millions of dollars and results in the

loss of valuable manpower. The following two examples will provide more information on this.

Case Study #1

When a computer giant decided to downsize its Tucson, Arizona plant of 5,000 by 2,800 it offered each affected employee the choice of a transfer or a lump-sum payment equaling twice the annual salary plus \$25,000.00 to each departing employee for special assistance. They were expecting to see a dramatic drop in the work force in 1989 (Costanze, 1989).

This buyout as you may have guessed cost this company millions of dollars. In the long run, they are hoping this process will save them millions.

Case Study #2

When DuPont offered early retirement company-wide in 1985, the plan worked too well. The company expected 5,000 to retire and nearly 11,000 opted for early retirement. This backfired and DuPont had to hire back some of the employees as consultants.

So, as you can see, this type of situation could go either direction for the employees and employers (Costanze, 1989).

Problem Statement

It is situations and statistics such as these that have prompted this study. The primary questions to be addressed are:

1. Have more employees taken the buyout and opted for early retirement?
2. Are corporations benefiting from the buyout?

Chapter II

LITERATURE REVIEW

Burgeoning pension funds and a desire to streamline corporate labor forces have lead a number of corporations to offer employees early retirement benefits (Fedeli, 1988).

Premature Retirement--Ethical and Social Issues

The rapid growth of our older population and the projection of its continued growth make it extremely important that societal institutions, communities, families and individuals prepare themselves for our aging society in the future (Baker, 1988).

The economic consequences of the inactivity of a growing number of workers, especially professionals, has been widely publicized. The loss in productivity will have enormous impact on the economic stability of our country and is a major policy issue (Baker, 1989).

While many of our trade partners protect long-term jobs of mid-career and older workers, the United States employers ensure jobs only to a certain extent (Baker, 1989).

Programs designed to protect jobs will automatically create a large number of underemployed workers. By underemployed workers I mean people will maintain their jobs, but too often the work assignments will not justify the employees' level of education and experience. This type of

practice is short term economic expediency, however, ethical issues will arise if it goes on indefinitely (Baker, 1989).

Even if employers have developed a good strategic plan, sometimes a major reduction in force is unavoidable and actions should be taken to decrease the negative impact.

Most major reductions in force are done by early retirement programs (Baker, 1989). Society gains from both the economic and leadership contributions of professional employees and when these individuals are victims of employment adversity, society should intervene (Baker, 1989).

Weighing of Options

Early retirement is not a decision to take lightly. Financial experts agree that employees should not rush into accepting a retirement package.

Most of the employees who accept any early retirement package are going to live 20 to 25 years after they accept the package. Experts suggest that they plan ahead while they are preparing for today so that they can assure themselves that they can maintain their standard of living.

There are several things to take into account once a person decides to take early retirement. Taxes generally should be minimized, cash flow must stay high and security usually is a prime concern when retirement is at stake.

Tax laws governing retirement packages, especially for those under 59½, are very complicated. Some retirees could pay as much as \$44,000 in taxes on a \$200,000 lump sum if the money is not invested properly. Also, some could face penalties on income taxes if money is taken out of the investment plan early.

Usually how to make the most of their retirement money is not the issue. Whether there is enough money comes first. In the long run, a 52 year old might be better off working until age 55 while making \$55,000 a year and receiving full benefits rather than going to work for a lower salary somewhere else while receiving retirement benefits (Lisson, 1988).

The Law and Early Retirement

There are several factors the courts look at when deciding if retirement is voluntary:

1. Did the employee have full knowledge of the options available to him or her?
2. Were the terms of the retirement package generous? The Courts have held that to offer the employee enhanced benefits is a proper inducement.

3. Did the employee have ample time to consider the options?

Generally this means more than an afternoon or a day, but to give a specific amount of time to make a decision is proper.

For example, one to two weeks.

4. Was the employee given the right to consult an attorney?
5. Did the employee sign papers stating that the decision to retire was voluntary? This could be in the form of a statement or a formal release.

Even though the employer has a great deal of discretion in deciding which group to give early retirement benefits to, employee morale is an important factor to consider. If unfairness is perceived in any way later legal matters could arise (Brown, 1986).

Case Studies: Corporations

GM closing opens new doors to workers.

In 1987, the General Motors Corporation closed its Norwood, Ohio assembly plant after 64 years and eliminated 4,300 jobs. For many of the ex-auto workers who lost their jobs, retraining programs were provided to help them find new jobs. Of the 3,200 hourly workers laid off when the plant closed, 700 took early retirement or a cash buyout of their seniority and benefits from GM. That is, twenty-two percent of the employees opted for the early retirement or buyout.

Cuts leave Arizona companies lean.

In 1988, many Arizona corporations such as Motorola, Del Webb, International Business Machines, Inc., and Phoenix Newspapers, Inc. used

voluntary separation plans and, often, involuntary terminations to cut labor costs and to reduce the work force. Severance packages were comparable for those who left voluntarily or involuntarily.

Severance pay for non-managers was based on an individual's salary multiplied by the number of years worked for the company. Upper management, however, can usually make out better and sometimes can negotiate a special package plus bonus upon leaving.

When IBM decided to cut 2,800 people from its Tucson plant of 5,000, it offered the chance to transfer or a buyout of twice the annual salary. IBM also gave an extra \$25,000 to each employee who decided to leave. It was entitled a "special assistance payment." Within the year IBM was expecting to lose the 2,800 employees they projected.

At Motorola's Government Electronics Group in Scottsdale, Arizona more than 300 of the 600 that were eligible for early retirement accepted voluntary severance programs. Motorola employees agreeing to leave or retire early were given a benefits package that included one week's pay for each year of service with medical benefits for the same number of weeks and help with career placement.

Finally, in 1988 Arizona Public Service Co. chopped 922 positions in hopes of translating that into a \$5 million gain in earnings the next year.

Wayne Kaplan, a spokesman for APS, stated that we are in a new era of competition and such an action as early retirement is one way to achieve savings (Costanze, 1988).

Polaroid to retire 1,700 at cost of \$140 million.

In October, 1988, Polaroid announced that they would spend \$140 million to eliminate 1,700 jobs. The voluntary program gave any employee over 45 who wanted to retire 10 years extra credit service towards pension benefits and paid two weeks severance pay for every year of employment with a maximum of one year's pay. With this combined effort, Polaroid was expecting a savings of \$100 million in the next year.

Alex Henderson of Prudential Bache Securities feels that this type of restructuring is healthy and the larger the restructuring now, and the larger the write off, the better chance the company has to improve earnings (Krasner, 1988).

There are several reasons why corporations would offer early retirement:

1. Attempting cost reductions by trimming the number of employees.
2. Replacing higher salaried employees with younger ones at lower wages.
3. Removing employees whose jobs were replaced by automation or who they couldn't retrain when their jobs were automated.
4. Opening jobs for the growing number of the baby boom generation in the work force. (Byers, 1988).

Case Studies: Employees

Case Study #1

A regional merchandise manager was making \$75,000 when she asked her boss for a buyout. She wanted to leave, and is now the manager and educational consultant for Discovery Toys. She had been with her company 12 years and loved her job. She learned that her company and another were merging while she was a couple of months pregnant and on vacation. She had 48 hours to decide whether she wanted to move to Minneapolis. Based on the facts, she decided to stay put.

After the merger, she remained with the company for one year before deciding to leave. She negotiated a six months severance package and left. Following her departure, she spent a few months at the library trying to write her job description.

During her research, she came across Discovery Toys, a home demonstration, educational toy business which is the company she is with now. She can now work from home and set her own hours and her son benefits endlessly from the toys. She looks at this job as something she will be doing 10 years from now. She felt she was ready for a change and had nothing else to prove to herself or anyone else. She was no longer willing to play the politics to move up the ladder.

She is pleased with the decision and how things are going. Financially she could afford to do this, so why not?!

Case Study #2

A grocery clerk, 25, spent eight years with his company working full time while attending high school and then college. Recently, he received a bachelor's degree in marketing and management.

The clerks and cashiers of the company approved a 4½ year contract that called for a wage freeze, a two-tier pay base and voluntary cash buyout that cut 600 jobs. The company felt their main goal was to eliminate as many full time top wage employees as they could and replace them with minimum wage workers.

The grocery clerk, who had worked his way from bagger to clerk cashier, accepted the buyout. His package included a year's salary, but no health benefits.

The employees were told if they took the buyout they could never again work for the company. This particular clerk's only goal was to work for the company until he finished school.

For him, this was the chance of a lifetime. He was young and single and there are several jobs out there for him. All he has to do is find the right one for him (Coffee, 1988).

Today more and more employers are opting for early retirement. For example, when DuPont offered early retirement company-wide in 1985, the plan worked almost too well. The company expected 5,000 early retirements and got 11,000 (Terrill, 1988).

Hypothesis

It is this literature that has intrigued the writer to research the following hypothesis.

In today's society, corporations are offering early retirement for several reasons, such as increasing revenues and early retirement is becoming the trend for the 1990's in that more and more employees are opting for the buyout.

Chapter III

METHODOLOGY

Subjects

Twenty-two participants were surveyed for this study. The participants selected ranged from 20-70 years of age and were employed in the following fields: health care, pharmaceutical sales, computer engineering, nutritional services and aircraft engineering.

Distribution

1. First, permission was received by the Director of the health care agency to distribute the survey to all employees who would commit to taking the survey. Each employee was asked individually and told the day the survey would take place. On the morning of May 15, 1990 at the health care agency, 10 surveys were handed out to co-workers. While they were completing the survey I served coffee and donuts which I had brought in for them completing the survey for me.
2. The other 12 surveys were distributed personally to the participants' homes. The participants worked in the areas of health care, pharmaceutical sales, computer engineering, nutritional services and aircraft engineering. I telephoned them

first to receive their approval to take the survey. Once their approval was received I personally delivered the survey and waited until they finished. All of the participants took the survey in the privacy of their own home.

Survey

The survey utilized was developed by the writer. The object of the survey was to clarify personal opinions concerning early retirement today. A copy of the instrument can be found in Appendix A.

The survey instrument consisted of 11 questions. The responses were measured on two multiple choice questions and nine "yes" or "no" questions.

The survey was valid in that the questions asked measured what was being tested. Ideas and opinions about early retirement were gathered and tested against the hypothesis as to whether or not more employees are accepting early retirement today.

The instrument was not reliable due to the small sample population, the young age group, and that the participants had not been employed very long at their present jobs.

The survey administered to all participants was identical in format.

Data Analysis

The results of the data obtained were summarized by determining the percentages and means of questions one and two to point out that the sample population was young and had not been at their present jobs very long. For this reason it was a biased sample.

For the remaining nine questions, percentages were calculated to divide the groups' "yes" and "no" answers into a majority and minority. The results appear in Appendix C.

Limitation of the Data Control Plan

The survey results may have been distorted to some extent. For example, not all participants took the survey in the same setting (work place), or same time of day. Also, the sample population was biased in that the majority of the participants fell into the age group of 20-29 years of age. More controls should have been set in these situations.

Overall, the survey offered the researcher the ability to identify responses to specific questions and measure areas of need.

Chapter IV

RESULTS

This chapter summarizes the findings gathered in the survey as they relate to the hypothesis developed in Chapter II.

Of the participants surveyed, fifty percent of them had been at their present job 0-5 years with a mean of 8.18 years (See Table I and Appendix C). Thirty-two percent were between the ages of 20-29 with a mean of 37.36 years old (See Table II and Appendix C).

Table I

Descriptive Statistic Sample Pool I

1. How long have you been at your present job?	
<hr/>	
50%	0-5 years
18%	6-10 years
14%	11-15 years
9%	16-20 years
4%	21-25 years
4%	26-30 years
0%	More than 30 years

Table II
Descriptive Statistic Sample Pool II

2. How old are you?	
32%	20-29 years
27%	30-39 years
23%	40-49 years
14%	50-59 years
5%	60-69 years
0%	Over 70 years

The most significant results of the survey were summarized in Table III (See Appendix C).

Table III
Early Retirement Survey Results

	<u>Yes</u>	<u>No</u>	<u>Possibly</u>
Accept early retirement now without benefits	0%	85%	14%
Accept early retirement now with benefits	18%	50%	32%
Find it intriguing to start fresh with early retirement package	73%	27%	
Take advantage of a career transitioning program	64%	36%	

Table III points out an interesting thought in that only eighteen

Table III points out an interesting thought in that only eighteen percent said they would accept an early retirement with benefits now, but seventy-three percent stated they were interested in starting over with a retirement package in their pocket.

Numerical results of the other questions can be found in Appendix C.

In summarizing the data, we find some interesting ideas and assumptions that need further research.

Implications for Further Research

After studying the research project, the following are some suggestions for further research:

1. Conduct a larger and different sample survey. For example, do not use respondents from the same industry or area and/or the same time as the sample population. This type of research provides a larger and better picture. This type of research would

Chapter V

DISCUSSION

It was the intent of this work to offer a better understanding of early retirement in our work force today.

Limitations

It is the belief of this writer that the greatest limitation was having a small number of participants with most of them falling into the category of 20-29 years old.

The instrument also proved to have some limitations in that not enough questions were asked to provide a valid test. The instrument also was not tested which would have provided a great insight on the study.

Suggestions for Further Research

After completing this research project, the writer has several suggestions for further research:

1. Choose a larger and different sample population. For example, choose one corporation that has existed for several years and use the employees as the sample population. This may prove to provide a larger age variety. This can be done by writing to the

Human Resource Director or CEO explaining the study. This would provide a more reliable and valid test.

2. Use a different instrument. After testing the survey used, it helped to shed some light on questions that needed to be asked in order to test what was being tested. The writer also suggests the use of a professional test.
3. Further literature review to examine actual corporate cases involving the ratio of employees who accepted and declined early retirement and why.

Summary

The survey results identified some interesting areas requiring additional exploration. Overall, the responses received were somewhat unexpected. For example, eighteen percent surveyed stated that they would take an early retirement package if it included benefits when seventy-three percent stated they were intrigued by the idea of starting a fresh new career with a retirement package in their pocket. With this in mind, I would have expected the rate for accepting an early retirement package to be higher.

The majority of the participants had only been at their present job zero to five years and were between the ages of 20-29. This factor may have hindered the results somewhat because the participants had not been at their present jobs long enough to be offered early retirement.

Conclusion

In summation, with the numerical results of the survey, the hypothesis that more and more employees are opting for early retirement must be rejected.

APPENDICES

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May 18, 1969

Dear Participants:

The survey is being conducted by a graduate student in Human Resource Management at Louisiana College. The purpose of this study is to determine individual attitudes and opinions concerning work satisfaction.

APPENDIX A

Cover Letter

By your participation I trust you will be contributing to the study and, in return, you will receive a copy of the survey report. For example, the findings may be used to improve the work environment including benefits.

In answering the following questions, you will be assured that your responses will be confidential. Therefore, please do not write your name on the survey.

My goal is to attain a 90% response rate. Your participation is greatly appreciated. If there are any questions, please contact me at:

Phone:
Work:

Please remember that survey is a confidential document.

Thank you.

John Brown

P.S. - I will personally pick up all surveys.

May 15, 1990

Dear Participant:

This survey is being conducted by a graduate student in Human Resource Management at Lindenwood College. The purpose of this study is to determine individual opinions and ideas concerning early retirement.

By early retirement I mean being asked by a company to retire at an early age, anytime before age 65, and receiving a severance package or buyout. For example, the package may include a week's salary for each year served including benefits.

By answering the following questions, you will be helping me a great deal. All answers will be confidential, therefore please do not put your name on the survey.

My goal is to attain a 100% response rate. Your participation is greatly appreciated. If there are any questions concerning the survey, please contact me at:

Home:

Work:

Please remember this survey is completely voluntary.

Thanks again,

Julie Brown

P.S. I will personally pick up all surveys.

2020

1. How long have you been employed at your current job?
- a) 0-10 years
 - b) 11-20 years
 - c) 21-30 years
 - d) 31-40 years
 - e) 41-50 years
 - f) 51-60 years
 - g) More than 60 years

APPENDIX B

Survey

2. What is your age?

- a) 18-24
- b) 25-34
- c) 35-44
- d) 45-54
- e) 55-64
- f) 65+

3. Has the company paid you overtime pay for any work which is not a part of your regular job duties? (circle one)

- Yes
- No

4. Have you ever been offered such additional work? (circle one)

- Yes
- No

5. Do you have any additional work which is not a part of your regular job duties? (circle one)

- Yes
- No

6. If you have any additional work which is not a part of your regular job duties, how much of it is overtime work? (circle one)

- Yes
- No

Survey

1. How long have you been employed at your present job?
 - a) 0-5 years
 - b) 6-10 years
 - c) 11-15 years
 - d) 16-20 years
 - e) 21-25 years
 - f) 26-30 years
 - g) More than 30 years

2. How old are you?
 - a) 20-29
 - b) 30-39
 - c) 40-49
 - d) 50-59
 - e) 60-69
 - f) Over 70

3. Has the company you are presently working for ever offered early retirement or a buyout to your knowledge? (Circle one)
Yes No

4. Have you ever been offered early retirement? (Circle one)
Yes No

5. Do you know of anyone who has been offered early retirement? (Circle one)
Yes No

6. If you know of anyone that has been offered early retirement, did they accept? (Circle one)
Yes No

7. If your company were to offer you early retirement with a package that included one week's salary for each year served without benefits at this point in your life and career, would you accept? (Circle one)
- Yes No Possibly
8. If your company were to offer you early retirement with a package that included one week's salary for each year served with benefits at this point in your life and career, would you accept? (Circle one)
- Yes No Possibly
9. Does the idea of being able to start fresh in a new career with a retirement package in your pocket intrigue you? (Circle one)
- Yes No
10. Do you feel you would benefit from early retirement at this point and time in your life and career?
- Yes No
11. Most employers offer career transitioning programs along with early retirement packages (i.e., aid in career placement). If you were to accept an early retirement package, do you feel this is something you might take advantage of?
- Yes No

APPENDIX C

Numerical Results

Table C.1: Numerical Results for Various Parameters

Parameter	Value	Units
1-10	10	years
11-15	5	years
16-20	3	years
21-25	2	years
26-30	1	years
More than 30 years	0.5	years

$$\text{Mean} = \frac{1}{N} \sum_{i=1}^N x_i = 5.5 \text{ years}$$

$$\begin{aligned} \text{Median} &= 5 \text{ years} \\ &= 5 \text{ years} \\ &= 5 \text{ years} \\ &= 5 \text{ years} \end{aligned}$$

$$\text{Mode} = 10 \text{ years}$$

Numerical Results

1. How long have you been at your present job?

<u>f</u>	<u>x</u>	<u>Midpoint</u>	<u>fx</u>
0-5	11	2	22
6-10	4	8	32
11-15	3	13	39
16-20	2	18	36
21-25	1	23	23
26-30	1	28	28
More than 30 years	$\frac{0}{N=22}$	--	$\frac{--}{180}$

$$\text{Mean} = \bar{X} = \frac{\sum fx}{N} = \frac{180}{22} = 8.18 \text{ years}$$

$$\begin{aligned} \text{Median} &= ll + \frac{(.5N - \sum fb)}{fw} i = \\ &= 5.5 + \frac{(.5(22) - 7)}{4} 5 = \\ &= 5.5 + \frac{(11 - 7)}{4} 5 = \\ &= 5.5 + (1) 5 = 10.5 \text{ years} \end{aligned}$$

$$\text{Mode} = 0-5 \text{ years}$$

2. How old are you?

<u>f</u>	<u>x</u>	<u>Midpoint</u>	<u>fx</u>
20-29	7	24	168
30-39	6	34	204
40-49	5	44	220
50-59	3	55	165
60-69	1	65	65
Over 70	0	--	--
	<u>N=22</u>		<u>822</u>

$$\text{Mean} = \bar{X} = \frac{\sum fx}{N} = \frac{822}{22} = 37.36 \text{ years}$$

$$\begin{aligned} \text{Median} &= ll + \frac{(.5N - Efb)}{fw} i = \\ &= 29.5 + \frac{(.5(22 - 9)) 10}{6} = \\ &= 29.5 + \frac{(11 - 9) 10}{6} = \\ &= 29.5 + 3.33 = 32.83 \text{ years} \end{aligned}$$

$$\text{Mode} = 20-29 \text{ years}$$

3. Has the company you are presently working for ever offered early retirement or a buyout to your knowledge?

<u>Yes</u>	<u>No</u>
32%	68%

4. Have you ever been offered early retirement?

<u>Yes</u>	<u>No</u>
23%	77%

5. Do you know of anyone who has been offered early retirement?

<u>Yes</u>	<u>No</u>
64%	36%

6. If you know of anyone that has been offered early retirement, did they accept?

<u>Yes</u>	<u>No</u>	<u>Possibly</u>
36%	55%	9%

7. If your company offered early retirement without benefits would you accept?

<u>Yes</u>	<u>No</u>	<u>Possibly</u>
0%	86%	14%

8. If company offered early retirement with benefits would you accept?

<u>Yes</u>	<u>No</u>	<u>N/A</u>
18%	50%	32%

9. Does the idea of starting fresh intrigue you?

Yes No

73% 27%

10. Do you feel you would benefit from early retirement now?

Yes No

23% 73%

11. Would you take advantage of a career transitioning program?

Yes No

64% 36%

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