

Later Life Job Changes before and after the Great Recession

Richard W. Johnson

September 2014

Draft Report

The opinions expressed are those of the authors and do not necessarily reflect the views of the Urban Institute, its board, or its sponsors.

THE URBAN INSTITUTE 2100 M STREET, N.W. / WASHINGTON D.C. 20037

Paid employment is becoming increasingly important at older ages. As traditional employer-sponsored pensions fade away, lifespans increase, and health care costs rise, many workers in their fifties and early sixties are concluding that they can not afford to retire as early as previous generations. The housing and stock markets crashes in the last half of the previous decade reinforced these concerns. Working longer is one of the surest ways of boosting future retirement incomes, because it raises future Social Security benefits, enables people to earn more and save more in 401(k)-type accounts and other vehicles, and shrinks the retirement period, so savings do not have to last as long (Butrica, Smith, and Steuerle 2006). In fact, between 1993 and 2012 the labor force participation rate increased from 46 to 55 percent for men and from 32 to 44 percent for women (U.S. Bureau of Labor Statistics 2013). There is no indication that this trend is slowing.

For many older workers, delaying retirement does not mean continuing in the same jobs they held when they were younger. Instead, many leave their old occupations behind once they reach their fifties and sixties and embark on new careers. These transitions may involve pursuing employment that is more personally fulfilling but less financially rewarding than previous jobs. They may involve moves from wage and salary jobs to self-employment. Or they may represent a gradual shift into retirement, with workers moving from demanding, full-time work into less stressful part-time work.

There are several important unanswered questions about these later-life employment transitions. At what ages do recareering and job change tend to occur? Do recareering and job change experiences differ between who make these transitions in their fifties and those who make them later? What impact did the Great Recession and the weak labor market that followed have on recareering? Do career and job changes affect the retirement age? To what extent do recareering and job change involve self employment and entrepreneurship?

This study uses nationally representative longitudinal data to addresses these questions. It reports rates of job change and occupational change for adults ages 50 and older, describes how they vary by personal and job characteristics, and shows how they have changed over time. We also compare the characteristics of old and new jobs held by older job changers, including the role of self-employment in recareering. Additionally, we explore whether job transitions at older ages lengthen working lives. The study pays special attention to the reasons workers cite for leaving their previous jobs, because workers who retire from their previous job may have different employment goals and opportunities than those who separate because of poor health or job loss or because they have better employment prospects elsewhere.

Results indicate that one-half of workers move to new jobs after age 50, and 36 percent move into new occupations. Job change becomes less common as workers age, but nonetheless persists until advanced ages. Employment transitions at older ages often involve shifts into jobs that are less stressful and more enjoyable than previous ones. We find that workers who change jobs in their 50s and early 60s withdraw from the labor force later than those who remain with the same employer at those ages, suggest that efforts to promote such transitions could encourage more older adults to retire later.

Background

Most workers change jobs frequently over the course of their lives, especially at younger ages. The typical male worker born between 1939 and 1944 held seven jobs during his first 10 years in the labor market, about two-thirds of his career total (Topel and Ward 1992). The Bureau of Labor Statistics (2008) reports that the average person born in the later years of the baby boom (1957 to 1964) held 10.8 jobs from ages 18 to 42. Although job tenure generally increases with age, short-duration jobs are now common for workers approaching middle age. About 3 in 10 jobs started by workers ages 38 to 42 now end in less than a year, and nearly two-thirds end within five years (Bureau of Labor Statistics 2008). Workers typically earn higher wages after they move to a new employer, at least when they voluntarily leave the former job. About one-third of early-career wage growth results from job changes (Topel and Ward 1992).

Occupational change is also a common feature of the labor market. Many workers change occupations when they switch employers, but some move into new occupations with the same employer. For example, a secretary may be promoted to office manager by his or her current employer. Other workers remain in the same occupation when they change employers.

Estimated rates of occupational change depend on how analysts define occupations and what data sources they use. The U.S. Census Bureau defines about 500 different three-digit occupational codes, which some researchers aggregate into larger groups. Data from the Census Bureau's monthly Current Population Survey (CPS) show that 7 percent of workers ages 16 and older moved from one three-digit occupation to another between January 2003 and January 2004 (Shniper 2005). Occupational mobility rates are higher in the Panel Study of Income Dynamics (PSID), an annual survey of about 5,000 households conducted by the University of Michigan.¹ Kambourov and Manovskii (2004) report that, on average, about 17 percent of male

¹ The PSID began tracking about 5,000 families in 1968. The survey also tracks households that split off from the households that were originally sampled (i.e., through divorce and home leaving). In 1997, the PSID began interviewing respondents every two years, instead of annually.

workers in the PSID changed occupations each year between 1968 and 1993, based on narrowly defined three-digit occupational codes. Interestingly, Kambourov and Manovskii exclude government workers from their sample, who are less likely than private-sector workers to change occupations (Shniper 2005). Most workers who change occupations appear to perform quite different job activities in their new positions. Kambourov and Manovskii find that their estimated occupational mobility rate declines only modestly, to about 13 percent—about three-quarters of the original rate—when they aggregate the three-digit codes into only nine different categories. Over the five-year period from 1965 to 1970, 39 percent of adult men in the decennial census changed their three-digit occupations (Sommers and Eck 1977).

Why Do Workers Change Occupations?

Much research on career change focuses on upward occupational mobility, based on the assumption that people change their line of work to move into better-paying jobs. Rosen (1972), for example, posits that workers change occupations to acquire more training and raise their earnings. His model predicts that workers stay in a particular occupation until they exhaust the training opportunities it offers, and then move on to the next, accumulating more human capital. Shaw (1987) maintains that occupational mobility depends on how much workers have invested in occupation-specific skills and how easily these skills can be transferred to other occupations. Sicherman and Galor (1990) view occupations as a hierarchy of better-paying jobs. Workers become eligible for promotion into a better-paying occupation once they have accumulated sufficient experience in the current occupation. Workers denied promotions by their current employers may choose to change employers or occupations if such moves might increase the value of their lifetime earnings.

Other research emphasizes the tradeoff between pecuniary and nonpecuniary jobs traits in worker decisions about career change. Instead of moving into better-paying occupations as they become more experienced, some workers may choose to downgrade, switching to lower-paying occupations that promise less stress and fewer responsibilities, more flexible work options, less physically demanding work, more interesting and personally fulfilling employment opportunities, or better working conditions. These types of transitions may appeal particularly to mothers and dual-career couples struggling to balance work and family responsibilities (Moen and Dempster-McClain 1987; Wharton and Blair-Loy 2002). For example, Connolly and Gregory (2007) find that about one-quarter of women moving from full-time to part-time work in Great Britain between 1991 and 2001 shifted to an occupation that required fewer

qualifications than their previous position. Occupational downshifting may also appeal to older workers, especially those with substantial savings or those already collecting retirement benefits who can afford to reduce their earnings.

Not all occupational transitions are voluntary choices by workers, and involuntary transitions affect workers differently than voluntary transitions, whether driven by pecuniary or nonpecuniary motives. About 13 percent of workers who changed occupations between January 1986 and January 1987 did so following the loss of their previous job (Markey and Parks 1989).² About half of workers displaced between 1983 and 1988 who were reemployed ended up in occupations different than those they previously held (Markey and Parks 1989).

Who Changes Occupations?

Occupational mobility is especially common among young workers. According to 2004 CPS data, occupational mobility rates fall from 19.9 percent at ages 20 to 24, to 5.9 percent at ages 35 to 44, to 2.7 percent at age 55 to 64, to 1.6 percent at ages 65 and older (Shniper 2005). The roughly one-third of workers who were younger than 35 in 2004 accounted for about three-fifths of all career changers. Older workers have generally spent more time in their occupations and have accumulated more occupation-specific skills than younger workers. Thus, they tend to forego more human capital when they change careers than younger workers do. Older career changers also have less time to accumulate new skills in their new occupations.

The impact of education on occupational mobility is less clear. PSID-based studies that control for age and other factors find that education tends to reduce occupational mobility for men (Kambourov and Manovskii 2004; Parrado, Caner, and Wolff 2007). CPS data, however, reveal a more complex relationship between educational attainment and occupational change (Markey and Parks 1989; Shniper 2005). Workers in the CPS with high school diplomas who did not complete four years of college are more likely than those without high school diplomas and than college graduates (especially those with graduate and professional degrees) to change occupations. High school dropouts might be unable to garner job offers because they lack access to job networks or the basic skills that employers value. Well-educated workers, especially those with graduate degrees, have likely invested much time and money developing occupation-specific skills, which they might lose if they change careers.

² This estimate does not include workers who lost their jobs between January 1986 and January 1987 and were not reemployed until after January 1987.

Women tend to change occupations more frequently than men. CPS data show that 7.7 percent of women changed occupations between 2003 and 2004, compared with 6.8 percent of men (Shniper 2005).

Occupational mobility appears to have increased in the 1970s and 1980s (Kambourov and Manovskii 2004; Parrado, Caner, and Wolff 2007). Between 1968 and 1993, for example, the annual occupational mobility rate for men in the PSID increased from 16 to 19 percent, based on three-digit occupational codes (Kambourov and Manovskii 2004). However, the likelihood that a worker of a given age changes occupation has grown faster over time than this figure indicates, because the U.S. population has been aging and older workers are less likely to change occupations than younger workers. Holding age constant, the occupational mobility rate for male workers increased from 16 to 21 percent between 1968 and 1993 (Kambourov and Manovskii 2004). Evidence of increased occupational mobility is consistent with the notion that the labor market is becoming more turbulent, with heightened job churning and shorter job tenures (Brown, Haltiwanger, and Lane 2006; Neumark 2000). Occupational mobility appears to have declined somewhat since the mid-1990s, however. According to CPS data, the overall share of workers changing occupations during the previous 12 months fell from 11 percent in 1996 to 7 percent in 2004 (Shniper 2005). The rate also fell within all age groups examined.

Occupational Change and the Retirement Transition

Retirement is now a process for many workers, not an abrupt transition. Permanent, one-time moves directly out of the labor force from full-time work are relatively infrequent. Instead, many older workers move from long-term careers to short-term jobs that serve as bridges to retirement before exiting the labor force completely (Cahill, Giandrea, and Quinn 2006, forthcoming; Ruhm 1990). Additionally, about one-quarter of workers who retired during the 1990s eventually returned to work (Maestas 2004). Many of these job changes may involve transitions into new careers. For example, Johnson and Kawachi (2007) report that 77 percent of job changes by older workers leaving long-term jobs (with 10 or more years of tenure) involved a move into a different occupation and 73 percent involved a move into a different industry.

Like adults of all ages, older Americans work in a wide variety of occupations. About 36 percent of workers age 65 or older are employed as managers or professionals, 17 percent work in service occupations, 15 percent work in sales, and 14 percent work in office and administrative support occupations (Mermin, Johnson, and Toder 2008). Another 17 percent work in blue collar occupations, including construction, factory, and transportation jobs. Older

workers are generally distributed across broad occupational groups in similar proportions as workers of all ages, except that younger adults are more likely than older adults to work in blue collar occupations and older employees are more likely to work in sales. Older workers are also more likely than younger workers to be managers. Retail salespersons, farmers and ranchers (which are agricultural management positions), and the immediate supervisors and managers of retail sales workers are the three occupations that employ the most adults ages 65 and older (Mermin, Johnson, and Toder 2008). However, little is known about how many workers move into these jobs as they grow older or how many spend their entire careers in these occupations.

Recent labor market developments may bolster job prospects for older workers, improving opportunities to change careers. The continuing occupational shift from manufacturing to services—which generally features lower entry barriers, more flexible work options (such as part-time, temporary, and consulting positions), and less physically demanding work—likely increases the availability of jobs that appeal to older workers. Between 1971 and 2006 the share of jobs involving high physical demands (such as strength, bending, or reaction time) declined from 8.8 to 7.3 percent, and the share involving moderate or high physical demands (such as standing, walking, or repetitive motion) declined from 56.5 to 46.0 percent (Johnson, Mermin, and Resseger 2007). Older workers are now better educated than in the past, improving their ability to acquire skills that are transferable across jobs and boosting their appeal to prospective employers. Many companies appear especially interested in recruiting and retaining highly skilled older workers, who bring with them a lifetime of work experience and knowledge (Government Accountability Office 2007). Wealth and high educational attainment also make it easier for older workers to pursue self-employment, a popular option at older ages (Karoly and Zissimopoulos 2004).

The likelihood that workers change occupations at older ages and the nature of their transitions likely depend on why older workers switch jobs. Many older workers say they want to phase into retirement gradually, reducing their hours and responsibilities and enjoying more flexible work options, but remaining at work (AARP 2005). For many workers, this type of downshifting would likely require a change in occupations. For example, managers would likely have to step down to a nonsupervisory position to reduce their work responsibilities. People who leave their jobs to accommodate declining health may also tend to move to new, less-demanding occupations.

Some older workers change occupations to embark on new professional adventures after reaching midlife and becoming successful in their careers. These occupational transitions may

lead to encore careers, as Marc Freedman (2007) has coined them, that typically pay less than their former occupations but offer work that is more personally fulfilling and meaningful. Typical encore careers involve work in education, health care, and social services. According to one estimate, nearly 10 percent of Americans ages 44 to 70 may be currently employed in encore careers, and about half of those who are not say they are interested in transferring to such fields as education, health care, government, and nonprofits (Civic Ventures 2008). Nonpecuniary factors of the job appear to be especially important for older workers, who seem particularly willing to enter occupations that pay less if they find the work enjoyable or if it offers flexible employment arrangements (Haider and Loughran 2001).

Many older workers may change occupations after losing their jobs. Although the unemployment rate among older adults falls below the rate for younger adults (Johnson, Soto, and Zedlewski 2008), job losses are not uncommon at older ages. For example, nearly one-fifth of people ages 51 to 61 in 1992 experienced job layoffs between 1992 and 2002 (Johnson, Mermin, and Uccello 2005). Displaced older workers often face long spells of unemployment, especially those leaving jobs in the manufacturing sector, likely forcing many to change careers because they cannot find employment in their lifelong professions (Chan and Stevens 2001; Couch 1998). Others accept early retirement packages from employers before they are ready to leave the labor force. Employers became increasingly likely to offer these retirement incentives throughout the 1990s, and workers accepted more than one-third of early retirement offers (Brown 2002).

Thus, a variety of different factors, some pushing older workers out of their current occupations and others pulling them into new ones, promote recareering at older ages. For some workers, burnout from an existing job or the desire to face new challenges or connect to longtime interests after a lifetime of hard work drives the response. For others, it's about having the skills, experience and motivation to take up new lucrative opportunities simply because they exist, where previously they did not. Still others have change thrust upon them—they are fired, downsized, or bought out by an enticing early retirement package before they are prepared to retire fully.

Data and Measures

Our analysis examines rates of job and occupational change at older ages, how they vary by personal and job characteristics, and how they have changed over time. To identify those factors that predict workplace transitions, we estimate multivariate models of job and occupational change. We also compare the characteristics of old and new jobs for workers who experience job

transitions later in life. Finally, we compare retirement timing for older workers who changed jobs between their early 50s and early 60s and those who remained with the same employer at those ages, to explore whether job transitions at older ages may prolong working lives. Most tabulations differentiate outcomes by the reason workers cite for leaving their previous jobs, because workers who retire from their previous job may have different employment goals and opportunities than those who separate because of poor health or job loss or because they have better employment prospects elsewhere. Our sample is restricted to adults ages 50 and older who worked at some point between ages 50 and 55. We do not limit the analysis to those who spent some minimum time with their previous employer.

Our study uses data from the 1992 to 2012 waves of the Health and Retirement Study (HRS). The HRS is a nationally representative household survey of older Americans, conducted by the Survey Research Center at the University of Michigan with primary funding from the National Institute on Aging. It began collecting data in 1992 from a sample of adults ages 51 to 61 and their spouses (regardless of age). Follow-up interviews were conducted every other year. The sample is refreshed every six years by a new cohort of respondents ages 51 to 56 (and spouses). Older cohorts were also introduced in 1993—an off-year survey—and 1998 so that the HRS now follows a sample of adults ages 50 and older. Final survey data are now available through 2010, and early release data are available for 2012.

The survey collects data on a wide range of topics, including employment status, job characteristics, household income and wealth, and health status. Each wave respondents are asked whether they are employed, whether they work for the same employer as in the previous wave, and, if not, why they left. We grouped reasons for leaving the previous job into the following five categories: layoffs, dismissals, or business closures; poor health or disability; retirements; quits (which includes a desire to take a better job or perceived shortcomings of the past job, such as unfulfilling work, problems with supervisor or coworkers, or lack of pay, benefits, or promotion opportunities); and “other” reasons, such as family relocations, family care responsibilities (including a desire to spend more time with family), and transportation problems.

The HRS collects detailed information on job characteristics, including occupation, self-employment, managerial responsibilities, physical job demands, wages and benefits, and work schedules. We group occupation into the following 24 broad categories (management occupations; business operations specialists; financial specialists; computer and mathematical occupations; architecture and engineering occupations; life, physical, and social science

occupations; community and social services occupations; legal occupations; education, training and library occupations; arts, design, entertainment, sports, and media occupations; health care practitioners and technical occupations; healthcare support occupations; protective service occupations; food preparation and serving occupations; building and grounds cleaning and maintenance occupations; personal care and service occupations; sales, office and administrative support occupations; farming, fishing, and forestry occupations; construction trades; excavation workers; installation, maintenance, and repair workers; production occupations; transportation and material moving occupations; and military specific occupations). HRS respondents are asked to agree or disagree with several statements about their job. We measure physical job demands based on whether they agree or strongly agree that their jobs “require lots of physical job demands” and work enjoyment on whether they agree that they “really enjoy going to work.” Workers are classified as engaging in stressful work if they strongly agree their jobs “involve a lot of stress.” We categorize workers as having flexible work schedules if they report that they could reduce the number of paid hours in their regular work schedule and as having management responsibilities if they report making pay and promotion decisions about others. These questions are only asked of those respondents who are wage and salary workers; we assume that all self-employed workers have flexible work schedules and management responsibilities.

Results

We begin by describing why older workers leave their jobs—which can affect the chances they pursue new employment and the new positions they obtain—how those reasons vary with personal characteristics, and how they have changed over time. We then report rates of job change and occupational change and key predictors of employment transitions. Subsequent sections compare the characteristics of old and new jobs by older job changers, including the role of self-employment in recareering. The final section explores whether job transitions at older ages lengthen working lives.

Reasons for Job Separations

The majority of workers cite retirement as the reason for leaving their employer after age 50, but many separate for other reasons. Between 1992 and 2012, 58 percent of those employed at age 50 leave their employer by age 70 to retire, suggesting that they intend to stop working or at least work less intensively, and 32 percent describe their separation as a quit, implying an

intention to work somewhere else eventually (table 1).³ More than half of older workers, however, leave their employer after age 50 less voluntarily; 39 percent separate because they were laid off or their business closed, and 23 percent leave because of health problems. Additionally, 32 percent leave their job for other reasons that include a mix of seemingly voluntary and involuntary separations, such as wanting to spend more time with one's family, needing to care for family members, needing to relocate to a different city or town, and being unable to resolve transportation problems.⁴

The likelihood of leaving employers after age 50 for different reasons varies by education, hourly earnings, and wealth. Less-educated, low-wage workers with limited household wealth are much more likely to separate from their employers because of poor health than their better-educated, higher-wage, wealthier counterparts. For example, age-50 workers who did not complete high school face a 37 percent risk of separating from their employer for health reasons, compared with only a 16 percent risk for those with a bachelor's degree and an 11 percent risk for those with a postgraduate degree. These patterns are consistent with the well-documented result that health problems are especially prevalent among adults of lower socioeconomic status. Health-related job separations after age 50 are also more common among African Americans than Hispanics and non-Hispanic whites. By contrast, the likelihood of retirement-related separations increases with education and hourly earnings. Seventy-five percent of workers earning more than \$30 per hour at age 50 (in 2012 constant dollars) eventually report leaving their employers by age 70 to retire, compared with only 41 percent of those earning no more than \$10 per hour. Men are also more likely than women to cite retirement as the reason for separating, and Hispanics are less likely than non-Hispanic whites and African Americans. Quits are relatively common among low-wage workers and those with limited wealth, while layoffs are especially rare among very wealthy workers and others with professional and graduate degrees. Women are more likely than men to cite other reasons for separating from their employers, because many of those reasons involve family responsibilities.

³ Results are based on survivor functions estimated on a sample of adults ages 50 and older employed at some point between ages 50 and 55 who ever report a reason for leaving their employer by age 70. Estimating survivor functions reduces the biases that would otherwise affect long-term prevalence rates when some respondents drop out of the survey.

Many workers who separate from their employer after age 50 for reasons other than retirement eventually describe themselves as retired, even if they never work elsewhere. By age 70, 70 percent of HRS respondents employed at age 50 report their labor force status as retired.

⁴ The total share of workers reporting each reason for separating from their employers exceeds 100 percent because some workers cite multiple reasons and others separate from multiple employers after age 50.

Job separations increase with age. The share of employed workers separating within two years rises from about 25 percent in one's early 50s to about 28 percent in one's late 50s to 38 percent at age 61 and 41 percent at age 64. Employed women are generally more likely to separate than their male counterparts, except near Social Security's early entitlement age and full retirement age (figure 1). Two-year separation rates surge for men at ages 61 and 64.

The reasons workers cite for leaving their employers change as they grow older (figure 2). Retirements rise sharply as workers enter their 60s and move through their early 60s, and then decline after age 65. For example, the share of employed workers who separate from their employers to retire over the subsequent two years increases from 5 percent at age 53 to 11 percent at age 59 to 22 percent at ages 62 and 64. The share falls to 17 percent at age 66 and 12 percent at age 69. Job separations related to job loss and (especially) quits decline as workers move from their 50s into their 60s. Health-related job separation rates remain fairly steady as workers age, averaging about 5 percent over two years for those in their 50s and 60s.

Changes over time in older workers' job separation rates appear to reflect the business cycle. Two-year separation rates increase in 2000, likely reflecting higher job losses during the 2001 recession, and after 2006, likely reflecting the impact of the Great Recession (figure 3). Separation rates are higher for women than men each year except 2010, probably because job layoffs were particularly common among men during and immediately after the Great Recession.

Examining trends in reasons cited for job separations reveals surges in job-loss-related separations in the two years following 2000, 2008, and 2010 (figure 4). As unemployment peaked between 2008 and 2010, for example, 17 percent of workers ages 50 and older report leaving their jobs because they were laid off or the business where they worked closed, up from 8 percent between 2006 and 2008. Reported job losses drop between 2010 and 2012, but they remain historically high at 12 percent of the older employed workforce. Although the labor market strengthened between 2010 and 2012, this sharp decline in observed layoff rates may partly reflect problems with the early 2012 HRS data release used to estimate job losses between 2010 and 2012. As the share of workers reporting jobs losses over the previous two years fell in 2012, the share reporting having separated from their jobs for "other" reasons surged to 21 percent, three times higher than in 2010 or any other survey year. Respondents citing "other" as the reason for their separation are asked to explain why they left their jobs, and HRS staff often recode these responses as job losses and other specified reasons. The recodes, however, are not available in the early release data. The final 2012 data release, which is not yet available as of

2014, may reveal higher job layoff rates than the early release used in this study. There are no obvious trends in job separations related to poor health or quits.

Rates and Patterns of Job Change at Older Ages

Nearly all workers employed at age 50 leave that job by age 70, and one-half move to a different employer by age 70 (table 2).⁵ Job changes are somewhat more common among older workers who did not complete high school, those earning less than \$10 per hour at age 50, and those with no more than \$50,000 in per capita household wealth at age 50. Generally, however, the likelihood of changing jobs does not vary much by personal characteristics. For example, rates are similar for men and women, whites and nonwhites, and workers with only a high school diploma and those with a bachelor's degree.

Many job changes after age 50 involves transitions into new careers. Overall, 36 percent of adults employed at age 50 move to a different occupation by age 70, including 72 percent of those who change employers. Low-wage workers and those with little wealth are somewhat more likely to change occupations at older ages, whereas wealthy workers are somewhat more likely to change occupations. As with job transitions, however, occupational transitions rate do not vary much by personal characteristics.

Figure 5 reports the likelihood that workers who leave their employers after age 50 become reemployed or move into new occupations within four years of their job separation. Overall, 47 percent of older job separators became reemployed within four years. Three-fifths of reemployed older workers move into new occupations within four years, representing 28 percent of all older job separators. Reemployment rates vary sharply depending on why older workers left their previous jobs. Not surprisingly, those who report quitting their previous job are most likely to return to work, with 75 percent becoming reemployed within four years of quitting and 45 percent moving into new occupations. Additionally, 60 percent of those laid off from their previous jobs become reemployed, with 38 percent working in an occupation that differs from their previous job. Workers who left their previous job to retire or because of poor health are less likely to work within the next five years, but many nonetheless become reemployed. For example, 29 percent of separating older workers who retire become reemployed within four years, along with 21 percent of older workers who separated because of

⁵ Estimates of employer and occupational transitions are based on survivor functions estimated on a sample of HRS respondents ages 50 and older employed at some point between ages 50 and 55. Respondents remain in the sample until they move to different employers or occupations, until they leave the survey, or until the survey ends. Estimating survival functions reduces the biases that would otherwise affect long-term rates of employer and occupational changes when respondents drop out of the survey.

health problems. These groups of older workers are also less likely to change occupations than those who separate for other reasons. Only 19 percent of separating retirees and 12 percent of older workers who separate because of health problems move into new occupations. Conditional on becoming reemployed, however, retirees are more likely to move into new careers than those who separate for other reasons, with 65 percent of reemployed retirees changing occupations. Older workers who separated because of health problems are less likely than others to change occupations, even when we consider only those who become reemployed.

Workers who leave their employers at age 50 or later become increasingly less likely to return to work as they grow older. For example, 70 percent of all workers separating from their employers at ages 50 to 54 become reemployed within four years, compared with only 40 percent of those separating at ages 59 to 61 (figure 6).⁶ Reemployment rates decline more slowly as adults move through their 60s, with 33 percent of those separating at ages 66 to 69 working elsewhere within four years. Despite the steady decline in the likelihood of becoming reemployed as job separators grow older, a substantial minority become reemployed at advanced ages. For example, 23 percent of workers who separate at age 70 or older work somewhere else within the next four years.

Reemployment rates follow the same general age pattern regardless of why older workers left their previous employer, although the likelihood of becoming reemployed at any given age varies with the reason cited for the separation. Fully 90 percent of workers who quit their previous job at ages 50 to 54 become reemployed within the next four years. Reemployment rates drop to 65 percent for those quitting at ages 59 to 61 and to 48 percent for those quitting at ages 66 to 69. Most older workers laid off in their early and mid-50s find alternative employment within four years, but their reemployment rates fall to 53 percent when laid off at ages 59 to 61 and to 39 percent when laid off at ages 66 to 69. About two-fifths of workers who retire early—before age 59—work again within four years. Reemployment rates are lower, but still significant, for those retiring later. For example, one-quarter of workers who retire at ages 62 to 65 return to work within four years. Even among those retiring at age 70 or older, 14 percent become reemployed. Older workers who leave their jobs because of health problems are consistently less likely to return to work than their counterparts who leave for other reasons, but their reemployment rates decline as much as they grow older.

Four-year reemployment rates for older separated workers generally held steady between 1992 and 2004 (figure 7). However, they declined markedly during the four years following

⁶ Appendix table 1 reports the estimates displayed in figures 6, 7, 8, and 9.

2006 and 2008, as the labor market collapsed and unemployment soared. Overall four-year reemployment rates for separated workers ages 50 and older fell from 55 percent in 2004 to 50 percent in 2006 to 40 percent in 2008. Job change, then, became much less common during the height of the Great Recession, but it did not disappear. Reemployment rates fell during the economic downturn for older adults separating for each of the reasons we examined except for those who left for poor health, whose four-year reemployment rate have remained remarkably steady at about 20 percent for the past two decades. Compared with four-year reemployment rates for older workers who left their jobs in 2004, those for 2008 job separators fell 15 percentage points among retirees, 17 points for those who quit their previous job, and 18 points for those who were laid off. Job prospects for older displaced workers have been slowly deteriorating for much of the past two decades. In 1992, 72 percent of laid-off workers ages 50 and older became reemployed within four years, compared with 58 percent in 2002 and 27 percent in 2008.

Separating workers are less likely to move into new occupations as they age, although recareering persists at diminished rates into advanced ages (figure 8). Forty-four percent of separating workers ages 50 to 54 move into new occupations within four years of leaving their former employer, compared with 22 percent of those separating at ages 62 to 65 and 9 percent of those separating at ages 70 and older. The share of reemployed workers who move into new occupations declines somewhat as workers move through their 50s and early 60s—falling from 64 percent at ages 50 to 54 to 50 percent at ages 62 to 65—and then drops to 39 percent among those ages 70 and older. Relatively young retirees are much less likely to move into new occupations than their counterparts who quit or lose their jobs, but that gap diminishes as workers age. Among workers separating at ages 62 to 65, for example, 16 percent of retirees move into new occupations within four years of leaving their employers, compared with 30 percent of laid off workers and 34 percent of those who quit their job. At ages 50 to 54, 31 percent of retirees move into new occupations, compared with 60 of workers who quit their previous job. Retirees who leave their jobs and work elsewhere are somewhat more likely to move to new occupations than reemployed older workers who leave their previous employers for other reasons. For example, 64 percent of reemployed retirees who separate at ages 62 to 65 move to new occupations.

As with reemployment, the share of older separating workers who move into new occupations fell during and after the Great Recession (figure 9). For example, 26 percent of older workers who left their employers in 2008 returned to work in a different occupation within four years, compared with 34 percent of those who left in 2004. However, older

separating workers who became reemployed were somewhat more likely to move into new occupations during and after the Great Recession than before the downturn, with 65 percent of reemployed older workers who separated in 2008 moving to new occupations, up from 62 percent among those who separated in 2004. The increase is more dramatic among retirees: 76 percent of reemployed retirees who separated from their previous employer in 2008 moved to new occupations, compared with 69 percent of those who separated in 2004. However, recareering among reemployed older job separators declined slightly after 2006 for those who quit their previous job or were laid off.

Predictors of Job and Occupational Change at Older Ages

To estimate the impact of personal characteristics on later-life workplace transitions, we estimate discrete-time hazard models of the likelihood that older workers change employers and change occupations. The sample consists of person-year observations on HRS respondents ages 50 and older who were employed when first interviewed between the ages of 50 and 55. Respondents remain in the sample until they change employers or change occupations, until they drop out of the survey, or until the survey ends. The models are estimated as probit equations that control for age, gender, education, race and ethnicity, hourly wage, household wealth, and year. Table 3 reports the marginal impact of personal characteristics on the likelihood that workers ages 50 and older change employers and change occupations.

Age, gender, education, earnings, and wealth significantly affect the likelihood of employment transitions at older ages. Older workers are less likely to move to new jobs or occupations as they age. For example, workers ages 62 to 65 are 60 percent less likely to move to new jobs than those in their early 50s and are 49 percent less likely to move to new occupations. Workers age 70 and older are 82 percent less likely to change jobs than their counterparts in their early 50s. Rates of job and occupational change are significantly higher among men than women (although men enjoy only about a 10 percent advantage) and among better-educated older adults than those with less education. Workers with a Bachelor's degree are significantly more likely to change jobs and occupations than those who did not complete four years of college. Education beyond a Bachelor's degree, however, does not significantly raise the changes of later-life employment transitions. When we control for education, older workers with more household wealth and those earning higher wages on their existing jobs are less likely than other workers to move to new jobs and occupations. The likelihood of employment transitions do not differ significantly by race and ethnicity when we control for other factors.

Rates of job change at older ages fell substantially in 2010 as unemployment soared. Controlling for personal characteristics, we find that workers ages 50 and older were 47 percent less likely to change jobs in 2010 than 2002. The 2010 decline may not result solely from the Great Recession; job change rates—holding other factors constant—have declined steadily since 2002. However, there is no evidence that the likelihood that older workers change occupations fell in 2010.

Comparing Old and New Jobs Held by Older Job Changers

Retirees who become reemployed elsewhere often start their own businesses. Twenty-eight percent of reemployed retirees are self-employed on their new jobs, compared with 9 percent on their old jobs (table 4). Some older workers who become reemployed after leaving their previous jobs because of poor health or because they were laid off also turn to self-employment. Fourteen percent of reemployed laid-off workers are self-employed, along with 25 percent of those who left their previous jobs because of health problems. Shifts to self-employment are less common among older workers who quit their previous jobs. We further explore self-employment in the following section.

Older job changers, especially retirees, tend to move into jobs that are less stressful and more enjoyable than their previous jobs. Among all older job changers, only 11 percent report stressful conditions for their new jobs, compared with 19 percent for their old jobs. The difference is particularly stark for retiree: only 6 percent of their new jobs are stressful, compared with 22 percent of their old jobs. Older job changes are also more likely to enjoy their new jobs. Fully 92 percent of older job changers report enjoying their new jobs, up from 87 percent who enjoy their old jobs. Retirees are 12 percentage points more likely to enjoy their new job than their old job (94 versus 82 percent). Physical job demands do not change much when older workers move into new jobs. Managerial responsibilities also remain largely unchanged, but as we will see below this result is driven primarily by the shift toward self-employment. Management responsibilities generally decline for older job changers who continue to work for someone else.

Workers who change employers after age 50 generally move to jobs with shorter and more flexible schedules than their previous jobs (table 5). Overall, 45 percent of older job changers work fewer than 35 hours per week on their new job (compared with 30 percent on the old job) and 20 percent work fewer than 20 hours per week (compared with 12 percent on the old job). Additionally, 16 percent of older job changers work fewer than 40 weeks per year on their new

job, up from 10 percent on the old job. Part-time and part-year work is evident for all separation reasons, but is most pronounced for retirees (and least pronounced for those who quit their previous jobs). For example, 74 percent of older workers who retired from their previous job work fewer than 35 hours per week on the new job, compared with 20 percent on the old job, and 31 percent work fewer than 40 weeks per year. Part-time work is also common among reemployed older workers who were displaced from their previous job. For example, 36 percent of those laid off from their previous jobs work fewer than 35 hours on their new job, up from 24 percent on the old job.

Many reemployed retirees move to jobs that offer flexible work schedules with the option for employees to reduce their paid work hours. New employers offer this flexibility to 63 percent of older job changers who retired from their previous job, compared with 36 percent of previous employers. Older job changers who quit their previous job are no more likely to have flexible schedules on the new job than the old job. Among all older job changers, 51 percent are offered flexible work schedules on the new job, whereas 45 percent are offered such arrangements on the old job.

In exchange for moving to jobs that are generally less stressful, more flexible, and more enjoyable than their previous jobs, workers typically experience cuts in salary and benefits when they change employers after age 50 (table 6). Overall, the median value of hourly wages for older job changers is 19 percent lower on the new job than the old job, although wage differences vary sharply depending on why employers left their previous employer. Median wages fall 50 percent for reemployed retirees and 19 percent for reemployed displaced workers, whereas they are identical on the old and new jobs for older job changers who quit their previous job. Note, however, that the median wage on the old job is 50 percent higher for reemployed retirees than for all older job changers combined, so retirees earn almost as much per hour with the new employer as other job changers.

Older job changers—especially retirees—are also much less likely to receive health insurance or future retirement benefits from their new employers than their old employers. Overall, 43 percent of older job changers receive employer-sponsored health insurance coverage on the new job, compared with 53 percent on the old job, and 24 percent are covered by an employer-sponsored retirement plan on the new job, compared with 41 percent on the old job. For retirees, health insurance coverage falls 27 percentage points (to 49 percent) when they change jobs, while their retirement plan coverage falls 60 points (to 12 percent). Only 41 percent of reemployed displaced workers ages 50 and older have health insurance from their new

employers, and only 23 percent participate in a retirement plan, substantially lower than coverage rates on the old job. However, benefit coverage rates do not change much among older workers who quit their jobs and become reemployed elsewhere.

Table 7 shows how certain characteristics of the jobs chosen by older workers depend on the age at which workers change jobs. Overall, the probability that older job changers move into new occupations does not vary much as workers age. However, older retirees who become reemployed are somewhat less likely to change occupations than younger retirees. For example, 66 percent of reemployed retirees ages 65 and older move into new occupations, compared with 80 percent of their counterparts ages 50 to 54. Transitions into self-employment become more common as job changers age. The share of job changers who are self-employed on their new job rises from 9 percent at ages 50 to 54 to 17 percent at ages 60 to 64 to 27 percent at ages 65 and older. The likelihood of transitioning into a stressful job declines as job changers age, while the probability of transitioning into part-time work and enjoyable work increases. Among retirees who changed jobs at age 65 or older, for example, only 3 percent report that the new job is stressful and 81 percent work fewer than 35 weeks per year. By contrast, 10 percent of retirees who changed jobs at ages 55 to 59 report stressful work on the new job and 66 percent work part-time. Fully 97 percent of retirees who become reemployed at age 65 or older report enjoying their new job. The chances of obtaining health insurance coverage on the new job falls as job changers grow older, but the hourly wage penalty associated with changing jobs does not vary much with age.

The types of jobs that workers transition into at older ages have shifted over the past two decades. Part-time work has become more common, accounting for 40 percent of older workers who changed jobs between 1992 and 1998 and 47 percent of those who changed jobs between 2006 and 2012 (table 8). Transitions into self-employment were less common among older job changers after 2006 than beforehand. Only 14 percent of workers ages 50 and older who changed jobs between 2006 and 2012 moved into self-employment, compared with 21 percent of those who changed jobs between 1992 and 1998. However, older job changers were more likely to move into new occupations after 2006 than in the 1990s or earlier in the 2000s. Health insurance coverage on the new job has become less common over the past two decades, but changes in the hourly wage related to the job changes have not changed much over time.⁷

Self-Employment and Job Changes at Older Ages

⁷ Appendix tables 2, 3, and 4 compare old and new jobs for older workers who changed jobs but stayed in the same occupation and for those who moved into new occupations.

As noted earlier, self-employment is an important route to new work opportunities for older adults. Figure 10 shows how the share of adults ever self-employed after age 50 increases with age, among those not self-employed at age 50. Five percent have been self-employment by age 58, 8 percent by age 62, 10 percent by age 66, and nearly 12 percent by age 70. Men are significantly more likely to move into self-employment than women. By age 60, 9 percent of men who were not self-employed at age 50 have spent some time in self-employment, compared with 5 percent of women. By age 65, 12 percent of men and 7 percent of women have experience running their own businesses. By age 70, 15 percent of men and 9 percent of women have spent time self-employed.

Self-employment at older ages is less common among African Americans than non-Hispanic whites and Hispanics, and among college graduates than those with less education. By age 70, 9 percent of African Americans have been self-employed after age 50, compared with 10 percent of Hispanics and 12 percent of non-Hispanic whites (figure 11). Fifteen percent of 70-year-olds with a four-year college degree have moved to self-employment after age 50, compared with 10 percent of those with only a high school diploma (figure 12). Nonetheless, significant shares of women, African Americans, and those who never attended college open their own businesses after age 50.

Table 9 compares job demands and job satisfaction for wage and salary workers who move into self-employment after age 50 and those who change jobs but continue to work for others. Because all self-employed workers must manage their businesses, the transition to self-employment entails substantial increases in managerial responsibilities. For job changers who remain wage and salary workers, however, later-life job changes generally reduce management responsibilities. For example, only 6 percent of retirees who change jobs but remain wage and salary workers have managerial responsibilities on their new jobs, compared with 18 percent on their former jobs. Older workers who become self-employed report somewhat less stress in their new positions and appear to derive somewhat more enjoyment from them than those who remain wage and salary workers.

Older workers who become self-employed tend to reduce their schedules more than those who do not work for themselves, and they tend to earn higher hourly wages but receive fewer benefits (table 10). For example, 61 percent of workers who become self-employed after age 50 work fewer than 35 hours per week, compared with 39 percent of wage and salary workers, and only 34 percent of self-employed workers receive health insurance on the job, compared with 47 percent of wage and salary workers. Median hourly wages fall 27 percent when retired wage and

salary workers move into self-employment, but 52 percent when they take new jobs for someone else.

Effect of Later-Life Job Changes on Labor Force Withdrawals

Because workers who change jobs at older ages often move into positions that are less stressful, more flexible, and more enjoyable than their previous jobs, recareering at older ages might extend working lives. We explore this possibility by comparing the timing of labor force withdrawals after age 61 for HRS respondents who work for the same employer in their early 50s and early 60s and those who change employers during that period. The sample is restricted to respondents ages 51 to 54 in 1992 who were employed in 1992 and at age 61 or 62 (depending upon their age at the biennial survey). Figure 13 shows the probability that these workers have not yet retired at various ages for each employment-transition group. We classify workers as retired when they first describe themselves as fully or partially retired in the HRS survey and are no longer employed. Workers who change employers in their 50s or early 60s retire significantly later than those who remain with the same employer. The median retirement age for those who changed employers is 68 and 8 months, compared with 67 and 7 months for those who remained with the same employer in the early 50s and early 60s. (The median retirement ages are high because the sample is restricted to adults who were employed in their early 60s as well as their early 50s). Retirement timing does not significantly differ for those who move into new occupations and those who change jobs but remain in the same broad occupation.

To test the robustness of this finding, we estimate a discrete-time hazard model of retirement for our sample of adults ages 62 and older. The model is estimated as a probit equation that, in addition to an indicator for employment transitions between the worker's early 50s and early 60s, controls for age, gender, education, race and ethnicity, health status, hourly wage, household wealth, employer-sponsored health insurance coverage and retirement plan, and other job characteristics (physically demanding work, stressful work, enjoyable work, flexible work arrangements, self-employment, and union membership).

We find that older workers who change jobs in their 50s or early 60s are 18 percent less likely to retire than those who remain with the same employer at those ages, after we control for personal and job characteristics (table 11).⁸ This result does not necessarily imply that job transitions prolong working lives. Instead, workers who plan to remain employed late in life may

⁸ Job transitions are associated with a 4 percentage point reduction in the probability of retirement, equivalent to a relative reduction in the retirement probability of 18 percent, because the mean retirement probability each year is 22 percent.

seek out promising job opportunities while in their 50s, whereas those who plan to retire early may opt against such searches. Nonetheless, the result suggests that older adults who move into new, less demanding and more flexible jobs work longer than their counterparts who remain in their old, longer-term jobs, and efforts to promote such transitions could encourage more older adults to retire later.

Other factors are also significantly related to retirement decisions. As has been well established in previous research, retirement probabilities increase significantly with age and health problems. Some job characteristics also matter. Older adults who describe their work as enjoyable retire significantly later than those who do not enjoy their work. Flexible work arrangements are also associated with later retirements. We do not find a significant relationship between retirement and self-employment, stressful work, or physical job demands.

Conclusions

One-half of workers move to new jobs after age 50, and 36 percent move into new occupations. These transitions almost always occur within the first four years after older workers leave their previous positions. Job and occupational change is common across the entire older workforce. It occurs at similar rates for men and women, low-wage and high-wage workers, all racial and ethnic groups, and workers with all levels of education. Job change becomes less common as workers age, but nonetheless persists until advanced ages. For example, 23 percent of workers who separate from their employer at age 70 or older work somewhere else within four years, and 9 percent move into new occupations.

Later-life job changes became much less common during the Great Recession and its immediate aftermath as unemployment soared, but it did not disappear. When we control for personal characteristics such as education, gender, age, and race and ethnicity, we find that older workers were 47 percent less likely to move to new employers in 2010 than 2002. Nonetheless, 40 percent of older workers who separated from their employers in 2008 became reemployed within four years.

Many workers who change jobs at older ages move into self-employment. More than a quarter of retirees who return to work are self-employed. Overall, fifteen percent of men and 9 percent of women become self-employed after age 50. Although transitions into self-employment are more common among college graduates, 10 percent of older workers without a college degree become self-employed after age 50. However, fewer older workers moved into self-employment after 2006 as the economy soured.

Many, but not all, of these later-life work transitions appear part of a path to full retirement. Nearly half of older workers who change jobs work fewer than 35 hours per week, and one-fifth work fewer than 20 hours per week. Among older workers who retire from their previous jobs, 29 percent become reemployed within four years, and 65 percent of these reemployed retirees move into new occupations.

Employment transitions at older ages often involve shifts into jobs that are less stressful and more enjoyable than previous ones. Many older workers follow reduced and more flexible work schedules after they change jobs, and, for wage and salary workers, shoulder less managerial responsibility. However, they often must accept substantial pay cuts and fewer fringe benefits. Because many older workers appear willing to accept these tradeoffs, recareering at older ages could extend working lives. In fact, we find that workers who change jobs in their 50s and early 60s are subsequently 18 percent less likely to withdraw from the labor force than those who remain with the same employer at those ages. Efforts to promote such transitions could encourage more older adults to retire later.

References

- AARP. 2005. *Attitudes of Individuals 50 and Older Toward Phased Retirement*. Washington, DC: AARP.
- Brown, Charles. 2002. "Early Retirement Windows." CRR Working Paper No. 2002-11. Chestnut Hill, MA: Center for Retirement Research at Boston College.
- Brown, Clair, John Haltiwanger, and Julia Lane. 2006. *Economic Turbulence: Is a Volatile Economy Good for America?* Chicago: University of Chicago Press.
- Bureau of Labor Statistics. 2008. "Number of Jobs Held, Labor Market Activity, and Earnings Growth among the Youngest Baby Boomers: Results from a Longitudinal Survey." <http://www.bls.gov/news.release/pdf/nlsoy.pdf>.
- . 2013. "Labor Force Statistics from the Current Population Survey." <http://data.bls.gov/PDQ/outside.jsp?survey=ln>.
- Butrica, Barbara A., Karen E. Smith, and C. Eugene Steuerle. 2006. "Working for a Good Retirement." The Retirement Project Discussion Paper 06-03. Washington, DC: The Urban Institute.
- Cahill, Kevin E., Michael D. Giandrea, and Joseph F. Quinn. 2006. "Retirement Patterns from Career Employment." *The Gerontologist* 46(4): 514–23.

- . Forthcoming. “Retirement Patterns and the Macroeconomy, 1992-2010: The Prevalence and Determinants of Bridge Jobs, Phased Retirement, and Reentry among Three Recent Cohorts of Older Americans.” *The Gerontologist*.
- Chan, Sewin, and Ann Huff Stevens. 2001. “Job Loss and Employment Patterns of Older Workers.” *Journal of Labor Economics* 19(2): 484–521.
- Civic Ventures. 2008. “Encore Career Survey.” San Francisco: Civic Ventures.
- Connolly, Sara, and Mary Gregory. 2007. “Moving Down: Women’s Part-Time Work and Occupational Change in Britain, 1991-2001.” IZA Discussion Paper No. 3106. Bonn: IZA.
- Couch, Kenneth A. 1998. “Late Life Job Displacement.” *The Gerontologist* 38(1): 7-17.
- Freedman, Marc. 2007. *Encore: Finding Work that Matters in the Second Half of Life*. New York: PublicAffairs.
- Government Accountability Office. 2007. “Highlights of a GAO Forum: Engaging and Retaining Older Workers.” GAO Report GAO-07-438SP. Washington, DC: Government Accountability Office.
- Haider, Steven and Loughran, David. 2001. “Elderly Labor Supply: Work or Play?” CRR Working Paper No. 2001-04. Chestnut Hill, MA: Center for Retirement Research at Boston College.
- Johnson, Richard W., and Janette Kawachi. 2007. “Job Changes at Older Ages: Effects on Wages, Benefits and Other Job Attributes.” CRR Working Paper 07-03. Chestnut Hill, MA: Center for Retirement Research at Boston College.
- Johnson, Richard W., Gordon B.T. Mermin, and Matthew Resseger. 2007. “Employment at Older Ages and the Changing Nature of Work.” AARP Public Policy Institute Report No. 2007-20. Washington, D.C.: AARP.
http://assets.aarp.org/rgcenter/econ/2007_20_work.pdf.
- Johnson, Richard W., Gordon B. T. Mermin, and Cori E. Uccello. 2005. “When the Nest Egg Cracks: Financial Consequences of Health Problems, Marital Status Changes, and Job Layoffs at Older Ages.” CRR Working Paper No. 2005-18. Chestnut Hill, MA: Center for Retirement Research at Boston College.
- Johnson, Richard W., Mauricio Soto, and Sheila R. Zedlewski. 2008. “How is the Economic Turmoil Affecting Older Americans?” Fact Sheet on Retirement Policy. Washington, D.C.: The Urban Institute.
http://www.urban.org/retirement_policy/url.cfm?ID=411765.
- Kambourov, Gueorgui, and Iourii Manovskii. 2004. “Rising Occupational and Industry Mobility in the United States: 1968-1993.” IZA Discussion Paper No. 1110. Bonn: IZA.
- Karoly, Lynn A., and Julie Zissimopoulos. 2004. “Self-Employment and the 50+ Population.” Washington, D.C.: AARP.

- Maestas, Nicole. 2004. "Back to Work: Expectations and Realizations of Work After Retirement." RAND Working Paper. Santa Monica, CA: RAND.
http://www.rand.org/pubs/working_papers/WR196-1/.
- Markey, James P., and William Parks II. 1989. "Occupational Change: Pursuing a Different Kind of Work." *Monthly Labor Review* 112(9): 3–12.
- Mermin, Gordon B.T., Richard W. Johnson, and Eric J. Toder. 2008. "Will Employers Want Aging Boomers?" Retirement Project Discussion Paper 08-04. Washington, D.C.: The Urban Institute. http://www.urban.org/retirement_policy/url.cfm?ID=411705.
- Moen, Phyllis, and Donna I. Dempster-McClain. 1987. "Employed Parents: Role Strain, Work Time, and Preferences for Working Less." *Journal of Marriage and the Family* 49(3): 579–90.
- Neumark, David. 2000. "Changes in Job Stability and Job Security: A Collective Effort to Untangle, Reconcile, and Interpret the Evidence." In *On the Job: Is Long-Term Employment a Thing of the Past?*, edited by David Neumark (1–27). New York: Russell Sage Foundation.
- Parrado, Eric, Asena Caner, and Edward N. Wolff. 2007. "Occupational and Industrial Mobility in the United States." *Labour Economics* 14(3): 435–55.
- Rosen, Sherwin. 1972. "Learning and Experience in the Labor Market." *Journal of Human Resources* 7(3): 326–42.
- Ruhm, Christopher J. 1990. "Bridge Jobs and Partial Retirement." *Journal of Labor Economics* 8(4): 482–501.
- Shaw, Kathryn L. 1987. "Occupational Change, Employer Change, and the Transferability of Skills." *Southern Economic Journal* 53(3): 702–19.
- Shniper, Lynn. 2005. "Occupational Mobility, January 2004." *Monthly Labor Review* 128(12): 30–34.
- Sicherman, Nachum, and Oded Galor. 1990. "A Theory of Career Mobility." *Journal of Political Economy* 98(1): 169–92.
- Sommers, Dixie, and Alan Eck. 1977. "Occupational Mobility in the Labor Force." *Monthly Labor Review* 100(1):3–26.
- Topel, Robert H., and Michael P. Ward. 1992. "Job Mobility and the Careers of Young Men." *Quarterly Journal of Economics* 107(2): 439–79.
- Wharton, Amy S., and Mary Blair-Loy. 2002. "The 'Overtime Culture' in a Global Corporation: A Cross-National Study of Finance Professionals' Interest in Working Part-Time." *Work and Occupations* 29(1): 32–63.

Table 1. Probability that Workers Employed at Age 50 Leave Their Employers by Age 70 for Specified Reasons, by Personal Characteristics, 1992-2012 (%)

	Poor health	Layoff or business closing	Retire	Quit	Other
All	23	39	58	32	31
Gender					
Men	21	40	64	31	28
Women	24	37	52	33	35
Race and Ethnicity					
Non-Hispanic white	21	39	59	33	32
African American	33	37	59	25	26
Hispanic	25	41	45	27	36
Education					
Did not complete high school	37	45	41	28	25
High school graduate	24	39	57	32	31
Bachelor's degree	16	40	62	38	33
Postgraduate degree	11	32	76	32	35
Hourly Earnings					
Less than or equal to \$10	33	42	29	42	39
\$10.01 to \$20	28	44	52	34	32
\$20.01 to \$30	18	33	69	27	24
More than \$30	12	36	75	27	30
Per-Capita Household Wealth					
Less than or equal to \$50,000	35	46	46	37	32
\$50,001 to \$200,000	25	39	58	31	28
\$200,001 to \$450,000	17	37	65	31	29
More than \$450,000	11	32	62	30	37

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Notes: Results are based on survivor functions estimated on a sample of adults ages 50 and older employed at some point between ages 50 and 55 who ever report a reason for leaving their employer by age 70. Earnings and wealth, which are expressed in constant 2012 dollars, are measured when workers are first observed employed. The total share of workers reporting each reason for separating from their employers exceeds 100 percent because many workers separate more than once after age 50 and many report more than one reason for each separation.

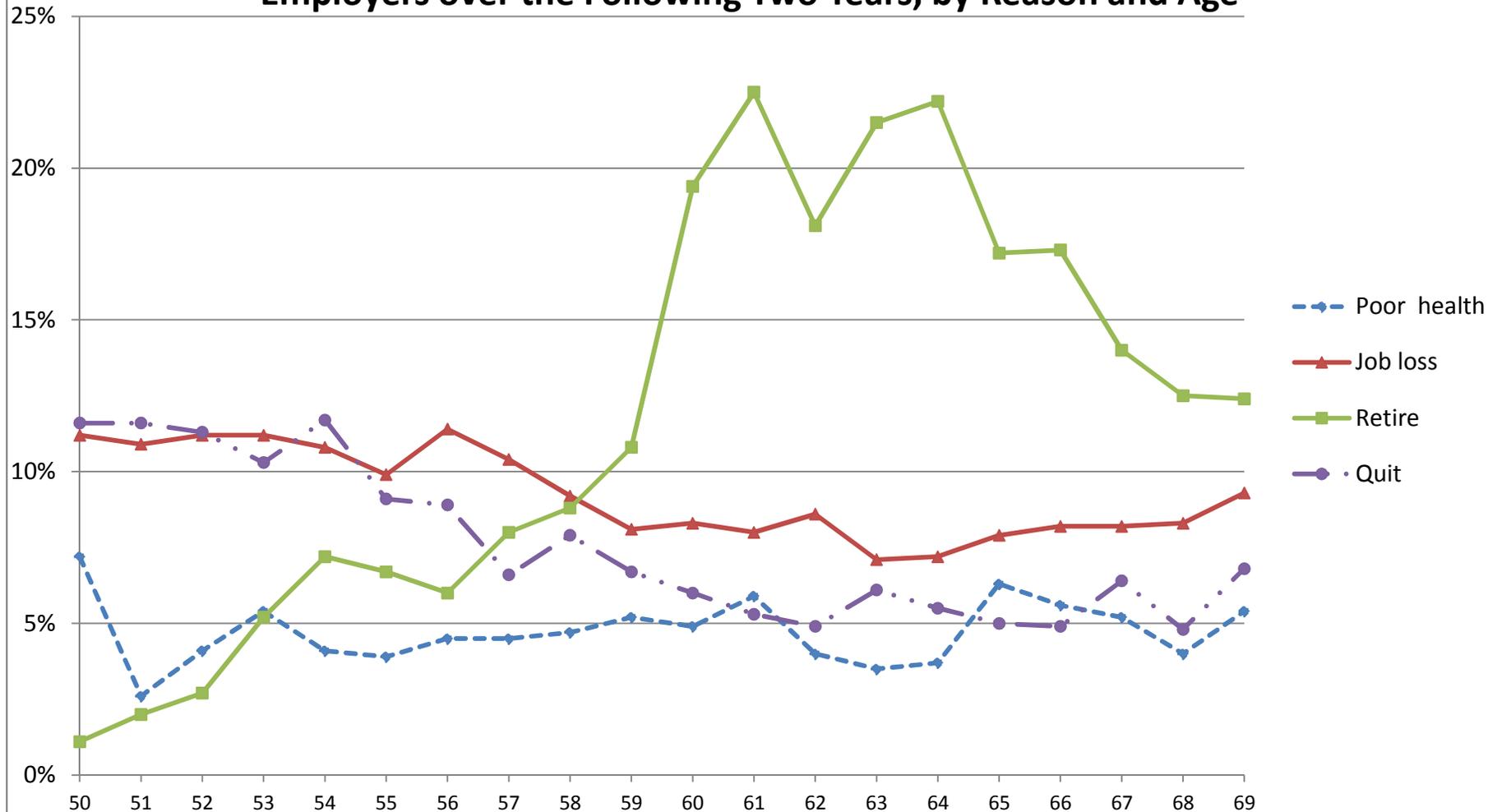
Figure 1. Percentage of Employed Workers Separating from Their Employers over the Following Two Years, by Age



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: The figure shows the percentage of workers ages 50 and older who separate from their employers over the following two years for the specified reasons. The sample is restricted to workers who ever report a reason for separating from their employers.

Figure 2. Percentage of Employed Workers Separating from Their Employers over the Following Two Years, by Reason and Age



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: The figure shows the percentage of workers ages 50 and older who separate from their employers over the following two years for the specified reasons. The sample is restricted to workers who ever report a reason for separating from their employers.

Figure 3. Percentage of Employed Workers Ages 50 and Older Separating from Their Employers over the Following Two Years, by Reason and Year



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: The figure shows the percentage of workers ages 50 and older who separate from their employers over the following two years for the specified reasons. The sample is restricted to workers who ever report a reason for separating from their employers.

Figure 4. Percentage of Employed Workers Ages 50 and Older Separating from Their Employers over the Following Two Years, by Reason and Year



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: The figure shows the percentage of workers ages 50 and older who separate from their employers over the following two years for the specified reasons. The sample is restricted to workers who ever report a reason for separating from their employers.

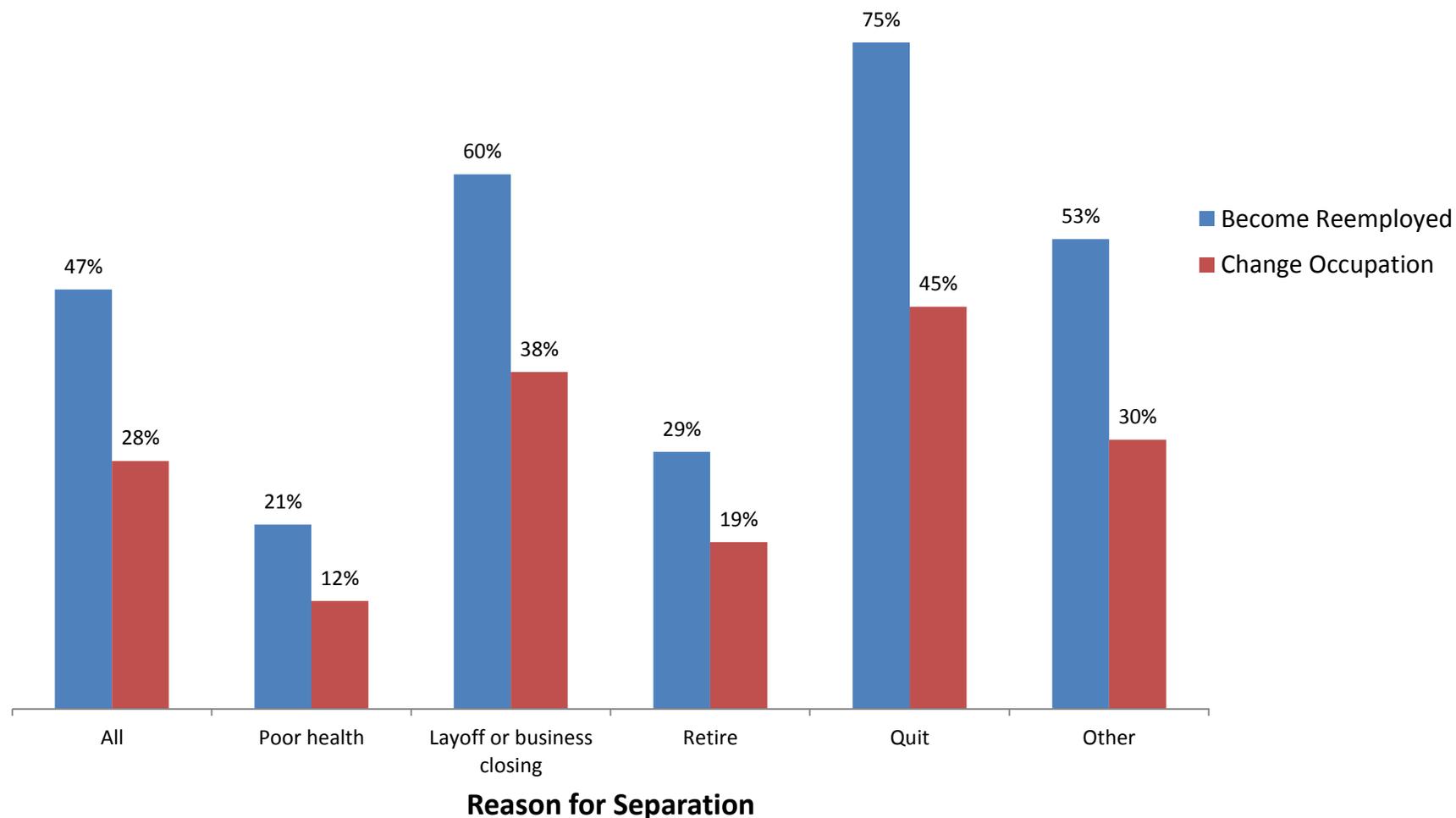
Table 2. Percentage of Workers Ages 50 and Older Leaving their Employers and Moving to Different Jobs and Occupations by Age 70, 1992-2012

	Leave Employer	Move to Different Employer	Move to Different Occupation
All	97	50	36
Gender			
Men	98	51	38
Women	97	49	35
Race and Ethnicity			
Non-Hispanic white	97	50	36
African American	98	50	36
Hispanic	98	53	37
Education			
Did not complete high school	97	53	36
High school graduate	98	49	37
Bachelor's degree	97	50	36
Postgraduate degree	98	51	34
Hourly Earnings			
Less than or equal to \$10	97	58	43
\$10.01 to \$20	98	52	37
\$20.01 to \$30	98	46	32
More than \$30	97	48	37
Per Capita Household Wealth			
Less than or equal to \$50,000	98	55	41
\$50,001 to \$200,000	98	52	39
\$200,001 to \$450,000	96	48	33
More than \$450,000	97	46	31

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Notes: Results are based on survivor functions estimated on a sample of adults ages 50 and older employed at some point between ages 50 and 55. Earnings and wealth, which are expressed in constant 2012 dollars, are measured when workers are first observed employed.

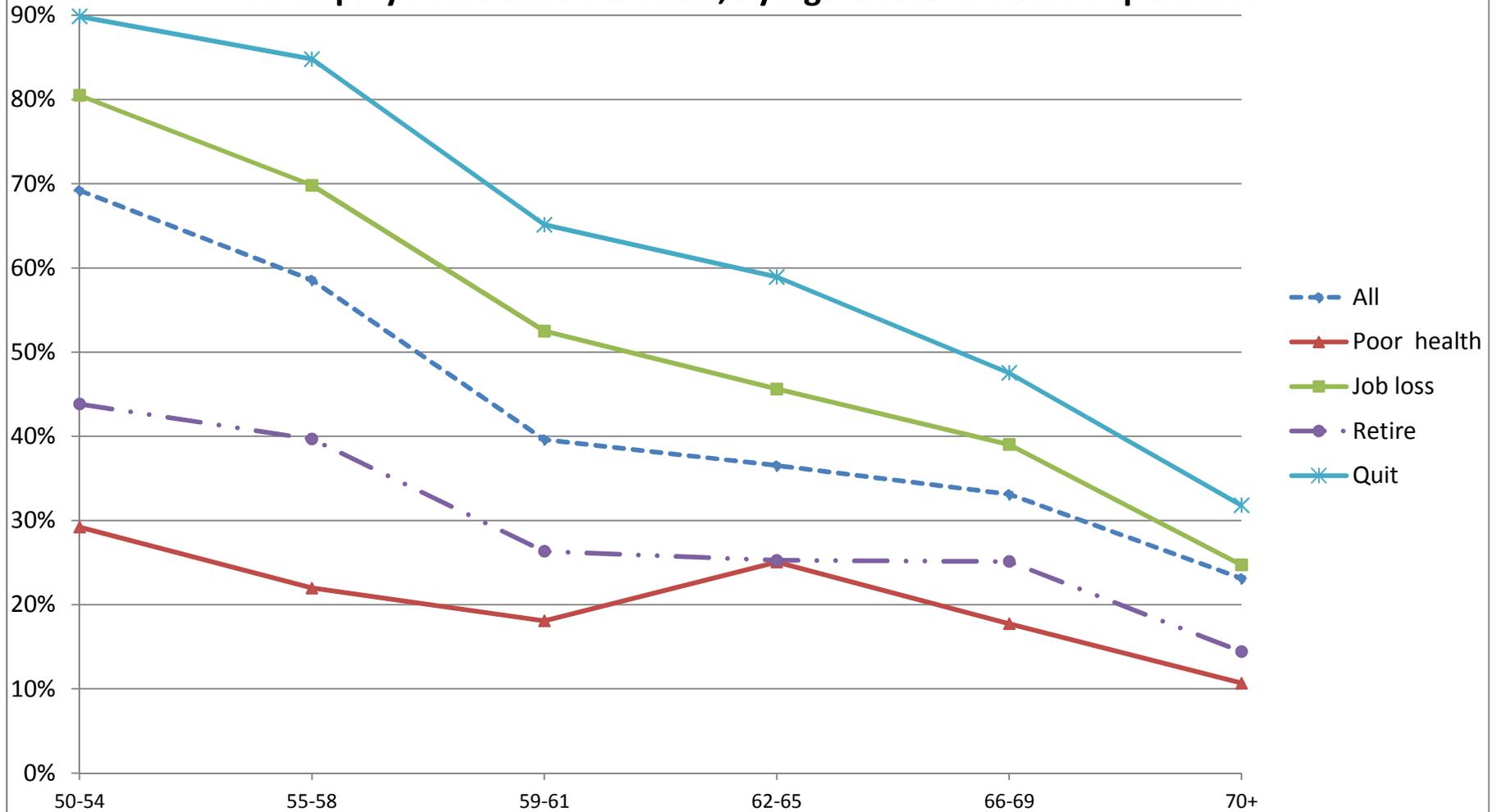
Figure 5. Percentage of Separating Workers Ages 50 and Older Who Become Reemployed or Change Occupations within Four Years, 1992-2012



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of working adults who leave their employers after age 50.

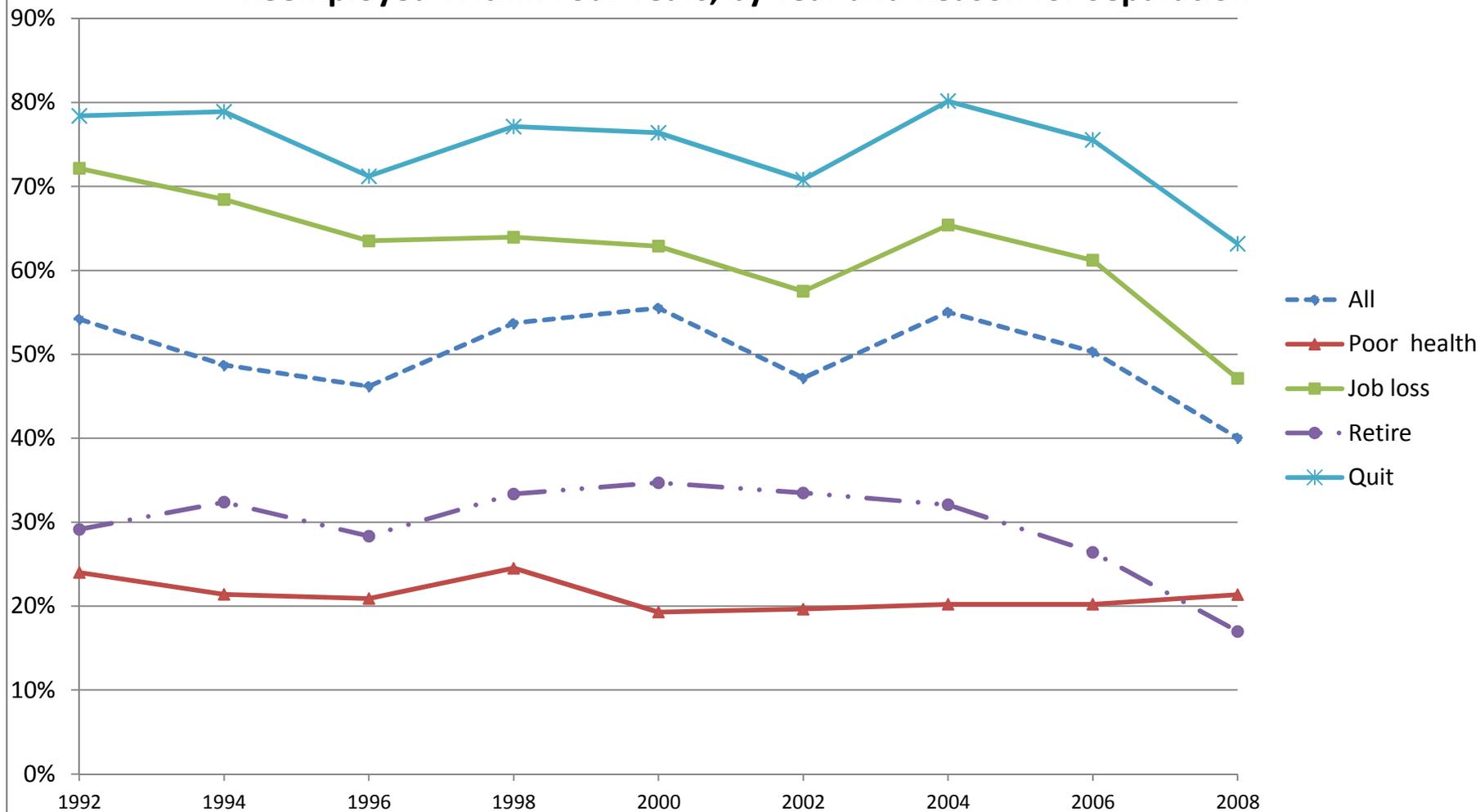
Figure 6. Percentage of Separating Workers Ages 50 and Older who Become Reemployed Within Four Years, by Age and Reason for Separation



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of working adults who leave their employers after age 50. Age is measured when the worker is last observed on the previous job.

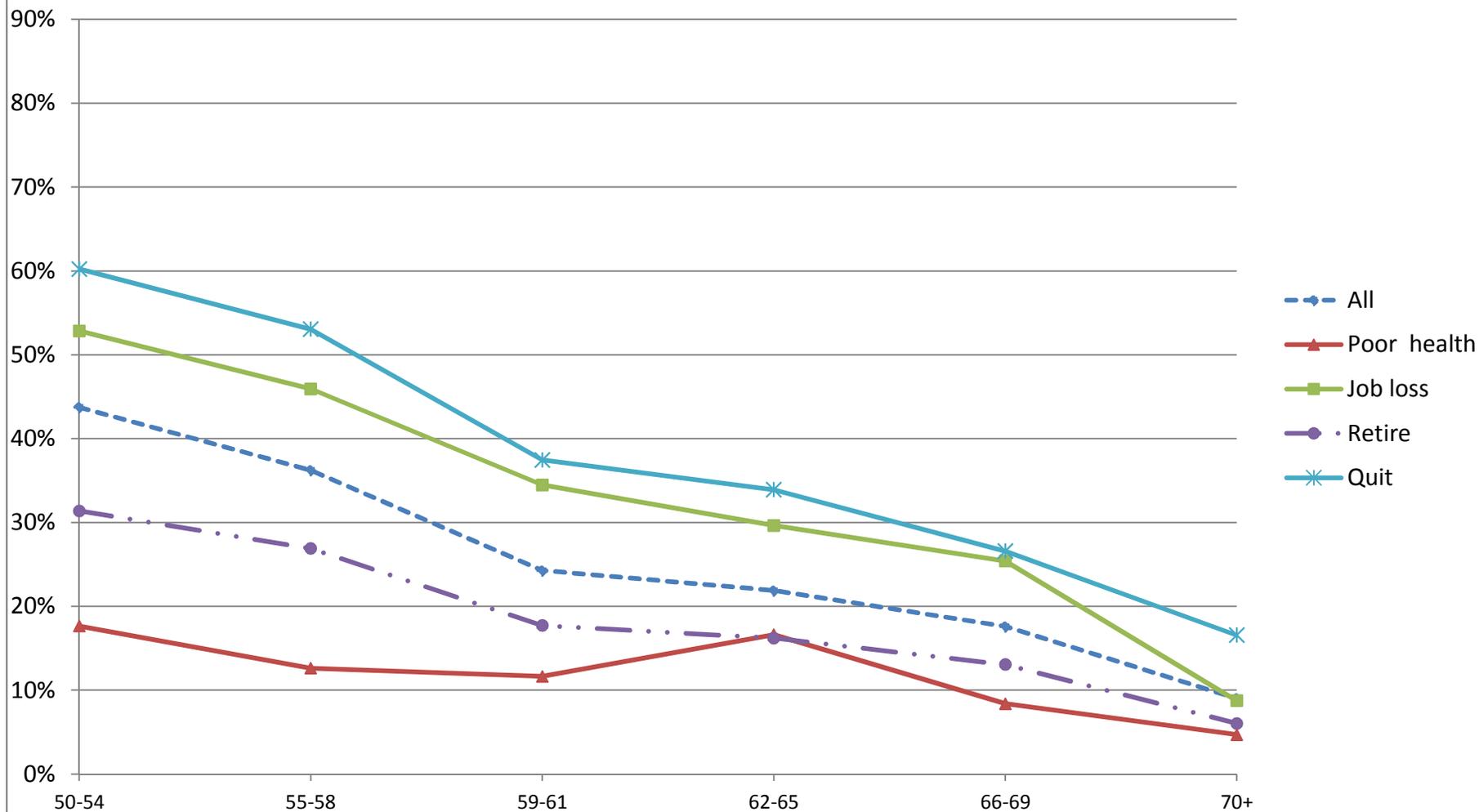
Figure 7. Percentage of Separating Workers Ages 50 and Older who Become Reemployed Within Four Years, by Year and Reason for Separation



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of working adults who leave their employers after age 50. Year is measured when the worker is last observed on the previous job.

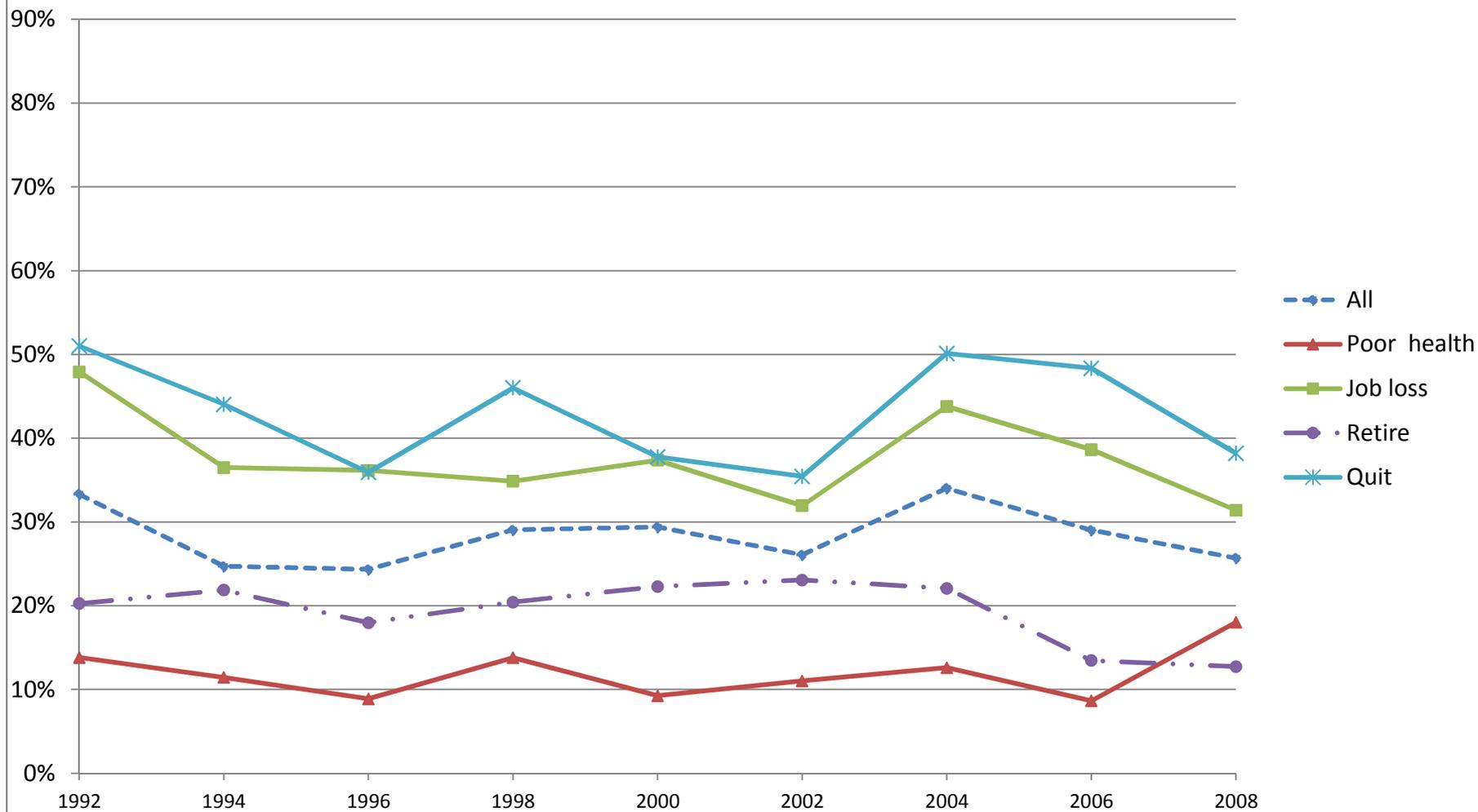
Figure 8. Percentage of Separating Workers Ages 50 and Older who Become Reemployed in a Different Occupation Within Four Years, by Age and Reason for Separation



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of working adults who leave their employers after age 50. Age is measured when the worker is last observed on the previous job.

Figure 9. Percentage of Separating Workers Ages 50 and Older who Become Reemployed in a Different Occupation Within Four Years, by Year and Reason for Separation



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of working adults who leave their employers after age 50. Year is measured when the worker is last observed on the previous job.

Table 3. Marginal Impact of Personal Characteristics on the Likelihood of Changing Employers and Changing Occupations

	Change Employers	Change Occupations
Age		
[Ref: Younger than 55]	--	--
55 to 58	-0.019 **	-0.006 *
59 to 61	-0.043 **	-0.019 **
62 to 65	-0.056 **	-0.028 **
66 to 69	-0.066 **	-0.035 **
70 and older	-0.077 **	-0.042 **
Gender		
[Ref: Female]	--	--
Male	0.009 *	0.006 *
Education		
Did not complete high school [Ref: High school grad]	-0.013 **	-0.013 **
Bachelor's degree	0.020 **	0.011 **
Graduate education	0.021 **	0.010 **
Race and ethnicity		
[Ref: Non-Hispanic white]	--	--
African American	-0.005	-0.005
Hispanic	-0.001	-0.004
Other	-0.005	-0.006
Year		
1992	-0.020 **	-0.012 *
1994	-0.007	-0.007
1996	-0.020 **	-0.011 *
1998	-0.017 *	-0.010 *
2000	-0.012	-0.005
[Ref: 2002]	--	--
2004	-0.018 **	-0.007
2006	-0.022 **	-0.010 *
2008	-0.027 **	-0.014 **
2010	-0.044 **	-0.008

(continued)

Table 3. (contintued)

	Change Employers	Change Occupations
Hourly wage	-0.013 **	-0.005 **
Household wealth	-0.002 **	-0.001 *
<i>Mean of dependent variable</i>	<i>0.094</i>	<i>0.057</i>
<i>Log likelihood</i>	<i>-9688.6</i>	<i>-7667.6</i>
<i>Chi-square value</i>	<i>971.21</i>	<i>726.5</i>
<i>Pseudo R-squared</i>	<i>0.048</i>	<i>0.045</i>
<i>Number of observations</i>	<i>32557</i>	<i>36864</i>

** p < .01; * p < .05

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Notes: Cell enties show the impact of each variable on the likelihood of changing employers or changing occupations, based on discrete-time hazard models. Models are estimated as probit equations on a sample of workers ages 50 and older. All financial amounts are measured in constant 2012 dollars.

Table 4. Self Employment, Job Demands, and Job Satisfaction for Workers Who Change Employers at Age 50 and Later, by Reason for Separation, 1992-2012 (%)

	All	Poor health	Job loss	Retire	Quit	Other
Self-employed						
Old job	17	19	9	9	11	17
New job	18	25	14	28	13	19
Managerial responsibilities						
Old job	24	23	19	27	20	24
New job	23	25	19	24	21	23
Physically demanding work						
Old job	34	46	34	30	35	34
New job	32	35	36	26	31	32
Stressful work						
Old job	19	21	18	22	20	16
New job	11	13	12	6	13	16
Enjoyable work						
Old job	87	89	87	82	86	90
New job	92	93	89	94	91	89

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Table 5. Work Schedule for Workers Who Change Employers at Age 50 and Later, by Reason for Separation, 1992-2012 (%)

	All	Poor health	Job loss	Retire	Quit	Other
Work fewer than 35 hours per week						
Old job	30	37	24	20	29	38
New job	45	66	36	74	31	44
Work fewer than 20 hours per week						
Old job	12	17	8	9	9	15
New job	20	33	15	42	11	18
Work fewer than 40 weeks per year						
Old job	10	12	8	11	8	11
New job	16	20	12	31	10	15
Flexible work schedule						
Old job	45	52	38	36	46	52
New job	51	62	45	63	46	55

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Table 6. Wages and Benefits for Workers Who Change Employers at Age 50 and Later, by Reason for Separation, 1992-2012 (%)

	All	Poor health	Job loss	Retire	Quit	Other
Median Hourly Wage (\$)						
Old job	16	12	16	24	15	14
New job	13	10	13	12	15	13
Covered by employer-sponsored health insurance (%)						
Old job	53	46	56	76	47	43
New job	43	30	41	49	47	38
Covered by employer-sponsored retirement plan (%)						
Old job	41	34	41	72	34	28
New job	24	13	23	12	32	22

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Table 7. Selected Job Characteristics of Workers who Change Jobs at Age 50 and Later, by Age at Job Change and Reason for Separation

	50-54				55-59				60-64				65 and Older			
	All	Job loss	Retire	Quit	All	Job loss	Retire	Quit	All	Job loss	Retire	Quit	All	Job loss	Retire	Quit
Move to New Occupation (%)	62	62	80	61	58	56	71	55	62	63	71	56	59	61	66	56
Self-employed (%)																
Old job	14	8	7	11	12	7	4	8	17	8	7	13	25	15	14	20
New job	9	6	26	10	15	14	29	12	17	14	24	13	27	18	31	19
Stressful work (%)																
Old job	25	31	32	23	22	19	35	23	18	17	21	17	11	10	14	13
New job	17	17	12	17	14	13	10	15	11	12	6	12	5	7	3	6
Enjoyable work (%)																
Old job	83	88	30	81	84	85	74	84	87	84	83	89	91	94	87	90
New job	91	93	90	88	89	87	91	91	92	88	94	92	95	95	97	92
Work fewer than 35 hours per week (%)																
Old job	20	14	3	25	22	19	13	22	27	20	14	32	51	53	31	54
New job	20	17	39	20	30	26	66	20	49	39	73	40	74	70	81	65
Median hourly wage (\$)																
Old job	16	19	30	15	17	16	28	16	17	16	25	15	14	14	20	11
New job	15	15	13	15	15	14	14	16	13	13	12	15	11	11	11	11
Health insurance coverage (%)																
Old job	51	59	70	44	57	58	89	50	59	59	78	51	44	41	68	33
New job	47	44	63	46	52	47	74	53	48	44	61	51	21	16	25	21

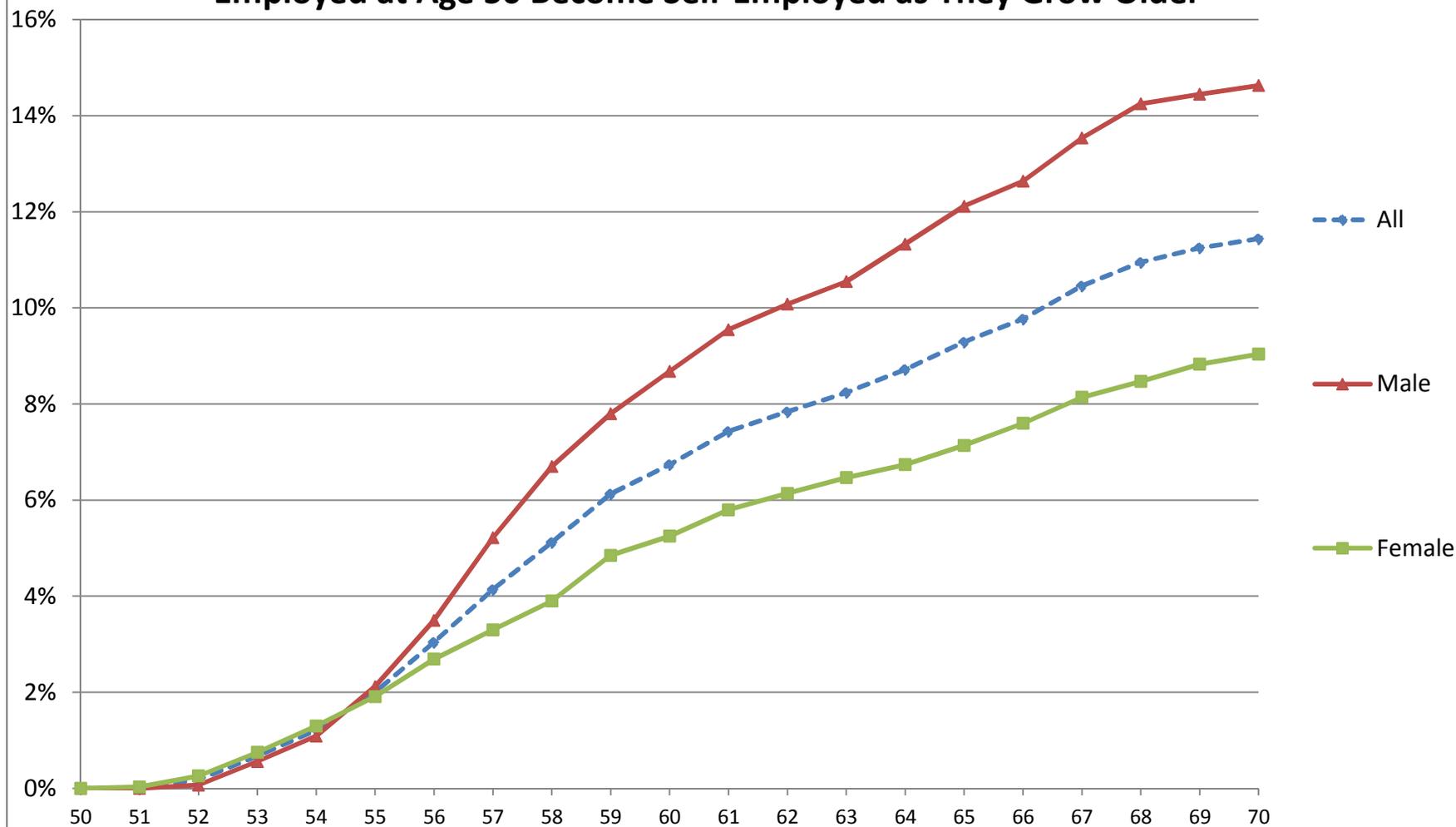
Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Table 8. Selected Job Characteristics of Workers who Change Jobs at Age 50 and Later, by Year of Job Change and Reason for Separation

	1992-1998				1998-2006				2006-2012			
	All	Job loss	Retire	Quit	All	Job loss	Retire	Quit	All	Job loss	Retire	Quit
Move to New Occupation (%)	57	55	71	54	55	55	69	51	67	67	68	65
Self-employed (%)												
Old job	17	9	7	13	16	9	9	11	17	9	11	11
New job	21	15	30	15	20	16	30	15	14	12	24	9
Stressful work (%)												
Old job	17	17	20	17	17	17	21	20	21	20	23	23
New job	12	11	7	15	11	11	7	14	12	13	5	11
Enjoyable work (%)												
Old job	86	87	83	84	87	88	81	87	86	85	83	86
New job	92	88	96	93	92	90	93	91	92	89	95	92
Work fewer than 35 hours per week (%)												
Old job	25	20	12	30	31	27	23	28	30	24	21	32
New job	40	30	68	31	45	37	72	30	47	39	81	34
Median hourly wage (\$)												
Old job	16	16	25	12	16	16	23	15	17	16	25	16
New job	13	13	12	13	14	14	12	15	13	13	13	15
Health insurance coverage (%)												
Old job	55	57	78	46	54	55	75	49	52	56	77	45
New job	48	44	59	49	46	44	50	50	37	34	43	42

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

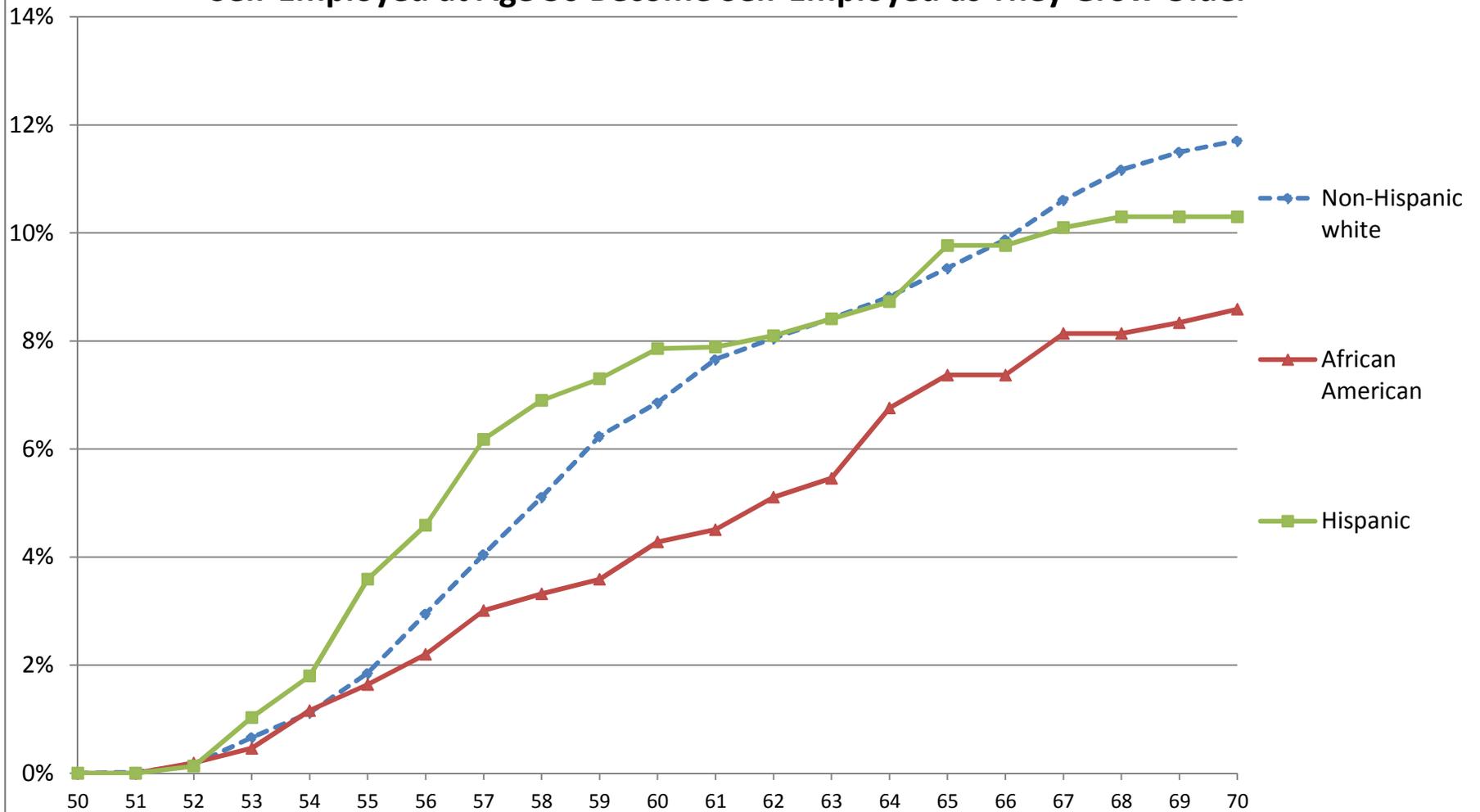
Figure 10. Gender Differences in the Probability that Adults Not Self-Employed at Age 50 Become Self-Employed as They Grow Older



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of adults ages 50 and older who were not self-employed at when first observed between ages 50 and 54.

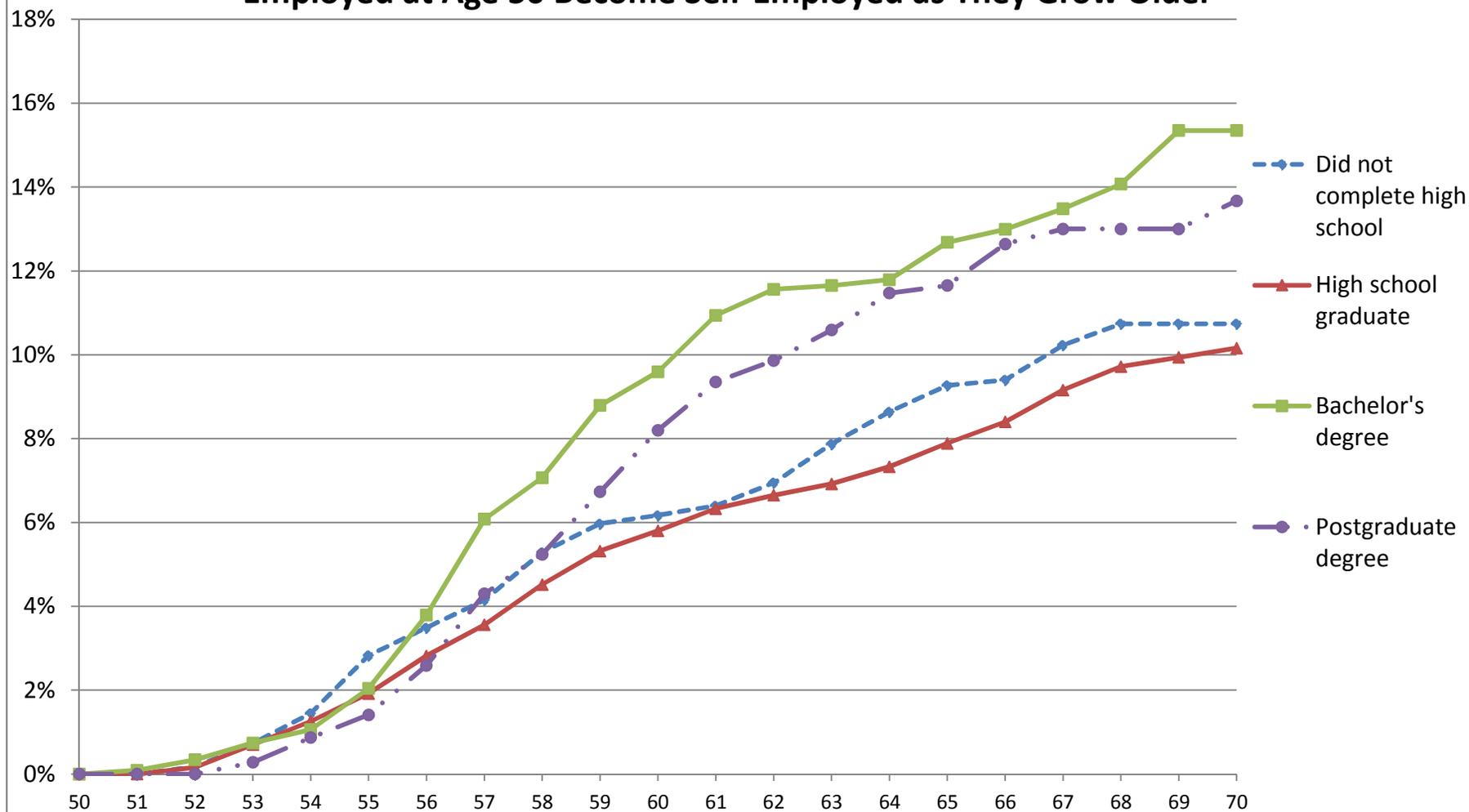
Figure 11. Racial and Ethnic Differences in the Probability that Adults Not Self-Employed at Age 50 Become Self-Employed as They Grow Older



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of adults ages 50 and older who were not self-employed at when first observed between ages 50 and 54.

Figure 12. Educational Differences in the Probability that Adults Not Self-Employed at Age 50 Become Self-Employed as They Grow Older



Source: Authors' calculations from the 1992-2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on survivor functions estimated on a sample of adults ages 50 and older who were not self-employed at when first observed between ages 50 and 54.

Table 9. Job Demands and Job Satisfaction for Wage and Salary Employees who Change Jobs at Age 50 and Later, by Self-Employment on New Job and Reason for Separation, 1992-2012 (%)

	Move to Self-Employment						Remain in Wage and Salary Employment					
	All	Poor health	Job loss	Retire	Quit	Other	All	Poor health	Job loss	Retire	Quit	Other
Managerial responsibilities												
Old job	17	6	15	15	24	16	15	6	16	18	14	11
New job	100	100	100	100	100	100	11	2	10	6	14	9
Physically demanding work												
Old job	30	42	30	28	32	43	34	51	34	30	35	30
New job	32	27	34	31	28	34	32	37	36	24	31	31
Stressful work												
Old job	19	33	16	24	19	8	20	20	18	21	21	20
New job	9	5	8	6	10	4	12	15	13	5	14	18
Enjoyable work												
Old job	88	84	91	82	88	93	85	88	85	81	85	88
New job	96	98	95	96	97	91	90	91	88	93	90	88

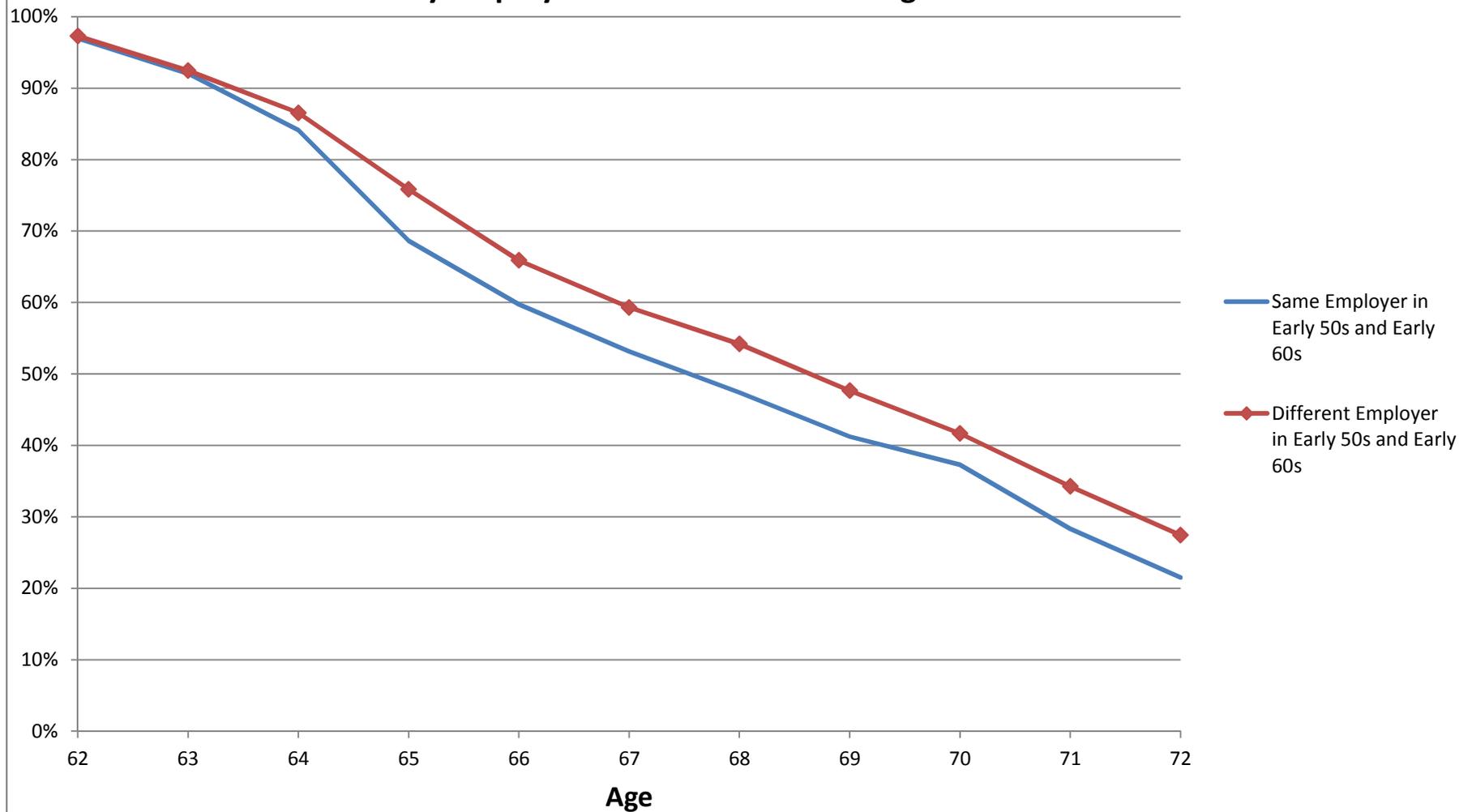
Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Table 10. Work Schedule, Wages, and Benefits for Wage and Salary Employees who Change Jobs at Age 50 and Later, by Self-Employment on New Job and Reason for Separation, 1992-2012

	Move to Self-Employment						Remain in Wage and Salary Employment					
	All	Poor health	Job loss	Retire	Quit	Other	All	Poor health	Job loss	Retire	Quit	Other
Work fewer than 35 hours per week (%)												
Old job	31	38	28	15	33	39	24	30	21	18	26	34
New job	61	66	57	77	51	60	39	65	31	73	28	40
Work fewer than 20 hours per week (%)												
Old job	12	23	10	7	11	12	8	14	7	7	8	14
New job	30	42	28	46	20	28	17	27	12	39	9	14
Work fewer than 40 weeks per year (%)												
Old job	10	13	7	9	7	13	9	9	7	11	7	9
New job	23	24	19	36	14	26	14	19	10	30	9	11
Median Hourly Wage (\$)												
Old job	19	13	17	29	18	14	16	12	16	23	15	14
New job	17	11	17	21	16	14	13	10	13	12	15	13
Covered by employer-sponsored health insurance (%)												
Old job	56	53	57	82	45	48	59	52	58	80	51	46
New job	34	31	28	53	29	32	47	33	44	51	51	42
Covered by employer-sponsored retirement plan (%)												
Old job	44	41	36	81	30	27	48	40	46	76	40	34
New job	5	1	3	5	4	6	29	18	28	15	37	28

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Figure 13. Probability that Workers Employed at Age 61 Have Not Retired, by Employment Transitions from Ages 51 to 61



Source: Author's calculations from the 1992 to 2012 waves of the Health and Retirement Study (HRS).

Note: Results are based on a survival function estimated on a sample of adults ages 51 to 54 in 1992 who were employed in 1992 and at age 61 or 62. Workers are classified as retired when they first describe themselves as fully or partially retired and are not employed.

Table 11. Marginal Impact on Probability of Retiring

	Marginal Impact	Standard Error
Changed employers between ages		
51 and 61	-0.040 *	0.015
Age		
Less than 62	-0.051 *	0.022
62 to 64	-0.039 *	0.018
[Ret: 65 to 68]	--	
69 and older	0.124 **	0.027
Gender		
[Ret: Female]	--	
Male	-0.022	0.016
Education		
Did not complete high school	-0.044	0.022
[Ret: High school grad]	--	
Some college	0.008	0.037
Bachelor's degree	-0.008	0.022
Graduate education	-0.009	0.024
Race and ethnicity		
[Ref: Non-Hispanic white]	--	
African American	0.021	0.024
Hispanic	-0.051	0.026
Other	0.040	0.063
Health Status		
[Ref: Excellent or very good]	--	
Good	0.093 **	0.018
Fair or poor	0.107 **	0.027
Hourly wage (\$100)	0.012	0.008
Household wealth (\$100,000)	-0.001	0.001
Self-employed	0.013	0.033
Physically demanding work	-0.022	0.020

(continued)

Table 11. (continued)

	Marginal Impact	Standard Error
Employer-sponsored health insurance coverage	0.014	0.018
Employer-sponsored retirement plan	-0.020	0.019
Stressful work	0.021	0.023
Flexible work arrangement	-0.042 *	0.019
Enjoyable work	-0.056 **	0.016
Union member	0.033	0.028
<i>Mean of dependent variable</i>	<i>0.221</i>	
<i>Log likelihood</i>	<i>-1,566</i>	
<i>Chi-square value</i>	<i>146.9</i>	
<i>Pseudo R-squared</i>	<i>0.045</i>	
<i>Number of observations</i>	<i>3,105</i>	

** p < .01; * p < .05

Source: Author's estimates from 1992 and 2012 waves of the Health and Retirement Study.

Notes: Cell entries show the impact of each variable on the likelihood of retiring, based on discrete-time hazard models. Models are estimated as probit equations on a sample of employed workers ages 62 and older. Workers are considered to retire when they first describe themselves as fully or partially retired and are not employed. All financial amounts are measured in constant 2012 dollars.

Appendix Table 1. Percentage of Separating Workers Ages 50 and Older Who Become Reemployed or Change Occupations within Four Years, by Age, Year, and Reason for Separation

	Become Reemployed, by Reason for Separation						Change Occupation, by Reason for Separation					
	All	Poor health	Layoff or business closing	Retire	Quit	Other	All	Poor health	Layoff or business closing	Retire	Quit	Other
All	47.1	20.7	60.0	28.8	74.8	52.7	27.8	12.1	37.8	18.7	45.1	30.2
By Age												
50-54	69.2	29.2	80.5	43.8	89.9	76.2	43.7	17.7	52.9	31.4	60.2	30.2
55-58	58.6	22.0	69.8	39.7	84.8	61.1	36.2	12.6	45.9	26.9	53.0	49.3
59-61	39.6	18.1	52.5	26.3	65.1	46.1	24.3	11.7	34.5	17.7	37.5	35.2
62-65	36.5	25.1	45.6	25.3	58.9	39.8	21.8	16.6	29.6	16.2	33.9	28.3
66-69	33.1	17.8	39.0	25.1	47.5	28.7	17.6	8.4	25.4	13.1	26.6	21.0
70+	23.1	10.7	24.7	14.4	31.8	23.6	9.0	4.7	8.8	6.0	16.6	11.1
70-74	26.9	9.9	31.4	17.0	37.1	29.6	10.7	4.6	12.4	7.0	21.1	10.3
75+	18.4	11.4	15.6	10.2	24.4	16.2	6.9	4.7	3.8	4.6	10.2	16.4
By Year												
1992	54.2	24.0	72.2	29.1	78.4	54.1	33.3	13.8	47.9	20.3	51.0	31.4
1994	48.7	21.4	68.4	32.4	78.9	39.9	24.7	11.5	36.5	21.9	44.0	25.7
1996	46.2	20.9	63.5	28.3	71.2	40.7	24.3	8.9	36.2	18.0	35.9	19.1
1998	53.7	24.5	64.0	33.4	77.1	48.3	29.1	13.8	34.9	20.4	46.0	23.4
2000	55.5	19.3	62.9	34.7	76.4	69.7	29.4	9.3	37.4	22.3	37.8	35.1
2002	47.2	19.7	57.5	33.5	70.8	47.2	26.1	11.0	32.0	23.1	35.4	27.7
2004	55.0	20.2	65.4	32.1	80.2	57.9	34.0	12.6	43.8	22.1	50.1	35.8
2006	50.3	20.2	61.2	26.4	75.5	60.8	29.0	8.7	38.6	13.5	48.3	44.2
2008	40.1	21.4	47.1	17.0	63.2	40.1	25.7	18.0	31.4	12.7	38.2	22.4

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Notes: Results are based on survivor functions estimated on a sample of working adults who leave their employers after age 50. Age and year are measured when the worker is last observed on the previous job.

Appendix Table 2. Self-Employment, Job Demands, and Job Satisfaction for Workers Who Change Employers at Age 50 and Later, by Occupational Change and Reason for Separation, 1992-2012 (%)

	Change Occupations						Do Not Change Occupations					
	All	Poor health	Job loss	Retire	Quit	Other	All	Poor health	Job loss	Retire	Quit	Other
Self-employed												
Old job	16.5	17.0	9.1	7.9	12.9	17.1	16.4	20.1	8.4	12.2	9.0	16.5
New job	17.9	25.7	14.7	29.6	12.5	18.8	17.8	20.2	13.2	25.6	13.2	19.0
Managerial responsibilities												
Old job	23.0	18.6	20.4	23.9	18.3	27.2	25.2	25.1	18.0	31.8	21.1	19.9
New job	19.9	21.8	16.9	20.1	20.3	23.1	26.2	23.3	22.0	30.7	22.5	24.2
Physically demanding work												
Old job	34.6	46.7	34.2	31.3	36.4	39.6	32.8	43.5	33.7	28.4	33.4	26.7
New job	33.3	33.8	38.0	27.9	33.3	35.3	29.8	36.7	34.1	23.3	27.1	27.5
Stressful work												
Old job	18.9	20.3	17.5	22.0	20.9	11.3	18.7	22.7	18.6	20.7	19.2	23.4
New job	10.7	12.2	11.7	5.1	12.2	14.6	12.8	15.5	12.1	7.6	14.4	18.2
Enjoyable work												
Old job	85.1	88.9	85.3	79.6	84.0	91.0	89.3	90.2	88.6	85.9	88.6	89.5
New job	91.8	95.2	89.4	95.2	90.2	88.9	91.1	88.9	89.2	91.7	92.6	88.8

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Appendix Table 3. Work Schedule for Workers Who Change Employers at Age 50 and Later, by Occupational Change and Reason for Separation, 1992-2012 (%)

	Change Occupations						Do Not Change Occupations					
	All	Poor health	Job loss	Retire	Quit	Other	All	Poor health	Job loss	Retire	Quit	Other
Work fewer than 35 hours per week												
Old job	29.5	35.2	24.3	17.1	31.9	39.9	29.3	37.2	23.3	26.3	26.2	36.5
New job	47.5	67.7	38.4	74.6	34.5	43.1	39.4	61.6	32.3	73.0	26.3	42.5
Work fewer than 20 hours per week												
Old job	11.6	18.8	8.4	7.9	11.0	16.0	10.6	11.5	7.3	10.7	7.4	12.4
New job	22.0	34.3	16.0	40.9	12.8	17.2	17.3	31.2	12.0	41.9	8.9	16.3
Work fewer than 40 hours per year												
Old job	10.4	14.0	7.4	10.0	8.6	11.1	10.4	10.5	7.6	15.0	7.8	10.0
New job	16.8	19.6	13.2	30.4	10.7	14.6	13.8	20.9	9.7	32.6	9.1	14.3
Flexible work schedule												
Old job	44.1	49.2	38.9	31.5	46.9	54.2	45.2	52.7	37.0	43.6	44.0	48.4
New job	52.3	62.5	45.3	64.4	48.5	57.3	49.9	58.0	43.2	61.1	43.5	53.2

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.

Appendix Table 4. Wages and Benefits for Workers Who Change Employers at Age 50 and Later, by Occupational Change and Reason for Separation, 1992-2012

	Change Occupations						Do Not Change Occupations					
	All	Poor health	Job loss	Retire	Quit	Other	All	Poor health	Job loss	Retire	Quit	Other
Median Hourly Wage (\$)												
Old job	16.1	12.2	16.0	24.8	13.4	12.2	16.4	14.5	16.4	23.4	17.1	14.8
New job	12.5	9.7	12.8	11.7	13.1	11.7	15.3	12.0	14.3	13.7	17.9	14.7
Covered by employer-sponsored health insurance (%)												
Old job	54.1	44.3	56.3	79.4	44.1	38.8	54.0	52.9	55.4	70.7	51.7	49.8
New job	40.9	26.5	38.6	50.0	43.6	37.0	46.5	40.0	43.9	47.5	52.2	41.4
Covered by employer-sponsored retirement												
Old job	41.2	35.7	40.6	75.1	30.4	24.3	40.8	30.0	42.4	66.1	39.3	32.8
New job	21.1	9.0	22.4	8.8	30.1	21.9	27.4	20.0	25.5	17.0	34.1	24.0

Source: Author's calculations from the 1992-2012 waves of the Health and Retirement Study.