

Department for Work and Pensions

Research Report No 673

Pathways to retirement: The influence of employer policy and practice on retirement decisions

Gareth Morrell and Rosalind Tennant

A report of research carried out by NatCen on behalf of the Department for Work and Pensions

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Glossary of terms

The following definitions are specific to this report and may differ from common usage.

Compulsory retirement age (CRA)

The definition of a compulsory retirement age hinges on the employees' right to continue to be employed. Employers may have an age at which, unless the employer decides otherwise, employees have to retire whether the employee wishes to or not. This is the compulsory retirement age. The important point here is that employees no longer have the right to stay on: it is at management discretion. (Even if a large number of people are allowed to continue after this age, it is still the compulsory retirement age.) This may also be referred to as mandatory retirement age.

Default retirement age (DRA)

The default retirement age was introduced in the Equality (Age) legislation in 2006 and set at 65. It has made employer mandatory retirement ages below 65 unlawful unless, in their particular case, an employer can justify a lower age. Employers do not have to use 65 as a cut-off, they can set a higher age or choose to have no compulsory retirement age at all. In addition, employees now have the right, and a formal procedure, to request the opportunity to work beyond their employer's compulsory retirement age, which employers have an obligation to consider but do not need to give a reason for refusing. This is referred to as the 'Right to Request'.

Normal retirement age	The age (or age range) over which it is normal for people to retire. This may be determined by an employer's policy or may just be a cultural norm in an organisation or at national level. It is generally linked to employer pension arrangements or to the State Pension age. It may or may not be the same as the compulsory retirement age. Some employees may continue to work beyond this age.
Normal pension age	The normal pension age is the age used for planning purposes in an occupational pension scheme. It may be possible to draw a pension before this, or continue to accrue afterwards, but this age is used for planning, and may influence employers' perceptions of normal expected retirement age.
Right to request	See default retirement age (DRA)
State Pension age	The age when people are eligible to receive their state pension and related state benefits.

Summary

Chapter 1 Introduction

The Department for Work and Pensions (DWP) commissioned a series of research studies to inform a review of the default retirement age (DRA) by the Department for Business, Innovation and Skills (BIS) in 2010. This report forms part of this evidence base and presents the findings of research exploring the attitudes and experiences of individuals in relation to the effect of the employer on their retirement decisions. The aim of the research was to explore the impact of employer policy on a range of retirement experiences and to describe the implications of retirement pathways for how people feel about this key transition and for other aspects of their lives.

The National Centre for Social Research (NatCen) conducted 51 qualitative depth interviews. People between the ages of 61 and 72 were purposively selected to generate a sample that included experiences of a range of employer approaches to retirement and different retirement outcomes.

Chapter 2 Experiences of approaching retirement

People's decisions about retirement were made in the context of their experiences of work prior to making that decision. Organisational change such as company mergers and acquisitions, changes to senior management, cost-cutting measures and modernisation activities featured heavily in participants' accounts in this study and may reflect the broader context of an economic downturn in the UK at the time fieldwork was conducted. These organisational changes in turn affected participants' roles and responsibilities and participants also initiated changes to their role themselves. Changes to three aspects of people's roles were identified: the nature of their role; the level and type of responsibilities they had; and their hours and/or workload.

Relationships at work formed another important part of the context within which people made their retirement decision. Good relationships with managers were important where they supported changes to the individual's role in the period

leading up to the retirement decision. Where the relationship with management or colleagues was difficult this could affect how someone felt about their organisation more broadly as well as influence how they experienced organisational change. Support, training and systems for managing people's performance and development had continued to be met for some but others felt that opportunities for training had waned because they were approaching making a retirement decision and there was evidence that performance management activities had 'tailed off' or become more 'haphazard' for some in this period.

Participants' health was an important aspect of both their work and non-work circumstances in the run up to the retirement decision. People reported health conditions that had affected performance and/or attendance at work. Personal and emotional difficulties such as bereavement and other significant life events had also caused mental health issues for which time off work had been required. A further set of health issues was described which were directly attributed to work, including stress, mental health problems and some physical conditions which were blamed on physical work. Participants' household composition and caring responsibilities were also important in the way they impacted upon people's priorities in relation to working and their financial circumstances.

Personal circumstances provided the trigger to thinking about the retirement decision for some as well as people's age (implying some awareness of the employer's normal retirement age) and media coverage of the issue. Longer-term thinking about the retirement decision was also in evidence, underpinned by concerns about the size of private pensions and social networks in retirement. Expectations about when participants would retire were rooted in cultural norms, appraisals of their financial situation, their feelings about and performance at work and a range of circumstantial factors. Such expectations were manifest either in anticipation of retiring at a specific age or when a particular set of circumstances was deemed to have been achieved.

Chapter 3 Employer approaches and routes to retirement

A key challenge for this study was determining the route to a retirement decision and the employer approach an individual had experienced. The screening exercise ensured that the study was able to include participants who had taken a range of pathways and experienced a range of employer approaches and outcomes.

The analytical process helped to categorise participants' pathways to a retirement decision based on their perceptions of how employer policy worked for them and how they thought it worked for others in the organisation. Three groups were identified:

- **Individuals retiring before 65** – people who had retired before 65 and cited their employer as a factor influencing this decision. Employer approaches in this group included the offer of 'early retirement' and voluntary or compulsory redundancy.

- **Individuals offered the right to request** – everyone in this group had been offered a right to request working beyond their normal retirement date and, consequently, were all over the age of 64½. Within this group a range of different interpretations and applications of the right to request legislation were experienced, with approaches distinguished by how the process was instigated and the level of formality with which it was conducted. Also included in this group are those who did not choose to make a request.
- **Individuals experiencing other employer approaches to retirement** – this group are distinguished by the fact that they did not retire early and were not offered the right to request. The approaches experienced by this group are more varied than those offered the right to request but can be categorised by how the issue of retirement was raised (formally or informally) and by whom (the employee or the employer).

Chapters 4, 5 and 6 present findings from these three groups.

Chapter 4 Experiences of retiring before 65

Experiences of retiring before the age of 65 differed most clearly according to how the prospect of stopping working was raised and by whom. Employer-instigated 'early retirement' typically originated with an informal discussion or during regular one-to-one session between the employee and the line manager. Direct offers of 'early retirement' or voluntary redundancy were also made through the employer's HR department. This took the form of either an individual offer or a 'redundancy drive' incorporating multiple employees. Employee-instigated discussions about retirement and redundancy before 65 took place between the employee and their line manager, rather than with a member of the HR department. Participants initiated these discussions for three reasons: to offer up their resignation from their post with the definite intention of retiring, to tentatively enquire about what was involved in retiring early, or to request altering their working pattern or pay.

Where the employee instigated the retirement process, there was evidence that they had sought advice relating to their pension entitlement. The support described by those who were offered redundancy or for whom early retirement was suggested by their employer was limited to the use of a solicitor to review any agreements stating the terms and conditions of their exit from the company. The most obvious gap in support for individuals retiring before 65 appeared to be the opportunity for discussion of alternative options and those who lacked this opportunity perceived this as unsupportive on the part of the employer.

In the main, the decision to stop working before the age of 65 was the choice of the individual: even where redundancy was offered, it was the individual's choice whether or not to accept it. This had the effect of mediating people's general attitudes towards retiring before 65, even where they identified that the experience would otherwise have been unpleasant. Attitudes towards retiring before 65 were not however universally positive and three factors that affected

people's attitudes towards their experience and perceptions of their treatment by their employer were the:

- extent to which the employer's process was anticipated and understood
- presentation and discussion of alternative options (and the extent to which individual believed other options existed)
- circumstances that led to the process being instigated.

The influence of the employer on the retirement decision is clearest where redundancy is offered, or the employee must choose between the offer of early retirement and redundancy. Where the decision to stop working before reaching the age of 65 is the individual's and they initiate a request to take early retirement, the role played by the employer is more subtle. It is, however, evident where an employer failed to deal with an issue that influenced the participant's decision to retire or otherwise stop working for the employer, and where the employer was unable to accommodate requests for changes to working terms.

As well as the influence of the employer's approach, participants cited four aspects of their working context that contributed to their decision to retire early: organisational change; a perceived lack of support/training; difficult relationships at work; and changes to individual role/responsibilities. Three groups of non-employment-related factors also influenced the decision to retire before 65: emotional or personal circumstances; financial circumstances; and the participants' health. Financial concerns took priority over other factors in specific circumstances, persuading those who did not feel they were financially comfortable to work longer than they had initially planned. The financial incentive offered through a redundancy payment was also sufficient to encourage people who had not considered any form of retirement before 65 to do so for the first time.

Chapter 5 Experiences of the 'right to request'

Three employer approaches to the right to request were evident:

- **Employer instigated, formal:** characterised by the employer formally communicating to the individual that they had a right to request continuing to work beyond their normal retirement date and, where requests were made, following a structured and documented process that was the same for all employees.
- **Employer instigated, informal:** characterised by the employer informally communicating to the individual that they had a right to request continuing to work beyond their normal retirement date and, where requests were made, following a largely undocumented process that was verbally communicated.

- **Individual instigated, formal:** characterised by the employer formally communicating to individuals that they had to retire on a particular date but with no mention of any right to request working beyond this date. In response to this, individuals in this group challenged their employer's right to specify a retirement date without a right to request. Structured and documented processes were then embarked upon by employers.

Participants reported receiving three types of support: employer-provided support, support from external experts or organisations and informal support from friends or family. Whether individuals chose or were able to access this support was influenced by a range of factors, including relationships with supervisors and managers and employers' attitudes towards older workers more generally. No support related to the retirement process was identified by individuals who experienced an informal right to request process, although some did feel that the employer was 'supportive' of the idea of them continuing to work.

There were mixed attitudes as to whether a set age at which individuals should be asked to retire is a good idea. There was some understanding that this could serve a purpose for employers, who should not be obliged to employ people indefinitely. However, there was a clear sense that a decision to retire an individual and effectively terminate their contract should be based on performance rather than age. There are two key elements that individuals feel a right to request process should incorporate: involving the individual in decision-making; and basing these decisions purely on performance. Whether the employer's approach involves these elements is a key determinant of experiences of the process and attitudes towards the outcome.

Other features of formal employer approaches that affected attitudes towards it were how the employer informed the participant of their right to request, what was required of them throughout the process, the time allowed for deciding whether to make a request, the tone and behaviour of the employer throughout the process, the availability of suitable options for continuing to work, and the way in which decisions were made and communicated. Where individuals felt they had some ownership of the retirement decision, facilitated by the receipt of information, support and the opportunity to discuss and negotiate working options, desirable outcomes were achieved and the effect of undesirable outcomes mitigated. Adherence to the DRA legislation was also felt to support collaborative decision-making. Informal employer approaches were affected by participants' previous experiences of work, the behaviour and tone of the employer and the familiarity of individuals with informal approaches to other personnel matters. A healthy and lengthy working relationship with managers helped facilitate the trust that seemed to be required for individuals to find an informal approach satisfactory.

Individuals who instigated the right to request process themselves reported primarily negative or indifferent experiences. No requests were accepted in this sub-sample, and underlying these attitudes appeared to be a perception that

employers did not want the individual to continue working and that the process was a mere formality.

Once offered the right to request and the options having been explained, a set of factors appears to influence whether individuals made a request. These comprised employer-related factors such as their working conditions and relationships, the sense of fulfilment work gave them, the actions of their employer and the retirement policy. Good working conditions were cited as a primary reason for making a request. Non-employment related factors included the readiness to retire, financial considerations, family considerations and expectations about what retirement might entail. Where people had difficult working relationships and criticised the approach of their employer, factors outside of the workplace were the overriding influence in the decision not to make a request and retire.

Individuals reported a range of factors that contributed to their request to continue working being accepted based on their own perceptions of the process and interactions with the employer as well as explicit reasons articulated by the employer. Accepted requests were characterised by a flexible, accommodating and two-way engagement. Satisfactory individual performance and seniority or specialism was also felt to be influential. Where requests were declined, individuals were not always given any explanation as to why (and employers are not obliged to do so). Where reasons were given, these included participants being told that their role no longer met the needs of the company or no longer existed, that the employer could not afford to keep the individual in work, and that an individual's performance was deteriorating and they could be replaced cheaply. The age of the individual was mentioned as a relevant factor in some cases which some participants took to be discriminatory.

Participants experienced different impacts and reactions to the outcome of their request to continue working. Within and across each outcome the impacts on individuals' experiences at work and their wider wellbeing also varied according to whether this met expectations, the manner in which the outcome was reached and personal circumstances. For individuals having a request to continue working accepted without any conditions attached by the employer, impacts included an increased motivation to work, improved job satisfaction and improved self-esteem. For people whose request was accepted but with what they felt were conditions attached to acceptance of the request less positive impacts were reported for motivation and job satisfaction. This was attributed to a lack of support throughout the process or an adversarial appeal process. However, the fact that continuing to work allowed individuals to meet certain financial commitments and 'ease' into retirement was identified as a positive impact of continuing to work, irrespective of the conditions. Where a request to continue working was declined, a range of negative impacts was evident. These were feelings of anger and disappointment, a loss of confidence and self-esteem, difficulty adapting to retirement and financial difficulties.

Chapter 6 Experiences of other employer approaches to retirement

'Other' employer approaches to retirement encompass any approach described by participants that did not constitute early retirement or something resembling a right to request to work beyond the DRA. These experiences can be distinguished according to the key dimensions participants described:

- whether or not the issue of retirement is directly addressed and, if it is, whether it is raised by the individual or the employer;
- the formality of any discussion, including the channel of communication; and,
- the scope for discussion or negotiation of the retirement decision between employer and individual.

Awareness and understanding of employer retirement policy for this group was limited to the age at which employees normally retired from the employer and the extent to which this was negotiable, rather than extending to the process itself. The awareness that did exist was not always based on reliable information but relied on observing the experiences of others retiring in the workplace. Exceptions existed amongst people for whom the company's normal retirement age and/or the process for retiring or making a decision about retiring was laid out in employees' contracts or where there had been a recent change to the retirement policy which had been communicated to all staff. A final exception existed where there was some sort of age-related condition of employment.

Overall, there was little evidence of support and guidance being either sought or received by people who experienced other employer approaches. For those for whom retirement was addressed and who also continued working, support was limited to informal discussion of retirement with family and friends. Among participants for whom retirement was not addressed and who subsequently retired, support was limited to exploration of the size of their state pension. The same was true for those for whom retirement was addressed and who also subsequently retired. Gaps in support included training courses aimed at preparing people for retirement (although these were offered to some participants but not taken up), guidance about available state benefits or other financial support for people who choose to continue working part-time beyond the normal retirement age, and careers advice focusing on options for continuing working beyond the normal retirement age but with a different employer.

There was general satisfaction with the process among participants who experienced other employer approaches to retirement. Exceptions to this were evident where communication about retirement from the employer was impersonal and/or unexpected, or where it was felt that the employer had not followed the correct procedure. Where retirement was not explicitly addressed or discussed between employer and employee there was evidence that this kind of 'non-approach' was not universally well received: participants suggested that they

would have appreciated a more formal approach and felt that they might have missed out on something as a consequence, for example the option to continue working or continue working with a different working pattern.

The aspect of the employer's policy and practice that appeared to have the greatest impact upon the retirement decision was their specific approach to addressing the issue of retirement with the employee. Whether or not the employer did this directly impacted upon the retirement decision-making process in three ways: first, it determined in some cases whether or not there was any discussion of the available retirement options between the employer and the individual; and second, it had the potential to determine the nature and amount of information the individual had about the employer's retirement policy upon which they could base a retirement decision; and finally, it had the potential to influence the nature of the decision itself (the outcome).

Where the individual's retirement decision was not entirely dictated by the employer's policy a range of employer-related factors appeared to impact upon the nature of the retirement decision made. These were the ability and willingness of the employer to either offer or consider opportunities for changing an employee's pattern of working, the nature of the individual's relationship with their employer, participants' feelings about any organisational changes taking place, perceptions of the availability of training and support, perceptions of the value their employer placed on older workers, and general attitudes towards work. A final set of factors unrelated to the employer or the employment context was also evident.

People who retired experienced broadly, but not exclusively, positive impacts. Impacts upon three aspects of people's lives were evident: personal and emotional; health-related; and financial. Negative impacts on financial circumstances were reportedly tempered by changes in lifestyle following retirement which resulted in people spending less, and by other benefits in retirement such as free passage on public transport. The impact of the retirement decision for those who continued working appeared minimal, except where people continued working with the same employer but with different terms and conditions. In these cases, participants reported positive impacts associated with having more free time, as well as on their outlook generally.

Chapter 7 Understanding the impact of employer practices on retirement decision-making

This report has identified a number of broad areas in which employer policy and practice influences how individuals make decisions around retirement and how they experience the process. Each of these is relevant for all the retirement pathways described by this report. These issues provide important information to support the review of the DRA and right to request process, as well as consideration of employer policy and practice relating to retirement more generally by the Department.

- **Ownership of the decision:** employer policies and approaches to retirement that engage the individual and involve them in aspects of decision-making have a significant bearing on experiences of the retirement process and attitudes towards outcomes. Involving individuals in decision-making can enable the employer to meet their needs where possible and, where not possible, temper the negative impacts on the individual of an undesirable outcome.
- **Information and guidance:** providing clear information on how retirement procedures work and suitable guidance on retirement options and pathways can enable individuals to make informed choices about their retirement, help individuals to feel part of the decision-making process and adjust their expectations about retirement where necessary. Participants felt that employers do not always provide this and there was a sense that individuals would have been better equipped to make decisions and deal with the consequences of the retirement process had they known at the outset what they knew as a result of going through the process. Information and guidance can therefore play an important role in giving individuals a sense of ownership over their retirement decision but also minimising the gap between expectations and actual outcomes.
- **Structure of employer policy:** a clear and standardised approach to retirement can also support individuals to own their retirement decision and facilitate the provision of suitable and relevant information and support. Individuals welcomed employer approaches that they felt they were able to understand as well as approaches that were seen to be applied consistently to all employees. Specific aspects of the employers' implementation of the right to request were also important, particularly the schedule used by employers according to the legislative guidelines. This was considered to provide sufficient time for individuals to consider whether to make a request or to adapt to a decision they were not expecting.
- **Nature and type of communication:** the nature of the employer's communication to raise the issue of retirement or to outline the retirement procedure can have a significant influence on individual experiences and attitudes towards the entire process. Communications that encouraged continuing to work or articulated that the employer would work with the individual to reach a mutually acceptable outcome were welcomed. Right to request processes that involved some face-to-face discussion helped individuals to feel engaged in the process and that their needs were being considered.

1 Introduction

1.1 Aims and objectives

This report presents the findings of a study commissioned by the Department for Work and Pensions (DWP) into the decisions people make about retirement. The research explored the attitudes and experiences of individuals in relation to the role of the employer in their retirement decisions. The research addressed the following key objectives:

- to draw together the key findings from existing UK research on the impact of employer policy and practice on individuals' retirement decision-making;
- to explore individual experiences of retirement – with a focus on three key groups:
 - those who retired before 65;
 - those who retire at or after the age of 65 who have experience of the right to request working beyond the default retirement age (DRA);
 - those who have retired at or after 65 who do not have experience of DRA or right to request but may have experience of other employment policies or practices.
- to understand the range of factors that influenced retirement decision-making, specifically those which relate to employer policy or practices;
- to identify the implications of different retirement pathways for how people feel about this key transition and for other aspects of their lives.

The research forms one strand of an evidence base designed to inform a review of the DRA legislation to be conducted by the Department for Business, Innovation and Skills (BIS). This qualitative study aimed to capture the range and diversity of experiences of employer retirement policies from the perspective of individuals. Other strands of this evidence base contain findings on employers' perspectives and experiences of DRA and the right to request and on the prevalence of retirement practices and outcomes.

Other relevant research published in conjunction to this report include; Metcalf, H. and Meadows, P. (2010). *Second Survey of Employers Policies Practices and Preferences relating to Age*. DWP and BIS joint research report, BIS Employment Relations Research Series No 110, ISBN no 978-0-85605-756-4. Thomas, A. and Pascall-Calitz, J. (2010). *Default Retirement Age: Employer qualitative research*. DWP Research Report No. 672. Wood, A., Robertson, M. and Wintersgill, D. (2010). *A comparative review of international approaches to mandatory retirement*. DWP Research Report No. 674. Sykes, W., Coleman, N., and Groom C. (2010) *Review of the Default Retirement Age: Summary of the stakeholder evidence*. DWP Research Report No. 675.

1.2 Policy context and existing research

1.2.1 Background to legislation

In October 2000 the Government supported the European Directive on Equal Treatment and made a commitment to outlaw age discrimination in the workplace by 2006. The then Department for Trade and Industry (subsequently the Department for Business, Enterprise and Regulatory Reform and BIS) engaged in a consultation during 2003 on how this area could be regulated. The Government subsequently passed the Employment Equality (Age) Regulations 2006,¹ which made it illegal to discriminate against individuals on the basis of age in employment and vocational training. Included in these regulations was the introduction of the DRA and the right for employees to request to continue working beyond this age.

1.2.2 How the DRA legislation works

The DRA in the UK is set at 65 and makes it unlawful for employers to enforce a compulsory retirement age below 65. In some circumstances, employers may be able to justify a lower age for compulsory retirement due to the nature of the work involved in a particular industry; conversely, employers are under no obligation to use 65 as their compulsory retirement age and are entitled to set a higher age. In addition to this, employers are obliged by the legislation to offer individuals the opportunity to request continuing to work beyond the DRA set by the employer or industry and employers are legally obliged to consider such a request.

In practice the right to request is a four-staged process: Firstly, the employer must notify the employee of their normal retirement date between six and 12 months prior to this date. If the employee wishes to request to work beyond this date, the second stage of the process requires them to notify the employer in writing between three and six months prior to the normal retirement date. The third stage of the process is the employer's consideration of the request, which wherever possible, should be initiated by a meeting between a representative of the employer, the employee and, where required, a colleague or trades union

¹ Statutory Instrument 2006 No. 1031. Available at: www.opsi.gov.uk/si/si2006/20061031.htm

representative. The employer's decision must be communicated to the employee within 14 days of this meeting being held and the employer is under no obligation to give a reason for declining a request if such a request is declined. The final stage of the process is the right of appeal, which an employee can make within 14 days of receiving the decision. The appeal follows a similar process to stage 3 and the decision at this stage is final.

Although the employer is under no obligation to provide the employee with a justification for refusing a request to continue working, a failure to follow the procedure outlined above can lead to a claim of unfair dismissal or age discrimination being brought against the employer. As the regulations have been in place for only three years, little is known about how they work in practice or the possible impact they may have on the employment decisions of employers and employees.

1.2.3 Research on retirement decision-making

There is no existing research focusing specifically on the DRA and right to request, yet a range of studies have explored the factors affecting retirement decision-making more generally and experiences of making the transition from work to retirement.

Most research illustrates that retirement decisions are often taken for a combination of employment-related and personal reasons, yet recent research has focused on the circumstances in which employer policy and behaviour enables and constrains individual choices. Studies have found that the nature of employers' occupational pension schemes can influence when a person chooses to retire (Vickerstaff *et al.*, 2004). Some schemes will allow benefits to be taken early, which may persuade individuals to retire before a normal retirement age; conversely, other schemes allow individuals to begin drawing some benefits while working beyond the normal retirement age which could encourage individuals to do so. Employer policy around retirement age can also have an impact. Research has identified that the idea of a set retirement age may inhibit constructive thought about when to retire, with individuals accepting that it is a 'cultural norm' to retire at a particular age (Hedges and Sykes 2009). The 2006 Survey of Employers' Policies, Preferences and Practices in Relation to Age found that 37 per cent of employers have a compulsory retirement age (Metcalf and Meadows 2006) but noted that practices varied significantly depending on the size of the company and the sector.

Even if the employer does not have a compulsory retirement age, the management practice and behaviour of employers towards older workers can influence retirement decisions. The size of a firm is found to be critical in determining management practice and relationships with staff, with smaller firms tending to be more personal and 'liberal' or informal and larger firms operating formal and professional human resources services (McNair *et al.*, 2007). Medium size firms may be characterised by uncertainty following moves to implement HR functions that are not yet fully established (*ibid.*). The flexibility of employers to meet the

needs of individuals around flexible working is also a factor influencing when people retire. Part-time and casual working patterns were found to be the most desirable aspects of flexible arrangements (Vickerstaff *et al.*, 2008). The availability of such options appears to vary across different industries, being seen as normal practice in retail, health and social care, and the voluntary sector; it is not seen as a common feature in manufacturing or construction (McNair *et al.*, 2007). Even where flexible working was an option, it is not always promoted or granted, with employers reporting that it can put a strain on company resources and hamper planning (*ibid.*). Other employer related factors influencing retirement decisions include changes in employment conditions, pressure to work longer hours (Barnes *et al.* 2004), and a lack of clarity and information from employers about what options are available to individuals approaching retirement (McNair *et al.*, 2007, Loretto *et al.*, 2007).

A large body of research exists on the social and personal factors that influence retirement decision-making, including health and care issues, financial factors, feelings about work and retirement and other life course events. Ill-health or the ill-health of a relative can have an impact on when people retire. Concerns over their own health or an increasing obligation to look after a partner/spouse or parent mean some people have to retire earlier than they might otherwise have wished (Vickerstaff *et al.*, 2008). Finance is often a key factor in decisions and expectation of retirement. People in a better financial position tend to look forward to retirement more and are often able to retire early or take advantage of flexible arrangements (Vickerstaff *et al.*, 2004). Alternatively, those working beyond normal retirement age are often doing so purely for financial reasons (Hedges and Sykes 2009). However, finance is not the only reason individuals choose to continue working: people attached to their work as a vocation or those concerned about the uncertainty of retirement often work on beyond a normal retirement age (Hedges and Sykes 2009, Vickerstaff *et al.*, 2004). Staying in work longer has also been found to be linked to 'life course events' or socio-demographic characteristics. For example, higher levels of education, delayed partnership formation and more years spent in employment are associated with remaining in employment after the age of 50 (Blekensaune *et al.*, 2008). People with fewer qualifications and from a lower social class tend to retire early due to poor health or limited employment prospects (Smeaton and Vegeris 2009).

Finally, research exploring the impact of the transition to retirement suggests that where individuals feel they have made a free choice over when to retire or whether to continue working appears to characterise positive experiences of retirement. Working beyond State Pension age was viewed negatively by people who felt they had no option but to do so (Barnes *et al.*, 2004); conversely, a compulsory retirement age can lead to a negative experience of retirement if someone would rather still be working (Vickerstaff *et al.*, 2008, De Vaus *et al.*, 2007). Furthermore, having control over the timing and nature of retirement has been found to have a positive effect on psychological and social well-being, persisting even three years after retirement (De Vaus *et al.*, 2007). Despite the fact that many people

approaching retirement seek out flexible working options to enable a gradual retirement, there is little evidence that this leads to a more positive experience of retirement than the 'cliff edge' alternative. Results from an Australian panel study found that while gradual retirees reported better health 12 months after retirement, no improvements were seen in other areas such as marital cohesion, life satisfaction and self-esteem. In fact, the study found that those who retired abruptly reported more enjoyment in their retirement after 12 months than gradual retirees, though this evened out after three years (ibid.).

1.3 Methodology

1.3.1 Overview of research design

The aim of this study was to explore the specific impact of employer policy on retirement decision-making. In order to facilitate our understanding of this area a brief literature review was undertaken to inform sampling and fieldwork, and the previous section has drawn on this to provide the policy and research context in which this study is located. A total of 51 depth interviews were conducted with individuals from across the UK aged 61-72, who had taken a range of different routes to retirement or continuing to work. This approach enabled researchers to achieve both breadth and depth in research findings by mapping the range of experiences of and attitudes towards the 'right to request working beyond the DRA' and other approaches as well as identifying underlying factors affecting experiences and attitudes.

A full description of the methodology, including the sampling and recruitment approach, is outlined in a technical appendix (Appendix A).

1.3.2 Sampling

The study population was people aged between 60 and 75. Those within this population who had experiences of three types of 'retirement pathway' were of interest to this study. These three groups and associated subgroups were purposively selected for inclusion in the sample frame. These groups, and their justification for inclusion, are illustrated in Table 1.1.

Table 1.1 Primary sampling criteria and justification

Retirement pathway (post Sept 2006)	Relevance for policy
Those who retired before 65 and cited the employer as influencing their decision	Included those who cited the influence of the policies or practices of their employer. Allowed exploration of impact of employer on early retirement.
Those who retired at or after the age of 65 who have experience of the right to request working beyond DRA	Included: <ul style="list-style-type: none"> • those who did not take up the right to request • those who had a request accepted • those who had a request declined Allowed exploration of the full range of experiences of and attitudes towards the right to request process.
Those who retired at or after 65 or who have continued to work who do not have experience of the right to request but may have experience of other employment policies or practices	Included: <ul style="list-style-type: none"> • those citing the employer as influencing their decision to retire • those continuing to work beyond 65 Allowed exploration of experiences of other employer approaches to retirement.

Across these groups, a range of secondary sampling criteria were considered important:

- Age – Participants in the first group were at least 60 years old. Those in the second two groups were aged at least 64½ years of age.
- Type of employer –public sector, private employers and the third sector.
- Size of employer – 1-24, 25-499, >500
- Gender – an even mix of men and women

A sample frame was developed using the Family Resources Survey (FRS) of people aged between 60 and 75 that clustered participants in four regions of the UK to make fieldwork more efficient – Greater Manchester, Yorkshire, West Midlands, Glasgow and Ayrshire. London and the Southeast were later added to this list to increase the pool from which we could recruit our sample. Although FRS was able to provide the majority of our sample, to meet all the sample quotas that were set it was required to use other methods to supplement the sample through key third-sector organisations. The following organisations were contacted by NatCen and the Department:

- Seven Age Concern offices around the UK.
- 11 Citizens Advice Bureaux around the UK.
- Two Community Legal Advice Centres.
- Equality and Human Rights Commission.
- Advisory, Conciliation and Arbitration Service.

Participants from FRS and those who opted in via these organisations were then screened for suitability. In the achieved sample, illustrated in the table below, 43 participants were drawn from FRS and eight from third-sector organisations. The number of participants recruited in this manner for each main sampling group is given in brackets in the final column of Table 1.2.

Table 1.2 Achieved sample

Sample criteria	Category	Number in sample
Pathway to retirement decision	Retired before 65	8(2)
	Offered R2R, no request made	7
	Offered R2R, request accepted	9(1)
	Offered R2R, request declined	8(4)
	Not offered R2R, retired at 65	8
	Not offered R2R, worked past 65	11(1)
Type of employer	Private sector	22
	Public sector	26
	Voluntary/3rd sector	3
Size of employer	1-24	6
	25-499	27
	>500	18
Gender	Male	25
	Female	26
	Total interviews	51

1.3.3 Fieldwork and analysis

Depth interviews were conducted by experienced researchers in a sensitive and careful manner with an emphasis on gaining informed consent before and throughout the interview. Interviews were conducted between November 2009 and January 2010, and lasted from 45 to 90 minutes and were transcribed verbatim. Participants were each given £20 as a thank you for their participation in the research. The data was analysed using the Framework method, a systematic approach to qualitative data analysis that was developed by NatCen and is now widely used in social policy research (Pope *et al.*, 2006).

1.4 Definitions and report structure

As part of the programme of research on DRA, the Department, along with the research contractors, produced an agreed list of definitions related to the retirement policy of employers. As this study focuses on the accounts of individuals, some of these definitions are not relevant for this report: those that are relevant are listed below along with additional terminology used throughout this report.

- Normal retirement age – the age (or age range) over which it is normal for people to retire. This may be determined by policy or may just be a cultural norm in an organisation or at national level.
- Compulsory retirement age – this is the age at which, unless the employer decides otherwise, employees have to retire whether the employee wishes to or not.
- Default retirement age – introduced in the Equality (Age) legislation and set at age of 65, it has made employer mandatory retirement ages below age 65 unlawful unless, in their particular case, an employer can justify a lower age.
- Retirement pathways – the distinct route taken by an individual from the issue of retirement being raised, through the employer process and retirement decision to the final retirement outcome.
- Right to request – this is the process by which individuals make a request to their employer to continue working beyond normal retirement age.
- Other employer approaches refers to any retirement policy or procedure other than the right to request followed by employers as described by individuals.
- Early retirement – this is used throughout this report to refer to people who retired before the normal retirement age for their organisation.

The remainder of this report presents our findings related to individuals' experiences of their employer's retirement policy, the impact of this on retirement decision-making and the retirement outcome. Chapter 2 describes the range of experiences of work before the issue of retirement was raised and provides the broad personal and employment context in which people experienced retirement decisions and outcomes. The following four chapters, Chapters 3, 4, 5 and 6, provide a rich account of experiences of retirement pathways and employer policy and practice. Chapter 3 is a short introductory description of three broad pathways identified by the research and explains the characteristics and parameters of these pathways. The subsequent three chapters provide a detailed account of people's experiences of each of these three pathways in terms of their knowledge and expectations, the nature of employer policy and practice and their attitudes towards this, as well as discussing factors affecting decisions, outcomes and impacts. Chapter 4 describes the experiences of people retiring before 65; Chapter 5 provides an account of people offered the right to request; Chapter 6 describes how other employer approaches to retirement were experienced. Chapter 7 summarises cross-cutting factors affecting experiences across these three pathways and illustrates how different factors interact. It concludes by highlighting key aspects of employer policy and practice that influence retirement decisions, outcomes and impacts.

2 Experiences of approaching retirement

This study aimed to explore the role of the employer in people's retirement decision-making and the four chapters that follow explore different retirement pathways and the role of employer policy or practice in each of them. This chapter provides important context for interpreting these findings by describing individuals' experiences of approaching the retirement decision. The first section explores experiences of work in the period leading up to people's retirement decision including the organisational context, their roles and responsibilities, their relationships at work, their perspectives on their performance and the structures in place to support their performance, as well as personal circumstances, including their health. The second section explores individuals' general expectations about retirement, including when they expected to retire and what prompted them to start thinking about their retirement decision.

This context is important to aid understanding of how and why individuals who experienced the same employer retirement policy, or who made the same retirement decision, experienced them differently or experienced different outcomes and impacts as a result. This chapter highlights aspects of the experience of approaching retirement that could have played a part in people's retirement decision-making: the role of these and other factors in influencing retirement decision-making is then elaborated upon in the chapters that follow.

This chapter draws upon the experiences of the entire sample, including participants with experience of all three retirement pathways described in Chapter 1. Distinctions are made between these sample groups, and on the basis of other sample characteristics, where appropriate.

2.1 Experiences of work before retirement

It is important to set experiences of the retirement decision in the context of people's experiences of work prior to making that decision. This includes the organisational context of their employer, their role, their working relationships

and performance as well as their personal circumstances that influenced or were affected by their work. By describing this context, this section provides a backdrop against which experiences of employer retirement policy can be understood in the remainder of this report.

2.1.1 Organisational context

Individuals were asked to describe their organisational culture, with specific reference to the comparative treatment of all workers and older workers. Those who described a positive culture felt that their employer treated all workers equally, regardless of age. Some also described a culture of positive discrimination whereby older workers, as well as other specific groups, were specifically targeted for recruitment. Age and experience were said to be valued in these organisations and participants felt they garnered respect from colleagues and management because of their age. There was, however, evidence from people's descriptions of their organisation prior to their retirement of a less positive attitude towards older workers. This was implicit in the accounts of participants who described feeling undervalued in the workplace, less valued as they approached the point at which they eventually retired, and who felt that the experience of older workers was not valued highly enough. Some suggested age discrimination against older workers at their organisation, demonstrated for example by an employer policy to encourage retirement at 60 or attributed to a relatively young management group.

The role of organisational change was a prominent theme when participants were questioned about their decision to retire. Four types of change were identified: company mergers and acquisitions; changes to senior management; cost-cutting measures, including job losses, pay-cuts and pay freezes; and, modernisation activities. In practice, these types of change were not mutually exclusive. For example, individuals who described company mergers or acquisitions in the period before their retirement decision also described changes to the senior management team and organisational restructuring. Similarly, the appointment of new senior management could lead to broader organisational change in the form of restructuring, changed job roles and responsibilities, and changed organisational policies. A common theme, and one perhaps related to the impact of the economic climate at the time of the research, was organisational 'efficiency' which individuals described as having led their organisation to downsize by making some employees redundant, introducing pay freezes and pay cuts, and introducing other cost-saving measures. As well as impacting on the broader organisational composition such changes could affect someone's workload or remit (this is explored further in the following sub-section). Modernisation activities included the adoption of new technology such as computer-operated machinery in manufacturing businesses. These activities may also have led to cuts in the size of the workforce.

There are a number of possible reasons for the prominence of organisational change in participants' accounts: The first is the impact of the economic

downturn experienced in the UK in 2008 and 2009² which may have been a factor contributing to company closures, mergers and redundancies. All of the retired individuals interviewed for this study had retired relatively recently (since 2006) and may have experienced some of this impact, particularly those retiring since 2008. The second relates to a person's age and, more specifically, the length of time they have been working for a particular organisation. Those who have worked at the same organisation, possibly in the same role, for some time are perhaps likely to feel the impact of change in the organisation they work for most keenly.

The context of the economic downturn appears to have been important in creating a context for organisational change which might otherwise not have existed. Participants described office closures, voluntary and forced redundancies, and pay cuts and pay freezes which they attributed to the recent recession. A general pressure on businesses and employees to be efficient and profitable was described, which translated into job losses in some cases and the pressure to achieve better results (for example higher sales) in others. There were some observable patterns by sector here: people in manufacturing positions prior to making a retirement decision described a drop in demand for products, which in turn led to reduced hours or job losses; those in the public sector described efficiency savings including reductions in staff numbers.

As well as affecting changes to the organisational environment in terms of personnel and responsibilities, organisational change was also cited as a factor in feelings about work during this period. For example, staff morale was described as 'grim' where organisational efficiency drives were felt to have led to increasingly difficult working conditions for employees.

2.1.2 Roles and responsibilities at work

The broad organisational changes described in the previous sub-section had a knock-on effect on roles and responsibilities but participants also initiated change themselves. Changes to three aspects of people's roles were identified: the nature of their role; the level and type of responsibilities they had; and their hours and/or workload. Changes to roles and responsibilities ranged from small changes such as the 're-focusing' of someone's role to include different responsibilities to much more significant changes, although there were participants from across all the sample groups who described no changes to their role in the run-up to making a retirement decision. These more significant changes included moving from a non-office-based role to one that was office-based, relocating to a different office, taking on new roles, and working with different customer groups. Additional

² Data released by the Office for National Statistics on 23 January 2009 (<http://www.statistics.gov.uk/pdfdir/gdp0109.pdf>) confirmed that UK Gross Domestic Product fell by 1.5% in the last quarter of 2008 following a 0.6% drop in the previous quarter, meeting the criteria for the definition of recession of two consecutive quarters of negative economic growth.

responsibility took the form of mentoring more junior staff and, in one case, promotion to the management board. Workloads were reported to have increased as a direct result of reductions in staffing levels and drives by management to increase efficiency requiring employees to undertake more work in the same time period. Individuals who undertook manual work and felt they were working at a slower pace in the approach to the retirement decision felt they had to work harder. Hours had been reduced as a result of organisational changes described in the previous sub-section and at the request of participants who described themselves as too tired or who were recovering from health problems and wanted to work fewer hours. In contrast, hours were also increased at the request of the individual in the run-up to the retirement decision to ease financial concerns.

Changes to roles, responsibilities, workload and hours occurred both at the request of the employee and the employer. Where change was instigated by the employee, their motivations were personal, financial and health-related. Participants described wanting to 'wind down' or 'slow down' by cutting back their hours at work or asking to move to a role that they felt would be less demanding, for example something office-based when they had been used to undertaking a lot of travelling or doing physical work. Role changes were also instigated by the employee to increase pay and improve their financial circumstances in the period before retiring. Those who occupied a more senior role appeared to have greater scope to affect changes to their own role – in one case, the participant described managing a process of organisational structural change through which he was able to change his own role. Employer-instigated changes were attributed to broader organisational change, external and economic pressures, and management's perception of the employee's ability (reflecting both favourable assessments of their experience and expertise and less favourable assumptions about their inability to undertake the work, both related to their age or longevity with the organisation).

The impact of changes to roles and responsibilities, and of broader organisational changes, was felt on people's attitudes towards work. There appeared to be a relationship between who instigated the change, whether the employee or the employer, and the nature of its impact, which suggests that perceptions of ownership of changes at work played an important part in determining how participants experienced it. Positive impacts were reported by those who had instigated change themselves, for example by requesting reduced working hours or a change of role. Those who felt that change had been imposed upon them were less positive: participants struggled in new roles they described as 'stressful', 'unfamiliar', 'complicated', 'lonely' and 'challenging', and increased responsibilities led to feelings of increased pressure for some.

2.1.3 Individual relationships and treatment at work

Relationships at work – with managers and colleagues – formed another important part of the context within which people made their retirement decision. Good relationships with managers were important where they supported changes to their role instigated by the employee in the period leading up to the retirement

decision. For example, one participant described their manager '*backing*' their role change and even going as far as arranging their interview for the new post. Another described their manager's support for her relocating to another office.

Where the relationship with management was difficult this could affect how someone felt about their organisation more broadly as well as influence how they experienced organisational change. Four specific difficulties in relationships with management were described, including some that suggested differences in age were problematic. The first applied to situations where new management was in place, perhaps as a result of broader organisational change or generally high turnover in the management team. Participants described personality clashes and different approaches to management which sat awkwardly with what they were used to. People also described a lack of confidence in management staff where they perceived them to have insufficient experience, either of management or the specific business because '*they hadn't worked their way up*'. Relationships with management were also strained where participants felt that their managers did not value their work, evidenced by a lack of acknowledgement or praise, and they criticised less experienced managers for not drawing upon the experience of experienced members of staff. In both circumstances, those who experienced difficult relationships with managers implied that a difference in age between a younger management team and an older employee affected the quality of those relationships. Such suspicions of inequality with respect to age in the workplace on the part of the manager were the final set of difficulties that participants described.

An equally important feature of the organisational context and how people felt about work was their relationships with their colleagues. Good relationships were described across the sample, but particularly by those participants who continued to work in the same organisation past the normal retirement age. Age and experience appeared to be important dimensions in relationships with colleagues. Where people felt colleagues respected or valued them because of their age or experience, or where a good proportion of staff were of a similar age to the participant, good relationships were also reported. It was also clear that some participants enjoyed their working relationships with younger colleagues and felt it '*kept them young*' despite them finding it more difficult to manage them. More strained relationships with colleagues appeared to be the result of general personality differences or perceived jealousy directed at the participants' greater experience and skills.

2.1.4 Performance at work

Interviews also provided a wealth of information about how people viewed their own performance at work in the run-up to making a decision about retirement and the mechanisms in place to support or monitor their performance. Links were apparent between perceptions about performance and the changes in organisational context that are outlined above. Perceived poorer performance was attributed to a lack of familiarity with a new role or an increased workload,

as well as difficulty adapting to new systems including computer technology. Declining health was also cited as the cause of poorer performance (health in the period before the retirement decision is explored in more detail in Section 2.1.5) and some participants explicitly referenced their age and associated health issues in describing their performance during this time. These participants talked of a general '*slowing down*' with age as well as forgetfulness. Those working in manual jobs reported finding physical work and large amounts of travelling more difficult than previously. Conversely, another group perceived no difference in their performance in the approach to the retirement decision, or felt their performance had improved. Indeed, age and experience were lauded by this group who felt it supported confidence at work and offered learning opportunities for less experienced colleagues.

Those interviewed were also asked to describe the support and training they received at work and the system in place for managing their performance and development. It was clear that for one group of participants, with experience of all the different pathways to retirement, training needs had continued to be met up to the point they undertook their retirement decision. These individuals reported receiving good training and support, including training in new systems where changes had been implemented in the organisation. Within this group were people who felt they were being offered sufficient opportunities for training but who did not take it up because they either felt they did not need it or that it was unnecessary because they were approaching retirement. There was also evidence, however, that people felt opportunities for training had waned during this period because they were approaching the point at which they would make a retirement decision. This included experiences where training requests had been turned down and where people perceived that they had been excluded from training offered to colleagues. Some made explicit the link between this perceived lack of training and support and the nature of their retirement decision – this is explored in more detail, where relevant, in Chapters 4, 5 and 6.

Perceptions of the quality and level of performance management at work formed a continuum where at one end participants reported that performance management had '*never been heard of*' in their organisation and at the other they described regular supervision sessions, annual appraisals and ongoing feedback. Again there was evidence that performance management activities had '*tailed off*' or become more '*haphazard*' for some in the period running up to the retirement decision, although others were clear that there had been no change. No explicit link was made between this pattern and approaching normal retirement age although it was implicit in accounts that described previously effective systems for performance management. The view that the performance management system was geared towards younger staff and was less useful for them appeared to validate this approach. Other changes to the performance management system were attributed to broader organisational changes such as new management. Where a new system or approach was introduced, this could be experienced as nerve-wracking or intrusive, perhaps where it represented a more formal system than the one operating previously.

2.1.5 Personal circumstances

Participants' health was an important aspect of both their work and non-work circumstances in the run-up to the retirement decision. People reported developing health conditions including diabetes which they felt had not impacted upon their work but also a number of health conditions that had affected performance and/or attendance at work. These included Crohn's disease, heart attack, cancer, broken bones, back problems and lung disease for which time off work for treatment and surgery had been necessary. Personal and emotional difficulties such as bereavement and other significant life events had also caused mental health issues for which time off work had been required. A further set of health issues was described which were directly attributed to work. In some cases, this was linked to specific events at work – for example, where a traumatic incident in the workplace had caused mental health problems. Participants also attributed periods of stress to additional responsibilities and hours, perhaps as a result of organisational changes, and a lack of training and support at work. Physical symptoms were also blamed on physical work. Those who perceived they had no health problems in this period felt they were '*lucky*'. This group included individuals who described themselves as fit and healthy as well as those who, despite having no specific health problems, acknowledged that they had less energy than previously or were tired more easily.

Important aspects of their broader personal circumstances included participants' household composition and caring responsibilities. The sample included people who were single and living alone, and living with a partner or spouse. Partners were both working and retired. Some participants also had caring responsibilities including dependent adult children, foster children and disabled relatives. This context is important for its impact upon people's financial circumstances and the role this plays in underpinning retirement decision-making (explored in the following chapters).

2.2 Expectations of retirement

2.2.1 Prompts to thinking about retirement decision

The context, inside and outside of work, in which participants were prompted to think about their retirement decision has been explored and described in the preceding section of this chapter. Indeed, it is clear that these personal circumstances provided the trigger to thinking about the retirement decision for some. For instance, the pressure of increased hours or difficult relationships at work was cited as a prompt to thinking about the retirement decision, as was organisational restructuring and the changes resulting from it. Whether or not these circumstances affected the nature of that decision is explored in the chapters that follow.

A group of additional prompts to thinking about the retirement decision was identified, including age which implies some awareness among these individuals of their employer's normal retirement age. Media debate about the merits of working past the normal retirement age was also cited as a first prompt. Longer-term thinking about the retirement decision was also in evidence amongst people who professed to have been thinking about their retirement plans for some years. This group included participants who said that the realisation that their private pension would not be large enough more than a decade ago had been their first prompt to thinking about the decision to retire, those who had worried about the prospect of retiring for some years from a social point of view, and those who admitted they had been looking forward to retiring for some time. A further group were quite clear that they had not been prompted to think about their retirement prior to the subject being raised by their employer. This report explores how the retirement decision was raised, and by whom, in each of Chapters 4, 5 and 6 for each of the specific study sample groups.

2.2.2 Expectations about timing of retirement

Expectations about when participants would retire appeared to be rooted in cultural norms, appraisals of their financial situation, their feelings about and performance at work and a range of circumstantial factors. Such expectations were manifest either in anticipation of retiring at a specific age or when a particular set of circumstances were deemed to have been achieved (in these cases, an individual might have no specific age in mind).

People for whom some sort of 'cultural norm' dictated when they thought they would retire cited 65 as the age at which they expected to retire. Familial expectations and the actions of parents appeared to influence these individuals strongly. They described being brought up with the notion that 65 was the age at which one retired, or saw that their parents had retired at this age and so felt it was normal. Others reported that they had always expected to retire, or at least modify their working patterns, at 65 although it was not clear where this expectation came from. Financial circumstances were also influential and expectations about retirement could be tied up with the anticipated size of a personal pension or the size of a mortgage and expectations about the age at which the individual would have been able to pay this off. Such expectations were not necessarily tied to a specific retirement age but rather a set of retirement conditions centred on being '*financially able*'. People also set themselves an age at which they expected to be able to retire and linked this to a set of conditions, for example planning to retire at 65 '*as long as they could afford it*'. Again, expectations about when a mortgage would be paid off were important here.

How participants felt about work and their performance at work also provided important context within which their expectations about when they would retire were shaped. The extent to which someone enjoyed their work in part determined whether or not they wished to continue working past what they considered was their employer's normal retirement age. Those who enjoyed their work might

expect to work past the normal retirement age and only retire when they were unable to work or otherwise stopped enjoying it. Perceptions of performance were also influential and people who felt their employer valued their work expected that their employer would wish them to continue to work past the normal retirement age. A small group of other factors also appeared to be important in shaping an individual's expectations about when they would retire. This included the wish to retire at the same age as one's spouse or partner and conditions related to their health and ability to perform their job.

Whilst the root of expectations about the age at which the individual would retire was apparent for some, this was not uniformly the case and others appeared wedded to a particular age or set of conditions for no obvious reason. The strongest apparent rationale for the expectations of this group was the observation of others' behaviour. It is notable that all these participants eventually retired at or before the age of 65 – this might suggest that those without a fixed expectation of a '*retirement age*' are more susceptible to an employer's suggestion, for instance through a '*normal retirement age*' or the offer of '*early retirement*', about an appropriate age at which to retire.

For those still working when they participated in the research interview, a similar set of factors appeared to dictate their expectations for when they would retire. Financial conditions for this group also included paying off debts such as credit cards, financing major purchases or refurbishments to the home, such as a new roof, and supporting children through further education. Loyalty to the employer was also evident in the accounts of participants who said they would not retire until their employer was in a position to be able to hire and train replacement staff.

3 Employer approaches and routes to retirement

The primary aim of this study was to understand the influence of employer policy and practice on people's retirement decisions. This included understanding how individuals experience the process for the right to request working beyond the default retirement age (DRA) and other approaches to retirement in order to explore the range of impacts the employer has on people considering retirement. As discussed in Chapter 1, a key challenge of the sampling process was determining the route to a retirement decision and the employer approach an individual had experienced. The screening exercise ensured that the study was able to include participants who had taken a range of pathways and experienced a range of employer approaches and outcomes.

The primary sampling criteria into which participants were screened was their route to a retirement decision. The three routes outlined in Chapter 1 were based on existing knowledge within the Department that gave a broad understanding of how people reach a point at which they make a retirement decision and the range of outcomes possible at each point. A central aim of this study was to understand how these routes work in practice. Consequently, the analytical process identified key distinguishing characteristics of the experiences of the people involved in this research:

- Individuals retiring before 65:
 - early retirement;
 - redundancy – voluntary or compulsory.
- Individuals offered the right to request:
 - whether the process was instigated by the employer or the individual;
 - whether the process followed was formal or informal.
- Individuals experiencing other employer approaches to retirement:
 - whether the issue of retirement was directly addressed;
 - whether retirement was raised by the employer or the individual.

The resulting pathways to a retirement decision experienced by participants in the research are illustrated in Figure 3.1. As noted already, the findings in this report are based on individual experiences of employer policy. The categorisation of pathways to a retirement decision outlined in this chapter is based on individuals' perceptions of how employer policy worked for them and how they thought it worked for others in the organisation. The next three chapters examine, in detail, the experiences of the sub-sets of these different pathways and the factors that affected their decision-making at various points along those routes. What follows here is a brief outline setting out the parameters and features of each pathway.

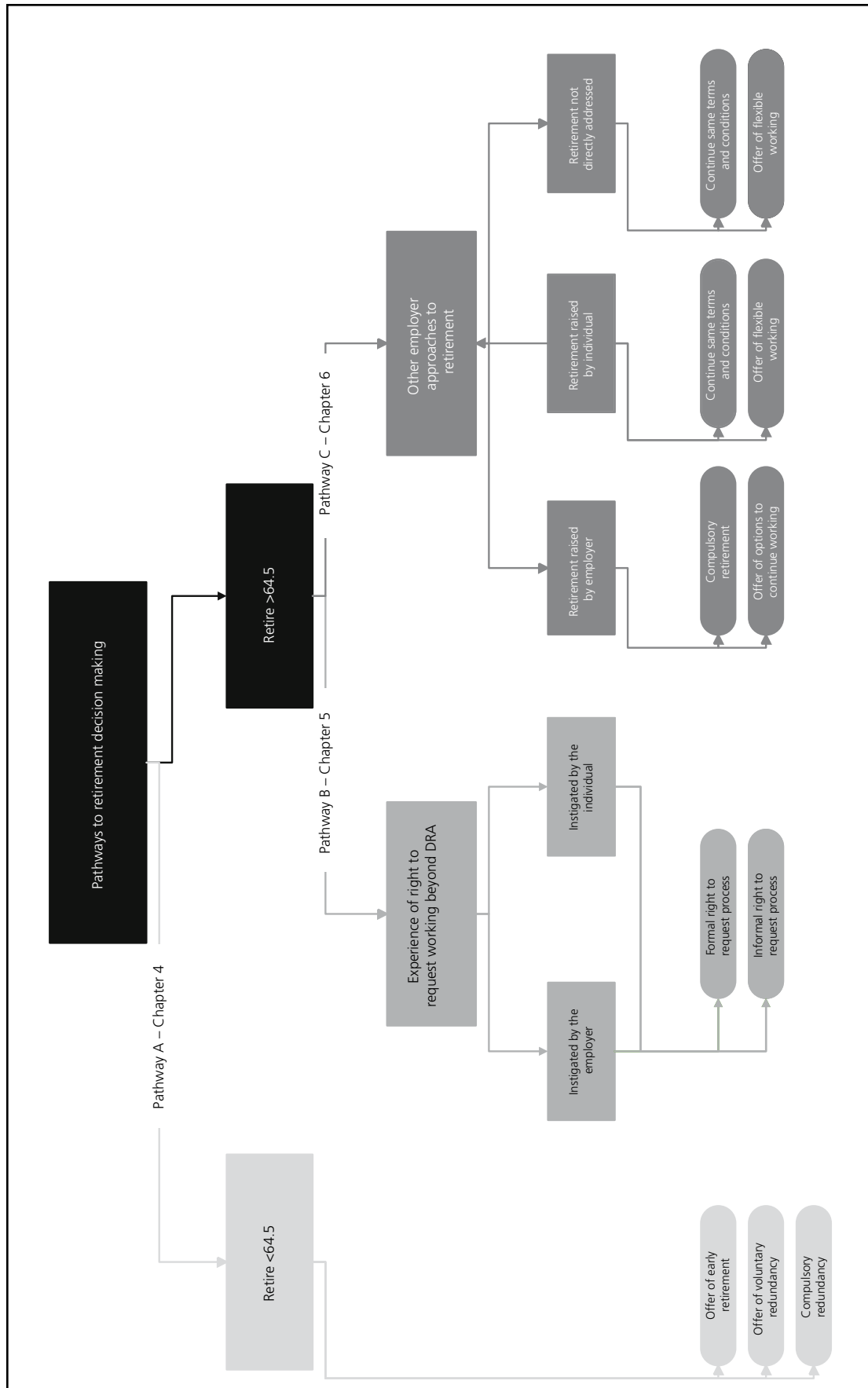
3.1 Individuals retiring before 65

This group includes people who had retired before 65 and cited their employer as a factor influencing this decision. A range of employer approaches can be identified within this particular pathway to retirement. One approach was for employers to offer 'early retirement' for a number of different reasons relating to working relationships, employment conditions or, according to respondents in this study, performance. It was also the case that the option of early retirement could be requested by individuals in response to a similar set of factors.

An alternative mechanism to early retirement was redundancy. This was either a compulsory redundancy as a consequence of company restructuring or taken voluntarily in response to factors noted already. Redundancies were not always related to restructuring or company-wide but also offered voluntarily on an individual basis.

While a criterion for inclusion in this group was that the employer influenced the retirement decision, it was clear that the employer was not the only influence – a range of other factors also affected the retirement decision and in some cases mediated the impact of the employer's actions.

Figure 3.1 Pathways to retirement decision-making



3.2 Individuals offered the right to request

A central aim of this study was to explore people's experiences of the right to request process and the influence of this on retirement decision-making. All the individuals in this group had been offered a right to request working beyond their normal retirement date and, consequently, were all over the age of 64½. Within this group a range of different interpretations and applications of the right to request legislation were experienced, with approaches distinguished by how the process was instigated and the level of formality with which it was conducted. This is illustrated by Figure 3.1. One approach was for the employer to instigate the process, with varying degrees of formality. Employers following the legislation would notify individuals of their right to request as part of the same correspondence in which a retirement date was issued. A more informal approach was also identified, in which the process was more casual and communication predominantly verbal, yet the principle of a request to work longer being considered was maintained. Alternatively, a further group of participants had instigated the right to request process themselves. These people received a normal retirement date from their employer but no automatic offer of a right to request working beyond that date and so raised this with their employer. Although this does not reflect what is stated in the legislation, with the employer being obliged to offer employees the right to request, once it was instigated individuals experienced a formal right to request process largely in line with the legislation and so are included in this group.

Once offered a right to request, people had to decide whether to exercise that right. Included in this group are those who did not choose to make a request. This group was important in order to explore why requests were not made, in particular the influence of employer- and employment-related factors in this decision. Chapter 5 presents more detail on this range of factors. Also included in this group are those who did choose to exercise their right and experienced the entire right to request process. These individuals can be further divided into those who had their requests accepted and those whose requests were declined. Although the impact of the employer at this point in the pathway to a retirement decision appears decisive, Chapter 5 also provides further detail on the diversity within these groups, and describes variation in terms of what type of request was accepted, and employers' justifications for, and individuals' experiences of, requests that were declined.

The screening exercise that aimed to determine whether potential participants had experienced the right to request in order for us to meet the sampling quota faced certain constraints in that it relied on people's perceptions of what their employer's policy was and their recall of exactly how it worked. The screening interviews did not use terminology such as 'DRA' or 'right to request', but rather asked whether their employer gave them the opportunity to request working beyond the age at which they would normally be expected to retire. In some cases, further detail elicited during the interviews clarified the exact nature of

the employer approach and some respondents were subsequently reallocated to different sample groupings following the fieldwork. It is worth noting this as it highlights a key distinction we have made in determining whether a participant had experienced a right to request process or another employer approach. Common to all the respondents in the right to request group is that if they wanted to work beyond their normal retirement age they had the option to make a request to do so; crucially, also common to this group was that the decision to grant this or not was entirely that of the employer.

3.3 Individuals experiencing other employer approaches to retirement

Not all employers use a compulsory retirement age or, if they do, offer employees the right to request working beyond that age. As the study also aimed to explore experiences of a range of other employer approaches to retirement, this group are distinguished by the fact that they did not retire early and were not offered the right to request. The approaches experienced by this group are more varied than those offered the right to request. Despite this, these approaches can be categorised by how the issue of retirement was raised and by whom. Chapter 6 details the range of approaches employers adopted where the issue of retirement was directly raised by the employer, from enforcing a compulsory retirement age to making it clear that there was no age at which employees should automatically retire. Other employers did not directly raise the issue of retirement, but it was raised by the employee, which set in motion a similar range of employer approaches. Finally, it was also identified that in some cases neither employers nor individuals had raised the issue of retirement at all.

Across these different approaches a range of outcomes from retirement to flexible working are also identified in Chapter 6. In some cases, a decision was made to work beyond what people considered a normal retirement date, the distinction with those experiencing the right to request being that it was entirely the individuals' decision as to whether they continued working, rather than just a decision to make a request. The chapter also discusses the impact of different employer approaches on these outcomes by exploring the range of factors that affected the decision-making of people in this group.

4 Experiences of retiring before 65

This is the first of three chapters that explore individual experiences of retirement. This chapter describes people's experiences of retiring before the age of 65. It outlines the different ways in which retirement before 65 came about, the different processes people described and their attitudes towards those processes, the role played by the employer and other factors in the decision to retire before 65 and the impacts on the individual of retiring before 65.

The focus of the chapter is people's descriptions of their experiences of retiring before 65, and not the formal processes of early retirement or redundancy. The findings presented here do not therefore attempt to reflect any formal employer processes but rather provide a rich description of how retirement before 65 was experienced and the key influences on the retirement pathway.

4.1 Overview of experiences of retiring before 65

The experiences described in this chapter are of individuals who had retired before reaching the age of 65 and who cited their employer as one, although not necessarily the only or most important, factor influencing this pathway. All of the participants in this group had stopped working for their employer on the same terms between the ages of 60 and 65. They had either:

- retired; or
- been made redundant, either voluntarily or compulsorily.

Participants were not always clear about whether or not they had retired or were offered and accepted redundancy: they described, for example, being offered the opportunity to 'retire early' by their employer during a series of organisational redundancies. In these cases it was not always clear whether or not they had eventually retired or taken redundancy, although in all cases they had stopped working for their employer on the same terms. This chapter attempts to

distinguish between experiences of retirement and redundancy by describing the circumstances surrounding the event.

Those retiring before 65 included individuals who went on to work for another employer on a full-time, part-time or consultancy basis, who continued to work for their old employer on a consultancy basis, and those who no longer undertook any paid employment.

4.2 Retiring before 65: 'early retirement' and redundancy

4.2.1 Instigating the process or how 'early retirement' was raised

Experiences of retiring before the age of 65 differed most clearly according to how the prospect of stopping working was raised and by whom, rather than by whether or not people eventually retired or were made redundant. Retirement or redundancy for this group was raised either by the individual or the employer. Where the employer initiated a discussion about retirement, this varied in three further ways: the level of formality; the communication channel by which it was done; and whether or not the invitation was offered to an individual or to multiple employees at the same time.

Employer-instigated 'early retirement' typically originated with an informal discussion or during a regular one-to-one session between the employee and the line manager. Participants' accounts of these interactions included examples where the employer directly raised the issue of retirement or redundancy, including offering the individual a choice between the two. They also included cases where the individual interpreted a discussion with the employer about retirement options as an indication that their employer thought they should consider retirement. In these cases, it is not clear whether or not this is what was meant by the employer. Greater clarity was apparent where a direct offer of 'early retirement' or voluntary redundancy was made through the employer's HR department. This took the form of either an individual offer or a 'redundancy drive' incorporating multiple employees, sometimes the result of organisational restructuring. These offers were communicated via formal letter to the employee.

Participants' perspectives on the employer's reasons for raising the idea of early retirement or redundancy concerned three issues. The first was the age and experience of the individual and, crucially, the relatively high salary they commanded when compared with a less experienced colleague in the same role. This was particularly relevant for participants with a relatively high level of seniority. A drive to reduce staff numbers was suspected where retirement before the normal age or voluntary redundancy was offered. Individuals assumed that their employer in these cases was trying to cut costs, perhaps because of the impact of the economic climate on business activity or as a result of major

organisational restructure. A third driver appeared to be company relocation – there was evidence that relocation packages were offered as an alternative to redundancy which implies the organisation was either planning to relocate or close a local office.

Employee-instigated discussions about retirement and redundancy before 65 took place between the employee and their line manager, rather than with a member of the HR department. Participants cited three reasons for initiating these discussions from which it is clear that they did not necessarily set out with the intention of stopping working for their employer. In some cases, people simply offered up their resignation from their post or raised the issue of retirement with their manager with the definite intention of retiring, whether or not they were persuaded to remain with the employer for an additional fixed period which brought them closer to their retirement age. There was also evidence that individuals raised the issue for discussion as a tentative enquiry about what was involved in retiring early. Finally, people also approached their manager with requests to alter their working pattern or pay – in these cases it was apparent that they had not intended to retire when they made this initial enquiry but eventually ended up doing so when their request was not granted.

This key distinction in participants' accounts of retiring before 65 concerning how the process was initiated is important because it demonstrates clearly that in specific circumstances the employer had a direct influence over the individual's retirement decision. For example, an offer of 'early retirement' or redundancy might have contributed to an individual retiring earlier than they had planned to where it would otherwise not have been considered.

4.2.2 The process

The process experienced by individuals who retired before the age of 65 differed for those who were offered early retirement or redundancy, and those who themselves instigated their retirement from the organisation.

The experience of individuals who accepted an offer of early retirement or redundancy comprised three stages:

- **Instigation:** the formal announcement of redundancy or early retirement opportunities from HR or notification by the individual's line manager.
- **Consideration:** consideration of the offer by the employee, which could include a meeting with the HR department.
- **Decision:** confirmation of the employee's acceptance of the employer's offer³.

There was very limited deviation from this outline process in the sample for this study although the extent to which people appeared to discuss the offer with HR

³ Note that by virtue of their inclusion in the sample for this study, participants in this group had all accepted the employer offer.

or management at their organisation, or discuss the opportunity with others, such as family and friends, did vary.

Greater variation in experience was evident in the accounts of participants for whom retirement before 65 was raised by the employee or by the employer in a meeting between them. In these cases, there appeared to be greater opportunity for discussion and negotiation of the options available to an employee approaching or considering retirement, which represented a further opportunity for the employer to influence the individual's retirement decision. Again, three distinct stages were evident:

- **Instigation:** a discussion between the individual and their line manager about the individual's wish to stop working for the organisation, the employer's suggestion for retirement, or the employee's desired revised working terms.
- **Decision:** a formal resignation via a letter to the line manager and/or HR department.
- **'Exit-planning':** the calculation of holiday accrual and an exit interview with the HR department.

In cases where this initial discussion was instigated by the individual, a further discussion might have taken place between the individual and either the HR department or their line manager in between their formal resignation and their exit. This appeared to be at the bequest of the employer who, keen that the individual stayed with the company, attempted to persuade them to do so, possibly by offering alternative options such as revised terms. For example, one participant described approaching her employer about her desire to leave and, after advising her manager of her reasons, found her employer was able to offer to remove the specific aspect of her role that she found most difficult to cope with and to provide additional training. This had the effect of persuading the individual to stay longer whilst she contributed more to her company pension fund, although she eventually retired several years before the organisation's normal retirement age. Another approached his manager with the intention to resign and worked with him to create a situation whereby the individual's position became redundant.

It was not always the case that the employer offered any opportunity for discussion of different options with an individual who expressed a wish to retire before 65, perhaps because they understood that the individual was very clear about their desire to leave the company. There was, however, evidence that people's disappointment at this could contribute to a feeling of being forced to retire before 65 through having no other options. Participants' accounts suggested that there might have been circumstances in which they would have remained in employment had alternative options appeared to be available. The influence of the employer on the individual's decision to retire in these instances is perhaps more subtle than where the employer themselves instigates the process for retirement

or redundancy, nevertheless it is clear that the employer has some influence in these cases by not offering alternatives to early retirement.

4.2.3 Support and guidance

Again, the distinction of whether or not the impetus for retirement or redundancy before 65 came from the individual or the employer was important in identifying the support and guidance sought and received. Where the individual instigated the retirement process, there was evidence that they had sought advice relating to their pension entitlement, using their employer or their employer union for information, presumably in an attempt to assess whether or not their financial circumstances could support their early retirement. In contrast, the support described by those who were offered redundancy or for whom early retirement was suggested by their employer, was limited to the use of a solicitor to review any agreements stating the terms and conditions of their exit from the company. Those who experienced redundancy did however appear to receive some support from their employer in leading them through the necessary stages and decisions related to accepting and settling a redundancy agreement. Within both groups (employer- and employee-instigated retirement before 65) there were individuals who neither sought nor received any support, guidance or advice relating to their retirement decision.

The most obvious gap in support for individuals retiring before 65 appeared to be the opportunity for discussion of alternative options. Those who lacked this opportunity, and felt that having had it might have presented them with opportunities to remain in employment with that employer for longer, perceived this as unsupportive on the part of the employer.

4.2.4 Outcomes

Every individual in this sample group stopped working for their employer on the same terms as they had previously, either through taking retirement or being made redundant. It was not the case however that all stopped working altogether and some went on to alternative paid employment with other employers, on a full time, part time or consultancy basis, or continued to work for the same employer on a freelance consultancy basis. In some cases, a condition of retirement before the age of 65 was that the individual could not take up employment with that employer for a certain period of time, for example when retiring from a local government employer. A further group remained not in paid employment but undertook voluntary work.

Those who continued on to alternative paid employment included people who had retired as well as those who had been made redundant or voluntarily taken redundancy. No patterns were evident to suggest that those for whom the idea of early retirement had come from the individual chose not to work in the future or that those who were made redundant universally sought alternative paid employment. That such patterns are not evident suggests that other factors are

influential in the individual's decision to stop working for their employer before the age of 65: Section 4.4 outlines these other factors and considers their influence alongside employer-related factors.

4.3 Attitudes towards retiring before 65

Exploration of participants' attitudes towards their retirement decision, and their employer's approach to dealing with it, highlights a key difference affecting those who retired before 65 compared with those who were offered the right to request or who experienced 'other' approaches to retirement. In the main, the decision to stop working before the age of 65 was the choice of the individual: even where redundancy was offered, it was the individual's choice whether or not to accept it (the only exception to this was where the individual was offered a choice between taking early retirement and taking redundancy). This had the effect of mediating people's general attitudes towards retiring before 65, even where they identified that the experience would otherwise have been unpleasant.

'When I made the decision to leave [name of employer] that was my decision...I didn't have a retirement plan and I was going to carry on working until such time as it became inevitable and then all of a sudden, I thought, I just looked at my situation and said, "I don't need to do this".'

(Male, 64, retired, medium-sized private sector employer)

This does not however suggest that attitudes towards retiring before 65, or the process via which it took place, were universally positive. Indeed, three factors that affected people's attitudes towards their experience and perceptions of their treatment by their employer were evident. These were:

- the extent to which the employer's process was anticipated and understood;
- the presentation and discussion of alternative options (and the extent to which the individual believed other options existed); and,
- the circumstances that led to the process being instigated (why the employee want to take early retirement and to what extent was this judged to be within the employer's control).

Each of these factors is discussed briefly in the sub-sections that follow.

4.3.1 Anticipation and understanding of process

It might be expected that people who were made redundant or who took up the offer of redundancy (i.e. who did not instigate their early retirement themselves) would feel less well-disposed towards the process, and its outcomes, than those for whom early retirement was their wish. This did not, however appear to be the case and one explanation for this, when comparing these accounts with those of people offered a right to request or who experienced an 'other' employer approach to retirement, is that these individuals had some prior understanding or awareness of the process. It is conceivable that those who themselves instigated

their early retirement had previously investigated what this might entail and therefore were prepared for the process they eventually experienced. Those who eventually accepted an offer of redundancy in this sample experienced a choice and a period of time in which to consider their decision to accept the offer during which they were able to reconcile the idea of stopping working for their employer before the age of 65. The excerpt from an interview with a participant in this group below illustrates the impact of this time for consideration on their attitudes towards the process.

'I've been planning this [retirement], or it's been in discussion for six months or so I've got to the stage when I think, "Ok, I'm ready to retire" and if someone offered me a full-time job at this minute, I think it would have to be very highly paid for me to say, "Oh, yes, ok, I'll work for another year or two." Having said that, I hadn't planned to retire at 64.'

(Male, 64 retired, small private sector employer)

It is apparent therefore that anticipation of the process involved in retiring before the age of 65 was important for the individual's experience of that process. The potentially undermining impact of not anticipating redundancy is mediated by the time people are given to consider that prospect, as well as the support they receive from their employer in guiding them through the redundancy process.

4.3.2 Presentation and discussion of alternative options

A second key factor in determining how people felt about their decision to retire before 65 and the process followed was the extent to which there were opportunities to discuss the decision with the employer, including the discussion of alternative available options. The preceding section (Section 4.2) described the variation evident in people's accounts relating to opportunities for discussion. Where these were provided by the employer, including the discussion of options available to the individual other than retiring, they were welcomed. This was true where the employee felt certain of their decision to retire as well as where they were considering retiring early because of challenges at work or factors that were otherwise perhaps within the control of the employer. Where no alternative options were offered or discussed, individuals appeared to experience this negatively, even where the decision to retire early had initially been their own. This feeling was compounded where people felt that alternatives existed but that their employer had neglected to offer them.

How far people felt that other options did exist was very important. Where employees understood that alternatives could be possible but were not discussed, this contributed to their feeling poorly treated. However, where it was understood that no other options existed, perhaps because of the economic climate in which the employer was operating which was outside of their control, a lack of alternatives was not experienced as problematic. The excerpt overleaf illustrates how the 'choice' between redundancy and retirement was experienced by one participant:

'It was premature – it was market-led...the truth of it is, I wasn't going to fight the system, the position in real life in the market...I couldn't argue with the logic or the fairness or the business sense for the company. Didn't suit me personally, but, you know, I couldn't – I didn't have a lot of option, really.'

(Male, 64 retired, small private sector employer)

4.3.3 Employment context

The third factor affecting attitudes towards stopping work before 65 was the context within which people made the decision to take early retirement or redundancy. A number of these issues were highlighted in Chapter 2 of this report, such as difficult relationships at work, a feeling that they lacked the necessary support and training to perform their role, a change in job role or responsibilities and low pay. This context is closely linked to how far people felt they had choices (explored already) in making a decision about redundancy or retirement before 65 in that it could determine for some their perspectives of the options available to them. Even where individuals had initiated the process of discussing and taking retirement before 65 or redundancy, the extent to which they felt that had had a choice in making this decision was an important factor in determining how they felt they had been treated. This is illustrated by a case example of a participant who chose to retire before reaching 65 and cited his poor relationship with his line manager, alongside other organisational changes that had affected his role, as the key driver in that decision. Without any sense of any alternative being offered by his employer he eventually felt he had no choice other than to remain at work feeling unhappy or to retire.

'I carried on pretty doggedly doing things the way I wanted to do them. And obviously that caused her [line manager] to not be happy about that because she wanted me to do things the way she wanted it done...so she was happy to see me go, and I was happy to go, so I suppose in some respects it was a bit of a mutual arrangement.'

(Male, 63, retired, large private sector employer)

4.4 Role of the employer in decision to retire before 65

This section explores the role of the employer's policy and practice, and other non-employment-related factors, in the decision to retire before 65 and the impacts on the individual of retiring before 65. All participants in this sample group retired or were made redundant by the employer, therefore, this section is limited in the extent to which it can describe factors individuals identified as important in encouraging them to remain in work: rather, it highlights those factors important in helping people reach the decision to leave.

4.4.1 Employer policy and practice

The influence of the employer on the retirement decision is clearest where redundancy is offered, or the employee must choose between the offer of early retirement and redundancy. Without the employer making such an offer, or forcing such a choice, participants themselves reported that they would have been likely to continue working until they were 65.

R: *'I had expected to work 'til I was 65 and just retire...but getting it earlier was very nice...'*

I: *'If voluntary redundancy hadn't been an option, what would you have done then?'*

R: *'I would've hung on until I was 65 which was only the six months... probably, unless I'd had any other ill health.'*

(Female, 65, retired, large public sector employer)

Where the decision to stop working before reaching the age of 65 is the individual's and they initiate a request to take early retirement, the role played by the employer is more subtle. Where an individual instigated the early retirement process in some way and identified an issue that was within the employer's power to affect, the employer's failure to deal with that issue appeared to influence their decision to retire or otherwise stop working for the employer. This is illustrated by a case example of a participant who felt unable to continue working for his employer because of the nature of the work he was being asked to do. He raised the issue with his employer and expressed a desire to leave the company. His employer, instead of addressing that issue, worked with the individual to find a way of making his post redundant. It is plausible that in this situation, the individual may have felt able to continue working there had the issue he raised been addressed.

Further evidence of the employer's influence over the retirement decision is apparent where the employee approaches the employer with a request to change their working terms, for example to reduce their hours or increase their pay in light of additional responsibilities assumed: where the employer is unable to accommodate these requests, this impacts upon the individual's eventual decision to retire. For instance, one participant who felt she had taken on additional responsibility in the preceding months requested a pay rise in recognition of this and a reduction in her hours to help her to cope with the new role. Her manager was unable to do so and she cited this as the reason she retired. Despite the fact that all the participants in this sample eventually retired or were made redundant, there was evidence that the extent to which the employer could accommodate such requests could impact positively on the individual's willingness or their perceptions of their ability to remain working for their employer. Where the employer was able to accommodate a request, for example to alter an employee's responsibilities, the individual was persuaded to continue working for longer. Similarly, people who were looking to their employer to offer alternatives to retiring before 65 but who did not approach the employer directly with any request for amendments stated

that they might have considered working for longer had this been proactively offered to them by their employer.

4.4.2 Employment-related factors affecting outcomes

As well as the influence of the employer's approach, participants cited aspects of their working context that contributed to their decision to retire early. These issues were not raised directly by the employee at the point they informed the employer of their desire to leave yet were nevertheless influential in their decision to retire early or otherwise stop working for the organisation.

The circumstances described in Chapter 2 provide useful context for the exploration of these employment-related factors. Individuals cited four factors that influenced their retirement decision.

- **Organisational change:** changes to organisational ethos or management were cited as a reason for choosing to retire or take up the offer of redundancy.
- **Perceived lack of support/training:** some individuals felt they were unable to cope with the demands of their job because of a lack of training or a lack of support from their manager. This was particularly relevant for individuals who had experienced a period of organisational change which had directly impacted upon the nature of their job role.
- **Difficult relationships at work:** poor relationships between employees and their managers were cited as influential factors in the decision to retire. There was evidence that this persuaded individuals to retire before they had planned and before they were able to draw their pension.
- **Changes to individual role/responsibilities:** where individuals felt unable to cope with new responsibilities or did not enjoy new aspects of their role, this encouraged them to consider retirement before 65 or the offer of redundancy before 65.

Where the impetus for early retirement or redundancy came from the employer, a similar set of factors was echoed in participants' explanations of their employer's behaviour. Specifically, people cited difficult working relationships between employer and employee and a desire on the part of their manager to change this by encouraging the individual to leave the company. Individuals also cited the impact of the economic climate and employers needing to reduce the size of the workforce as another reason. Finally, and although never directly cited as a factor, there was evidence of the suggestion of age discrimination in the accounts of participants in this study and that this was a factor in the employer's decision to offer early retirement or redundancy. For example, one participant being offered a choice between early retirement and redundancy who understood that the market conditions were difficult for the employer was also aware that none of his colleagues – all younger than him – had been offered the same choice. There is an implication here that employers could use early retirement or redundancy to effect a retirement below the default retirement age (DRA) of 65 in cases where it would benefit their business.

4.4.3 Other factors affecting the retirement decision

A series of non-employment-related factors comprise the final set of factors influencing the decision to retire before 65.

Table 4.1 Non-employment-related factors influencing retirement decision

Emotional/personal	Partner's employment status
Financial	Financial provision
	Where applicable: size of redundancy offer and comparison with projected retirement provision if continued working to 65
	Availability and size of pension
Health-related	General health and fitness
	Specific health problems
	Perceived impact of work on health

There are three groups of non-employment-related factors: emotional or personal; financial; and, health-related. The key emotional or personal factor was the employment status of the individual's partner. For example, where the partner was already retired, this provided an incentive to stop working also, perhaps to spend more time together or to undertake specific activities or interests together. A set of financial factors was also evident, comprising the extent of an individual's own resources or provision (their wealth and assets), the availability and size of their personal or work pension and, in cases where the individual was offered redundancy, the size of the redundancy package on offer. Participants described weighing up the relative value of the redundancy offered against the likely size of their pension were they to remain with the same employer until their pensionable age. A final set of factors concerned people's perspectives on their health and included their general health and fitness, current or previous health problems, and their concerns about the impact of work on their health. Table 4.1 summarises these factors.

4.4.4 Interaction of factors affecting the retirement decision

The preceding discussion of different sets of influential factors has demonstrated that the decision to retire or accept redundancy before reaching the age of 65 was the product of the interaction of a number of these factors. Of note is the interaction of their financial circumstances with other influential factors. It is clear that financial concerns took priority over other factors in specific circumstances. Financial considerations served to persuade those who did not feel they were financially comfortable to work longer than they had initially planned and even those who did retire when they had planned to acknowledged that being less financially comfortable could have forced them to continue working with their employer for longer.

'I was just in a fortunate position of being able to say, 'Well, I don't need to put up with this'...If I'd been a younger man and I'd been needing the job, you know, I hadn't been in a sort of comfortable situation, then I would probably have struggled on and might well have had mental health problems.'

(Male, 64, medium-sized private sector employer)

The financial incentive offered through a redundancy payment was also sufficient to encourage people who had not considered any form of retirement before 65 to do so for the first time. Those who cited other reasons, such as organisational change, as most influential in their decision to leave their employer reported that the size of the redundancy package on offer would have been sufficient for them to consider leaving their employer without the presence of any other factors.

In the context of financial considerations playing such an important role in decision-making, it might be assumed that the availability of the State Pension would be cited as an influential factor among women considering retirement or redundancy before 65. This study found no evidence of that: one explanation for this is that the women in this sample group were well provided for by private or occupational pensions, or were afforded security by their partner's financial circumstances.

4.4.5 Impacts of retirement decision

All participants who retired or were made redundant before 65 experienced the same outcome; that is, they stopped working for that employer. It is not therefore possible for this chapter to present any evidence of the impacts of the retirement decision for people who are offered the opportunity to retire or take redundancy before reaching the age of 65 and do not take it up (although Chapters 5 and 6 do discuss the impacts for individuals who continued working until or beyond 65).

The emphasis in accounts of the impact of retirement or redundancy was on a range of positive impacts and this perhaps reflects the fact that for these people the retirement decision was ultimately theirs, despite the influence of the employer on making that decision (apart from for the individual given the choice between early retirement and redundancy). These positive impacts included having more free time and participants described spending this at home, travelling, pursuing hobbies such as bridge, and volunteering for local charity work. Participants felt their health had been positively impacted and cited generally feeling better and having a normal sleep pattern. Those who were made redundant reported feeling financially better off as a result of their redundancy pay out, especially where they had gone on to find alternative paid employment, and had been able to pay off debts such as their mortgage as a result. Other financial impacts, where they were identified, were reportedly minor: where participants had previously been on a low wage they argued that the State Pension provided them with a similar income; those who had been paying large amounts into their pension in the years before their retirement were used to budgeting and felt there was little material difference in their financial circumstances since retiring. Where people had gone on to find

alternative part-time or freelance work, they reported feeling happier in these roles because of the extra free time it afforded them. A single negative impact was identified amongst individuals retiring or being made redundant before 65: the impact of not working on their social networks. Participants described missing the interaction they had previously enjoyed with colleagues and customers although some had sought to replace this interaction by undertaking volunteering work in their local community.

5 Experiences of the 'right to request'

This chapter describes people's experiences of the right to request working beyond the default retirement age (DRA). It outlines a range of ways in which it was reported that the process works in practice, attitudes towards the process and the influence of the employer and other factors on key decisions made throughout. Before discussing this in detail, the chapter provides an overview of the implementation of the right to request and the associated outcomes that were identified by the study, and briefly discusses what knowledge and expectations participants had about the right to request prior to their retirement being discussed with the employer.

As noted in Chapter 3, the findings for this study are based on the perceptions and recollections of individual employees. What is presented in this chapter is not, therefore, a detailed account of the range of ways in which employers are implementing the right to request process but a rich description of how approaches to this process were experienced by individual employees.

5.1 Overview of the right to request processes experienced by individuals

Understanding the impact of the right to request process on people's retirement decision-making is a central aim of this study. Chapter 1 described the guidelines for implementing the right to request that are associated with the DRA legislation. These guidelines allow some room for interpretation of certain aspects of the process and participants who had experienced the right to request experienced a variety of ways in which the process was implemented: some of this variation fits within the guidelines and some does not. In order to be included in this chapter, however, the employer must have offered the employee some form of opportunity to request working beyond normal retirement age and reserved the right to decide whether or not to accept this request. A key dimension across which individual experiences of the right to request differed was the employer

approach to implementing the process. This variation can be broadly categorised into three employer approaches:

- **Employer instigated, formal:** characterised by the employer formally communicating to the individual that they had a right to request continuing to work beyond their normal retirement date and, where requests were made, following a structured and documented process that was the same for all employees.
- **Employer instigated, informal:** characterised by the employer informally communicating to the individual that they had a right to request continuing to work beyond their normal retirement date and, where requests were made, following a largely undocumented process that was verbally communicated. Participants in this group were unsure as to whether the process followed was the same for all employees.
- **Individual instigated, formal:** characterised by the employer formally communicating to individuals that they had to retire on a particular date but with no mention of any right to request working beyond this date. In response to this, individuals in this group challenged their employer's right to specify a retirement date without a right to request. Structured and documented processes were then embarked upon by employers. Participants in this group were unsure as to whether or not this was the same for all employees. No informal approaches instigated by the individual were identified, which might suggest that where employers were challenged by an individual they considered that it would be best to conduct proceedings formally.

The detail of the variation within these three approaches is discussed in Section 5.3 and individuals' attitudes towards different aspects of these approaches are discussed in Section 5.4. Further variation was also experienced across and within these approaches in terms of the options for continuing to work that were either offered or negotiated, and the outcomes of the process. These variations were experienced by people at different levels of seniority and across different lengths of employment. The differences also cut across different sized companies, and public, private and voluntary employers. Before discussing each employer approach in more detail, the next section briefly describes participants' knowledge and expectations of the right to request prior to it being instigated.

5.2 Knowledge and expectations of the right to request

Participants were asked about their knowledge and expectations of their employer's retirement policy in general, as well as the workings of the right to request process in particular. Levels of knowledge exhibited by individuals fell into three categories:

- **Uninformed** – Little or no knowledge of employer retirement policy or right to request.

- Partly informed – Knowledge of some possibility of working beyond normal retirement age but limited understanding how this would work.
- Fully informed – Full understanding of the right to request process.

Awareness and knowledge of the right to request was important because it influenced expectations about what would happen once people reached normal retirement age. The level of awareness and subsequent expectations around their retirement decision had implications for how the right to request process was experienced and how it influenced attitudes towards outcomes. The rest of the chapter will draw on this section and also the broader expectations of individuals around retirement described in Chapter 2 for understanding the experiences of a particular part of the retirement decision-making process. What follows here describes how knowledge of the retirement process affected individuals' expectations of it.

5.2.1 Uninformed

This group reported that before the issue of retirement was raised with their employer, they had little or no awareness of any employer policy related to retirement beyond the knowledge or assumptions they had made about their employer's normal retirement age. Participants suggested that they did not know anything about the policy because it was not mentioned in their contract and their employer had not provided any advance information as to what would happen when the time came to discuss retirement. Whilst some participants were aware that information about the policy existed and acknowledged that it was their responsibility to access and read it, others did not know where to access this information or expected it to be provided when required by the employer. One further explanation for a lack of knowledge was identified for individuals in smaller companies and those who had not been working with their employer for very long: they had not seen any colleagues retire so had not been able to observe the process or talk to others informally about it.

As a consequence of this lack of knowledge, people expected to retire at what they thought was the employer's normal retirement age. This was based either on observing others in the company retiring at this age (and assuming this was the same for all employees) or a perception that 65 was *'just the age at which you retire'*. Other participants were aware of their employer's retirement age but had no knowledge of any opportunity to work beyond that age. There was some concern and anxiety about retirement amongst this group and about raising the issue of retirement with their employer. Their lack of knowledge was partly responsible for this anxiety, particularly amongst people who thought they would have to retire but had a desire to continue working and it prevented some from trying to find out more from their employer. Consequently, being informed of the right to request came as a pleasant surprise.

5.2.2 Partly informed

This group of participants was characterised by an awareness of the possibility to work past normal retirement age but uncertainty as to how this opportunity would arise or on what basis it was allowed. Participants in this group had seen colleagues work on beyond the normal retirement age and took this as evidence that it must be possible for them to do so or had specific knowledge of a policy being in place but were unsure of how it worked.

'For example there was a guy when I first joined the company, his activity was to look after the shop floor...He then reached 65. He chose to retire, but continued to work two or three days a week. And he ultimately ended up on two days a week.'

(Male, 67, retired, medium-sized private sector employer)

One expectation was to be able to continue working without having to go through any formal process and that this would be the individual's decision. Consequently, being informed of the right to request process and that the employer had no obligation to accept these requests came as a 'nasty shock'. Others expected to have to go through a process of applying to continue working. The uncertainty about the criteria upon which decisions about these applications were based created an ambivalent and, in some cases, anxious attitude towards the possibility of working beyond normal retirement age.

5.2.3 Fully informed

People in this group reported being fully aware of their right to request and had knowledge about how the process might work. Some employers had apparently communicated to all employees that their retirement policy was to change in line with new legislation and that this would include the right to request. Where participants did not mention receiving such communication, some had searched for it independently and found it available through the staff intranet or on request from managers or human resources staff.

'Yes, all this again is on the source, a computer programme on the intranet... general information, it is all there for you to read. So it is up to you to read and find out what is available as well.'

(Female, 64, still working, large public sector employer)

In other cases knowledge about the right to request was actually derived from the individual's position within the organisation through which they had involvement in implementing the system for all employees. Conversations with colleagues or friends outside the company who had experienced the right to request and news or press reports related to the DRA were other sources of information. Being made aware of the possibility of continuing to work beyond the normal retirement age encouraged some people to find out more about how this would work in practice through independent research on the internet, seeking advice from advocacy organisations or following local cases that had been taken to a tribunal.

This group's knowledge of how the right to request process should work impacted upon their expectations about what would happen in their own case: whether or not they would choose to exercise their right and whether or not their request would be accepted. Participants with positive work experiences leading up to retirement were confident that their employer would follow the process correctly and that their above satisfactory performance would see their request accepted. This expectation is a significant factor in how people experienced the process in practice and how they reacted to the actual outcome, which is discussed in subsequent sections. Conversely, people who lacked trust in their human resources department were unsure that the process would be followed correctly or felt the chances of their request being accepted were limited. This was particularly the case for one individual who was informed of a change in policy to incorporate the right to request where previously there had been a different approach:

'Going back about six years I would say [at employer], you had a better chance of staying on but it's just procedures now and that's how it is. Your manager, his word wouldn't probably mean anything.'

(Female, 64, still working, large public sector employer)

5.3 How the right to request process worked in practice

This section describes perceptions and recollections of how the right to request process worked in practice. The study identified different approaches to instigating the process and ways in which it was subsequently structured. Participants also described a variety of options for continuing to work and experienced different outcomes. Table 5.1 illustrates the ways in which the experiences of these three dimensions combine to form a full experience of the right to request. The remainder of this section discusses individuals' experiences of different aspects of each employer approach.

Table 5.1 Overview of the right to request process as experienced by individuals

Approach	Options	Outcomes
Employer instigated, formal Structured and documented process	Same role Same role with different conditions Different role	Request not made Request accepted Request declined
Employer instigated, informal Casual and undocumented process	Same role Different role	Request not made Request accepted
Individual instigated, formal Structured and documented process	Same role Different role	Request not made Request declined

5.3.1 How instigated and by whom

The instigation of the right to request process is an important element of the overall experience of the process. Across all the three approaches, the way in which the possibility of the right to request was raised has implications for the decision to request, the relationships with key players throughout the process and, in some cases, the impact of the final outcome.

Employer instigated, formal

This approach to implementing the right to request was broadly in line with the guidance that accompanies the DRA legislation for when and how the process should be instigated, though there was some variation that sits outside this guidance. People in this group all received formal notification of the date on which the employer expected them to retire, accompanied by information about their right to request. This communication took place between two and 12 months prior to this expected retirement date, some of which sits outside the six to twelve months stipulated by the regulations. Where participants felt there was a normal retirement age this was always 65 within the sample for this study. In cases where people were not aware of their employer operating a normal retirement age, retirement dates were issued for ages up to 69. Some people had raised the issue of retirement before they received this communication, for example informally with a supervisor or during an appraisal, but had been told that a formal process would begin when the employer informed them of their retirement date.

Everyone in this group received a letter with information about the right to request, sent either by the human resources department or senior managers at a head office. In some cases this was the only form of communication received and people understood that this was what took place for all employees. The experiences of people from larger employers were characterised by this approach. Other employers approached this communication differently, with a telephone call from human resources preceding the letter or a follow-up telephone call from the individual's supervisor complementing the formal letter. Where there was no such communication outside the letter participants had reported more difficult relationships with managers. In some cases these letters included full information about the right to request process; in others, individuals were required to discuss the process with their supervisor or human resources staff to find out more.

Employer instigated, informal

This approach to implementing the right to request process fell largely outside of the guidelines that accompany the DRA legislation. The main difference with the experiences of individuals in the previous group is that information about the opportunity to request continuing to work was communicated verbally and not always at the same time as people were informed of their retirement date. In some cases this was an impromptu meeting with a supervisor, with one participant reporting being called into the office and told if he wanted to work beyond 65 he needed to request this. Others reported a more casual approach:

'I was standing in the canteen on the Thursday and he [new company director] come up. He says, "You're ready for retirement". I said, "That's right, August this year". He says, "You can work 'til you're 67, two years we give you...but you won't be driving that big truck all the time now. You'll be doing other work".'

(Male, 66, retired, medium-sized private sector employer)

This discussion aimed to explain a new approach to retirement following a recent takeover; until this point the individual was expecting to be able to work on beyond his retirement date in the same role without having to request to do so – the impact of this is discussed in Section 5.5. These encounters took place as early as six months and as late as a few days before the individual's retirement date. Participants described these encounters as 'conversations' rather than meetings and they took place with supervisors, labour managers or company directors.

Individual instigated, formal

The key characteristic of the experiences of individuals in this group is that the right to request process was only initiated once the individual challenged the retirement date issued by their employer and encouraged the employer to offer them the right to request continuing to work. Everyone in this group was formally issued with a date on which their employer expected them to retire from between three and 15 months in advance of this date. These retirement dates ranged from 65-67. Participants reported responding to this in a range of different ways. One approach was to respond formally and begin making a case for remaining in employment, in the form of either a memo or letter to human resources or company directors or partners.

'I was conscious that the retirement age was approaching...I sent a memo to the head of department and I attached details of my fee earnings, and said, I've done extremely well.'

(Male, 64, retired, small private sector employer)

An alternative approach was to speak directly to a supervisor. People taking this approach were all of the understanding that they should have been offered a right to request continuing to work beyond the retirement date issued and made their employer aware of this. In each case, employers responded formally and made it clear that if they wanted to carry on working they would have to request to do so following a formal process. Some employers also indicated at this point that they would consider the request but were under no obligation to accept it.

5.3.2 The structure of the process

This section describes how individuals experienced the actual right to request process once it had been instigated and demonstrates clear differences in how the process was structured between the three approaches identified. This section also presents variations within those approaches with respect to how the process was communicated, the timetable followed and the people involved.

Employer instigated, formal

Individuals described formal approaches as being explained, to some extent, by the initial letter that offered the right to request. In some cases, this provided a full timetable for the process, what options were available to continue working and made it clear what was expected of the individual during the process. Those receiving less information in the initial letter were informed about the detail of the process in an initial meeting with a combination of supervisors, company directors and human resources staff.

The structure and timetables outlined as part of this approach had some common features. Once the procedure had been fully explained, people reported being given a set period of time in which to decide whether or not to exercise their right to request and in some cases to decide in what capacity to continue working. The time period given to make this decision or negotiate the options varied between one week and six months. What was required of the individual also varied. One approach was to operate the entire process without any verbal discussions or face-to-face meetings. Participants described being sent a form on which to indicate whether they would like to request continuing to work. Forms also included a set of options for people to indicate in what capacity they would like to request continuing to work.

R: *'Coming up to retirement they send you this thing [saying] do you wish to stay on, and you have to give a time how long you want to stay...Maybe a year or two years or six months...when they've looked at it and considered it they...say yes or no.'*

I: *'Do you think that you have to go into a meeting, or?'*

R: *'No, no, nothing, no, no...it's just boxes to tick.'*

(Female, 64, still working, large public sector employer)

An alternative and more personal approach was also described in which the process comprised a series of meetings to set out the process, to discuss options and at which individuals were expected to explain why they wanted to continue working and what they could continue to offer the employer. Irrespective of this, participants in this group all described the process as being documented by human resources staff, with official communication being received in advance of and following meetings, sometimes including minutes.

Human resources staff in larger organisations tended to lead or at least be present in the final meeting; other meetings were conducted by a range of supervisors; participants identified more senior staff becoming involved in the process when informal complaints were made about a decision or the decision of a case was formally appealed. In smaller organisations, human resources functions appeared to be non-existent or less formalised, and most roles in the process were filled by company directors or supervisors.

Participants in this group experienced the full range of outcomes identified in Section 5.1. Those who decided not to exercise their right to request experienced two types of employer response: to try to persuade the individual to reconsider or to accept the decision and formally 'retire' them. Where a request was made, the employer's decision was communicated in a number of ways, although these largely reflected whether or not the individual was required to make their case in person or in writing. Those required to attend an interview were informed of positive decisions face to face shortly after the meeting; decisions to decline a request were communicated by a formal letter. This was also the case for participants who had completed a form to make the request to continue working. Requests that were accepted allowed individuals to continue in the same role or with different conditions or hours; in some cases these were part of the request and in others they were imposed by the employer. Their employment was either for a fixed term of six to 12 months or reviewed every year. Those who had their request declined subsequently retired or appealed and had the employer's decision overturned following the involvement of senior manager. And, one individual in this group had their first request accepted but were forced to retire when a request to work for a further year was declined.

Employer instigated, informal

Experiences of informal approaches to implementing the right to request are characterised as casual and undocumented. Consequently, a key difference from formal approaches was that the process was not fully laid out in advance. In some cases individuals were given pieces of information in the run up to their expected retirement date; in others the whole process was explained and conducted in a single meeting. Unlike formal approaches, therefore, people were not given a set period in which to decide whether or not to make a request but were asked to make the decision on the spot or when they were ready. Organised, formal meetings did not feature in these approaches, yet there were some elements of formality. Individuals in some cases were required to 'put in writing' that they wanted to continue working, which employers explained would make it clear that it was the individual's choice to continue working if the request was accepted.

This study did not identify anyone whose request was declined as part of an informal right to request process. Participants in this group did decide not to exercise their right to request and retired with little further involvement from their employer. Requests that were accepted following an informal process were concluded in the same conversation in which individuals made their request. This led to people continuing to work on a permanent contract and on the same terms and conditions or with options to incrementally decrease their hours, although their situation was subject to review every six or 12 months.

Individual instigated, formal

This chapter has already described the ways in which people attempted to instigate the right to request process. The reaction of the employer that followed was

often characterised by confusion as to what the process would be or a period of negotiation as to whether or not a request could be made as well as what could be requested. One approach that people reported their employer following was to embark on a right to request process within the parameters of those described within the employer instigated formal approaches. These individuals were not given a set period in which to decide to make a request since it was assumed that they would, however they were invited to attend a meeting to make a case for continuing to work. Other approaches were more abrupt and in these cases employers took the individual's attempt to instigate a right to request process as representing the process itself and responded by offering the individuals a decision on the request, without a meeting. While this did not follow a formal procedure, all subsequent communication, including some meetings where decisions were appealed, was formal in tone and fully documented.

Only certain outcomes were experienced by people who had to instigate the right to request process for themselves. Some chose ultimately not to make a request and were allowed to retire by the employer. None of the requests that were made by this group were accepted. Individuals were informed that their request had been declined within between three months and one week of their retirement date. Participants who chose to challenge the decision did so through informal discussions with senior staff or by making a formal appeal. No appeals in this group were overturned and in one case the individual subsequently initiated an employment tribunal.

5.3.3 Support and guidance

The guidance that accompanies the DRA legislation does not stipulate whether or how employers should support individuals through the right to request process. However, participants reported receiving three types of support: employer-provided support, support from external experts or organisations and informal support from friends or family. Different types of support were offered within each of these categories. Whether people chose or were able to access this support was influenced by a range of factors, including relationships with supervisors and managers and employers' attitudes towards older workers more generally. No support related to the retirement process was identified by individuals that experienced an informal right to request process, although some did feel that the employer was 'supportive' of the idea of them continuing to work, which is discussed as part of Section 5.4.

- **Employer provided support:** Where individuals were responsible for instigating the right to request process, no support was reported as being provided by the employer. People who had experienced a formal, employer instigated approach identified a range of ways in which the employer supported them through this process. The most formalised and relevant support was offered in the form of counselling or seminars. Other participants recalled specific guidance on retirement options available as part of the employer's retirement policy. In some cases this support was provided as a matter of course to all employees

reaching retirement age whilst other individuals reported having to access this support themselves. Smaller organisations did not offer such formal support on retirement, although participants with good relationships with managers did report receiving guidance on how the process would work. Other support related to retirement was also offered by some larger employers with a company financial adviser available to discuss pensions and retirement finances. This support was accessed by those who were unsure about their preferences or the employer's policy rather than individuals with clear expectations of being able to continue working.

- **Externally provided support:** Support from external organisations or experts was sought by people with experience of both the employer and individual instigated right to request process. A range of organisations was identified, including trades unions, advocacy organisations, such as Age Concern, and other bodies, such as Acas. Individuals reported seeking external guidance in response to a lack of employer support or a lack of confidence in the guidance that employers had provided. This was an issue for people who either expected their request to be declined or felt that they should not be required to make a request if they wanted to continue working. Perceptions of external support were characterised by disappointment at the confirmation that the employer was able to 'retire' them having considered a request. Support was also accessed on related pension and financial issues from independent financial advisers.
- **Informal support and guidance:** Irrespective of the employer approach to the right to request, participants also described seeking advice and receiving support from a variety of informal sources. Colleagues who had been through the retirement procedure were consulted and in some cases they provided representation for the individuals in meetings that formed part of the right to request process. The guidance offered by family and friends was described as more broadly related to retirement decision-making than specifically about the right to request process. Issues discussed included post-retirement finances and advice on adapting socially to retirement.

5.4 Attitudes towards the 'right to request' process

This section addresses what individuals thought about the employer's approach to the right to request and their behaviour throughout. The study found a range of attitudes towards how well the process was explained, its structure, the tone with which it was applied and communicated, and the ultimate outcome of the process. Attitudes were found to be influenced by a range of factors, including work experiences leading up to retirement, knowledge and expectations of retirement policy, and the extent to which expectations matched the ultimate outcome. This section draws together attitudes from all three approaches for each of these elements of the process. Prior to this, we briefly describe general attitudes towards the principle of right to request.

5.4.1 General attitudes towards the principle of right to request

Participants who showed some awareness of the understanding of the DRA legislation and the right to request process were asked for their views on the principle behind these pieces of legislation. There were mixed attitudes as to whether a set age at which individuals should be asked to retire is a good idea. There was some understanding that this could serve a purpose for employers, who should not be obliged to employ people indefinitely. However, there was a clear sense that a decision to retire someone and effectively terminate their contract should be based on performance rather than age. One participant suggested that it was arbitrary to have a set age at which individuals should retire:

"Some people are young in their 80s, you know, you can't just have a chronological age where you say everybody above the line is useless, senile and not wanted and everybody below the line is OK. That would be too simple."

(Male, 69, retired, large public sector employer)

However, there was a general view that if there is a DRA, people who still have the ability to do their job should be given the opportunity to work beyond it. If the individual could demonstrate their ability to do the job, then it was considered that the decision to continue doing so should be their own and not that of the employer. A crucial point about the ability of the right to request process to facilitate this was raised by one participant's comparison of this process with her employer's previous policy, which she felt was more personal:

'It's [the new policy] general, it's for everybody; everybody gets the same and that's how it's changed. It's not fair is it... They should take your working life and what you've done and, there've been no problems: I haven't been suspended, I haven't caused any problems, I haven't been to any tribunals in all those years. I think they should take all that sort of stuff into consideration.'

(Female, 64, still working, large public sector employer)

There are two key elements, therefore, that people feel a right to request process should incorporate: involving the individual in decision-making; and basing these decisions purely on performance. Whether the employer's approach involves these elements is a key determinant of experiences of the process and attitudes towards the outcome.

5.4.2 Attitudes towards formal approaches

Participants displayed a range of attitudes towards their employer's handling of a formal right to request process. Attitudes were affected by existing views of the employer or management as well as to what extent the process and outcome matched expectations, all of which has implications for the extent to which people felt that a fair and collaborative outcome was reached.

How well the process was understood

Understanding of how the employer aimed to proceed with the right to request has implications for whether people felt that they were able to play an active part in the process. As described in Section 5.2, some already had a good understanding of the DRA legislation and what the right to request process would entail. For the less well-informed, there were differing perspectives as to whether employers adequately explained the process. Where employers provided clear information at the start of the process and a formal letter that was sufficiently detailed, individuals felt they could understand what to expect from the process. Where the initial guidance did not provide enough information, they sought clarification from supervisors or human resources staff. Those who received clarification in this manner welcomed the extra support: *'it was all straightforward once they explained it'*.

This advice, however, was not forthcoming in all cases and some felt that they were not given sufficient guidance on completing forms or advice on the options that were open to them. Participants reported feeling disappointed where they had expected support from human resources or their supervisor and none was forthcoming. It was felt that employers should have shown some concern for their wellbeing, irrespective of whether they were continuing to work or retiring. Some participants were also confused about who would eventually decide whether or not they would work beyond normal retirement age and highlighted problems with how this was presented. It was reported that some communication related to the right to request could be and was interpreted as indicating that it was up to the individual not the employer to decide whether to continue working.

How the approach was structured

Participants had different perspectives on how their employer informed them of their right to request as well as what was required of them throughout the process and the time allowed for deciding whether to make a request. Informing individuals of their retirement date and the right to request more than six months in advance was considered a sufficient timeframe to allow them to start thinking about retirement. However, where this was not combined with clear information people were unsure as to why they could only request at a particular time if they knew a year in advance that they wanted to make a request. This was considered as adding an unnecessary uncertainty to their time before retirement. Where employers informed people of their right to request less than six months in advance it was not always seen as sufficient. Individuals felt rushed and unprepared, suggesting in hindsight that they might not have made a request had they been given more time to consider and adjust to the idea of retiring. However, participants in these cases all had their requests declined which could also have influenced this view that they might have taken a different course of action.

There was also criticism of the process being conducted entirely by letter, as it was felt that face to face or 'one to one discussion' might have been able to clarify the procedure. Others welcomed the formality of meetings and the correspondence that followed as it meant that there was a full audit trail of what happened. Despite this preference for face to face communication, some accounts were less complimentary about the way meetings were organised. For example, one individual was asked to go to head office to conduct the meeting, which she refused to do:

'And then somebody from human resources said would you like to come to [Head Office] and have an interview? I said no, I would not like to come to [Head Office] and have an interview, if you want to interview me you interview me in [name of organisation] where I work.'

(Female, 72, retired, medium-sized private sector employer)

Employer tone and behaviour

A number of the issues described in the previous section that related to the types of communication link closely to people's attitudes towards the tone and behaviour of employers throughout the process. Irrespective of the outcome of the process, there was a view that forms of communications were impersonal and employers were distant from the individual and the process. Even those whose right to request was accepted wished it had not been necessary for them to go through the process to continue working. Amongst those whose request was declined, there was a view that the process was set up as adversarial. For example, participants reported that derogatory comments specifically referencing their age were made by managers or directors:

'Some of the things he [company director] said to me in that meeting, he'd got no right to say. Some of the things he said were very personal, which there was no need for that comment. He says, "Well, you see, you're 65 and you start to forget things".'

(Male, 65, retired, small private sector employer)

The individual in this instance was particularly aggrieved by this statement as he felt better qualified than his managers to do his job. Letters were received by other individuals from human resources staff that reportedly contained age-related comments.

A different experience was reported by participants with positive attitudes towards their working conditions and relationships. Formality in the right to request process was felt to invoke a feeling of fairness and encouraged people to believe that they were being treated in the same way as anyone else. These individuals described their employer's tone and attitude as generally supportive and reported that employers had explicitly stressed the individual's worth to their organisation.

'When I should have retired, my manager gave the options if I wanted to go down in hours, wanted to go down in days. So he was very flexible. He said, "It will be no reflection on you for the future, you know, thinking does she want to go down in days because she can't cope. No, we're just thinking of you. If you want to come to me after six months and say, Can I do down to four days? No problem." He gave me a choice.'

(Female, 66, still working, large public sector employer)

Options and outcomes

As well as different perceptions of the tone adopted by employers, individuals also held different views as to whether the process and the employer provided suitable options for continuing to work. Approaches to offering options represented a continuum from a range of options and added flexibility at one end to no real option at the other. At the end of this scale where it was felt that employers were flexible and accommodating to the needs of the individual, there was a perception that the employer has an overarching aim to keep the individual in employment and did what they could to accommodate this.

'But reflecting on me, they've been very good to me. I think they're very flexible with all the staff really. They try and help you if you're not happy... And so, you know, I think they're doing everything they can to keep you working if you wish to. Which is good in my opinion. Because there's probably lots of people in my position who don't want to retire.'

(Female, 66, still working, large public sector employer)

Where there was less flexibility, participants found that their options were more fixed or less open to negotiations but felt relatively happy about being given some choice in terms of the capacity in which they were requesting to continue work. Conversely, at the opposite end, there was a perception that there was no real option: participants who were offered only the opportunity to continue working in a different role to which they were not accustomed felt that this devalued the process and the right to request was not a genuine right in their case. This exacerbated the feeling some individuals had of being 'forced out' of employment.

Individuals' reactions to the **outcome** of the right to request process are described in detail in Section 5.5, but there were also a variety of views on how the decisions were made and communicated. Perhaps unsurprisingly, those whose request was accepted did not question the judgement of their employer or the criteria used, despite some having concerns about new conditions of their employment. In fact one individual who had one request accepted and a second declined seemed to accept the latter decision feeling that it would be unfair to younger workers and the firm for him to continue any longer in a difficult economic climate. Conversely, it was notable that declined requests that were overturned were not a result of the process not being followed. Instead, this was a result of an appeal being made to a manager, rather than to human resources, who was more familiar with the performance of the employee and indicated that they could not let them go.

However, those whose request was declined painted a different picture about the decision-making process. They described a lack of clear and transparent criteria on which the decision was based, meaning that even where reasons were given as to why requests were rejected, individuals remained sceptical about the accuracy and legitimacy of this. This seemed to feed the perception amongst some participants that personal factors related to their relationship with managers had influenced the decision, and even that the nature of the process permitted this:

'...because the government have left the default age at 65, it gives them a perfect right to treat a 65-year-old...like dirt. And I'm sorry, but nobody after they've worked all their working life, or given good service to a company, deserves to be treated like that.'

(Male, 65, retired, small private sector employer)

The scepticism was compounded in some cases by being informed of the decision by letter and there being no informal avenue for further discussion about the decision.

5.4.3 Attitudes towards informal approaches

Participants with experience of informal approaches expressed less complex attitudes, partly because the processes involved fewer stages and elements and were less demanding of their time. A range of factors affected attitudes towards what did make up the process, including previous experiences of work, the behaviour and tone of the employer and the familiarity of individuals with informal approaches to other personnel matters. A healthy and lengthy working relationship with managers helped facilitate the trust that seemed to be required for individuals to find an informal approach satisfactory. Where this was not present individuals felt uninformed about the process, creating insecurity about how the process would work as nothing was written down.

As noted above, there were no requests declined in this group. Individuals who chose not to make a request cited the tone and behaviour of the employer as influential. It was felt that employers took little interest in whether they continued to work or not, having only explained the process 'in passing'. This indifferent attitude made individuals question whether or not they really wanted to continue working at that company. Participants whose request was accepted provided a different perspective, suggesting that the employer had been supportive throughout the process and had been encouraging and flexible with respect to working beyond normal retirement age.

Participants reported that employers adopting informal approaches to the right to request process had taken a similar approach with most contractual and personnel matters. For individuals who had worked at a company for a longer period of time, built up good relationships and had become accustomed to the informality of the employer's approach, this had the positive effects of feeling more personalised.

'...but she [supervisor] used to make you that you weren't a number, if you know what I mean, she was really good...She made you feel like part of the, you know, family. It was like a family concern.'

(Male, 70, retired, small private sector employer)

Alternatively, this kind of approach was described as unprofessional and unsecure, particularly when combined with a company take-over or new management.

5.4.4 Attitudes towards individual instigated right to request process

Experiences of employer instigated right to request processes, described previously, included a spectrum of positive, negative and indifferent attitudes. In contrast, participants who instigated the right to request process themselves reported primarily negative or indifferent experiences. No requests were accepted in this sub-sample, and underlying these attitudes appeared to be a perception that employers did not want the individual to continue working and that the process was a mere formality. This section explores the roots of these attitudes in more detail.

How well the process was understood

Participants who instigated a right to request process did not feel fully informed about the employer's approach to the right to request, despite some being knowledgeable about the legislation. Employers were largely reactive in these situations and responded to individuals challenging their procedures or behaviour. In some cases, participants acknowledged that no other employees had recently reached retirement age and that it was possible as a result that their employer had little knowledge of the right to request process before it was mentioned by them. Despite the fact they instigated it themselves, participants felt largely uninformed about how the process would work, particularly where communication with the employer was minimal or distant. Where there was greater communication, people reported sensing confusion amongst human resources staff and managers about how the process should work. For example, one individual who had his request declined reported receiving mixed messages leading up to the decision.

'At the time I thought, I was confident – everybody was saying, "Well, we, we'd like you to stay", and I was confident that I would do, in the end. And, it wasn't to be.'

(Male, 67, retired, large public sector employer)

How the process was structured

Participants reported feeling resentment towards the employer as a result of the right to request not being raised automatically, as if they were *'trying to hide the legal right'* of the individual to request continuing to work. It appears that those who chose not to make a request when eventually offered would have felt more positive about doing so had they not had to instigate the process. Even after

employers began to carry out the process, some people held the view that it lacked any real structure and was 'chaotic' due to nobody taking charge. There were also cases where participants felt the time given to decide whether to request or the time taken to make a decision was insufficient. In one case, despite frequent chasing, news that a request had been rejected was received only ten days before the individual's retirement date.

Employer tone and behaviour

In addition to lacking a coherent structure, participants presented largely negative attitudes towards the tone and behaviour of the employer which they described as at best unsupportive and at worst adversarial. These attitudes were characterised by a sense of isolation throughout the procedure, in terms of lacking guidance and advice but also in terms of feeling singled out by the employer. The process was considered by some as being set up and approached in an adversarial manner, with individuals feeling they were being asked to '*prove their worth*' despite consistent performance, for as long as 39 years. The most positive attitudes amongst this group towards employer tone and behaviour were evident among participants who felt well treated and valued by the people involved in the process but who still resented the way the process was set up and strictly implemented.

Options and outcomes

Unsurprisingly, attitudes towards the outcome of these processes were characterised by resentment and disappointment. Even where individuals did not feel badly treated there was a clear feeling that the right to request process did not ever represent a 'genuine right' or genuine option and that in some cases the outcome was already determined and the process was followed to protect the employer. To a lesser extent, there was also a sense that people would have been more prepared to accept the rejection of their request had the process been instigated by the employer and been structured more professionally. As it was, the chaotic nature of the process in some cases meant that people felt victimised or singled out. Those who felt that they still had a lot to offer could not understand the decision to reject their request which, in their view, wasted the opportunity to share their experience with the wider workforce.

5.5 Decision-making and impacts

This chapter has so far described experiences of the range of employer approaches to the right to request and attitudes towards these different approaches. This section focuses on the key decision-making points in the process and examines the role of the employer in taking or influencing these decisions. Other factors influencing decision-making and outcomes are also identified, including individuals' expectations about retirement, their experiences of work in the period leading up to the retirement decision and non-employment-related factors such as health and family considerations. This section concludes by briefly describing the impacts

of different outcomes on people's employment or retirement situation and their general health and wellbeing.

5.5.1 The decision to request

Once offered the right to request and the options had been explained, a set of factors appear to influence whether individuals make a request. These factors are summarised in Table 5.1 and discussed in more detail below. Understanding the role of the employer is a key objective for this study and so employer-related factors are discussed first. However, these findings suggest that external factors can be, in specific circumstances, the overriding influence on whether individuals want to continue working at all, and employer factors appear influential in the decision to continue working with a particular employer.

Table 5.2 Factors affecting the decision to request

	Request made	No request made
Employer-related factors	<ul style="list-style-type: none"> • Enjoyment of and fulfilment at work • Good working relationships • Employer encouragement 	<ul style="list-style-type: none"> • Right to request not perceived as genuine • Unsatisfactory employment conditions • Experiences of colleagues • Unsuitable options offered
Other factors	<ul style="list-style-type: none"> • Financial imperative • Retirement expectations 	<ul style="list-style-type: none"> • Retirement expectations • Financial stability • Health concerns • Family considerations

Employer-related factors

Participants identified factors related to their working conditions and relationships, the sense of fulfilment work gave them, the actions of their employer and the retirement policy as influential in their decision to make a request. Good working conditions were cited as a primary reason for making a request, with individuals having comfortable continuing to work for an employer that they felt respected older workers and treated staff well. Additionally, a sense of fulfilment was described by those who viewed their work as a 'vocation' or a 'calling' to which they felt committed. Individuals holding this view worked directly helping people in occupations such as teaching or health and social care. In other sectors, people cited not wanting to leave behind the close relationships they had built up with colleagues seeing work as a 'social thing'. Some participants linked this to combating the perceived effects of growing old or avoiding loneliness:

'I didn't want to go to seed, I suppose, like a lot of people seem to do when they retire and fade away, so I wanted to keep active.'

(Male, 67, still working, medium-sized private sector employer)

'I'm a widow and see my children, they are all grown up. They are in a profession now and so I was feeling better when I'm occupied and doing a good job, so it gives me some relaxation and keeping myself busy and active and so my brain is occupied...the feeling of loneliness is not, I don't like that...I like to be with people.'

(Female, 69, retired, medium-sized public sector employer)

Employer behaviour was also cited as a factor. It was suggested that encouragement from employers made individuals more confident in making requests to continue working. Individuals reported feeling valued in these circumstances, something that also motivated them to continue working. Employer encouragement to request did not always have the desired effect. People who resisted urges from their employer to make a request chose to do so as they had a wish to retire completely rather than simply no longer work for that company. Where the employer appeared indifferent or actively against the individual making a request, participants reported feeling that they no longer wanted to continue working for that employer, despite a desire or need to continue working in general.

Finally, the nature of the process itself had an impact on whether people made a request or not. One factor that put people off making a request was observing the outcomes of others who had done so. Seeing colleagues' requests rejected or only being offered a different role made some believe retirement was really their only option.

'From what had happened previously, with other people, I knew very well that it was going through the motions on the company I worked for partly because there was probably, in total, about nine or ten people had retired since that legislation came out before me and not a single one of them was allowed to stay on.'

(Male, 67, retired, large private sector employer)

Another factor was the way the right to request was instigated. Where it was done in a manner perceived as too informal or unprofessional, individuals decided not to exercise their right; equally, in some cases where the individual instigated the process themselves, they were not satisfied with the employer's response or outline for how the process would work. In both these cases, requests were not made as it was felt that the right to request was not genuine.

Non-employment-related factors

Good working conditions or a positive approach from the employer were not always a necessary condition for making a request. Equally, requests were made by participants who described difficult working relationships and criticised the approach of their employer. In these cases, other factors outside of the workplace were the overriding influence in the decision to retire. These were: the readiness to retire, financial considerations, family considerations and expectations about what retirement might entail.

Where participants were either psychologically ready or financially able to retire, requests to continue working were not made, despite the fact that they may have enjoyed their work. Contributing to feeling ready to retire was the expectation they would retire at a particular age and their associated plans for retirement. Family considerations were also important. In cases where a spouse or partner had also retired or grandchildren had been recently born, retirement was a way to spend more time with the family. Overriding all of this were financial considerations. Individuals who chose not to request because they wanted to retire altogether rather than just not continue working for their current employer, were all financially able to do so. Some acknowledged that they had had to cut back on certain items but that they would not struggle financially and were prepared to make small sacrifices for the other perceived benefits of retirement described above.

The financial imperative was also the overriding factor for some participants who did choose to exercise their right to request. Concern was expressed about the financial impacts of retiring, with some individuals expressing a need to continue working as they could not rely on the State Pension alone. As a result, some chose to request to continue working despite difficult working relationships or concerns over the role they might have to take on.

'...they don't treat the workers very well...but because I'd got a mortgage that had got another 18 months to run, and I wanted to pay that rather than trying to pay it out of a pension and start to struggle. That was the sole reason [for request to continue working].'

(Male, 65, retired, small private sector employer)

Expectations about what retirement might entail also influenced who did choose to make a request. Some individuals were *'dreading it'* and even though they were indifferent about work and their colleagues, felt they would be lost without some form of employment. Their decision to request was based on the need to continue working in some capacity and exercising this right offered the best opportunity of being able to do so.

Outcomes for individuals not making a request

Each of the participants offered the right to request but not using it went straight into retirement. None of the participants in our sample looked for work elsewhere. Intuitively it may appear that individuals not exercising their right to request would have no desire to continue working. In reality, a range of attitudes towards retirement was identified: desirable, undesirable and indifferent. Where retirement was seen as desirable, the impact of the employer was minimal, whereas the employer was seen as the primary influence for not requesting where retirement was considered undesirable. A combination of factors influenced the decision not to request for those indifferent about retirement.

- **Desirable:** This view was characterised by an enjoyable and fulfilling retirement. Retiring at the normal retirement age fitted with individuals' expectations about when they would stop working. In some cases, people were given a range of options by the right to request process and appreciated this, yet were ready to retire. Experiences of work prior to this decision were largely positive with some participants remaining close to former colleagues after leaving employment. Neither the employer process nor the employment conditions were an influencing factor in this outcome.
- **Undesirable:** An opposing view was held by people who were not ready or expecting to have to retire at the normal retirement age. There were two reasons why these individuals did not choose to make a request, despite wanting to continue working: Firstly, there was a feeling that choices were constrained by the process, in that the right to request referred only to a completely different role in which the individual would not want to have continued to work. Secondly, there was reluctance to request as a consequence of employer behaviour rather than the process. Participants did not feel comfortable continuing to work at an employer where they felt older workers were being 'pushed out' or where working relationships had been deteriorating. Both of these variations led to a feeling that the right to request was not genuine. Feeling 'unwanted' affected some participants' self-esteem and they lost confidence to look for other work.
- **Indifferent:** An alternative view was characterised by indifference towards retirement. Individuals chose not to request as they were financially able to retire and had no particular love for their work. There was an acknowledgement, however, that had either one of these conditions been different, they would have considered requesting to continue working. Those holding this view had varying experiences of work: some were negative and created a reluctance to continue working; a different experience was ambivalence, where work was manageable but considered a 'means to an end'. This outcome was influenced by employer and external factors.

5.5.2 Determining options

A key element of the right to request process is determining the capacity in which people were requesting to continue working. A range of ways in which individuals engaged with employers to discuss working options were identified. The continuum of options was described in Section 5.4 and four broad approaches to determining these options can be found along that continuum:

- employers offered a single or fixed range of options when the right request was initiated;
- employers allowed the individual to propose the capacity in which they want to request continuing to work;
- options were negotiated between employers and individuals as part of the process;
- options were not discussed.

Individuals across each of the employer approaches were provided with fixed options at the outset of the right to request process. In some cases this was a single fixed option to continue working in the same capacity or a single option to take on an entirely new role. Other employers offered more flexibility, a set of three or four options that included changes in working hours or the removal of certain elements of the job that were more physical or carried more responsibility. Where these options matched the individual's preferences and expectations, this element of the process had little impact on decision-making or the experience of the process. Alternatively, where participants viewed the options they were presented with as rigid, unsuitable or as being 'conditional', two main impacts were reported: Firstly, this could discourage individuals from making a request as noted in the previous section. Additionally, other participants opted to reluctantly make a request to continue working on less preferable terms. These individuals felt required to continue working in some capacity to satisfy their social or financial needs, yet experiences of going through the right to request process sometimes affected their motivation to work following the request being accepted.

The individual's role in determining the capacity in which they wanted to request to continue working was a more active one in some employer instigated approaches. This ranged from a negotiated settlement to employers taking themselves out of the process entirely and leaving it to the individual to suggest the terms on which they would like to continue. Negotiation included informal discussions with supervisors or more formal encounters involving human resources staff. Individuals reported this as being a supportive and flexible process.

'I was quite lucky to have the two days option...because they [employer] are pretty flexible like that, they accommodate you, because I have been there a long time, you know, they sort of accommodate my needs and my requests.'

(Female, 64, still working, large private sector employer)

Where people played this more active role, there was a greater willingness to accept that their working conditions might ultimately not be exactly what they wanted. The feeling of being involved in the process of arriving at these options may also have been responsible for mitigating the possible negative effects on motivation of less preferable terms and conditions described above. This approach, however, was associated with requests being accepted and may reflect the fact that employers knew they would be happy to retain the services of the individuals and were therefore more willing to engage them in this aspect of the process.

Participants were not involved in determining options in cases where the individual had to instigate the right to request process. Employers either offered fixed options as described above or did not discuss working options. In the former case, employers considered only a general request to continue working, which was rejected in advance of any discussions of potential working conditions. Where options were not discussed, this contributed to the feeling that the very option of continuing to work was not a genuine one, a perception also fostered by the fact that the process had to be instigated by the individual.

5.5.3 Determining outcomes of the right to request

Participants either had their request accepted or rejected by employers. Some also experienced both outcomes: where it was required to make subsequent requests to continue working and second requests were declined; and, where initial requests that were declined were later overturned on appeal. The decision is made entirely by the employer, yet individuals had a range of perspectives on what influenced this decision and what part was played by their employer, the process and the conduct of all the people involved. This section discusses these perceptions by the type of outcome experienced.

Requests accepted

Participants reported a range of factors that contributed to their request to continue working being accepted based on their own perceptions of the process and interactions with the employer as well as explicit reasons articulated by the employer. With respect to the process, accepted requests were characterised by a flexible, accommodating and two-way engagement. In these cases individuals reported that decisions were reached in negotiation or through a supportive process. Participants also enjoyed good relations with their managers, which in some cases was seen to be a factor not only in enabling them to be involved in the process but also in the request being accepted. A variation on this was experienced by individuals who felt that it was they who had been accommodating to the employer's needs. Some reported accepting conditions attached to the right to request that ensure it was accepted.

Another key reason for requests being accepted was individual performance reported by individuals as their own perception and as being explicitly disclosed by their employer. For some this was described as '*meeting targets*' or performing in some other way to the same level as all other staff. Where this was the case there was the sense that the employer would continue to treat the individual as any other member of staff and that their continued employment depended entirely upon their ability to do the job not their age.

'That's why I like the place where I am working now...they are nice people in there. They don't want to get rid of you if you're a worker and you're not out sick regularly... they give you a choice if you want to retire...it's not about age.'

(Male, 68, still working, medium-sized public sector employer)

Alternatively, people in roles of some seniority or specialism felt that it was the fact that they did bring different qualities to the organisation that had influenced the request being accepted. These qualities included unique skills related to complex machinery, experience that could be shared with an otherwise junior team or workforce, or a particular network of contacts or rapport with clients that would be lost were they to leave. In some cases, it was felt that the difficulty of replacing the individual was the deciding factor in allowing them to continue working.

Requests declined

As Chapter 1 explained, if an employer declines a request from an employee to work beyond the normal retirement age the legislation does not require the employer to justify the decision to the individual. In some cases people were not given any explanation as to why their request was turned down. This study suggests, however, that when employers do provide an explanation it is not always one that individuals deem satisfactory or truthful. Participants also had their own perspectives as to why their request had been turned down. This section first describes reasons individuals reported hearing from employers and then their own perceptions of why their request was declined.

Reasons given by employers were distinguished by two types of language, one focusing on the employer and the other on the individual. Where the focus was on the employer, participants recalled employers suggesting that the decision to turn down their request was a 'business decision'. Variations on this included being told that they or their role no longer met the needs of the company or, where there had been recent restructuring, no longer existed. Other employers made clear that it was a financial decision and they could not afford to keep the individual in work. Some participants accepted that this was the case feeling that their company was left with little option and that in a more secure economic climate a different decision might have been reached.

'...in the last two or three years they always seemed to be short of cash. The government was forever after more work out of [employer] so it may well have been true...And in fact, they did find money later on for me to work a little while, so, it sort of points to the fact that this money thing, it was the real problem.'

(Male, 67, retired, large public sector employer)

A second set of explanations from employers focused on the individual. Here employers cited concerns that an individual's performance was deteriorating and that they could be replaced cheaply; the age of the individual was mentioned explicitly as being considered as a relevant factor in some cases, either in relation to performance or in and of itself, which participants took to be discriminatory. An alternative view was also articulated, which suggested that the employer was right to take this course of action and retain younger workers.

Where an explanation was not given or it was considered a 'business decision' to decline a request, there was a perception that employers were in reality also concerned about the individuals' age. Individuals holding this view felt discriminated against on the basis of their age but felt that the process enabled the employer to obscure this.

'I said, "Look, have you got a problem with my work ethic?" "No, no, no, no. We, I can leave you to do anything." "Have you got a problem with my attitude?" "No." So he's got no problems with my work at all. The only problem he's got is my age...They have got it down in their rules: your retirement age will be 65. They won't change it until they are instructed to.'

(Male, 65, retired, small private sector employer)

Discrimination in relation to gender was also reported. One participant explained how an older male worker was hired as her replacement despite being told that the company could no longer afford to employ her when they declined her request. The right to request process was also criticised for being used to 'force staff out' where relationships with managers or supervisors had severely deteriorated. As a result of these factors some individuals felt they had to work harder in order to get the same recognition as other workers or meet the employer's demands. There was a feeling that some employers set the bar too high for requests to be accepted.

5.5.4 Impacts and reaction

Participants experienced different impacts and reactions to the outcome of their request to continue working. Within and across each outcome the impacts on individuals' experiences at work and their wider wellbeing also varied according to whether this met expectations, the manner in which the outcome was reached and personal circumstances. These factors are discussed across three types of outcomes: requests accepted, requests accepted with conditions, and requests declined.

Request accepted

A variety of positive impacts was identified for individuals having a request to continue working accepted without any conditions attached by the employer. People reported an increased motivation to work and a desire to continue working for that employer for an even longer period than they had originally anticipated. Job satisfaction was also seen as improving, although this group was characterised by individuals who expressed a general passion for their work. Linked to this was a feeling of improved self-esteem, with the acceptance of their request being seen as a strong vindication of their performance and the value placed in them by the employer. Work was also seen as allowing participants to 'keep active physically and mentally', which was considered an important part of 'staying young'.

The right to request process also enabled a phased transition to retirement for some people. It has been noted throughout this report that individuals had some concerns about retiring, but also concerns about their own performance or capability to keep up with the demands of the job. Where requests had involved reducing their hours, level of responsibility or physical work, people were able to find a middle ground between work and retirement. One participant explained the benefits of being able to work two days a week:

'Because I just know my lifestyle, what I want to do. I can go away...I have got friends in San Francisco, I could spend six months with them and come back...but then again I have got the option, if I want to work full-time I could continue working full-time they will say "Oh yes, you are in good health", if I want to work full time I can work full time.'

(Female, 64, still working, large public sector employer)

Therefore, while relinquishing the social and psychological benefits of working incrementally, individuals were also able to remove aspects of the job that were stressful while remaining able to meet financial commitments such as paying off the mortgage or other personal loans.

Request accepted with conditions

A different set of issues was raised by those whose request was accepted but with what they felt were conditions attached to acceptance of the request. Despite having the request accepted, a less positive tone was expressed by this group about the impact of this on motivation and job satisfaction. One view was that of indifference to working longer, either because of a lack of support throughout the process or as a result of an adversarial appeal process. The experience of this group was also characterised by being excluded from the decision-making process. Where individuals saw their right to request mainly as an opportunity to work for a short period of time to meet a financial commitment, this was less of an issue; yet for individuals who saw the right to request as the first step to extending their working life significantly, the experience affected their motivation to repeat the process. In some cases, experiences of working relationships deteriorating as a result of the process contributed to a feeling of regret in making the request and accepting the new conditions. Despite this, participants in this group did report positive impacts in being able to meet certain financial commitments and 'easing' into retirement was identified as a positive impact of continuing to work, irrespective of conditions.

Request declined

Experiencing a request to continue working being declined generated a range of negative impacts from the perspective of the individual. The fact that these impacts were negative is unsurprising considering that these participants all had a desire to continue working and, in some cases, a clear expectation that this would be facilitated by their employer. Impacts included feelings of anger and disappointment, a loss of confidence and self-esteem, and difficulty adapting to retirement and financial difficulties. Where it became clear to individuals during the process that employers were unlikely to grant their request, the negative impacts are more a consequence of the process itself than the shock of retirement.

A general feeling of disappointment and anger at the outcome was expressed across this group. This was combined with feeling undervalued and unfairly treated. Where individuals and employers felt that their performance was at least satisfactory, it was difficult for people to deal with their request being rejected and in some cases difficult even to understand. Where there had been a clear expectation that a request would be accepted and there were no discernable signs to the contrary, individuals reported feeling like they had lost their job rather than moved into retirement:

'The sudden cut-off...was too sudden. And you think, "What do I do now?" You know? It felt more like losing your job, rather than retiring. And losing a way of life as well...And you feel a bit useless as well...you think, "I'm not contributing".'

(Male, 67, retired, medium-sized public sector employer)

This difficulty of adapting to retirement was particularly acute for those who received the news of the declined request close to their retirement date or fully expected their request to be accepted. Participants reported feeling cut off from society for large parts of their daily life, a situation that was exacerbated if they were living alone. However, this impact tended to be in the short-term. Where individuals had been retired for more than a year, they were now enjoying their life and learning to live with any financial constraints. In some cases individuals were now glad that their request had been declined suggesting that they might not otherwise have known the best time to retire for their own wellbeing. Others were pleased immediately afterwards that the request was declined as the impact of the process on working relationships would have made continuing to work undesirable.

A loss of confidence was also reported, affecting the willingness to look for work elsewhere, a feeling compounded by a sense that it was difficult for anyone of their age to be recruited in the current economic climate. Where processes became long and adversarial, participants reported that the energy this took out of them also meant they no longer looked for work. One suggested that taking her case to a tribunal and to higher jurisdictions had actually replaced work in some way, as it kept her busy, active and in touch with a range of people. Others did not find the process rewarding in this way. Individuals reported stress and health problems as a consequence of the anxiety caused by the process and the resulting tension at work. In one extreme case, an individual reported having to be off work due to stress for the entire three months between the decision being made and their retirement date.

In addition to these physical and psychological effects, all participants reported a financial cost, although some were less able to cope with this. Milder impacts included having to reduce spending and cut back on certain items, but other individuals found themselves struggling to make ends meet or had concerns that they would find this difficult in the future. Where this combined with loss of confidence and self-esteem as described above, the impact was more severe:

'I've no sources of income...the house is mine and I don't want to sell it but it is looking as though I am going to have to...how am I going to keep this running and my car, I am not am I? I don't want to go with a begging bowl [to the state], I want to earn my living [in tears] you know... [the employer] have absolutely destroyed me.'

(Female, 66, retired, large public sector employer)

6 Experiences of other employer approaches to retirement

The previous two chapters have described the employer approaches to retirement experienced by participants who retired early and those with experience of the right to request working beyond the default retirement age (DRA). This chapter explores experiences of alternative employer approaches to retirement. It aims to describe those approaches, including how they are instigated, the process, outcomes, peoples' attitudes towards them, and the impact of these approaches on retirement decisions.

6.1 Overview of other approaches to retirement

'Other' employer approaches to retirement encompass any approach described by participants that did not constitute early retirement or something resembling a right to request to work beyond the DRA. Identifying these other approaches from participants' accounts is problematical because they rely on the interpretation of the individual's perceptions of their employer's policy, rather than the first-hand account of the employer. In addition, and unlike the accounts of a right to request approach, the research team have no frameworks for these alternative approaches against which to measure or compare people's accounts. Consequently, this chapter does not outline a definitive or mutually exclusive set of employer approaches to retirement⁴. Rather, it presents the approaches experienced by participants according to the dimensions they described. These can be summarised as:

⁴ For further information on approaches to retirement from the employer's perspective, see *Default Retirement Age: Employer qualitative research*, DWP Research Report No. 672, published alongside this report (TNS-BMRB, 2010).

- whether or not the issue of retirement is **directly addressed** and, if it is, whether it is raised by the individual or the employer;
- the **formality** of any discussion, including the **channel of communication**; and
- the scope for **discussion or negotiation** of the retirement decision between employer and individual.

The first of these is crucial and the remainder of this chapter presents differences in experiences according to whether or not retirement was directly addressed between employer and employee. It also draws distinctions between approaches based on the other characteristics set out here.

6.2 Other employer approaches to retirement

6.2.1 Awareness and understanding of other approaches

Awareness of employers' retirement policies was an important factor in determining how the issue of retirement was raised and the eventual retirement decision-making pathway followed. In general, awareness and understanding of employer retirement policy appeared limited to the age at which employees normally retired from the employer and the extent to which this was negotiable, rather than extending to the process itself. Participants in this group cited a normal retirement age at which some employees at their organisation retired, but also reported that others were able to negotiate a later retirement age. The rationale for the employer's normal retirement age was felt to be understood in some cases, and this was related to the physicality of some roles and the age at which employees were able to draw the company pension.

The awareness that did exist was not always based on reliable information. There was evidence of a reliance on observing the experiences of others retiring in the workplace to inform participants' knowledge. Exceptions existed amongst people for whom the company's normal retirement age and/or the process for retiring or making a decision about retiring was laid out in employees' contracts or where there had been a recent change to the retirement policy which had been communicated to all staff. A final exception existed where there was some sort of age-related condition of employment – HGV drivers in the sample, for example, described being unable to obtain insurance after the age of 65 which was a condition of their employment.

Awareness of the employer's normal retirement age appeared best, perhaps not surprisingly, among those for whom retirement was directly addressed in some way as well as where no option to work beyond the normal retirement age existed and this had been communicated formally to all staff. Less clarity existed among those for whom retirement was not directly addressed, including among those still working at the same employer beyond the age of 65, although it is possible that no explicit employer policy existed in these cases.

One consequence of a lack of any clear understanding of the employer's retirement policy was anxiety on the part of the individual as regards their employer's possible perspectives on their retirement decision and the process that would be followed. This meant that people were reluctant to initiate discussion of retirement and the options available to the employee.

'...nobody's ever mentioned that there is a policy about retirement...I don't know, I didn't even ask. I was, I was almost afraid to ask in case it had been overlooked and they then pointed something out to me.'

(Female, 66, still working, large public sector employer)

This lack of understanding could ultimately impact upon how the process worked. Where the employer did not raise the issue of retirement for discussion with the employee and the individual was too anxious to do so themselves, there was no discussion between the employer and the individual.

6.2.2 Instigating the process or how retirement was raised

A key distinction in the accounts of participants who experienced other employer approaches to retirement was whether the issue of retirement was raised by the individual or the employer. For a further group of individuals, the issue of retirement was not raised at all.

Where the issue of retirement was raised by the employer, experiences of this approach were distinguished by who within the employer organisation raised it and how formal this was. Retirement was raised either by a member of the human resources (HR) staff or the employee's line manager. Instances of a retirement discussion being raised by someone in the HR department were characterised by their relative formality. Retirement was either raised with multiple staff at the same time or directly with the individual. Communication with the individual was prompted by the individual reaching the employer's normal retirement age and took the form of either a letter or a telephone call from the HR staff to the individual to inform them of their retirement date or a change to their employment terms and conditions from the date of their 65th birthday. All-staff communication took the form of an email to inform staff of a change to the employer's retirement policy. For some people this communication effectively led to the retirement process being instigated as the policy change meant that they were now of an age where the policy applied to them. Where the retirement issue was raised by the individual's line manager there was greater variation in the level of formality. These experiences were characterised by one-to-one conversations between the individual and the employer. More formal experiences took place within planned line management encounters; informal experiences included unplanned conversations or discussions outside the context of the formal line management meeting. Instigation by the line manager took the form of direct enquiries as to the employee's plans for retirement or continuing to work, or suggestions that they might wish to consider their retirement decision.

Where the issue of retirement was not raised by the employer, it was either never mentioned or it was raised by the employee. People raising the issue of retirement were approaching the company's normal retirement age but were at different stages in their retirement decision-making. Three groups were apparent: those who had made a firm decision to retire or continue working; those who were considering different options to either retire or continue working; and those who were unaware of what would happen at the normal retirement age and wanted to find out more. Individuals who wanted to inform their manager of a decision to retire or continue working raised the issue for discussion directly with their manager. This decision might have been prompted by one or more of the contextual factors outlined in Chapter 2. Individuals who had made a decision to continue working but wished to do so with revised conditions, for example with part-time hours or a change of role, also initiated a discussion about this with their employer. A second group of individuals notified their employer that they had reached, or were approaching, the company's normal retirement age. This group did not appear to have made a decision about retirement when they approached their employer but anticipated that they might have to retire or amend the terms of their employment if they wished to continue working. The issue of retirement was raised by a final group who appeared not to have given much thought to the issue but who were keen to find out more about what would happen when they reached the company's normal retirement age and what their options would be.

The experience of some people was that retirement was not directly addressed in any way at all, having never been raised either by them or their employer. The employee's awareness and understanding of the employer's retirement policy is important here: as the issue was never explicitly discussed, the retirement decision relied entirely on the employee's perception or interpretation of the policy. The importance of this is evidenced by the fact that in this study all those participants for whom the issue of retirement was not directly addressed and who understood there was no option to work beyond the company's normal retirement age retired when they reached that age. In the same way, all those who understood that the option to work beyond the normal retirement age existed continued working for some time. There is a suggestion here, therefore, that the employer approach in these cases – or rather, the absence of any discussion concerning the issue of retirement – played a role in the retirement decision-making of the individual. This is illustrated by a case example where the employer did not enter into discussion with the employee about his decision to retire but felt that had he done so, his decision might have been different.

'...on the one hand you could take the view that they say, "Well he seems to know so why should we interfere? Let him get on with it and do it." Which you can argue is a sign of respect. On the other hand I would have thought that...somebody would have attempted to have some sort of discussion with me about it...at time that I was uncertain, it might have been sufficient to immediately swing the pendulum.'

(Male, 67, retired, medium-sized private sector employer)

6.3 The process

Where the issue of retirement was not directly addressed, there was no 'process' as such. Those who retired simply did so when they reached the company's normal retirement age and followed the company procedure for doing so. This appeared to follow a similar, straightforward pattern that comprised notification from the HR department of the individual's retirement date and retirement taking place on that date. Those who continued working without the issue of retirement being raised did so without any change to their employment conditions.

There was much greater variation in the experiences of those for whom the issue of retirement was directly addressed: in the extent to which there was discussion and negotiation between the employer and the employee about the retirement decision, in the options made available to the individual, and the employer's perspectives on those options. Experiences ranged from a complete absence of discussion, for example where the issue of retirement was addressed only through the receipt of a formal letter from the HR department, to extensive discussion during several one-to-one conversations between the employee and the employer. The best opportunities for discussion appeared to exist where the issue of retirement was raised by the employee, perhaps because in these circumstances the individual was permitted a larger stake in the retirement decision-making process. The following case study examples⁵ illustrate this variation further.

Case example A: Individual-instigated, informal, minimal discussion

As he approached his birthday, *Andrew* notified his line manager that he was soon to turn 65, the normal retirement age at the company he worked for. He described the discussion that followed between himself and his manager as a '*four-minute conversation*' about his desire to continue working. *Andrew* continued working at the company with the same employment terms and conditions without further discussion of his retirement decision. He was still working at the same employer at the point he was interviewed for this study.

Case example B: Employer-instigated, formal, no discussion

Soon after her 65th birthday, *Anne* unexpectedly received a letter from the HR department of the company she worked for informing her that her hours were being reduced and her role changed. *Anne* was surprised and declined this role, instead hoping to continue working in her current position. This was followed by a second letter from the HR department acknowledging her retirement, effective by virtue of her declining the new post offered. *Anne* responded in writing with her resignation. She left the company shortly afterwards and did not look for work elsewhere.

⁵ These case examples are drawn directly from anonymised individual experiences.

Case example C: Individual-instigated, formal, discussion

William sent a note to the HR department of his company two months prior to reaching the normal retirement age to notify them that he was interested in continuing to work there. They set up a meeting between *William* and one of the senior management team to discuss the issue. His manager expressed surprise that *William* wished to continue working but agreed to him undertaking contract work subject to sufficient work being available. *William* subsequently retired from the company and at the point of interview for this study had not undertaken any work for his previous employer.

Individuals perceived that the process they experienced was to some extent dictated by the relationship between the employee and the employer, as well as the employer's preferred outcome (i.e. that the individual retires or continues working). Participants felt that poor relationships between them and their employer limited the opportunity they were given to discuss or negotiate their retirement decision. Alternatively, it was felt that where the employer had a strong preference for them to either retire or continue working in some capacity then discussion was also limited.

6.3.1 Support and guidance

Overall, there was little evidence of support and guidance being either sought or received by people who experienced other employer approaches. Indeed, for participants for whom retirement was not directly addressed and who continued working beyond the normal retirement age, no support was either sought or received. Similarly, for those for whom retirement was addressed and who also continued working, support was limited to informal discussion of retirement with family and friends.

Among participants for whom retirement was not addressed and who subsequently retired, guidance had reportedly not been offered by their employer. The support they sought independently was limited to exploration of the size of their state pension. The same was true for those for whom retirement was addressed and who also subsequently retired which assisted their judgement about whether or not they felt they could afford to retire. It is perhaps not surprising that those who eventually retired, whether their employer directly addressed the issue of retirement with them or not, sought information about their pension provision: this gives an early indication of the importance of individuals' financial circumstances in retirement decision-making.

Participants who eventually retired reported that employers offered courses aimed at helping to prepare for retirement. No-one in the sample took up these courses due to a lack of clarity about what the courses would contain. However, for others, including those who had continued working and were facing retirement at a later date, this kind of pre-retirement preparation appeared to represent a gap in the available guidance and support. For example, one participant who was

still working claimed to have *'no idea what's ahead'* – this worried her and she wanted some advice on how to fill her time when she retired. Whilst this did not appear to have affected her retirement decision-making, it was clearly having an impact on her experience of approaching retirement.

Two further gaps in information provision were evident, both of which relate to exploring alternative options for continuing to work beyond the employer's normal retirement age. The first was guidance about available state benefits or other financial support for people who choose to continue working part-time beyond the normal retirement age. There was a sense here that such information might make the retirement decision easier. The second was some sort of careers advice focusing on options for continuing working beyond the normal retirement age but with a different employer. The implication from participants' accounts was that the only choice presented, where the option to continue working did indeed exist, was to continue working for the same employer or to retire. Even for those who did not mention this explicitly, it was clear that their perception of the likelihood of gaining employment with another employer beyond the normal retirement age was a factor in their decision-making.

6.3.2 Outcomes

There were three outcomes following the 'processes' described above. These were:

- The individual continued working, with the same working pattern and role as previously;
- The individual continued working but with a different working pattern, for example with reduced hours or in a different role;
- The individual retired from that employer.

No clear patterns were evident in the employer approach and the outcome experienced. For example it was not the case that all those for whom retirement was directly addressed, and who had the opportunity to do so, elected to continue working. Only those who continued working but with a revised working pattern or in different role had experienced a broadly similar approach, where the issue of retirement had been directly addressed (although it was raised both by the employer and the employee in this group of cases). Of interest however is whether or not people who continued working in exactly the same way as before, or who retired and were not offered the option of continuing to work with a different working pattern or in a different role, might have appreciated having some scope to discuss and negotiate such options. Amongst retired participants, there was a feeling that their retirement decision might have been different had they had the opportunity to work beyond the normal retirement age but in a different capacity.

'I would have liked to stay a bit longer... she [her line manager] said that I had to go. There was two reasons: because I was 65 and because the work was transferred to [name of city].'

(Female, 66, still working, large public sector employer)

That there is no evidence of clear relationships between the broad approach taken by the employer and the retirement outcome implies that other factors are important when the individual makes a decision about retirement. The remaining sections of this chapter explore the nature of these factors and their relative influence on decision-making.

6.4 Attitudes towards other approaches to retirement

6.4.1 General attitudes towards other employer approaches

There appeared to be a general satisfaction with the process among participants who experienced other employer approaches to retirement. Exceptions to this were evident where communication about retirement from the employer was impersonal and/or unexpected, for example where the employee unexpectedly received a telephone call during the day from the employer's HR department to inform her of her retirement date (although it is clear that this was also inextricably tied up with this individual's expectation that she would not retire). Dissatisfaction was also apparent where it was felt that the employer had not followed the correct procedure, although this relied on the individual having some idea about what the employer's approach to retirement should be and this chapter has already highlighted the limitations of participants' understanding. For example, the experience of the participant described in Case Example B left her feeling ill-disposed towards her employer's approach to dealing with the retirement decision and with the suspicion that it had not followed due process.

'I think it's done by the [department head] and they decide what they want to happen and they then seem to be able to manipulate the system in such a way that it's suddenly a fait accompli. I find it quite interesting. I don't know how it happens.'

(Female, 66, still working, medium-sized public sector employer)

Where the issue of an individual's retirement was not addressed at all, there was no process to speak of and so there is limited data available about participants' attitudes towards such a process. However, there is evidence among this group that where the outcome of the process did not meet the individuals' expectations, they felt some sort of explicit process should have taken place. One participant, who felt she was forced to retire by her employer before she had wanted to, did not discuss her retirement decision with her employer and felt that there should have been some sort of discussion between them about her options for retirement.

'I think definitely we should ask people "Do you feel you can carry on?"... they [the employer and the employee] should negotiate together.'

(Female, 66, still working, large public sector employer)

The informality of the employer's approach, where retirement was not explicitly addressed or discussed between employer and employee, was appreciated by some, although these cases were also characterised by harmony between

the retirement outcome and the individual's expectations. However, there was evidence that this kind of 'non-approach' was not universally well received even when the outcome matched the individual's expectations. Participants suggested that they would have appreciated a more formal approach and felt that they might have missed out on something as a consequence, for example the option to continue working or continue working with a different working pattern. In one case example, a participant described how he regretted that he and his employer had not made more formal and explicit their agreement that he would have the opportunity to come back and work for the employer on an 'ad-hoc' basis following his retirement because he was later unsure as to whether or not this offer had been genuine. He felt that had this been formalised in some way, he would have felt more confident about approaching his ex-employer about opportunities for contractual work in his retirement.

6.4.2 Perceptions of treatment

People's perceptions of their treatment by the employer at the point of making a retirement decision were one specific aspect of their attitudes towards their employer's approach to the process. Again, these perceptions of their treatment not only depended upon the nature of the employer approach but also the individuals' expectations of process, as well as the nature of the outcome. Two contrasting case examples illustrate how a lack of acknowledgement of the retirement issue or discussion about the individuals' retirement decision on the part of the employer could be received very differently and result in different perceptions of how fairly the person was treated. On the one hand, not directly addressing the issue of retirement could be seen by the employee as supportive. For example, one participant felt that by not raising the issue of retirement, his employer had put no pressure on him to consider the option to retire:

'It [retirement]'s only been raised by me...nobody's put any pressure on me to do anything at all...my present employers are immensely supportive. There's never been any suggestion that I should pack it in, let somebody else do the job, so I'm very thankful to them for that.'

(Male, 67, still working, small third sector employer)

However, for others a lack of communication about the issue of retirement was regretted.

'What I'd like to have happened was, at my appraisal I would've liked to have had a discussion about how I would like to move on...Not the assumption that you're going to leave and you're going to have a lovely time and "bye bye", you've got a lot of pension to spend, which you actually haven't.'

(Female, 66, still working, medium-sized public sector employer)

Among that group of participants for whom the issue of retirement was directly addressed by the employer there was also evidence that they felt they had been treated unfairly. Where there was anticipation of an opportunity to work beyond

the normal retirement age and this was the individual's preference, it was upsetting to later find that this opportunity did not exist. Despite the employer approach involving the discussion of retirement with the employee, they felt unfairly treated by the rigidity of the policy. A lack of fairness was more keenly felt where participants understood that due process had not been adhered to, or where the employer's approach was overly formal or impersonal and/or lacked opportunity for negotiation. As well as lacking fairness, this group also experienced their treatment as demeaning and disrespectful.

'I felt let down by [employer name] actually because I thought I'd worked hard for them for 20 years. I don't think they owed me anything, I don't ever think that, but I think there was no respect... [for retirement] to suddenly come out of the blue like that, oh, and then I was very angry.'

(Female, 66, still working, medium-sized public sector employer)

6.5 Role of other employer approaches in retirement decision-making

6.5.1 Employer policy and practice

The aspect of the employer's policy and practice that appeared to have the greatest impact upon the retirement decision was their specific approach to addressing the issue of retirement with the employee. Whether or not the employer did this directly impacted upon the retirement decision-making process in three ways: first, it determined in some cases whether or not there was any discussion of the available retirement options between the employer and the individual; and second, it had the potential to determine the nature and amount of information the individual had about the employer's retirement policy upon which they could base a retirement decision; and finally, it had the potential to influence the nature of the decision itself (the outcome).

The effect of the employer's approach to addressing the issue of retirement directly with an employee is clear where the employer does not address the issue and raising it for discussion relies on the individual: if they do not raise the issue then there may be no discussion of the available retirement options prior to the person making a decision. Participants reported three reasons that might prevent them from raising the issue of retirement for discussion with their employer.

The first was that they felt they knew the employer's policy regarding retirement, for example they understood that there was no opportunity to continue working for the employer beyond a certain age. For some, what informed this understanding was not information that came directly from the employer but instead reflected what people observed had happened to colleagues. It is difficult to assess how far people's knowledge in these cases reflected reality. However, it is clear that if this understanding did not reflect accurately the employer policy, people may have been making a decision about their retirement based on inaccurate or incomplete information.

The second reason people gave for not raising the issue of retirement with their employer was that they understood the issue had been discussed and dealt with at an earlier date, in some cases some time before they approached the employer's normal retirement age. For example, one participant described a discussion about his plans for retirement at the point at which he joined his current employer, five years before he would reach the employer's normal retirement age. He attributed the fact that the issue of retirement was never raised, either by him or his employer, to this conversation several years before.

Finally, the third reason given by individuals was also related to how well they felt they understood their employer's retirement policy. Where people were unsure as to the nature of the policy, they reported feeling anxious and reluctant about raising the issue of retirement where it was not raised by their employer. This was particularly the case for people who wanted to continue working past the age they recognised as their employer's normal retirement age. They feared that by raising the issue they might highlight something that would otherwise have gone unnoticed by the employer and subsequently have to retire before they wanted to.

It is clear therefore that there is potential for the employer's approach, in not raising the issue of retirement for discussion, to affect the process for retirement decision-making to such an extent as to determine whether or not any 'process' actually takes place. As well as affecting the process, this approach also affects the extent to which a retirement 'decision' is really made and the nature of that decision.

Where the issue of retirement was directly addressed, the employer's approach to dealing with it remained important. Specifically, the extent to which the employer's approach allowed for discussion of retirement and negotiation of the options available (see also Section 6.2) had an impact upon the nature of decisions made by the individual. Where limited opportunity for discussion existed, the employer's policy – for example to retire all employees at 65, to offer early retirement or redundancy, or to offer flexible working patterns in the approach to or beyond the normal retirement age – effectively determined the person's retirement decision.

'I think they were just expecting me to retire at 65. There was no discussion as to are you going to retire early. You know, 65 was your retirement age full stop.'

(Male, 67, retired, medium-sized private sector employer)

6.5.2 Employment-related factors affecting outcomes

Where the individual's retirement decision was not entirely dictated by the employer's policy (that is, where people were not contractually bound to retire at a given age and there was some opportunity for discussion of the options available), a range of employer-related factors appeared to impact upon the nature of the retirement decision made. Each of these is explored in brief below.

Employer offer

The employer offer refers to the ability and willingness of the employer to either offer or consider opportunities for changing an employee's pattern of working in the approach to retirement or to facilitate someone working beyond the age of 65. Evidence from this study demonstrated that the impetus for altering working patterns came both from employees themselves and from the employer. People requested reduced hours – moving from a full-time to a part-time role perhaps – and to move from out-of-office to desk-based roles. These changes were requested not only in the period before they reached the normal retirement age but also as a condition of them working beyond the retirement age. Where such requests were made by employees it appears that employers varied in their willingness to accommodate them and in some cases, requests were not agreed and people either continued working with unchanged terms or retired. The opportunity for an amended working pattern or role appeared to influence an individual's decision to retire or continue working. Where this opportunity was missing it was lamented by those who had hoped to continue working but felt unable to do so in the same role or hours.

Relationship with employer

The individual's relationship with their employer has been referenced throughout this chapter as context for the retirement decision-making process. It was cited by participants as a factor in making a decision to continue working, where the relationship was good, and to retire, where the relationship was poor. Perceptions of the quality of the relationship between the individual and the employer were felt to influence and be influenced by the behaviour of the employer in relation to the retirement issue. For instance, people who felt ill-treated in relation to their retirement decision sometimes blamed a poor relationship with their employer for limiting their opportunities to discuss retirement options or amended working patterns.

Reaction to changes in the workplace

Chapter 2 described the context of changing workplaces for individuals in the study sample, including changes to organisational systems and organisational restructuring and the resulting changes to personnel, roles and responsibilities. Individuals' feelings about these changes were a further factor in their retirement decisions. For example, where people felt they were unable or were unwilling to work with a new manager or management team, this might encourage them to consider the option to retire.

Availability of training and support

Perceptions of the availability of training and support were particularly important in the context of organisational change where employees were getting to grips with new systems, performing different roles or working with different colleagues. The availability of training to support people at these times was received positively

and helped them feel enabled to continue working; conversely, a lack of perceived support had the potential to contribute to the decision to retire when combined with other negative working experiences or conditions.

Attitude towards older workers

Perceptions of the value their employer placed on older workers were directly identified as a factor that influenced the retirement decision by some participants and could be inferred from the accounts of others. Whilst it is not possible to make any judgements about the relative size of the influence of different factors on individuals' decision-making from this study, it does not appear that the employer's attitude towards older workers was decisive. Rather, it was raised by participants as an additional factor to support a decision to continue working, where the employer's attitude was perceived to be positive, or to retire, where it was perceived more negatively.

General attitudes towards work

General attitudes towards work could be affected by people's reactions to changes in the workplace, as well as their relationship with their employer, their perceptions of the employers' attitudes towards older people and the availability of training and support. It also appeared to be related to participants' feelings about the workplace, perhaps as a result of the length of time they had occupied a particular role or worked for the same organisation, as well as their relationships with colleagues. There was evidence that for some work performed a specific function in their lives and that they were reluctant to lose this. The desire to 'keep busy' through continuing to work or to retain important social links provided by colleague relationships was a factor in the decision to continue working or to retire.

6.5.3 Other factors affecting the retirement decision

A third and final set of factors, unrelated to the employer or the employment context, are also evident. Whilst this study did not set out to identify these factors per se, they are, important context within which to understand the importance of employer-related factors. There are three groups of other factors: emotional or personal; financial; and health-related.

Emotional or personal factors include individuals' sense of self-worth and the role of their job in facilitating a sense of purpose. For some, retirement was associated with a lack of occupation and concerns about filling time in retirement were evident. People also emphasised the importance of relationships with colleagues and the place social networks provided by work occupied in their lives: some feared the loss of these in retirement and this influenced their thinking at the point of making a retirement decision. A number of personal or emotional factors also provided encouragement to considering retirement over continuing to work. These were caring responsibilities, the pursuit of hobbies and interests, relationships with people outside work such as partners and other family, and their partners'

employment (or retirement) status. A set of financial factors was also evident, comprising the extent of an individual's own resources or provision (their wealth and assets), their partner's financial circumstances, and the availability and size of their personal or work pension. A final set of factors concerned individuals' perspectives on their health and included their general health and fitness, current or previous health problems, and their concerns about the impact of work on their health or their ability to deal with health problems whilst working in the future.

Table 6.1 Non-employment-related factors influencing retirement decision

Emotional/personal	Self-worth
	Companionship and relationships with colleagues
	Caring responsibilities
	Hobbies and interests
	Relationships outside work
	Partner's employment status
Financial	Financial provision
	Partner's financial circumstances
	Availability and size of pension
Health-related	General health and fitness
	Specific health problems
	Perceived impact of work on health

6.5.4 Interaction of factors affecting the retirement decision

It is clear from the accounts of participants that amongst these sets of factors were those that were particularly influential for people who chose to continue working and those that appeared to influence the decision to retire, where such a choice was available. Those that appeared to contribute to the decision to continue working were financial instability, implying a need to continue to earn money, and a desire to remain occupied and '*fill their time*'. Work-related factors that were important were the feeling of being valued at work, both as an individual and as part of the older workforce, and a generally positive attitude towards work. Influential factors in the decision to retire also included financial considerations but in these instances a sense of financial stability or independence were evident, implying no pressing need to continue working. Work-related factors were difficult relationships, with managers or colleagues, or generally not enjoying work. Ill-health and the influence of a retired partner were also cited as important factors in the decision to retire rather than continue working where that choice was available.

Whilst all of these factors were evident in participants' accounts of making the decision to either retire or continue working, it was clear that in specific circumstances financial considerations outweighed the importance of other factors and were decisive in steering the retirement decision. Financial instability appeared

to supersede factors that might otherwise have encouraged the individual to retire or amend their working pattern (and in doing so reduce the size of their pay-packet) resulting in a retirement decision to continue working. One participant, for example, described a desire to reduce his hours – he did not request to do so and was still working a full-time pattern at the point of interview because he felt he could not afford it.

'Well I planned to retire at 60...and as it got nearer to 60 you realise it isn't going to happen so you change your mindset and think, well it's going to be 65...I knew there was no pension in the company and I could only afford to put so much of my own money into a private pension so far.'

(Male, 67, retired, medium-sized private sector employer)

In other examples, people who had retired for reasons such as difficult relationships at work stated that financial concerns would have caused them to continue working had they been pressing, regardless of the other reasons that prompted them to retire.

I: *'Would you have liked to have done [continued working] or not?'*

R: *'Ah, no I think I would have left at 66, now, I would have left now, 66.'*

I: *'Why now?'*

R: *'Because I want to do other things. Unless I was desperate for money then I would have stayed, and physically I could have.'*

(Female, 66, still working, medium-sized public sector employer)

6.5.5 Impacts of retirement decision

Participants' retirement decisions – to retire or continue working in some way – were accompanied by a set of impacts. It was not the case that those for whom the issue of retirement was directly addressed with their employer experienced broadly positive impacts or that not addressing the issue resulted in uniformly negative impacts: evidence of positive and negative impacts was observed across experiences of different types of other employer approaches. This suggests that it is not the employer's retirement policy or approach to retirement alone that dictates how people experience the outcome of their retirement decision: rather, their experiences are apparently mediated by a range of factors relating not only to the employer's retirement policy and approach but also to personal circumstances.

Reviewing the evidence by the nature of the retirement outcome, it is evident that people who retired experienced broadly, but not exclusively, positive impacts. Impacts upon three aspects of people's lives were evident: personal and emotional; health-related; and financial. Positive personal and emotional impacts included having more free time, for example to spend with a partner, or on holidays or hobbies. Less favourable impacts were experienced around social networks and relationships. Participants reported missing the companionship of colleagues and feeling lonely, as well as feeling a loss of self-worth, although some felt they

were able to regain this through undertaking volunteer or alternative part-time work. These negative personal and emotional impacts were reported both by those for whom retirement was their desired outcome and those who had wanted to continue working but were unable to. Impacts upon health included feeling less stressed and more relaxed which also transferred to a better sleep pattern for some.

For those who retired, negative impacts on financial circumstances were also reported, although notably these were not emphasised by participants when compared with personal and emotional impacts. This chapter has described the important influence of financial considerations on the retirement decision and this provides one explanation for this pattern: that people took account of their financial situation whilst making a decision about their retirement might explain why the financial impacts of retirement decision-making appeared relatively minor. Another explanation is that the magnitude of the financial impact appeared smaller where the individual had previously been receiving a low wage, where their spouse remained in work and where they were in receipt of a good private pension. Impacts on financial circumstances were also reportedly tempered by changes in lifestyle following retirement which resulted in people spending less, and by other benefits in retirement such as free passage on public transport.

The impact of the retirement decision for those who continued working appeared minimal, except where people continued working at the same employer but with different terms and conditions. In these cases, participants reported positive impacts associated with having more free time, as well as on their outlook generally. This finding perhaps raises a question about why more positive impacts were not evident amongst those participants for whom continuing to work beyond the normal retirement age was their choice: it is plausible that continuing to work was not experienced as an 'event' in the same way as retiring and therefore, that participants did not conceive of the impacts of continuing to work as particularly noteworthy.

7 Understanding the impact of employer practices on retirement decision making

This chapter aims to draw together cross-cutting issues affecting retirement decisions, outcomes and impacts. By illustrating how and when these factors interact, it will also highlight the direct impacts employer policy and practice has on decision-making. The first section summarises and compares the employer and non-employer related factors affecting individuals' experiences of the retirement process, the decisions they made and their retirement outcome described in the three previous chapters (Chapters 4, 5 and 6). Section 7.2 describes the interaction of these factors and illustrates their relative importance for individual experiences by comparing brief synopses of individual accounts. This aims to highlight that in specific circumstances a particular employer approach will be the primary determinant of a retirement pathway and in others an identical approach will have no impact. The chapter concludes by isolating the key aspects employer policy and practice that affect decision-making, outcomes and impacts.

7.1 Summary of factors affecting retirement decisions, outcomes and impacts

The previous three chapters have described individuals' experiences of retiring before 65, the right to request process and other employer approaches to retirement. This section briefly summarises and compares the key factors affecting decisions, outcomes and impacts across these three retirement pathways. Four sets of factors can be identified, relating to: employer policy; employer practice; employment conditions; and, personal and contextual factors. These were influential across all three pathways although different aspects of each set of factors were more influential in some retirement pathways than others, as illustrated by Figure 7.1. What follows here is a brief summary of these differences.

Cutting across all of these sets of factors and all pathways is individuals' knowledge and expectations of the **employer policy**. When individuals expected to retire was clearly a factor affecting individuals' decisions and how retirement outcomes were experienced. Apart from those retiring before 65, knowledge of employer policy had a clear impact upon their expectations about whether or not it would be able to meet the hopes they had for their retirement. This in turn impacted upon their experience of the process, particularly where it was felt that employers were not following the process as they should – this was particularly the case for individual instigated right to request processes. Where individuals had a clear expectation to continue working, for example, and employer policy could meet this expectation, this was an influential factor in their decision-making. Where the employer policy could not meet individuals' expectations this impacted upon how they experienced the outcome, if not the decision itself.

How retirement was raised and how employer policy was instigated had a significant impact on decision-making and outcomes across all retirement pathways. This was a key distinguishing feature in experiences of early retirement and other employer approaches: the experiences of individuals who raised the retirement issue themselves were characterised by greater involvement in the process and, where personal circumstances allowed, achieving an outcome they were happy with. Conversely, where the right to request process had to be raised by the individual in response to being issued with a retirement date, experiences were characterised by limited involvement in the process and less desirable outcomes. A factor affecting only those with experience of the right to request was the actual structure and schedule of that process. More positive experiences of the process were characterised by regular meetings and communication that engaged individuals in the process and suitable time periods in which to make decisions or wait for them to be made. The formality of the process impacted on individuals across all retirement pathways. In some cases more formal approaches were considered more secure, where as the alternative view was that formality was rigid and inflexible to the individuals' needs. A final element of employer policy affecting decisions, outcomes and impacts were the options available to individuals to continue working. This was influential across all retirement pathways, with the availability of a suitable or broader set of options encouraging individuals to consider continuing working. Where these options were not available, individuals either chose to retire or to accept a less attractive role which affected job satisfaction and motivation when working beyond normal retirement age.

Figure 7.1 Summary of factors affecting decision-making, outcomes and impacts by retirement pathway

	<i>Retired before 65</i>	<i>Experience of the right to request</i>	<i>Experience of other employer approaches</i>
Employer policy	Knowledge and expectations of employer policy		
	How the retirement was raised		
	Who instigated the process		
	Formality of process		
	Process structure/schedule		
Nature and extent of options in which to continue working			
Employer practice	Tone/nature of communication		
	Type of guidance and accessibility of support		
	Extent to which options to continue working were negotiated		
Employment conditions	Relationships with management and colleagues		
	Changes in roles and responsibilities		
	Perspectives on own performance at work		
	Whether work considered enjoyable, fulfilling, 'a vocation'		
Personal or contextual factors	Expectations about retirement		
	Financial considerations		
	Health concerns		
	Family and caring responsibilities		

A second set of factors related to **employer practice** throughout the retirement process – that is the employer’s approach to implementing a particular policy. This report has identified that an important aspect of employer approaches to the right to request process was the tone and nature of communication from the employer. Individuals’ perceptions of whether or not the employer wanted them to continue working were based partly on how they communicated. This influenced individuals’ decision to make a request or not as well as their experiences of work following successful requests. The guidance and support provided by employers also facilitated a greater understanding of the processes involved across all pathways, which helped minimise the distance between individuals’ expectations and actual outcomes. A third key element of employer practice was employers’ approach to determining the options available to individuals for continuing to work. Where individuals were able to determine or negotiate the options, desirable outcomes were achieved which in turn provided motivation to continue working, and in some cases facilitated a phased retirement. Where options were fixed or otherwise limited, individuals either continued to work with reduced motivation or retired, sometimes with a sense that they had no realistic opportunity to continue working.

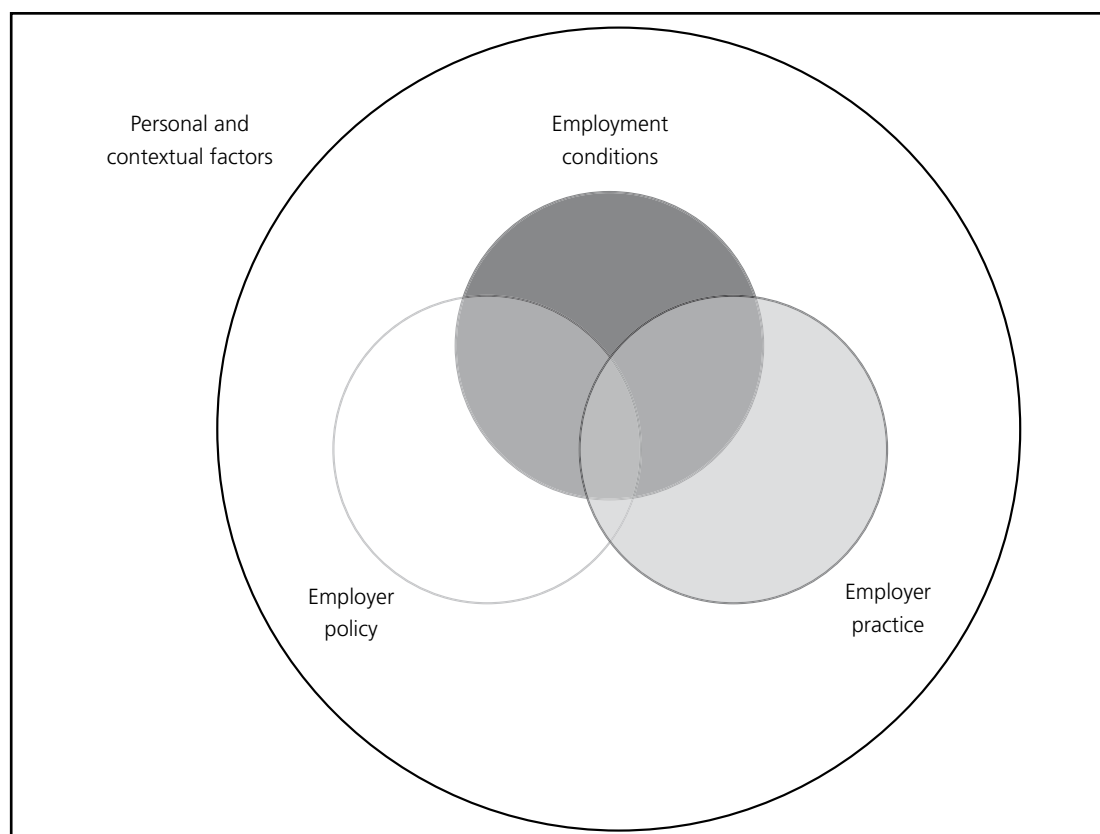
The final two sets of factors – **individuals’ experiences of work and personal and contextual factors** – were similarly influential across each retirement pathway and comprise many of the elements described in Chapter 2. These factors are not

summarised here as understanding their influence was not a key objective for this study. The importance of these factors for this study is in understanding how the many influences on retirement decision-making interact. For example, close working relationships with colleagues or financial considerations could make it inconceivable for some individuals to consider taking any course of action that would hasten their retirement. Alternatively, individuals who described their work as a 'vocation' viewed not being able to continue working as a very undesirable outcome even if they had no good working relationships and were not in need of the money. The next section takes a more detailed look at how these factors interact in different circumstances and at different points to determine retirement pathways.

7.2 Case studies: how factors interact to determine retirement pathways

Having identified four broad sets of factors that affect retirement decision-making, outcomes and impacts, this study has also found that they interact in a range of different and context-specific ways to influence individuals' experiences of retirement. The nature of the impact of employer policy, for example, can be dependent upon the employer's practice and their approach towards implementing that policy; equally, it can be dependent upon the individual's employment conditions and their experiences of work leading up to retirement.

Figure 7.2 The interaction of factors affecting retirement decisions, outcomes and impacts



Each of these three sets of factors – employer policy, employer practice and employment conditions – is overlapping, yet they sit within the fourth set of wider contextual factors associated with each individual's personal circumstances. This interaction is illustrated by Figure 7.2. For example, this study has heard individual accounts in which employer policy and practice are the predominant influence, examples where these influences are mediated by the individual's attitudes towards work or personal circumstances, as well as examples where employer policy and practice has no perceivable influence at all.

The remainder of this section highlights these different ways in which the factors interact. To illustrate this, the experiences of six individuals from the study sample are condensed to the essential elements of their retirement experience below. Three of these participants have experience of the right to request and three do not. The aim of the case studies is to show how:

- experiences of similar policy and practice can lead to different decisions, outcomes and impacts as a result of different personal circumstances
- experiences of different policy and practice can lead to the same decisions, outcomes and impacts as a result of the same personal circumstances

They illustrate that although employer policy and practice impact upon retirement, this impact must be understood in a wider context.

7.2.1 Experiences of the right to request

The three cases overleaf are illustrative of the varying ways in which the factors identified above interact to affect the experiences of individuals who were offered the right to request working beyond normal retirement age. The factors influencing the decision made, the outcome and the impact are highlighted in each situation. The names have been changed to protect the anonymity of the participants.

These cases illustrate the relative impact of the right to request policy on individuals in different circumstances. In *Alec's* case, the impact of the employer policy on the decision, outcome and impact is almost absolute: the right to request policy allowed him to request but also meant he had to leave that employer when the request was declined; because of *Alec's* financial commitments he was forced to find less suitable work elsewhere. As illustrated in Figure 7.2, these case examples also demonstrate that the impact of employer policy is mediated by the employer's practice or behaviour and the individual's own experiences of work. For example, *Tom* was pleasantly surprised that his employer's policy provided an option for him to work beyond when he expected he would have to retire; he felt valued at work and wanted to continue working there. However, this impact was tempered by the approach of the employer to attach conditions to his continued employment, something *Tom* felt that might encourage him to stop working earlier than he had planned. Finally, *Rosie's* story shows that, irrespective of the employer's policy or practice, personal circumstances can be the overriding factor – she was emotionally ready and financially able to retire so she did; she was clear that the employer could not have done anything to affect this decision.

Female, retired from large public sector employer for over 10 years

No impact of employer policy or practice

Working as a cleaner in a local library for 25 years, *Rosie* was happy at work but had always expected to retire at 65. She was offered a right to request working past 65 a few months before; it was made clear that this request would not have to be accepted. *Rosie* found this a bit insulting, like applying for a job she already had. She was financially stable as her husband also works.

Decision: chose not to make a request as she was ready and able to retire

Outcome: employer could not have behaved differently to make her stay

Impact: very happy with outcome, met her expectations and feels lucky to have been able to make this free choice

Male, working for medium public sector employer for over 10 years

Impact of employer policy and practice and other factors

Tom expected he would have to retire at 65 even though he felt his employer valued his work and experience. He was happy to find out that he could request to continue working so returned the form immediately. *Tom* was not able to discuss options with his employer but his request was accepted on the condition that he takes on a training role. He was yet to decide whether to do this.

Decision: wanted to continue working and policy gave him opportunity, made a request

Outcome: conditions mean he would have preferred discussion of other options

Impact: would like to continue for two more years, unsure he will be able to or willing to in the new role

Male, retired from small private employer for 2-10 years

Employer policy and practice the overriding influence

Company policy was to retire people at 65 but *Alec* knew he was able to request working longer. He and his employer were happy with his performance and he wanted to continue working to pay off his mortgage. Once the employer became aware of *Alec's* age he 'changed his tune' and began making references about age and performance. *Alec's* request was rejected.

Decision: policy allowed him to request working on for financial reasons

Outcome: policy also enabled request to be rejected. *Alec* now has part-time unskilled job

Impact: had to start drawing pension, struggles financially and worried about 'going downhill' when he retires

7.2.2 Experiences of other retirement pathways

The relative impact of employer policy and practice also varied for individuals experiencing other retirement routes. The three case studies below aim to illustrate this. The examples show where the employer was the primary influence, where the influence of employer practice was mediated by other factors, and where other factors were the overriding influence.

John's case shows that employer policy can be the primary influence on decisions, outcomes and impacts. He was unable to make a decision to continue or request to continue working and the impact on his finances and self-esteem are traceable directly to the employer policy. Conversely, the experience of *Esther* shows her employer enabling her to work beyond 65. If this had not been the case she would not have decided to retire but would have found work elsewhere to meet overriding financial commitments. A number of factors are at work in *Shirley's* case, where her desire to continue working is complemented by her employer's apparent lack of concern for her age or the instigation of any retirement procedures.

Male, retired from medium private employer for 2-10 years

Employer policy and practice the primary influence

John felt valued at work and got on well with other HGV drivers and management. He heard on the TV that he might be able to work after 65, which he wanted to do for financial reasons. A month before 65, his employer wrote to him to say this was not their policy and he would have to retire. *John* was upset and shocked by this and felt it was insulting. He took the employer to a tribunal but lost his case.

Decision: employer policy meant he was unable to make a decision

Outcome: he is now retired, but helps out caring for sick relatives

Impact: financially he just manages, but it really affected his self-esteem so he does not look for other work

Female working for medium public sector employer for 2-10 years

Impact of employer practice and other factors

Still working at a nursing home, neither *Shirley* nor her employer has raised the issue of retirement. She enjoys making a difference in her work and cannot think about retiring so does not want to raise the issue – it's something that happens to other people. She thinks she will work as long as she is able to. *Shirley* has recently reduced her hours which she hopes means she is able to work longer.

Decision: her decision, but enabled by employer's hands-off approach

Outcome: fewer hours was her preferred solution to reduce stress without the boredom of full retirement

Impact: feels pleased with this outcome as she has more time to relax and see friends

Female working for medium public sector employer for 2-10 years

Other factors are the overriding influence

Esther works as a social carer and loves her work though it is challenging. She had no expectation of retiring at 65 and needs to keep working for financial reasons. If her current employer had forced her to retire she would have got a cleaning job. Her employer wrote to all staff to say they did not have to retire at 65. Since then, *Esther* has discussed her position with her supervisor and now works fewer hours in a less demanding role.

Decision: her finances were the overriding concern

Outcome: letter from employer meant she felt confident about asking for reduced hours

Impact: enjoys extra time off, but is still able to meet financial commitments

7.3 Aspects of policy and practice affecting retirement decisions, outcomes and impacts

The previous sections describe a range of interconnected factors that affect people's experiences of retirement. This section aims to draw out the specific factors that relate to employer policy and practice from across the three main retirement pathways considered in this study. This report has identified a number of broad areas in which employer policy and practice does affect how individuals make decisions around retirement and how they experience the process. Each of these is relevant for all the retirement pathways described by this report: the discussion that follows makes clear where there is specific relevance for the right to request policy. These issues provide important information to support the review of the default retirement age (DRA) and right to request process, as well as consideration of employer policy and practice relating to retirement more generally by the Department.

7.3.1 Ownership of the decision

There is a clear sense that employer policies and approaches to retirement that engage the individual and involve them in aspects of decision-making has a significant bearing on the experiences of the retirement process and attitudes towards outcomes. Involving individuals in decision-making can both enable the employer to meet their needs where possible and, where not possible, temper the negative impacts on the individual of an undesirable outcome. There was a greater willingness to accept outcomes that did not meet expectations or that had conditions attached where individuals felt consulted throughout the process. Conversely, where people felt they were 'left in the dark' about the retirement process and how decisions were made, there was a feeling of being 'cut loose' when forced to retire and a loss of motivation when able to continue working. Whether the individual feels they have ownership of the decision sits at the centre of the overlapping circles in Figure 7.2 but can be distinctly influenced by the other aspects of employer policy and practice that are described below. That choice is an important element of a positive experience of the retirement decision is clear and supported by other research. Although some employers approach the right to request in a way that provides an element of choice or ownership, it is not a requirement of the legislation and this study found that employers do not always make this provision.

7.3.2 Information and guidance

Providing clear information on how retirement procedures work and suitable guidance on retirement options and pathways can enable individuals to make informed choices about their retirement. This study shows that useful information and support from the employer contributed to an uncomplicated experience of retirement procedures, enabled individuals to feel part of the decision-making process and adjust their expectations about retirement where necessary. It is also clear, however, that participants felt that employers do not always provide sufficient information or suitable guidance on retirement. There was a sense that individuals would have been better equipped to make decisions during and deal with the consequences of the retirement process had they known at the outset what they knew as a result of going through the process. It was felt there was a role for employers in providing better information, and more proactive guidance and support, particularly about how the process works, the options open to the individual and possible outcomes that could be reached. This study suggests that individuals found it difficult to adjust to a retirement outcome they were not expecting, exacerbating negative impacts on finances, health and self-esteem. Information and guidance can therefore play an important role in giving individuals a sense of ownership over their retirement decision but also minimising the gap between expectations and actual outcomes.

7.3.3 Structure of employer policy

A clear and standardised approach to retirement can also support the facilitation of individuals owning their own retirement decision and the provision of suitable and relevant information and support. Individuals welcomed employer approaches that they felt they were able to understand, with or without accompanying information, as well as approaches that were seen to be applied consistently to all employees. The latter here is likely to be supported by the former: where there is a structured policy clearly communicated to individuals, there is an onus on employers to apply it systematically for all employees. This study identified examples of muddled or chaotic policy that was not clearly or uniformly applied, which fostered perceptions among individuals that the policy was being used in a discriminatory way and to achieve other ends, such as removing employees who had difficult relationships with senior staff.

Specific aspects of the employers' implementation of the right to request can also be identified as affecting decision-making and outcomes. In particular, where the schedule used by employers accorded to the legislative guidelines, this was considered to provide sufficient time for individuals to consider whether to make a request or to adapt to a decision they were not expecting. In cases where individuals were provided with a shorter amount of time to decide whether or not to request or were informed of rejected requests very close to their retirement date, this had a significant impact on whether requests were made and on the experiences of individuals who had to adjust to retirement having expected to be able to continue working.

This study has found that where the right to request process was instigated by the employer, individuals' experiences were characteristically more positive. Conversely, where other employer approaches were experienced and retirement was raised by the employer, this was experienced as constraining individual choice in retirement decision-making. This suggests that where employers wish to impose a formal policy or approach to retirement, the right to request may be more acceptable to individuals who value a standardised formal process and involvement in decision-making.

7.3.4 Nature and type of communication

Common to each of these key aspects of employer policy and practice is the importance of good communication. The nature of the employer's communication to raise the issue of retirement or to outline the retirement procedure can have a significant influence on individual experiences and attitudes towards the entire process. Communications that either emphasised encouragement to continue working or articulated that the employer would work with the individual to, where possible, reach a mutually acceptable outcome were welcomed by individuals. This manner of communication contributed to a feeling of owning or being involved in the retirement decision-making process. Additionally, this tone could have the potential to improve the accessibility and increase the usage of relevant information.

Individuals would appear more likely to access information if they felt they were making informed choices in a supportive environment. Furthermore, right to request processes that involved some face-to-face discussion helped individuals to feel engaged in the process and that their needs were being considered. Where the process was conducted entirely by letter, there was a feeling that personal circumstances or the contribution made to the company was not being taken into account and that there was no arena for people to advance their argument as to why they should be able to continue working.

Appendix A

Methodology

Overview of research design

The aim of this study was to explore the specific impact of employer policy on retirement decision-making. This required the exploration of issues on which only limited previous research has been conducted. The default retirement age (DRA) had been in place for just over three years when the research began and the Department was keen to learn about the experiences of those affected by the right to request and by other employer approaches. Qualitative research is considered the most appropriate methodology to meet the requirements of the research challenge. Flexible data collection methods enabled researchers to achieve both breadth and depth in research findings by mapping the range of experiences of and attitudes towards the 'right to request' and other approaches as well as identifying underlying factors affecting experiences and attitudes.

In order to facilitate our understanding of this area a brief literature review was undertaken to inform sampling and fieldwork, and the previous section has drawn on this to provide the policy and research context in which this study is located. A total of 51 depth interviews were conducted with individuals from across the UK aged 61-72, who had taken a range of different routes to retirement or continuing to work. The design of this study reflects the requirement to gain a rich and detailed insight into the influence of employers' practices on the retirement decision-making of this section of this population.

The remainder of this section sets out this design, in particular our approach to sampling and recruitment, choice of data collection method and analytical approach.

Sampling

A key challenge in designing this study was determining the characteristics of a sample that would provide the most insight into the impact of employer practices on retirement decision-making and accessing a suitable sampling frame from which to draw this sample. The study population were people aged between 60 and 75. Those within this population who had experiences of three types of 'retirement pathway' were of interest to this study. These three groups also had associated subgroups that were purposively selected. These groups, and their justification for inclusion, are illustrated in Table A.1.

Across these groups, a range of secondary sampling criteria were considered important. It was felt that the following represented key characteristics that could have some bearing on how individuals experienced retirement policies and made their own decisions related to retirement:

- Age – Participants in the first group were at least 60 years old. Those in the second two groups were aged at least 64½ years of age.
- Type of employer – employees were included who worked for the public sector, private employers and the third sector.
- Size of employer – individuals who retired from companies employing 1-24, 25-499 and over 500 employees were included.
- Gender – an even mix of men and women took part in the study.

In addition to these primary sampling criteria, the sample included a degree of diversity in respect to duration of employment with last/current employer and the seniority of the role from which the individual retired.

Table A.1 Primary sampling criteria and justification

Retirement pathway (post Sept 2006)	Relevance for policy
Those who retired before 65 and cited the employer as influencing their decision	Included those who cited the influence of the policies or practices of their employer. Allowed exploration of impact of employer on early retirement.
Those who retired at or after the age of 65 who have experience of the right to request working beyond DRA	Included: <ul style="list-style-type: none"> • those who did not take up the right to request • those who had a request accepted • those who had a request declined Allowed exploration of the full range of experiences of and attitudes towards the right to request process.
Those who retired at or after 65 or who have continued to work who do not have experience of the right to request but may have experience of other employment policies or practices	Included: <ul style="list-style-type: none"> • those citing the employer as influencing their decision to retire • those continuing to work beyond 65 Allowed exploration of experiences of other employer approaches to retirement.

Having determined the sampling criteria, a second challenge was to identify a sample frame capable providing access to and information on this very specific group of people. A range of options was considered for this task and the Family Resources Survey (FRS) was the most suitable. The FRS is a large-scale quantitative survey run by NatCen and funded by DWP and had three key advantages for drawing a sample for this particular study: Firstly, FRS interviews up to 40,000 respondents each year, providing a large sample from which to identify a suitable sub-set for this study. In addition, the survey asks a series of questions that provide information on individuals’ employment history and current employment situation relevant to establishing characteristics that were used as sampling criteria. Finally, complications around data security and data transfer involved in generating a sample from existing information were minimised by the fact that the data collected by FRS is owned and controlled jointly by NatCen and the Department.

A sample frame was developed of people aged between 60 and 75 that clustered participants in four regions of the UK to make fieldwork more efficient – Greater Manchester, Yorkshire, West Midlands, Glasgow and Ayrshire. London and the Southeast were later added to this list to increase the pool from which we could recruit our sample.

Screening and recruitment

Individuals in the sample frame were sent initial approach letters and an enclosed information leaflet (See Appendix B) providing a description of the aims of the study, the potential nature of their involvement and reassurances about the

confidentiality and anonymity of their participation. These individuals were given a two-week period in which they could 'opt-out' of the study by calling a freephone number operated by NatCen. Individuals who did not opt out were then contacted by NatCen's Telephone Unit, screened for eligibility and asked to take part in the study. A screening exercise was necessary in order to determine the participant's retirement pathway and ensure they were eligible for inclusion in the study by falling into one of the three groups identified as primary sampling criteria. These groups were further distinguished so that quotas were generated for six key sampling groups, as illustrated in the achieved sample below. A copy of the routing process for the screening exercise is contained in Appendix C.

Although FRS was able to provide the majority of our sample, to meet all the sample quotas that were set it was required to use other methods to supplement the sample. A contingency for this was agreed at the outset of the study to contact key third-sector organisations that may have regular contact with the study population. The approach was to contact local agencies and national stakeholders and ask them to distribute an information leaflet (see Appendix D) detailing the aims of the study, the potential nature of their involvement and given reassurances about the confidentiality and anonymity of their participation. Interested individuals were then invited to 'opt in' to the study by calling a freephone number operated by NatCen. The following organisations were contacted by NatCen and sent details of the study:

- seven Age Concern offices around the UK;
- 11 Citizens Advice Bureaux around the UK;
- two Community Legal Advice Centres.

The Department also used their contacts with the following organisations to circulate information about the study:

- Equality and Human Rights Commission;
- Advisory, Conciliation and Arbitration Service.

Individuals who opted in were then screened in the same way as FRS participants and held in reserve in the event that they would be required to meet one of the key sample quotas.

Table A.2 Achieved sample

Sample criteria	Category	Number in sample
Pathway to retirement decision	Retired before 65	8(2)
	Offered right to request, no request made	7
	Offered right to request, request accepted	9(1)
	Offered right to request, request declined	8(4)
	Not offered right to request, retired at 65	8
	Not offered right to request, worked past 65	11(1)
Type of employer	Private sector	22
	Public sector	26
	Voluntary/3rd sector	3
Size of employer	1-24	6
	25-499	27
	>500	18
Gender	Male	25
	Female	26
	Total interviews	51

In the achieved sample, illustrated in Table A.2, 43 participants were drawn from FRS and eight from third-sector organisations. Information on where these eight participants found out about the study was not recorded as it was felt that to ask them to reveal this to researchers may raise concerns for respondents about their participation being fully anonymous and confidential. The number of participants recruited in this manner for each main sampling group is given in brackets in the final column of Table A.2.

Fieldwork and analysis

Depth interviews were considered the most suitable data collection method for this study. This technique allows detailed exploration of individuals' attitudes and experiences of complex issues, generating rich individual accounts that a group setting or structured approach is unable to achieve. To guard against the possibility of causing undue stress to participants if sensitive issues were raised during the course of the interviews, fieldwork was conducted by experienced researchers in a sensitive and careful manner with an emphasis on gaining informed consent before and throughout the interview. A topic guide developed in conjunction with the Department was used to facilitate the interview (see Appendix E). Interviews were conducted between November 2009 and January 2010, largely in the participant's home though one was conducted in a public library at the request of the respondent. Interviews lasted from 45 to 90 minutes and were transcribed verbatim. Participants were each given £20 as a thank you for their participation in the research. The data was analysed using the Framework method, a systematic approach to qualitative data analysis that was developed by NatCen and is now widely used in social policy research (Pope *et al.*, 2006).

A challenge in analysing and reporting the data for this study was the reliance on individuals' recollections, knowledge and perceptions to understand the approach that their employer had taken towards retirement. Although the study is primarily interested in the accounts of individuals, it does not make definitive statements on the policy, practice or behaviour of employer; the substantive chapters that follow in this report represent the perceptions of individuals on these aspects of their retirement.

Appendix B

Leaflet for FRS respondents



The National Centre for Social Research (NatCen) is the largest independent social research organisation in Britain. We design, carry out, and analyse, research in the fields of social and public policy.

Contact the Research Team:

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The government department funding this research is: Department for Work and Pensions (DWP)

Extending Working Lives Research Team
Tel: 0207 449 7034
Email: alexandra.dawe@dwp.gsi.gov.uk



Our responsibilities to you:

- **We ensure your safety:** all our researchers carry photographic identification and have been cleared by the Criminal Records Bureau.
- **We guard your privacy:** your taking part will be treated in strict confidence in accordance with the Data Protection Act. Your contribution will be used for research purposes only. Nobody will be individually identified in the final report.
- **We respect your wishes:** Taking part in the study is voluntary and you do not have to answer any questions you do not wish to.
- **We answer your questions:** we will be happy to answer any questions you may have about the research.



Impact of employer practice and policy on retirement

Talk to us about your experience of retirement and the effect employer practice and policy had on the decisions you made

NatCen is carrying out research to explore the role employer practice and policy has played in people's decision making around retirement.

We are an independent social research organisation, not part of the government. The Department for Work and Pensions has asked us to talk directly to older people about these issues. This leaflet provides information about the research.

What is the research about?

NatCen is following up some of the people who have taken part in the Family Resources Survey. This is because the government is interested in finding out more about people's experiences of retirement and particularly how employers affected the decisions they made. We want to hear about your experience and views.

What will the interview be like?

These interviews are a bit different from the original survey. It will be more like a conversation than a question/ answer interview. What we're really interested in is finding out about your views and feelings, expressed in your own words. If there are questions you don't want to answer, that's fine, just let the researcher know and they'll move on.

What will the interview be about?

We will be speaking to people that have retired at different ages. The sorts of things we're interested in are:

- Your views and attitudes towards your last employer's retirement policies and practices.
- Your experience and reflections of retiring and the impact you felt employer policies and practices had on the decisions you made

What will taking part involve?

Each interview will normally last about an hour to an hour and a half. Like the survey, we can interview you at a time and a place convenient for you.

Do I have to take part?

You do not have to take part. Taking part is entirely up to you, and you can change your mind at any time.

What happens to my interview?

Everything discussed in the interview is completely confidential. We record the interview so that nothing you say is forgotten. The recording stays within the NatCen research team and is kept securely so that no-one else can listen to it. We write a report about the main issues that people have talked about without identifying anyone. The recording will be destroyed a year after the publication of this report.

Who will be doing the interview?

There is a team of researchers working on the study. One of us will interview you:

- Gareth Morrell
- Robin Legard
- Rachel Goodwin
- William O'Connor

What will happen next?

We only need to speak to a certain number of people, so we may not call everyone we write to. If you do get a call, we will ask you some questions to clarify the information we have from the survey and check a couple of additional details. We will ask you whether you want to participate or not – and remind you that you don't have to if you don't want to.

Will I get anything for taking part?

Every person that takes part in the research will receive £20 as a thank you for their time.

Can I see the research?

We can send you a summary of the report findings and the full report will be available online. The researcher interviewing you will ask you if you would like to be sent a copy.

Who is carrying out the research?

The research is being carried out by the National Centre for Social Research (NatCen) for the Department for Work and Pensions (DWP). NatCen is an independent social research organisation.

Appendix C

Recruitment screener

P6262

Employer practices and retirement decision-making

Screening AND Recruitment questionnaire

Outcome of screener – *please tick box at end of interview-*

RECRUITED

REFUSED PARTICIPATION

SERIAL NUMBER:

SAMPLING CRITERIA:

INTERVIEWER NAME

INTERVIEW DATE AND TIME

CALLS RECORD (Note all calls even if no reply)

Call no	Date dd/mm	Day of week	Time (24hr clock)	Notes
1	/		:	
2	/		:	
3	/		:	
4	/		:	
5	/		:	
6	/		:	
7	/		:	
8	/		:	
9	/		:	

P6262**Employer practices and retirement decision-making****Introduction to the screener**

I'm calling from The National Centre for Social Research. We wrote to you about 2 weeks ago to ask you whether you are interested in taking part in a study into people's decision-making around retirement.

This study is a follow-up study to the Family Resources Survey (FRS) that you participated in about a year ago (at the time you said you were happy to be re-contacted for future research). Like the FRS survey, this study is being funded by the Department for Work and Pensions.

This study aims to understand the decisions people have to make concerning their retirement and the role of their employer in this process. We are interested in hearing about your views and attitudes towards your employer's retirement practices and the impact you felt they had or feel they will have, on your decisions around retirement.

If you are interested in taking part we need to ask you a series of questions over the phone now to check your eligibility for the study. We need to recruit individuals who meet certain criteria and this will be determined by your responses to the questions we ask. You may be asked up to seven questions and at any point we may advise you that unfortunately you do not meet the necessary criteria for this particular study. This call should take no longer than 15 minutes

If you are eligible, we will ask you to take part in an interview that will last up to an hour and a half, at a time that is convenient for you either where you live or somewhere else, if you prefer.

Are you interested in taking part in the study and answering some questions for me over the phone now?

I7899 Employer practices and retirement decision making**Q1 Rtrd**

Have you retired from working?

Yes, before October 2006	1	END Code 1 at Q15
Yes, after October 2006	2	GO TO Q2
No, I am still working	3	GO TO Q6
No, but I am not working at the moment	4	END Code 1 at Q15

Q2 Emplngth

When you retired, how long had you been employed at your place of work?

Less than two years	1	GO TO Q3
Two to ten years	2	GO TO Q3
More than ten years	3	GO TO Q3

Q3 Emptype

Which of the following terms best describes your employer?

Private company	1	GO TO Q4
Public	2	GO TO Q4
Voluntary organization/3 rd Sector	3	GO TO Q4

Q4 Agertrd

How old were you when you retired?

Under 65	1	GO TO Q5
65 or above	2	GO TO Q9

Q5 Inflearly

What influenced your decision to retire?

Note: please code AND record the answer – if answer indicates some influence of employer practices or changes to the participant's role, code 5 other and record reason.

Offered voluntary redundancy	1	ELIGIBLE Code 2 at Q15
Company pension rules	2	ELIGIBLE Code 2 at Q15
Colleagues' experiences of retirement	3	ELIGIBLE Code 2 at Q15
Employer retirement policy or direct pressure from employer to retire	4	ELIGIBLE Code 2 at Q15
Other employer-related reason	5	ELIGIBLE Code 2 at Q15
None of the above	6	END Code 1 at Q15

Q6 Agenow

How old were you on your last birthday?

Under 64	1	END Code 1 at Q15
64 or above	2	GO TO Q7

Q7 Lngthemp

How long have you been employed at your place of work?

Less than two years	1	GO TO Q8
Two to ten years	2	GO TO Q8
More than ten years	3	GO TO Q8

Q8 Typeemp

Which of the following terms best describes your employer?

Private company	1	GO TO Q9
Public	2	GO TO Q9
Voluntary organization/3 rd Sector	3	GO TO Q9

Q9 AwR2R

Note interviewer – in rare occurrence when individual is aged between 64 and 64 and 6 months, they may or may not have been offered R2R but employer only HAS to offer this at 64 and six months. So, if under 64 and six months and code 2 BUT screen out; if older than 64 and six months code 2 or 3 and continue to Q12.

Since October 2006, employees have had the right to request to continue working beyond 65 if their employer tries to force them to retire. Did your employer make you aware of this?

Yes	1	GO TO Q10
No	2	GO TO Q12
Don't know/not aware of right to request	3	GO TO Q12
Not applicable - employer did not try to make the person retire	4	GO TO Q12

Q10 UseR2R

Did you use your right to request?

No	1	ELIGIBLE Code 3 at Q15
Yes	2	GO TO Q11

Note to interviewer – if respondent has been offered the right to request and is in the middle of the procedure or intends to use it in the neat future Code 3 at Q15 – report this in the comments box on the cover sheet

Q11 AccRej

Was the request to continue working accepted or rejected?

Accepted	1	ELIGIBLE Code 4 at Q15
Rejected	2	ELIGIBLE Code 5 at Q15

Q12 INTERVIEWER CHECK Q1

Retired	1	GO TO Q13
Still working	2	GO TO Q14

Q13 InflLater

Were any of the following an influence on your decision to retire?

Offered voluntary redundancy	1	ELIGIBLE Code 6 at Q15
Company pension rules	2	ELIGIBLE Code 6 at Q15
Colleagues' experiences of retirement	3	ELIGIBLE Code 6 at Q15
Employer retirement policy or direct pressure from employer to retire	4	ELIGIBLE Code 6 at Q15
None of the above	5	END Code 1 at Q15

Q14 ChngPract

Have you changed you role or your working hours or started working more flexibly since you became 65?

Yes	1	ELIGIBLE Code to 7 at Q15
No	2	ELIGIBLE Code to 7 at Q15

INTERVIEWER RECORDS FINAL OUTCOME

Q15 Outcome of screener interview

Not eligible	1	END
Retired before age 65 (GROUP A)	2	Check group sample quotas and GO TO Q16
Retired, 65+, R2R offered but not used (GROUP B)	3	Check group sample quotas and GO TO Q16
Retired/Still working 65+, R2R accepted (GROUP C)	4	Check group sample quotas and GO TO Q16

Retired, 65+, R2R declined (GROUP D)	5	Check group sample quotas and GO TO Q16
Retired 65+/still working, 64+, R2R not offered/applicable (GROUP E)	6	Check group sample quotas and GO TO Q16
64+, or above, still working flexibly (GROUP F)	7	Check group sample quotas and GO TO Q16

Q16 FROM SAMPLE QUOTAS

If individual required to fill quota	1	Recruit GO TO Q17
If not required to fill quote	2	END [Don't recruit]

Q17 ARRANGE INTERVIEW

Thank them for their answers which mean they are eligible to take part in the study. Ensure they want to continue and arrange a time and location for the interview to be conducted (consult fieldwork availability schedule). Explain that a letter confirming these details and containing more information about the interview will be sent to their home address. The letter will also give contact details should they wish to cancel or rearrange the interview.

Confirm their contact details with them and record them below:

ADDRESS (to send the acceptance letter to):
PREFERED PHONE NUMBER (if details of the interview change):
EMAIL:

Fill in interview details and contact details on Interviewer availability schedule
Add participants to relevant quota sheets

Thank the respondent for their time.

Appendix D

Leaflet for third sector



The **National Centre for Social Research** (NatCen) is the largest independent social research organisation in Britain. We design, carry out, and analyse, research in the fields of social and public policy.

Contact the Research Team:

Gareth Morrell
Robin Legard
Rachel Goodwin
William O'Connor
Tel: 0800 652 0201
E-mail: gareth.morrell@natcen.ac.uk

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The government department funding this research is: Department for Work and Pensions (DWP)

Extending Working Lives Research Team
Tel: 0207 449 7034
Email: alexandra.dawe@dwp.gsi.gov.uk



Our responsibilities to you:

- **We ensure your safety:** all our researchers carry photographic identification and have been cleared by the Criminal Records Bureau.
- **We guard your privacy:** your taking part will be treated in strict confidence in accordance with the Data Protection Act. Your contribution will be used for research purposes only. Nobody will be individually identified in the final report.
- **We respect your wishes:** Taking part in the study is voluntary and you do not have to answer any questions you do not wish to.
- **We answer your questions:** we will be happy to answer any questions you may have about the research.



Impact of employer practice and policy on retirement

Talk to us about your experience of retirement and the effect employer practice and policy had on the decisions you made

NatCen is carrying out research to explore the role employer practice and policy has played in people's decision making around retirement.

We are an independent social research organisation, *not* part of the government. The Department for Work and Pensions has asked us to talk directly to older people about these issues. This leaflet provides information about the research.

What is the research about?

NatCen is carrying out the research on behalf of the government who are interested in finding out about people's experiences of retirement and particularly how these people felt employer practice or policy affected the decisions they made. We want to hear about your experience and views.

What will the interview be like?

These interviews are a bit different from a survey. It will be more like a conversation than a question/ answer interview. What we're really interested in is finding out about your views and feelings, expressed in your own words. If there are questions you don't want to answer, that's fine, just let the researcher know and they'll move on.

What will the interview be about?

We want to speak to people that are aged over 60, are retired and were the employee of a public or private organisation at the time of their retirement. The sorts of things we're interested in are:

- Your views and attitudes towards your last employer's retirement policies and practices.
- Your experience and reflections of retiring and the impact you felt employer policies and practices had on the decisions you made

What will taking part involve?

Each interview will normally last about an hour to an hour and a half. Like the survey, we can interview you at a time and a place convenient for you.

Do I have to take part?

You do not have to take part. Taking part is entirely up to you, and you can change your mind at any time.

What happens to my interview?

Everything discussed in the interview is completely confidential. We record the interview so that nothing you say is forgotten. The recording stays within the research team and is kept securely so that no-one else can listen to it. We write a report about the main issues that people have talked about without identifying anyone. The recording will be destroyed a year after the publication of this report.

Who will be doing the interview?

There is a team of researchers working on the study. One of us will interview you:

- Gareth Morrell
- Robin Legard
- Rachel Goodwin
- William O'Connor

How do I get involved?

If you are retired, over 60 years of age and interested in taking part in this study, please call **0800 652 0201** and follow the instructions provided on the answer phone anytime before **Wednesday 6th January**.

We only need to interview a certain number of people, but a member of the research team will ring you back and ask you some further questions. If we require you for our sample we will arrange a time and place for the interview to take place.

Will I get anything for taking part?

Every person that takes part in the research will receive £20 as a thank you for their time.

Can I see the research?

We can send you a summary of the report findings and the full report will be available online. The researcher interviewing you will ask you if you would like to be sent a copy.

Who is carrying out the research?

The research is being carried out by the National Centre for Social Research (NatCen) for the Department for Work and Pensions (DWP). NatCen is an independent social research organisation.

Appendix E

Interview topic guide

Employer practices and retirement decision-making

Aims of the study

This interview aims to explore your experiences of making decisions related to your retirement or working beyond retirement age. We are particularly interested in understanding the influence and role of your employer in the decisions you have made. We will discuss:

- Background details about your employer, your employment history
- What kind of things started you thinking about retirement
- Your knowledge and awareness of your employer's retirement policies and the options available to you
- The decisions you made around your retirement, how the process worked with your employer and the impact of this on the decisions you made
- Any other factors that influenced the decisions you made
- Finally, the impact of the decisions you made on your life more generally and your overall reflections of retirement

As this is an exploratory study, we wish to encourage participants to discuss their views and experiences in an open way without excluding issues which may be of importance to individual participants and the study as a whole. Therefore, unlike a survey questionnaire or semi-structured interview, the questioning (and the language and terminology used) will be responsive to respondents' own experiences, attitudes and circumstances.

The following guide does not contain pre-set questions but rather lists the key themes and sub-themes to be explored with each participant. It does not include follow-up questions like 'why', 'when', 'how', etc. as participants' contributions will be fully explored throughout using prompts and probes in order to understand how and why views, behaviours and experiences have arisen. The order in which issues are addressed, and the amount of time spent exploring different themes, will vary between participants according to individual demographics and circumstances.

Introduction

Aim: to introduce NatCen, explain the purpose of the interview and the research, confidentiality, interview practicalities, and help the participant adjust to the interview situation

- Introduce self, NatCen (as independent research contractor)
- Explain DWP has commissioned NatCen to carry out research with people who have recent experience of the retirement process to understand what role, if any, the employer organisation has played in decision-making around retirement.
- The findings of the study will be used to help inform the review of default retirement age legislation which the Department for Business, Industry and Skills [BIS] and DWP will be carrying out jointly in 2010.
- All information given in the interview is treated in the strictest confidence.
- We would like to record the interview so we have an accurate record of the discussion. The recording will be transcribed verbatim for analysis purposes.
- Both the recording and the transcript are stored securely and deleted within a year of the findings of the research being published.
- We then analyse all the interviews and write a report of the findings for DWP. No individuals will be identified in the report.
- Participation in the research is completely voluntary. If you do not wish to answer any questions, you are perfectly entitled not to do so.
- However, the interview is strictly confidential so please feel free to give your views. There are no right of wrong answers so you can say exactly what you think.
- A reminder that we will give you £20 as a thank you for your time and help.
- Any questions before we start.

1. Background

Aim: to obtain contextual detail about the employer organisation and the respondent's employment history. Also some insight into the respondent's post retirement and financial situation

- Details of the organisation from which the respondent retired/or is about to retire
 - Employer activity/industry
 - Sector (public, private, voluntary etc.)
 - Size (number of employees)
 - Number of sites
- Organisation context at the time of the retirement decision, e.g.
 - Whether the firm was expanding or contracting
 - Any review of policy or practice being undertaken at that stage
 - Any changeover to new systems
 - Degree of staff turnover: which types of staff
- Respondent employment history with this organisation
 - Job title and seniority at time retired or currently if still working
 - What job entailed at the time of retirement and in the few years previously
 - Details of career progression within this organisation
- Other respondent details
 - Household/family composition incl. any caring responsibilities
 - Current activities (incl. whether working or not)
- Projected retirement income (i.e. whether will be financially comfortable rather than any figures)
 - Pension provision from employer
 - Other income sources

2. Time at work before considering retirement issues

Aim: to establish perspectives on the culture of the employer related to older workers, how the employee felt they were performing, how their role may have been changing in years leading up to when retirement was formally discussed with employer. What was the impact of these changes on respondents thoughts around retirement? NOTE that the interviewer should be aware from the screening information how long the respondent had/has been employed at this employer – if less than two years interesting to know why moved jobs, reflections on comparisons with experiences of previous employer

Explore employer attitudes to older workers and whether treated in same way as other workers (particularly other workers of a similar age, and younger workers in similar jobs) in relation to:

- Changes to participants' role or responsibilities
 - Whether boundaries of their role changed
 - Were they given more/less of certain types of tasks
 - If responsibilities were added or removed, what reasoning was given
 - What their career aspirations were – career development, promotion, winding down, status quo
 - Whether employer made use of participant's experience e.g. moving to more of a mentoring role
 - How were these changes made, by who
 - The employees role, whether their views were heard
 - Impact of these changes on participant – motivation, job satisfaction, attitudes to retirement
- Performance management processes
 - Changes or difference in nature of appraisals – how conducted and by whom
 - Any changes in content of appraisals – whether different issues raised, skills, retirement, changing role
 - Frequency of PM meetings, was this different
 - Did they feel their PM and appraisal was different to other staff
 - Whether line manager's approach changed (harsher/more lenient)
 - If so, how it changed and views on why it might have changed
- Changing working relationships and employment situation
 - With manager/supervisor or other senior staff
 - With junior colleagues – any resentment felt towards/from them or skills learned from/ given to them
 - How these relationships changed
 - Explore whether participant felt valued and treated equally to other employees and why
 - Impact of these changes on participant – motivation, job satisfaction, attitudes to retirement

- Explore participant's perspectives on their own performance
 - Whether concerned about their ability to perform in their role, productivity, efficiency
 - Whether they felt they were lacking skills – what types, was training available
 - Whether levels of motivation changed and why
 - Did health issues affect ability to perform, if so how
 - Whether they felt they had confidence of employer and why
 - Impact of these changes on participant – motivation, job satisfaction, attitudes to retirement
- Opportunities for training and improving skills
 - Whether suitable (re-) training opportunities available
 - Whether felt received continued support to perform role
 - Whether suitable options were available to maintain performance or change roles
 - Impact of these changes on participant – motivation, job satisfaction, attitudes to retirement
- Perspectives on health and well-being
 - Whether health issues were affecting their performance at work – tiredness, stress
 - Impact on sickness record, numbers of days taken off for illness
 - How employer dealt with health issues, support available

3. Retirement decisions

Aim: To ascertain the how the employee and employer first jointly considered retirement issues. This will include exploring the participant's knowledge, awareness and expectations about how this would be instigated but also how this took place in practice

- What were their expectations about retirement
 - When they thought they could retire and why
 - When they felt they should retire and why – difference to above?
 - Did expectations come from HR, line manager, colleagues
 - What were the factors that they felt might affect when they could retire
 - To what extent did they feel they had any **choice** about when to retire: reasons
- In practice, who was it that instigated discussions about retirement

- If employer, how was this done
 - The point at which it was brought up – was it at a particular age
 - How it was communicated – email, letter, appraisal, informally
 - How the participant felt about this, how they reacted
 - How it affected performance, motivation, work relationships
 - Whether this is the same for all employees
 - Any suggestion for improvement
- If employee, how did they do this, who they spoke to
 - The point at which they did so
 - What it was that prompted them to have this discussion
 - Non-work factors*
 - Their performance*
 - Attitude of employer*
 - Relationship with manager*
 - Experiences of colleagues*
 - The options that the employee wanted to discuss
 - How the employer reacted – what was made available to the employee
 - How it affected performance, motivation, work relationships
- Whether they sought any advice/guidance about retirement options
 - If so, from whom and why
 - How useful was this
 - How did it affect their thinking around retirement

4. Experiences of retirement-related processes

Aim: to find out respondent's experience of the retirement process and how it was implemented in practice including their experience of any alternative options to DRA. Views about how well the retirement process worked, its impact on the decisions they made and how the process could have been improved

- Whether or not they were aware of any specific organisational policy on retirement at that stage
- Whether there was a certain age at which employees had to request to continue working - if so what age
- Whether an age at which no-one could work beyond - if so what age

Ask the respondent to talk you through the decision-making process stage by stage

- How did they receive information about the organisation's approach towards retirement
 - Through formal mechanisms from the employer (e.g. written documents)
 - Through informal mechanisms from the employer (e.g. tone of statements; attitudes towards older workers; employer expectations)
 - Through other mechanisms e.g. (other staff experiences of retiring; organisational culture and ethos)
- Was it pro-actively offered, did employee have to ask about process, whether it happened automatically
- Who was involved in providing information around retirement policies and procedures
 - any specific support (internal/external – colleagues, advocacy groups, advice services etc..) around the process/decision
 - Whether different staff involved (e.g. HR; line manager)
- How long it took, whether a number of stages
- What it involved, formal meetings, documentation, representation
- How it was implemented
- Whether felt like formal process or informal discussions

If Right to Request (note that the identifying characteristic of this policy is that employees had to request working past a particular age), then probe:

- How and when they were made aware of this specific policy
- How it was communicated, phrased, emphasised
- Whether aware of others that have gone through this process
- Whether this applies to all employees of a certain age – how do they know this
- Whether chose to request and why
- If not, what put them off
 - previous experiences of colleagues
 - employer attitudes to the process
 - relationship with manager/HR
 - aspects of the process they didn't like
 - didn't understand the process
 - not given enough information/time to decide

- If requested, reasons why wanted to continue working
 - Financial reasons
 - Employment reasons
 - Not ready to retire
 - How did the procedure work
 - How they made the actual request to stay on – in writing, in person
 - What meetings took place
 - Who this involved
 - How they felt treated
 - What was the outcome
 - If positive, how things changed
 - Did working arrangement alter
 - Impact on relationships with colleagues
 - How long they consider continuing working
 - Whether on a fixed term contract
 - Whether the request requires renewal
 - Impact of this on performance, motivation
 - Future retirement decisions – expectations, specifically what the employer has said, when will things be reviewed etc
 - If negative:
 - How was this communicated
 - The reasons given, if any
 - Whether participant felt reasons were justified, accurate
 - Whether felt other issues played a role in the decision
 - Whether appealed or basis of procedure not being followed
- ASK ALL:*
- Overall views on how the procedures worked
 - Whether procedure went as expected or as originally explained
 - Did employer attitude match the spirit of the policy – i.e. did they feel the policy was followed, did attitudes contradict policy, were procedures taken seriously
 - The extent to which employee felt able to make free choices
 - Whether they felt sufficiently supported through the process

- Whether decisions were balanced in favour of needs or employer or employee
- Were they treated the same as other colleagues
- How clear were they about any flexibility around retirement
 - Awareness of any other options: e.g.
 - Phased approach to retirement (e.g. changing job roles/downsizing)*
 - Flexible working (e.g. part-time, job sharing)*
 - Whether any colleagues had experience of this
 - Views about how employer attitudes towards colleagues in this situation

5. Factors influencing decisions around retirement

Aim: To identify the factors that influenced how respondents came to make decisions around retirement, explore the relative importance of the factors at the time of retirement, and what the impact of employer policies and practices was on reaching a decision.

- What were the principal factors that influenced the retirement decision
 - Was it considered a decision
 - Was there an assumption about retirement
 - Whether they felt they had a choice or a say in the decision

Spontaneous then prompt for:

- Their relationship with work e.g.
 - Feelings of effectiveness in role*
 - Own assessment of ability to do the role*
 - Stress levels*
 - Sickness record – impact of long periods of absence*
 - Motivation*
 - Finance/pension provision*
- Employer-related factors, e.g.
 - Value placed in them personally by employer*
 - Employer policies towards older workers*
 - Employer attitudes to older workers*

- Other issues, e.g.

Age

Lifestyle

Health

Family

Caring duties

- Relative influence of the employer compared to other factors: how and why
 - Who within the employer organisation had the greatest influence
 - The influence of the nature of employer policies or practices
 - Whether experience of employer practices changed attitudes towards retirement
 - Whether it changed expectations about when they would retire and why
- Views on how different employer practices would have affected decisions
 - What could have been done differently
 - Whether different actors or attitudes would have changed outcome
 - What else might have changed the outcome

6. Views about, and impacts of, retirement decisions

Aim: to gauge respondent perspectives on the outcome of the retirement decision and the effect it has had on their life including whether they have found meaningful activity to replace work or alternative sources of work or how work has changed since a successful request was made

- What was the outcome of the procedures
- Views about the outcome of the retirement decision
 - Reflections on this
 - What would have been their ideal outcome: why
 - If retired, are they or would they consider returning to work
 - If yes, impact of potential employer's retirement policy on choosing to work there

- Impact of the outcome on their quality of life
 - Self-esteem
 - Wellbeing
 - Health
 - Financial situation
 - Family life
 - Relationships
 - Activities undertaken
- If they are currently in employment
 - Under what terms and conditions
 - Has anything been radically different from what they anticipated
 - Whether they feel current employer policy or practice sustains or undermines their current position
 - When they expect to retire
 - What the process will be (if they know)

7. Reflections on the process around retirement

Aim: final reflections on the role of the employer in the retirement process and how any changes in policies or procedures might have led to a different outcome

- Views about the retirement process
 - What worked well about the process, and why
 - What was difficult about the process, and why
 - How might the process be improved
- What could the employer have done differently to improve the retirement process
 - What would be the impact of this
 - How might this have influenced different outcomes
- Feelings about the overall process
 - How views on retirement have developed, changed
 - Views on work and employer

THANK RESPONDENT, REASSURE ABOUT CONFIDENTIALITY AND GIVE THEM THE INCENTIVE

