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# **The Cornell Study of Employer Phased Retirement Policies: A Report on Key Findings**

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## Highlights

This report presents key findings from a survey that examines employer reactions to an older white-collar worker's request for reduced hours. The survey was funded by the Sloan Foundation, and is the first of its kind to be carried out in a nationally representative sample of establishments. It focuses on establishments with 20 or more employees, at least two of whom are white-collar and age 55 or older. It finds that while few employers have formal policies toward phased retirement, many are willing to permit phased retirement on an informal basis. More specifically:

- 73% of establishments would permit an older employee to reduce hours before official retirement, but few report that this is part of a formal written policy
- Most employers prefer that hours reductions occur before official retirement. Only 7% of the establishments require that the employee first retire and then return as a part-time worker.
- 36% of the establishments that would permit reduced hours before official retirement report that an employee has actually done this in the last three years.
- Of those establishments that permit an older employee to reduce hours before official retirement, 26% would not alter health insurance benefits, and 40% would permit the employee to draw pension benefits.
- Although establishment size is not closely linked to opportunities for phased retirement, size of the parent organization does matter. Small organizations are more likely to permit phased retirement.
- Industries differ in their opportunities for phased retirement. Opportunities tend to be greatest for establishments in the service sector. Opportunities tend to be most limited in public administration (excluding health, education, and social services).
- Expanding and contracting establishments differ in their opportunities for phased retirement. Establishments that increased their employment over the last three years were more likely to report that phased retirement could be worked out.
- An establishment is less likely to permit phased retirement when a large percentage of the white-collar workforce is unionized.
- Establishments that employ part-time white-collar workers are more likely to permit phased retirement than those that do not.
- An establishment is more likely to permit phased retirement when women make up a large percentage of the white-collar workforce.
- Opportunities for phased retirement are most limited for managers and least limited for clericals and professionals.
- Some establishments require job sharing for phased retirement. That means that another employee must be found who also wants a part-time schedule. This is, however, more the exception than the rule. More than 80 percent of the establishments that permit phased retirement before official retirement do not require job-sharing.
- Most establishments would allow a person who reduced hours before official retirement to switch back to full-time work. This is, however, less likely when phased retirement is handled informally.
- Most establishments want phased retirees to work part-week as opposed to part-day or part-year. There is, however, considerable flexibility in this area.
- When phased retirement takes the form of first retiring and then returning as a part-time worker, most employers do not require a waiting period between official retirement and return to work.
- Health insurance may be a real problem for phased retirement. When phased retirement takes the form of reduced hours before official retirement, fully 34% of the establishments report that health insurance coverage would cease, and another 26% report that coverage would depend on hours worked. When phased retirement takes the form of returning to work as a part-timer after official retirement, 31% of the establishments report that the rehired retiree would receive no health insurance benefits, and another 18% say "don't know" or "depends."

## Introduction

Phased retirement is like good nutrition: more promoted than practiced. The basic idea of phased retirement is that an older worker remains with his or her employer while gradually shifting from full-time work to full-time retirement. For decades experts have proclaimed the advantages of this type of retirement. Moreover, employees often express an interest in taking a phased retirement. In a recent national survey of the older population, more than half of the respondents age 55 to 65 said they would prefer to gradually reduce their hours of work as they age.<sup>1</sup> Yet, all indications are that phased retirements are rather unusual. Past studies indicate that within a cohort of older workers, less than ten percent took phased retirement; most people simply moved from full-time work to full-time retirement.<sup>2</sup>

The survey that underlies this study seeks a better understanding of how employers view phased retirement. The survey asks employers how they would respond to an older white-collar worker's request to shift from full-time to part-time work. It is built on a representative sample of 950 establishments. Although earlier studies examined employer phased retirement policies, they often relied on unrepresentative samples of large organizations. This is the first study to examine both large and small employers. Moreover, the survey covered several forms of phased retirement. It asked about formal and informal arrangements; it asked about hours reductions before official retirement as well as having retirees come back as part-time workers.

This report describes employer responses to phased retirement. Some employers are quite comfortable with letting older workers reduce their hours. For example, a plumbing, heating, and air conditioning contractor with the 31 employees said, "We have a lot of older workers here ... it makes it convenient for all of them." Other establishments see it as virtually impossible. A respondent at a large secondary school told our interviewer, "I don't know if there is an advantage. The disadvantage is trying to find a qualified teacher to fill that person's position." Even when employers embrace phased retirement, they implement it in different ways. Some have formal policies that permit any older worker to reduce hours prior to retirement. Others have informal arrangements that permit selected retirees—people who are receiving a pension—to return to work on special projects. This diversity of policies and practices is, of course, not surprising. Due to differences in the goods and services they produce, employers differ in their approach to compensation, fringe benefits, hiring, and work hours. Their approach to phased retirement presumably differs for similar reasons.

<sup>1</sup> General Accounting Office (2001), p. 27.

<sup>2</sup> See Quinn, Burkhauser, and Meyers (1990), Ruhm (1990).

Some employers may not, however, have given much thought to phased retirement. They may be surprised to learn how other organizations—organizations that are in a similar industry, that have similar pension plans, or have a similar number of employees—deal with phased retirement. With that in mind, this report addresses two broad questions:

- (1) What kinds of employers offer some sort of phased retirement? For example, does the likelihood of phased retirement depend on industry, size of organization, type of pension, or region of the country?
- (2) When an employer permits phased retirement, what form does it take? For example, what happens to pensions and medical benefits? If an employee shifts to part-time work for purposes of phased retirement, can that person have a change of heart and return to full-time employment? Are some occupations more appropriate for phased retirement than others?

There are good reasons to expect interest in phased retirement to grow in the future. Planned changes in the Social Security program not only encourage later retirement, but also allow older Social Security recipients to earn wages without losing benefits. Future cohorts of seniors may also be healthier than in the past, and consequently more interested in working beyond conventional retirement ages. Slow growth in the workforce and skill shortages may cause employers to seek out ways to retain valued older workers. Thus, phased retirement may be an idea whose time has come.

Several of the employers interviewed in this survey saw important advantages to phased retirement. They said things like,

"More work life balance. More focused."

"We get to maintain a good employee who knows the organization. The older employee has fewer issues, eg., no baby sitters, ... higher work ethic, more productive."

"Maintain client contact or relations; maintain expertise in that area; makes a good mentor for new attorneys."

"[an advantage is] their experience: they know the operation, and you know who you are getting."

While this is probably a situation where one size does not fit all, other employers may find similar advantages from supporting phased retirement.

## The Sample and the Survey Methods

The survey is based on a stratified random sample of 950 establishments selected from *Dun's Strategic Marketing Record* as of December 2000.<sup>3</sup> This sample is restricted to establishments with twenty or more employees, with at least two white-collar employees who were at least 55 years old.<sup>4</sup> We only include establishments with older workers to insure that questions about phased retirement are relevant to the respondents' situation.

Telephone interviews were conducted, from June 2001 to November 2002 with respondents at 950 establishments. After reaching the establishment, the interviewer asked to speak with the person who could best answer questions about work schedules and employee benefits, "for example, this person could be the head manager, a personnel manager, or even a benefits manager." These are often very busy people, and interviews could stretch over several pre-arranged phone calls. The average time required for initial screening and completion of the interview was 40 minutes. The median number of calls required to complete an interview was ten, and ten percent of the interviews required thirty or more calls to complete. In the event that an interview could not be initiated at a selected establishment, Professor Robert Hutchens, the project's principal investigator, sent a letter explaining the purpose of the study and asking for reconsideration of the request for an interview. Thanks to the work of the Center for Survey Research and the commendable cooperation of hundreds of respondents, the reward for such effort was a high response rate. Once a respondent was identified and the establishment successfully screened for size and presence of two older white-collar workers, interviews were completed nearly 90% of the time.

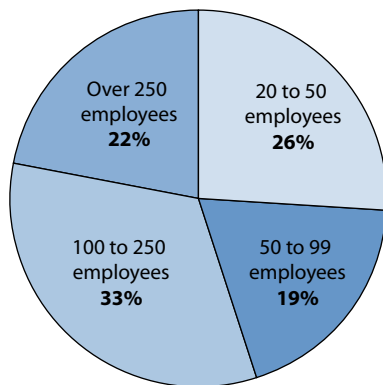
Note that the survey focuses on establishments. An establishment is a physical location where business is conducted or services or industrial operations performed. An establishment is different from an organization; an organization may include several establishments. For example, Ford Motor Company has several plants, each of which is a separate establishment. Rather than target the survey on executives at a corporate headquarters, we preferred to ask questions at the establishment level where policies are implemented.<sup>5</sup>

Note also that the survey focuses on white-collar workers. Establishments often have different policies for white and blue-collar workers. Of particular importance to this study are differences in pensions. Although it would be interesting to examine phased retirement among blue-collar workers, given the need to conduct reasonably brief interviews, it was decided to concentrate on white-collar workers. Phased retirement among blue workers would certainly be an interesting topic for future research.

Figure 1 below represents the distribution of the final sample by establishment size. In order to insure that the sample included a sufficient number of large establishments, we sampled a higher percentage of establishments with more than 100 employees.<sup>6</sup> This report presents statistics that have been adjusted for the percentage of establishments sampled in each size category.

Of course, the distribution of organizations in the survey differs from the distribution of establishments. Several of the small establishments were part of a larger parent organization. Thus, while Figure 1 indicates that 22% of the sample are *establishments* with more than 250 employees, more than half of the surveyed establishments belong to *organizations* with more than 250 employees.

**Figure 1** Distribution of the sample by establishment size



The sample includes establishments from every sector of the economy except mining, fisheries, forestry and agri-

<sup>3</sup> Dun's Marketing Service, Dun and Bradstreet, Inc.

<sup>4</sup> The 1999 Census Bureau County Business Patterns indicates that excluding government, railroads, and the self-employed, approximately 15 percent of all establishments have 20 or more employees, and 75 percent of all employees work in establishments with 20 or more employees.

<sup>5</sup> Sometimes respondents would refer the interviewer to another site, such as a corporate headquarters. If an off-site respondent could report on specific employees, experiences, and policies for the selected site, then that respondent was interviewed. If not, then every effort was made to gain an interview with a respondent at the selected site.

<sup>6</sup> The sample included about 1 percent of the establishments with over 100 employees, while it included about .2% of smaller establishments.

culture. Figure 2 shows the distribution of the sample by industry. Other national data sets indicate that a large share of the establishments with more than twenty employees are in the service sector which includes schools, hospitals, and business services like architectural firms or businesses that do data processing. Of course, white-collar workers are often employed in such establishments.<sup>7</sup>

## How common are opportunities for phased retirement?

We asked respondents the following question:

Think of a secure, full-time, white-collar employee who is age 55 or over. One day that person comes to you and says that at some point in the next few years he/she may want to shift to a part-time work schedule at this establishment. Could this person's request to shift to part-time employment be worked out in a way that would be acceptable to your establishment?

If the response was "yes" or "in some cases," then we asked further questions about what form this hours reduction might take.<sup>8</sup> As indicated in figure 3, the majority of establishments offer opportunities for some kind of phased retirement: fully 73% of the establishments indicated that "yes," something could be worked out, while another 14% said that something could be worked out "in some cases."<sup>9</sup>

Employers who said "in some cases" usually talked about possible scheduling difficulties or problems with getting the work done. For example,

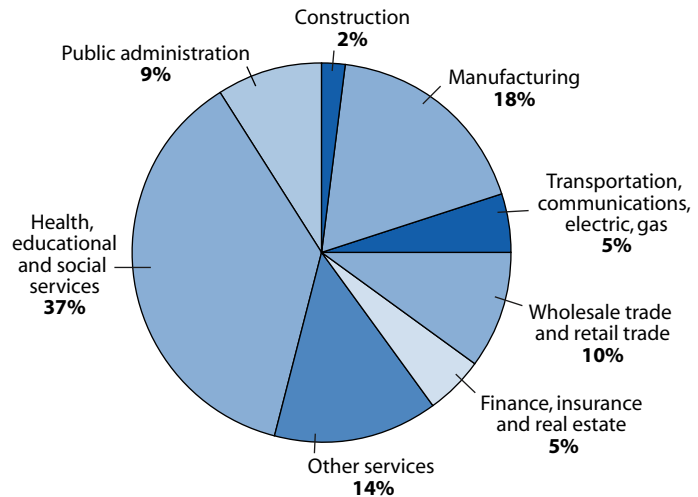
"...you'd have to find someone else to take up the slack."

<sup>7</sup> In fact, a check of the University of Michigan's Health and Retirement Survey indicates that more than 1/3 of older white collar workers employed in establishments with more than 20 workers are in health, education, and social services.

<sup>8</sup> What is meant by "part-time?" Prior to this question, the interviewer clarified part-time with the US government's definition, i.e., less than 35 hours per week. To make sure that we understood the respondent, however, this question was followed by a question that asked whether the respondent was referring to a part-week schedule, a part-year schedule, either schedule or something else. See pages 18 and 22 for details.

<sup>9</sup> There were 96 establishments where information was missing or the respondent said "don't know." Since there is no way to know the establishment's policy toward phased retirement, these cases were excluded from this and all subsequent tables.

**Figure 2** Distribution of the sample by industry



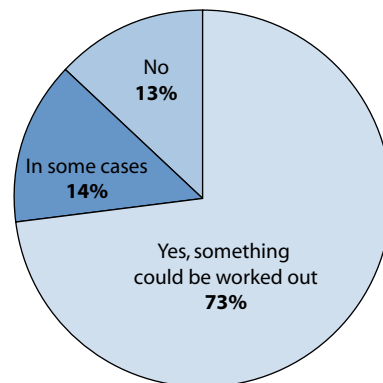
"...[There are] issues with client deliverables and client contacts; [we need a person who is] easy to contact when not here; we need flexibility in an emergency; if they have Friday off and there's an emergency Friday we would need them to come in."

"[It] would require [us] to train someone else, and hire another part-time person."

"Appropriations [are] for positions. If someone [is] part-time, can't have someone [else] fill the other half. It would be too costly at this facility, and can't go with half a position untended, not filled, and work not being done. [The job involves] caring [for and] custody of numerous inmates, keep in mind."

Saying that phased retirement can be worked out is not, of course, the same as saying that it is likely. An employ-

**Figure 3** Percent of establishments allowing an hours reduction

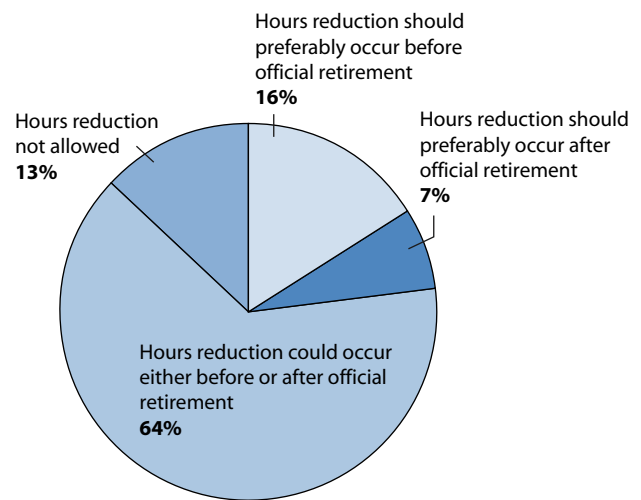


er may take a hard look at both the employee and current business conditions before letting a specific employee take phased retirement. In addition, the terms under which the employer is willing to work out phased retirement may not be acceptable to the employee. How will health insurance be handled? Will it be possible to supplement salary with pension payments? Can an employee have a change of heart and return to full-time work? The final sections of this report examine the terms under which employers are willing to offer phased retirement. At the outset, however, it is important to emphasize that phased retirement can be defined in many ways, some of which imply very limited opportunities for phased retirement.

Table 1 illustrates this point. The table begins with the 73 percent of establishments that give an unambiguous “yes” to the question about whether some form of phased retirement could be worked out. Some of these employers are only willing to work out phased retirement if the employee officially retires, and then returns to the establishment as a rehire. If those establishments are excluded, the percentage that can work out phased retirement drops to 68 percent. Some employers will permit phased retirement if another person can be found to share the job. Of course, that can be difficult; indeed, in small establishments it may be impossible. Excluding establishments that require job-sharing drops the percentage that can work out phased retirement to 59 percent. Continuing down the table, we see that if phased retirement is defined as permitting older workers to shift from full-time to part-time work before official retirement, without job sharing, with no change in health insurance, with pension payments that supplement salary, and with consent to return to full-time work if desired, then only 6 percent of the establishments permit phased retirement.

In what follows, phased retirement is defined in the broadest possible terms: can something be worked out? The goal is to determine whether opportunities exist. If they do, then we probe deeper to understand the conditions under which

**Figure 4** Percent of establishments allowing various forms of phased retirement



phased retirement is possible. Since these opportunities take a variety of forms, at least at the outset we want to consider all of those forms.

These opportunities are often real in the sense that employees have actually taken phased retirement. We know this because if a respondent told us that something could be worked out before official retirement, we asked whether in the last three years a white-collar worker age 55 or over had actually shifted from a full-time to a part-time work schedule. Fully 36% said “yes.”<sup>10</sup>

Phased retirement can occur either before or after official retirement.<sup>11</sup> This was brought home to us during the design phase of the survey. In discussions with several managers, we learned that employers often try to avoid hours reductions before official retirement, preferring instead

**Table 1**

Employer says “yes,” some form of phased retirement could be worked out	<b>73%</b>
Employer permits phased retirement before official retirement	<b>68%</b>
Employer permits phased retirement before official retirement and does not require job sharing	<b>59%</b>
The phased retirement arrangement would include:	
Health insurance equivalent to that provided to full-time workers	<b>16%</b>
Equivalent health insurance with salary supplemented by pension payments	<b>7%</b>
Equivalent health insurance, pension payments, and—if desired—the person can return to full-time work	<b>6%</b>

<sup>10</sup> One would expect this percentage to be higher for large establishments. Small establishments may employ only a handful of people over 55. If none were interested in phased retirement, then regardless of the opportunity, the right answer to our question would be “no.” That is less likely in large establishments with their larger numbers of people over 55. It turns out that the percentage is in fact higher in large establishments. For establishments with 500 or more employees, the comparable percentage is 67%. The same thing applies to hours reductions after official retirement. In establishments that reported that phased retirement could be worked out by employees who officially retire and then return as rehires, 22% reported that in the past three years they had rehired a retiree as a part-time or contract worker. In establishments with more than 500 employees that number jumps to 71%.

<sup>11</sup> In some organizations official retirement involves the bureaucratic process of submitting a letter declaring retirement and filling out appropriate forms. In others it involves a break in service. While respondents may have given the phrase different meanings, they had no problem understanding how “official retirement” applied to their establishment.

that workers first retire and then come back as part-time or contract workers. The survey indicates that such preferences are not widespread. As indicated in figure 4, most employers were willing to accommodate hours reductions regardless of whether they occur before or after official retirement. Indeed, only 7% indicated that the hours reduction should occur after official retirement.

Regardless of whether the hours reduction occurs before or after official retirement, most establishments handle phased retirement on an informal basis. Moreover, even when there is a formal written policy, that policy is often flexible and tailored to individual cases.<sup>12</sup> These flexible formal policies usually permit hours reductions as long as certain conditions are met. For example, one respondent spoke of the problem of finding another person to fill the other half of the job.

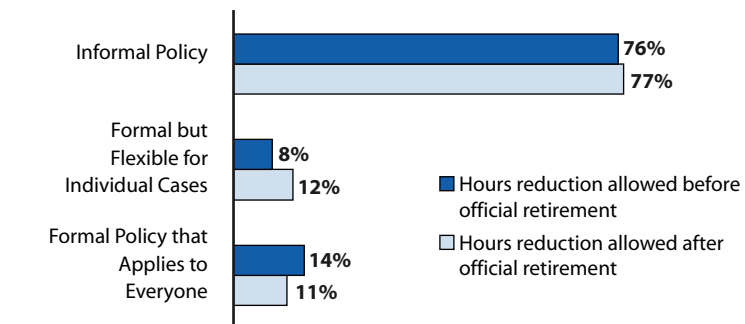
“It depends on if it is difficult to recruit. For instance if it is a med tech, [it can be] difficult to find a part-time med tech in nursing ... [we] probably can not accommodate that schedule easily.”

Figure 5 presents the data on formal and informal policies for establishments that said some form of phased retirement was possible. As indicated there, informal policies are the rule in hours reductions both before and after official retirement.

In most establishments phased retirement is “conditional.” While an establishment may permit phased retirement, a specific worker’s opportunity for phased retirement de-

<sup>12</sup> This is consistent with other studies of phased retirement. For example, in a survey of over 200 of its clients, the William M. Mercer consulting firm found that only ten percent had a formal plan for reduced hours or schedules. However, another 45 percent of the respondents indicated that they prefer to handle such situations with individual arrangements.

**Figure 5** Formal vs. informal policies for establishments that permit some form of phased retirement\*



\*If a respondent indicated that phased retirement was possible both before and after official retirement, then the establishment is included twice: once in the “before” data and once in the “after” data. Fractions do not sum to 100% because NA and “don’t know” are not shown.

depends on the employer’s assessment of the situation. The opportunity can depend on the nature of the job, business conditions, or finding someone to cover the work. In these establishments a request for phased retirement is like a request for a different job assignment; it may get a positive response in some situations and be turned down in others.

“he would be able to continue the craft part of it, but not the supervision part of the job”

“Depends on school’s need—may change grade levels.”

“probably not unless another person was hired to take up the slack”

“[depends] on the value [to] the business. If business would really pick up then they might need a part-time person”





### What does formal phased retirement look like?

#### An example.

“Teachers and administrators can stay in the profession for as long as they want. We are always looking for experienced people.”

—an administrator in a California secondary school.

This school in Northern California provides an excellent illustration of an establishment with a formal phased retirement policy. The school has 74 employees, all of whom are unionized, and most of whom are women. Around ten percent of the employees work part-time, and about twelve percent are over age 55. Phased retirement is quite feasible for teachers in this school. An experienced teacher can shift from full-time to part-day (4 or 5 hours per day). Moreover, as long as they work half-time or more, their health insurance coverage is the same as when they worked full-time. Neither administrators nor clericals have a similar opportunity for phased retirement.

The school has a formal policy regarding phased retirement by teachers. It mainly occurs before official retirement. The alternative of hiring retirees is difficult “because of the credentialing.” There is no limit on how long a phased retiree can remain in part-time work, and if desired, the person can shift back to full-time.

The policy is not without problems. “I have to go out and find someone to fill the [rest of the] job.” In addition, you can’t get “everyone together for a meeting at the end of the day when some employees are working only in the morning.” Still, this administrator was clearly comfortable with phased retirement, noting that “the problems are minor,” and “keeping senior people is an advantage.”



### What does informal phased retirement look like?

#### An example.

Advantages: “flexibility, continuity of knowledge, cost savings because there’s no training involved, no disruption of work relationships.”

Disadvantages: “there might not be a part time position available, there might be work that needs to be picked up because fewer hours are being worked.”

—a manager in a Wisconsin bank

This independent bank with 56 employees permits phased retirement on an informal basis. Most of the employees are women, about twenty percent are part-time, and fifteen percent are over age 55. Nobody belongs to a union. There seems to be no real obstacle to phased retirement at this bank. Employees have done it before and are likely to do it again. They can reduce hours before or after official retirement. They can work part-year or part-week. In addition, a move from full-time to part-time has no effect on health insurance benefits.

There is no formal policy on phased retirement at this bank. The informal policy is flexible, but not unconditional.

“...our decisions are based on company need, so we can accommodate changes in work schedules as long as it meets a good business need. Therefore, an employee cannot assume that a change in schedule is automatically doable.”

Consistent with that kind of flexibility, phased retirement is open to all employees regardless of job classification. Moreover, if an employee takes phased retirement, has a change of heart, and asks to return to full-time, then “depending upon the staffing situation and the work flow, it could be considered.”

## Establishment Characteristics and Phased Retirement

There are, of course, enormous differences in the activities of different establishments. Some are engaged in high-tech manufacturing, others sell toys, while still others employ teachers and provide educational services. Establishments also differ in their number of employees, region, and relationship to a parent organization. It would be surprising if opportunities for phased retirement did not differ across establishments, but little is known about such differences. This section speaks to that gap in our knowledge by presenting information on opportunities for phased retirement in establishments with various characteristics.

### Opportunities for phased retirement and the size of the establishment or organization

Establishment size has little to do with opportunities for phased retirement. As indicated in figure 6, the proportion permitting phased retirement is roughly the same in large and small establishments. The proportion of establishments

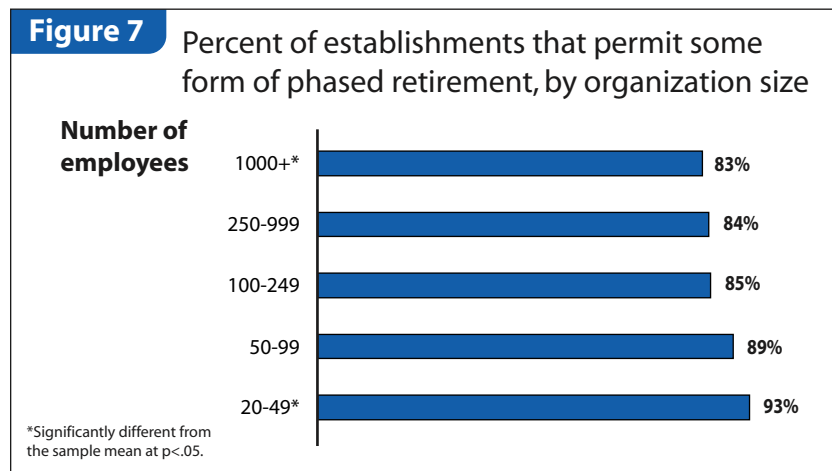
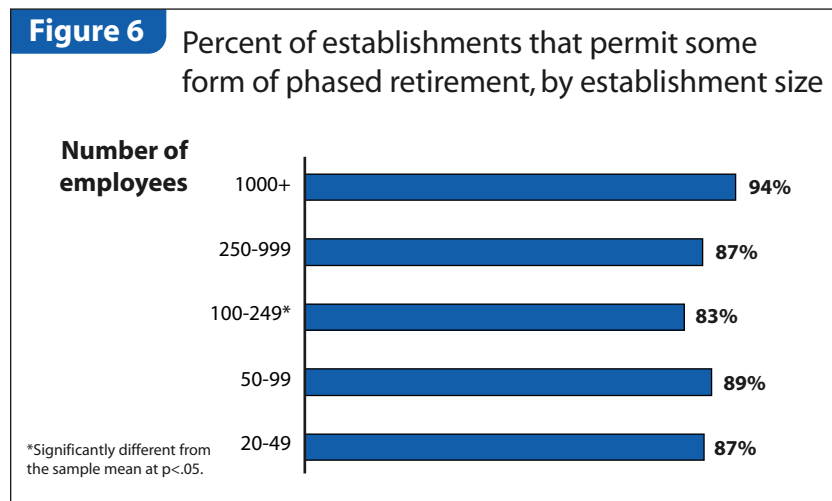
that permit some form of phased retirement (they answered “yes” or “in some cases” to our initial question about hours reductions) is 87% for establishments with 20–49 employees, 83% for those with 100–249 employees and 94% for those with more than 1000 employees. Moreover, this unimportance of establishment size does not depend on whether the phased retirement occurs before or after official retirement.

What about the size of the parent organization? As noted above, organizations differ from establishments; a single organization may contain several establishments (e.g., a school district). Figure 7 indicates that unlike establishment size, organization size is related to phased retirement. Large organizations are less likely to permit phased retirement. And it turns out that this is true regardless of whether the hours reduction occurs before or after official retirement. Given figures 6 and 7, what matters is the size of the organization, not the size of the constituent establishments.

A possible reason why large organizations are less likely to permit phased retirement is that phased retirement is often part of an informal arrangement, and large organizations

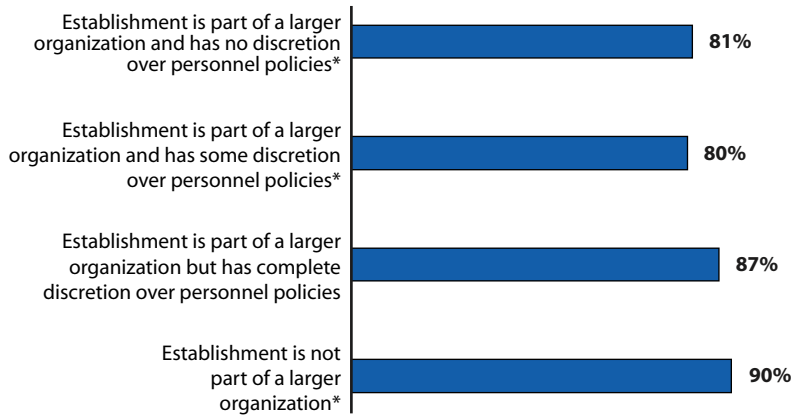
tend to avoid granting lower level managers the authority to enter into such arrangements. If an establishment was part of a larger organization, we asked how much discretion establishment-level management had over personnel policies. As indicated in figure 8, establishments with “complete” or “some” discretion over personnel policies were more likely to permit phased retirement than those where personnel policies were entirely set by the larger organization.

If they permit phased retirement, then both large establishments and large organizations are more likely to have formal policies. See figures 9 and 10. This relationship is not particularly surprising. Informal procedures can be impractical, and lead to inconsistencies in large units. Note, however, that even in the largest establishments and organizations—those with 1000+ employees—about half report that phased retirement is handled informally.



**Figure 8**

Percent of establishments that permit some form of phased retirement, by level of discretion over personnel policies



\*Significantly different from the sample mean at  $p < .05$ .

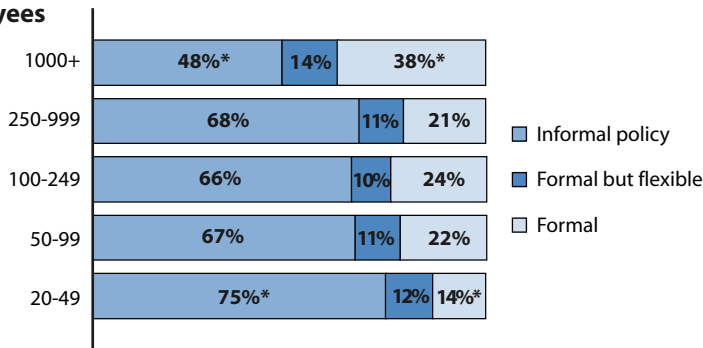
*“We have more control with very little influence from the larger organization, but we are not entirely on our own.”*

*“Stuff like that is already well established on a national level. There’s a pretty firm framework of rules that already apply.”*

**Figure 9**

Relationship between size of establishment and phased retirement policies

Number of employees

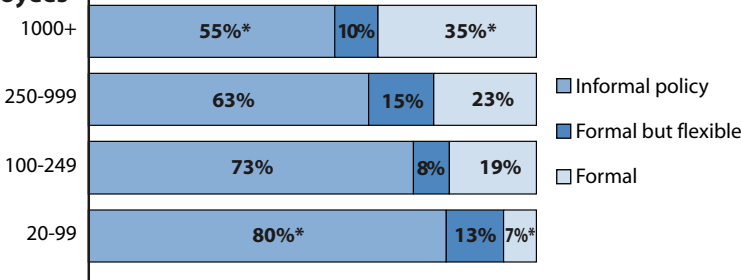


\*Significantly different from the sample mean at  $p < .05$ .

**Figure 10**

Relationship between size of organization and phased retirement policies

Number of employees



\*Significantly different from the sample mean at  $p < .05$ .

## Industry and opportunities for phased retirement

In most cases industrial sector is not an important determinant of phased retirement policies. As indicated in figure 11, regardless of industrial sector most establishments say that a reduction in hours is possible. The two major exceptions are public administration and transportation, communications, and utilities. Of course, public administration pertains to local, state, and federal governments. Examples of establishments in this sector are police departments, fire departments, and prisons. Fully 29% of the establishments in this sector indicate that phased retirement was not possible. In contrast, the sectors where some form of hours reduction was most feasible were construction and other services (thus, excluding health, education, and social services). In these sectors only 3% and 9% respectively said that phased retirement was not possible. Of course, those are sectors where part-time and seasonal work is relatively common.

## Region and phased retirement policies

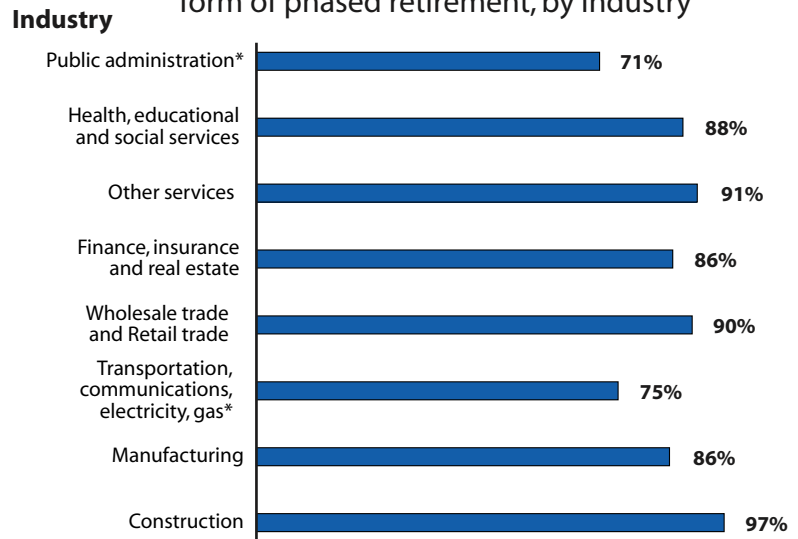
There are regional differences in phased retirement opportunities. While these differences are not large, for two of the regions they are large enough to be statistically different from the sample mean. Specifically, according to figure 12, there is evidence of greater opportunities in the Central region and lower opportunities in the South.

## Expanding and contracting establishments

Figure 13 presents information on phased retirement for establishments that report increased, decreased, and no change in employment over the last three years. Establishments that increased their employment over the last three years were more likely to report that phased retirement could be worked out.

**Figure 11**

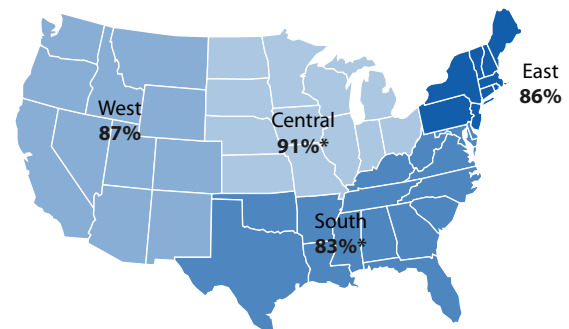
Percent of establishments that permit some form of phased retirement, by industry



\*Significantly different from the sample mean at  $p < .05$ .

**Figure 12**

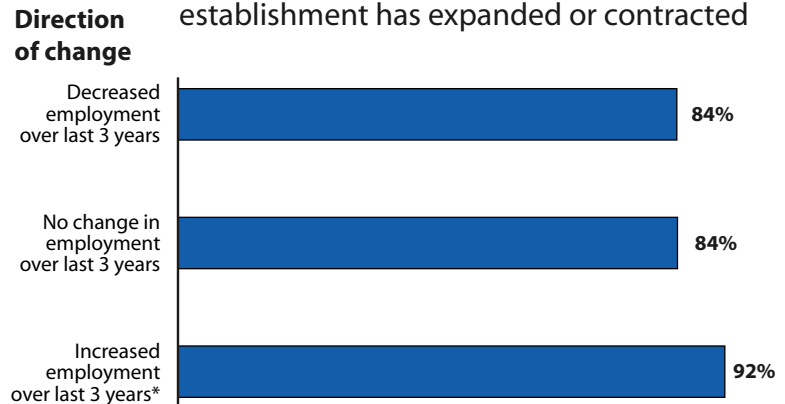
Percent of establishments that permit some form of phased retirement by region



\*Significantly different from the sample mean at  $p < .05$ .

**Figure 13**

Percent of establishments that permit some form of phased retirement by whether establishment has expanded or contracted



\*Significantly different from the sample mean at  $p < .05$ .

## Pensions and phased retirement policies

There is good reason to think that pensions play a role in phased retirement policies. Under IRS regulations it can be quite difficult for an active employee to receive pension benefits from a defined benefit pension plan. This is less of an issue for a defined contribution plan like a 401(k). Defined contribution plans can be set up so that an active employee over age 59½ can supplement earnings with pension benefits. Since phased retirees may wish to supplement salary by drawing on their pension, one might expect establishments with defined benefit plans to be less likely to permit some form of phased retirement. As indicated in figure 14, this is not the case. Fully 88 percent of the employers in establishments that only had defined benefit plans said they could work out phased retirement. That is almost the same percentage as establishments with only defined contribution plans.

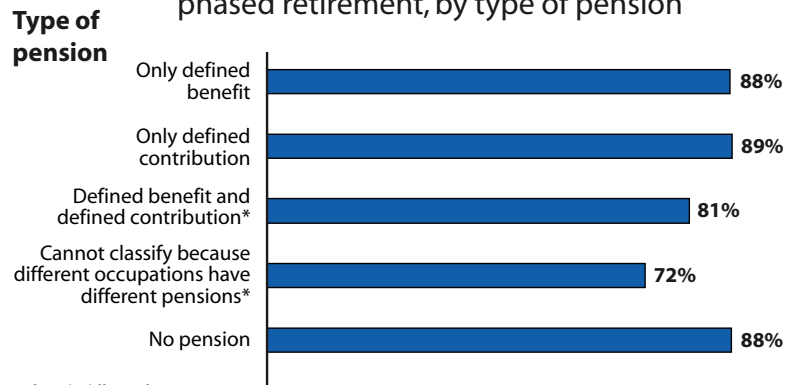
The fact that 88 percent of the establishments with only a defined benefit plan would permit some form of hours reduction is a bit surprising, and will require further investigation. It could be that these employers are saying that once a worker reaches the normal retirement age, it is possible for an active employee to receive pension benefits. That is certainly consistent with IRS regulations. Alternatively, it could be that these employers are saying that they would permit reduced hours and earnings without supplemental pension benefits. An older worker with few financial reserves to fall back upon would probably find that form of phased retirement quite unattractive. Receipt of pension benefits during phased retirement is taken up on pages 19 and 22.

## Are some kinds of human resource policies likely to be associated with phased retirement?

Establishments with certain types of human resource policies are more likely to permit phased retirement. Figure 15 shows that those establishments that permit job sharing, whereby two workers effectively split a full-time job, are particularly likely to permit hours reductions. Similarly, establishments with flexible starting times are likely to permit hours reductions. It seems likely that in such establishments, phased retirement is part of a broader strategy that involves flexible schedules.

**Figure 14**

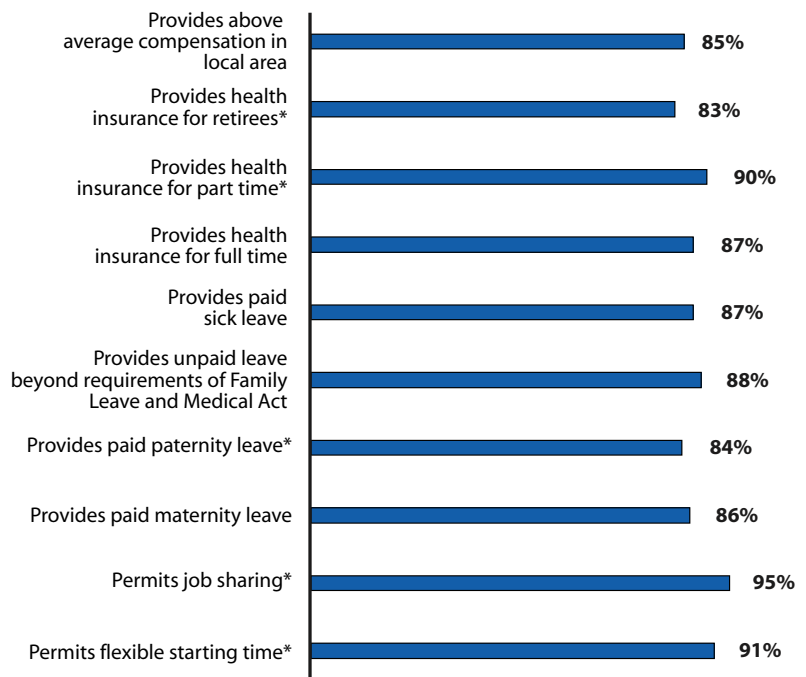
### Establishments that permit some form of phased retirement, by type of pension



\*Significantly different from the sample mean at  $p < .05$ .

**Figure 15**

### Establishments that permit some form of phased retirement, by human resource policies



\*Significantly different from the sample mean at  $p < .05$ .

Other types of human resource policies appear to be less compatible with phased retirement. We were surprised to find that establishments that provide health insurance benefits to retirees are somewhat less likely to permit hours reductions than other establishments. This is true regardless of whether the hours reduction occurred before or after official retirement. A possible explanation is that such establishments are interested in encouraging retirement, and use both limitations on phased retirement and provision of retiree health insurance as a means to that end. We were also surprised to find that phased retirement was not

especially likely in “high compensation” establishments, i.e., establishments where the respondent said that total compensation for white-collar workers was above average in the local area. Employers who are particularly generous with wages or benefits are not more likely to offer phased retirement opportunities.

### Percent of workforce that is white-collar and phased retirement policies

In general, an employer’s willingness to permit phased retirement does not vary with the percent of the workforce that is white-collar. As indicated in figure 16, opportunities for hours reductions are lowest when the percentage white-collar is in the under 25% range. This is, however, one of the few charts where none of the bars are statistically different from the sample mean.

## Characteristics of the White-Collar Workforce and Phased Retirement

Even when establishments are in the same industry and are of similar size, they can have very different white-collar workforces. For example, there can be differences in the percent female, average age, or education level of white-collar employees. That leads to questions about whether opportunities for phased retirement depend in part on the characteristics of an establishment’s white-collar workforce.

### Are establishments with a higher percentage of part-timers more likely to offer a phased retirement option?

It is no surprise that establishments with part-time workers are more likely to allow employees to shift from full-time to part-time work schedules. Even here, though, there appears to be considerable flexibility. Among establishments with no current part-time workers, fully 72 % would permit some form of hours reduction. See figure 17.

**Figure 16**

Establishments that permit some form of phased retirement, by percent of work force that is white-collar

Percent that is white collar



**Figure 17**

Establishments that permit some form of phased retirement, by percent of white-collar work force working part-time

Percent working part time



\*Significantly different from the sample mean at  $p < .05$ .

**Figure 18**

Establishments that permit some form of phased retirement, by percent of white-collar work force that is female

Percent that is female



\*Significantly different from the sample mean at  $p < .05$ .

### Is there a relationship between the proportion of women in the white-collar work force and the implementation of phased retirement programs?

Those establishments where most white-collar workers are women are especially likely to allow older workers to reduce their hours. Figure 18 illustrates. One reason for this relationship may be that establishments with a high percentage of female workers often have high percentages of part-time

workers. Thus, the relationships depicted in figures 17 and 18 may be linked.

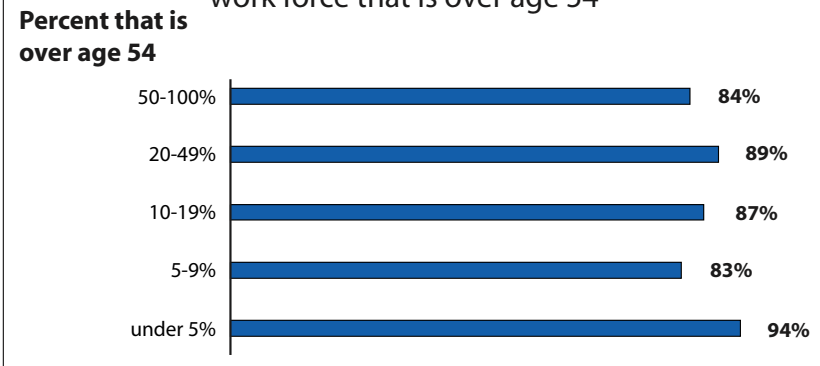
**Is there a relationship between the age and experience of the workforce and the likelihood that some form of phased retirement is available?**

There appears to be a relationship between opportunities for phased retirement and age of the workforce. Establishments where workers over age 54 make up a high percentage of the white-collar work force are somewhat less likely to offer reduced work schedules (figure 19). One possible interpretation is that establishments with many older workers have other characteristics that limit phased retirement opportunities (for example, they are part of large organizations). Another possible interpretation is that such employers are particularly interested in encouraging full retirement among older workers, and thus steer clear of phased retirement. It will take additional investigation to determine the correct interpretation.

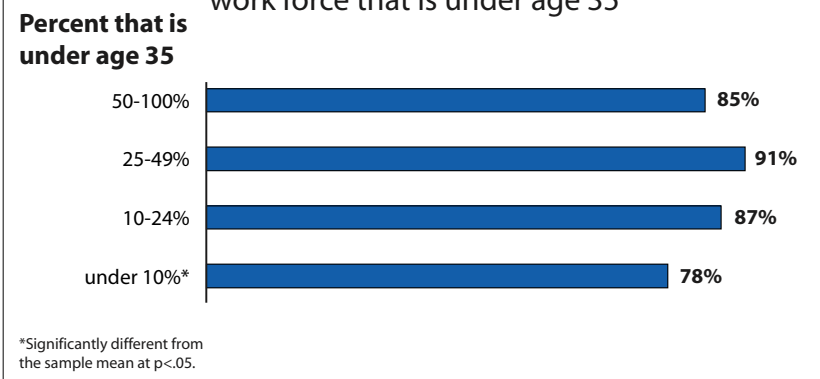
In a manner similar to workers over 54, as the percentage of young (under 35) white-collar workers increase, opportunities for phased retirement tend to increase (figure 20). Thus, as in figure 19, there is evidence that age of the workforce is related to opportunities for phased retirement, although in a curious way: opportunities are apparently better when there are fewer older workers.

It is perhaps not surprising to find a similar relationship between length of service and phased retirement opportunities. Those establishments with a large proportion of relatively new workers tend to have few old workers. As such they are likely to have greater opportunities for phased retirement (figure 21). In contrast, opportunities for phased retirement are comparatively low in establishments where only 10 percent of the white-collar workforce had been hired

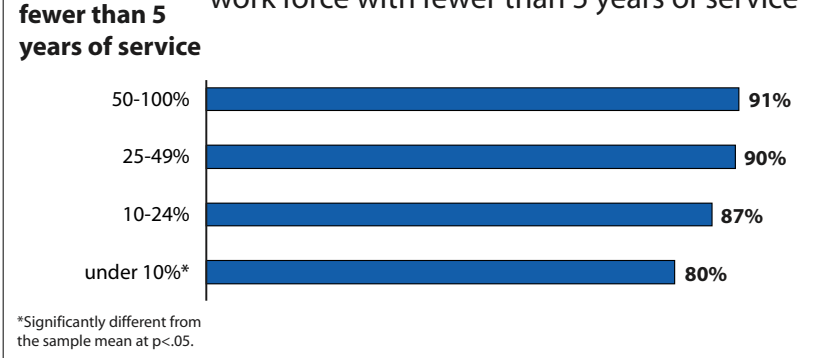
**Figure 19** Establishments that permit some form of phased retirement, by percent of white-collar work force that is over age 54



**Figure 20** Establishments that permit some form of phased retirement, by percent of white-collar work force that is under age 35



**Figure 21** Establishments that permit some form of phased retirement, by percent of white-collar work force with fewer than 5 years of service



in the last five years. Even more striking are the figure 22 results on the proportion of employees with more than 15 years of service. The data for this figure are restricted to establishments that have existed for 15 or more years. The figure reveals that phased retirement opportunities are most limited when at least 50% of the white-collar employees have been with the establishment for 15 or more years.

**Is there a relationship between extent of unionization of white-collar workers and the incidence of phased retirement programs?**

The most unionized establishments tend to be the least likely to offer phased retirement programs (figure 23). There are several possible explanations for this relationship. Unionized establishments may tend to be in larger organizations, and that can reduce opportunities for phased retirement. Perhaps more fundamental, unions may oppose informal mechanisms that permit individual workers to negotiate their own “deal,” preferring instead that hours reduction be dealt with in a formal contract that covers the union’s full membership. As an example, one employer told us,

“...if what we were talking about ran counter to something in the union contract, what we’d have to do if that request came through [would be to] get important players together in human resources, and union reps, and talk this through and work something out. But we would have to [have] buy-in from more than just the employee and me...”

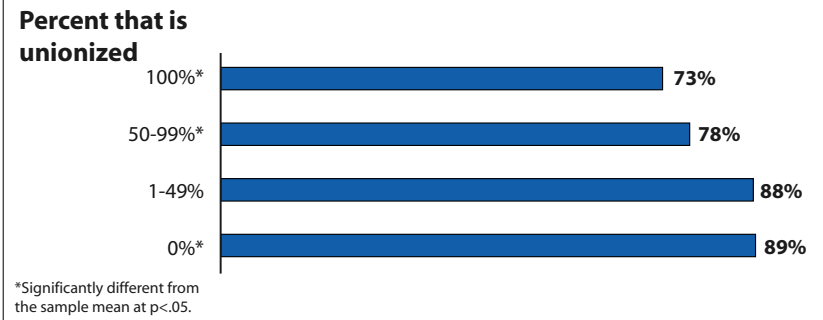
Finally, this result may be related to a broader phenomenon: unionized establishments tend to not have part-time workers. Some argue that this is in part because some unions perceive that part-time employment takes jobs away from people who need full-time employment, and are concerned with the possible substitution of cheaper part-time workers for full-time workers.<sup>13</sup> Whatever the reason, there is strong evidence here of a negative relationship between the percent union in an establishment and opportunities for phased retirement.

<sup>13</sup> See Stanley D. Nollen, Brenda B. Eddy, and Virginia H. Martin (1977) as well as Montgomery (1988).

**Figure 22** Establishments that permit some form of phased retirement, by percent of white-collar work force with 15 or more years of service



**Figure 23** Establishments that permit some form of phased retirement, by percent of white-collar work force that is unionized



**“Part time is not something we use for white-collar workers.”**

**“I think it’s a little unique because we are lawyers, but we’re very unstructured when it comes to work schedules. If someone can make an effective contribution working 20 hours a week, that’s okay. We also hook people up electronically, so it’s not important where they work. Some people work from home.”**



## How is phased retirement implemented?

Some employers prefer that hours reductions occur before official retirement, others primarily permit reductions after retirement. Both strategies may have advantages. It is probably easier to restructure compensation and fringe benefits if the hours reduction occurs after official retirement. On the other hand, hours reductions before official retirement may be less disruptive or could be part of an agreement that stipulates when an employee will officially retire. In order to better understand the two strategies, this section examines how establishments implement the “before retirement” strategy. The next section does the same for “after retirement.”

### Reduced hours before official retirement

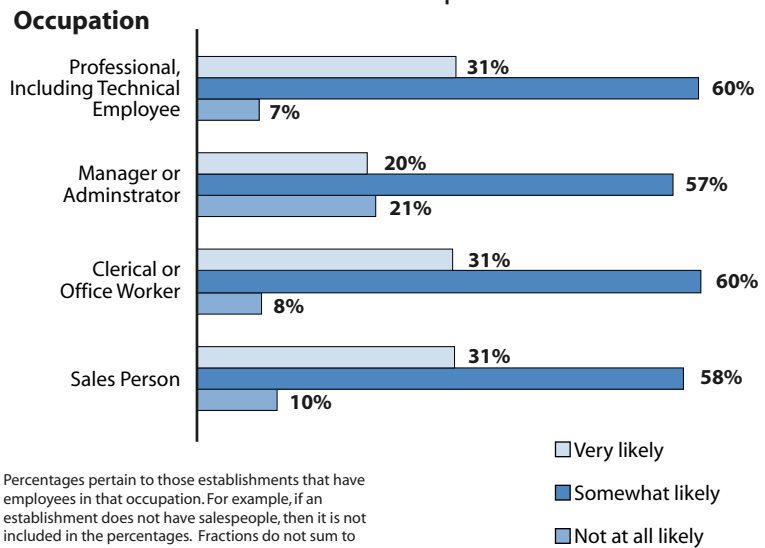
#### Occupational differences in hours reductions before official retirement.

When a respondent indicated that an older white-collar worker could shift to part-time work before official retirement, we tried to find out whether the policy was the same for different occupations. We focused on four categories of white-collar workers: managers and administrators, sales people, clericals, and professionals. (Examples of professionals are accountants, engineers, lawyers, and lab technicians.) As indicated in figure 24, opportunities do, indeed, differ by occupation. Opportunities are most limited for managers, and least limited for clericals and professionals. Interestingly, when the analysis is repeated for establishments with formal written policies, the same pattern emerges. Once again, managers and administrators are least likely to have opportunities for reduced hours prior to official retirement. Some of these occupational differences may, in fact, reflect the departments within which people work. For example, in the interviews that preceded the survey, one respondent told us,

“There is no part-time in manufacturing. The managers there are totally against it. On the other hand, among the office based, non-exempt workers there is no problem. In sales there is no problem and the managers have had good experience with it.”

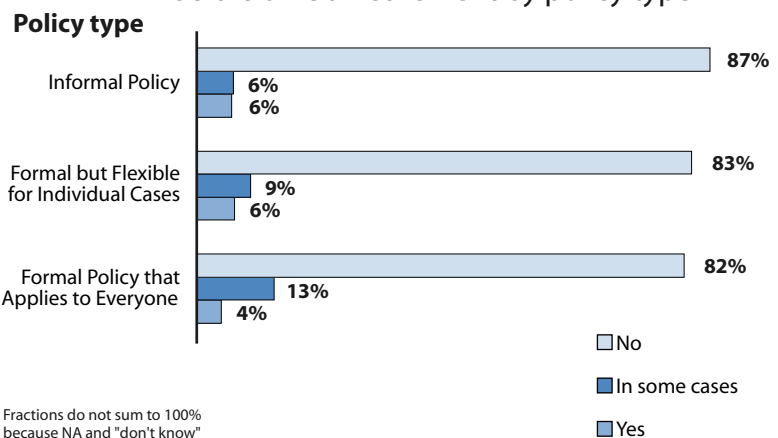
**Figure 24**

Occupational differences in the likelihood of reduced hours *before* official retirement in establishments that permit such reductions



**Figure 25**

Whether job sharing is required in establishments that permit reduced hours *before* official retirement by policy type



#### Would job sharing be required?

In a small minority of establishments, hours reductions before retirement are treated as a form of job sharing. If a person wants to shift from full-time to part-time work, then another employee must be found who also wants a part-time schedule. That is not, however, the situation in most establishments. As indicated in figure 25, regardless of whether opportunities for reduced hours before retirement are part of a formal or informal policy, large fractions of the establishments indicate that job sharing is not required.

**Is there a limit to the time an employee can remain part-time?**

We only asked about time limits when employers had formal policies. When policies are informal, time limits are presumably negotiable. In most cases, employers with formal gradual retirement policies do not impose limits on how long an employee can work part-time before retirement. As indicated in figure 26, only six percent of the establishments with formal policies said there were time limits, while another two percent said “depends.” When we probed these “depends” answers, we learned that while the policies are formal, they are, in fact, quite flexible. We were told things like,

“It would be decided on an individual case by case basis.”

“...varies by office”

**Can the employee switch back to full-time work?**

Most establishments would allow a person who reduced hours prior to official retirement to switch back to full-time work. This is, however, somewhat less common in establishments with informal policies. Figure 27 presents the results. Once again, when a respondent said “in some cases,” we asked for clarification. In most situations the respondent meant that it depends on whether full-time opportunities exist. For example,

“It would depend if there was still a full-time slot open”

“could be but we wouldn’t fire anyone to have someone come back full-time”

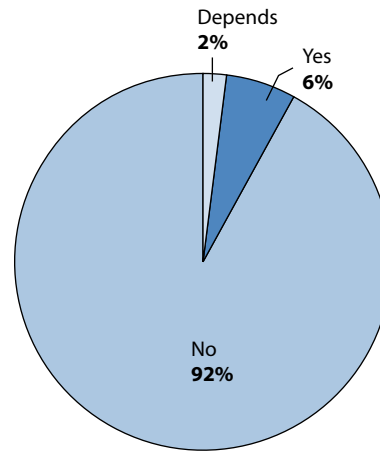
“depends on our work load, if we are not busy the answer would be no but most likely they could”

“in the case of nursing or technical yes, a manager or executive, no”

Interestingly, it was only employers with informal plans who said that return to full-time employment was impossible. Perhaps legal concerns cause employers with formal plans to avoid such prohibitions. To prohibit older workers from switching from part-time to full-time while permitting the same switch for younger workers could conceivably run afoul of age discrimination laws.

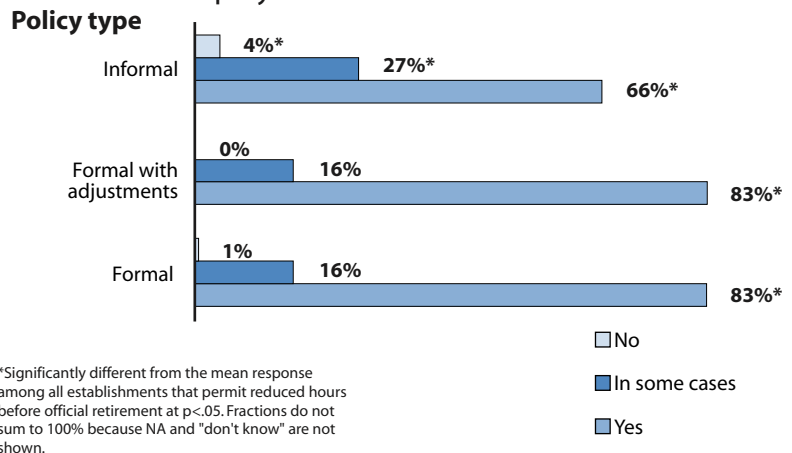
**Figure 26**

In establishments that have formal policies governing reduced hours *before* retirement, is there a time limit to how long the person can work part time?



**Figure 27**

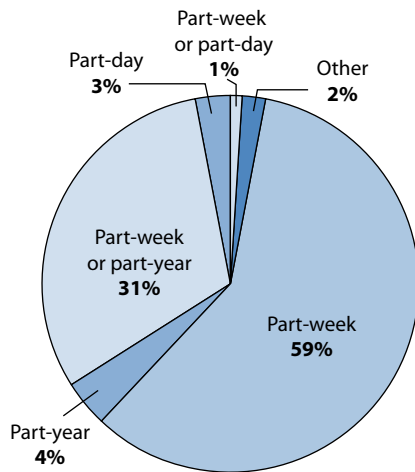
In establishments that permit reduced hours *before* official retirement, can the employee switch back to full time?



**Time arrangements**

While most respondents at establishments that permit hours reductions before official retirement indicate that employees would be likely to work partial weeks, many establishments, especially those in the education sector, provide opportunities for part-year work as well (figure 28).

***“[A] licensed nursing home administrator who oversees 120 beds in a nursing home would never be permitted to job share.”***

**Figure 28****Possible time arrangements for reduced hours before official retirement****How are pensions handled when hours are reduced before official retirement?**

Whether the pension is defined benefit or defined contribution can influence how pensions are handled when hours are reduced prior to official retirement. Federal law and IRS regulations prohibit active employees from receiving distributions from a defined benefit or money purchase plan before they reach the plan's normal retirement age. Although less constrained by federal regulations, participants in defined contribution plans can also face restrictions on receipt. For example, participants in 401(k) plans are penalized by a 10% tax surcharge if they accept distributions before age 59 ½. In addition, even in defined contribution plans employers may establish rules that deny benefits to active employees who have not yet reached the normal retirement age.

Two-fifths of the respondents to our survey indicate that an older employee who reduces hours from full to part-time before official retirement can receive pension benefits. These "in service" pension benefits are least common when the establishment only has a defined benefit plan and most common when the establishment has both a defined benefit and defined contribution plan. See figure 29. It turns out that such pension benefits are even more common when there is a formal plan (not shown).

We asked employers to comment on the circumstances under which they would pay benefits to an older part-time em-

ployee. For those employers who would pay the benefits out of a defined benefit plan, the most common answer was that payments were made once the employee reached the normal retirement age. The phased retiree does not officially retire at the normal retirement age, but rather works part-time while drawing pension benefits. This is, of course, thoroughly consistent with the law. Other employers said that active employees could receive benefits from their defined benefit plan if they worked less than some maximum number of hours (e.g., 1000 hours in a year), or earned below some level of income.

When we asked a similar question for employers that would pay pension benefits from a defined contribution plan, the most common answer was that the employee had to reach age 59 ½ or the normal retirement age to receive payments. Hardship was also noted as a condition for receipt, as were minimum hours or income levels.

Another pension issue is whether employer pension contributions continue when an employee has reduced hours prior to official retirement. For workers in defined contribution plans, employers often make pension contributions that are some percentage of salary. Since a shift from full-time to part-time work usually involves a reduction in salary, pension contributions also decrease, and that translates into lower benefits.

Something similar happens for workers in defined benefit plans. Depending on the formula used to compute the defined benefits, a shift to part-time may result in reduced future pension benefits. If, for example, benefits are based on salary in the final year prior to retirement, then a move to part-time work can result in a substantial reduction in future pension benefits. Is this a problem in establishments where older workers have an opportunity to reduce hours prior to official retirement? In most cases the answer is "no." Most

**Figure 29****Percent of establishments where an employee who shifts from full-time to part-time before official retirement can receive pension benefits, by type of pension**

establishments do not have a defined benefit plan, and those that do often report that a shift to part-time work would not adversely affect retirement benefits.<sup>14</sup> For example, an establishment might simply ignore the part-time hours when calculating retirement benefits. Our best estimate is that for those establishments that permit workers to reduce hours prior to official retirement, only 15% would also reduce future defined benefit pension benefits.<sup>15</sup>

### How are health benefits handled when hours are reduced before official retirement?

For many employees, especially those under 65 and too young to be eligible for Medicare, retention of health benefits can be an important reason for not retiring. In those establishments that permit white-collar workers to shift from full-time to part-time work before official retirement, only 26% report that there would be no change in health insurance benefits (see figure 30). Fully 34% report that coverage would cease, and another 26% report that benefits coverage would depend on hours worked.

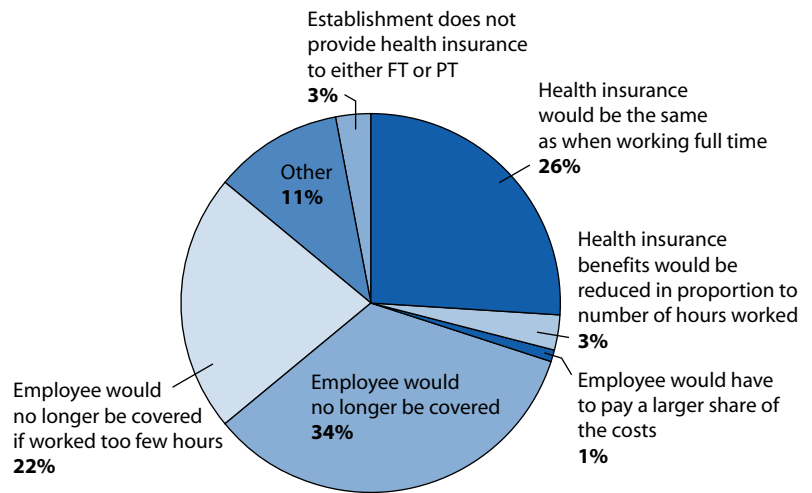
This leads to an important point. While employers often permit hours reductions before official retirement, the associated compensation package may not be especially attractive to older workers. For many older workers loss of health insurance coverage or a pay cut without some form of compensating pension benefits may be problematic. Of course that will not be true for all. Some have health insurance coverage through a spouse or the financial wherewithal to not need such benefits. But that is probably more the exception than the rule.

<sup>14</sup> Some respondents indicated that this depended upon how long the person worked part-time. For example, if the pension depends on the high five years out of the last ten years, then more than 5 years of part-time work could adversely affect the pension.

<sup>15</sup> See Vivian Fields and Robert Hutchens (2002) for a more detailed discussion of pension issues.

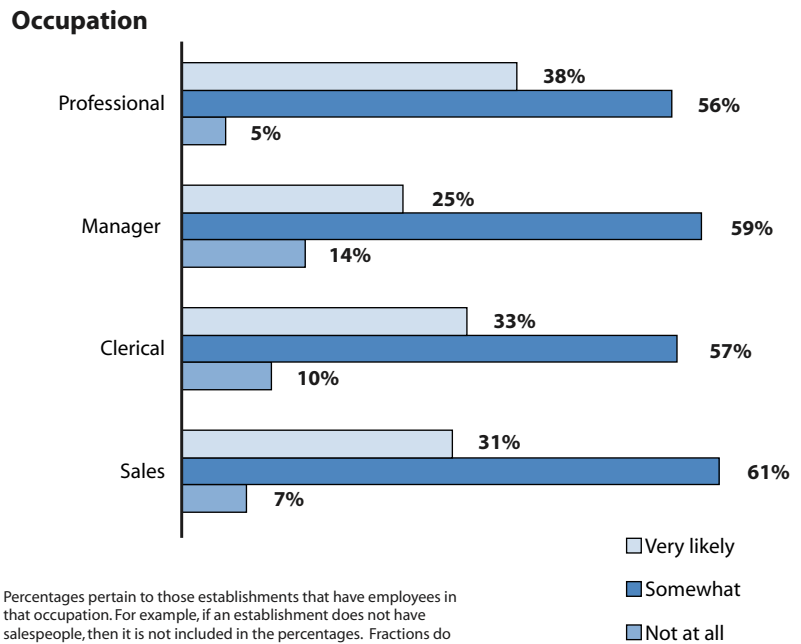
**Figure 30**

If a full-time employee shifts to part-time *before* retirement, what happens to health insurance?



**Figure 31**

Occupational differences in the likelihood of reduced hours *after* official retirement in establishments that permit such hours reductions

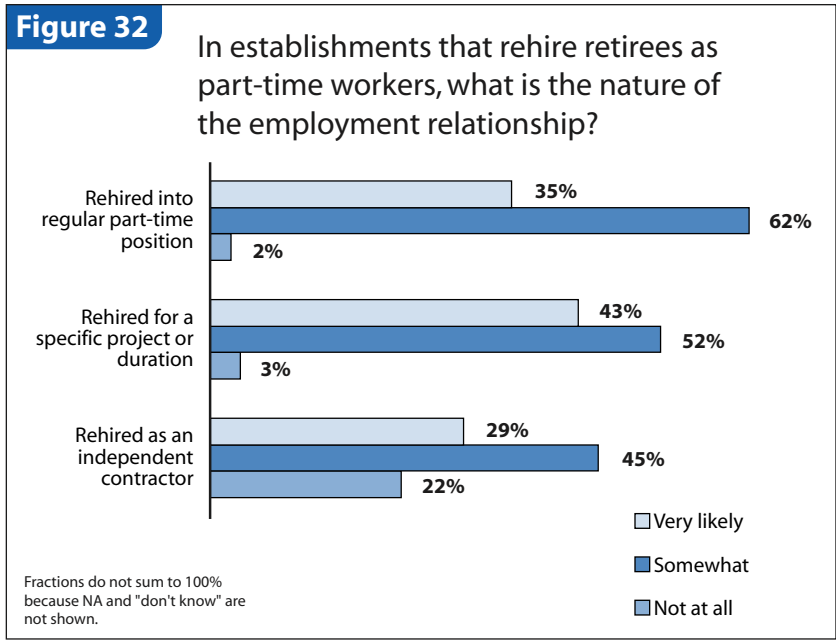
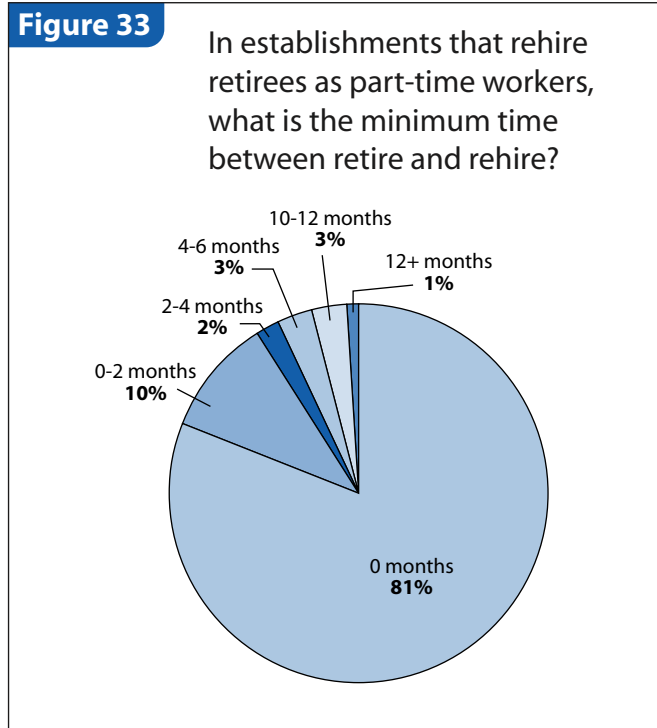


## Reduced hours after official retirement

Some employers are quite willing to accommodate an older worker's desire to shift to part-time, but prefer that the worker first retire and then return as a part-time worker. This section examines how establishments implement this "after retirement" strategy. It first describes the kinds of white-collar workers who have these opportunities, and then explores the nature of their work and the way in which they are compensated.

### Occupational differences in hours reductions after official retirement

Of those establishments that would permit a person to officially retire and then return as a part-time employee, fully 94% report that professionals (including technical workers) are somewhat or very likely to be rehired (figure 31). In contrast, 85% report that administrators or managers are somewhat or very likely to be rehired after retirement. Professionals, especially technical workers, are often suitable for filling roles on limited projects as temporary employees or independent contractors. Interestingly, similar numbers arise when the analysis is restricted to establishments with formal written policies regarding return to work after official retirement: professionals are more likely to have such opportunities than managers.



### The retiree's new relationship to the employer

Figure 32 indicates that when rehiring white-collar retirees as part-time workers, employers favor hiring them for a specific project or a specific length of time. Interestingly, however, the second most favored option is to place the older employee into a regular part-time position. Least favored is independent contractor. Twenty-two percent of the establishments report that it is not at all likely that the person would be hired as an independent contractor.

We also asked whether the rehired employee would have a job similar to that he or she occupied before retirement. Only 4% of the establishments responded that that was not at all likely. Evidently, employers rehire retirees as part-time workers because of their skills—retirees are employed in jobs that they were good at before retirement.

### Waiting periods between retirement and rehire

Most employers do not require a waiting period between official retirement and return to work. While employers always have the option of imposing waiting periods, waiting periods may have legal significance when the retiree is receiving benefits from a defined benefit pension plan. In that case waiting periods are sometimes used to establish that a bona fide retirement has taken place. As indicated in figure 33, however, only 19% of the establishments indicate that they have a waiting period, and in most of those cases the waiting period is less than two months. Even among employers with formal written plans or with defined benefit pensions, the majority of employers report no waiting period.

### Time arrangements

When retirees return to work as part-timers, what form of part-time do their employers favor? Figure 34 indicates a preference for part-week over part-year or part-day. Still, there is a significant degree of flexibility here. At some establishments one can work out either a part-year or part-week arrangement.

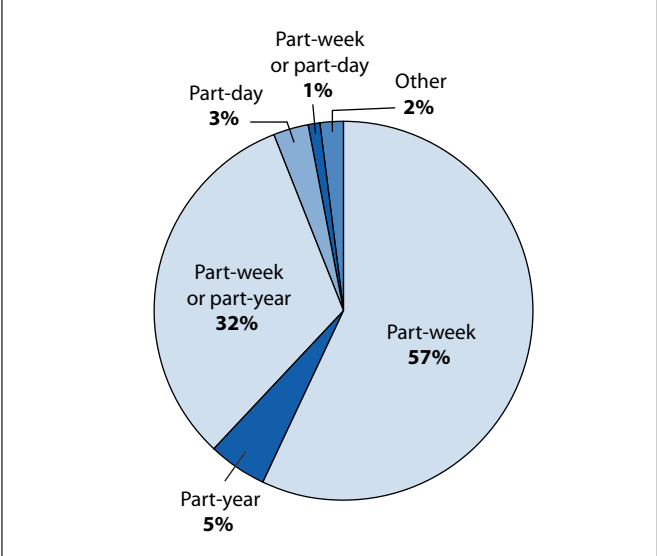
### How are pensions handled for rehired retirees?

IRS regulations permit firms to continue pension distributions to a retiree who returns as a part-time worker. There can, however, be a problem with defined benefit plans. Employers with those plans may have to convince the IRS that a bona fide retirement and rehiring have taken place. Interestingly, this is not an issue with most defined contribution plans. In both defined benefit and defined contribution plans, employers have the right to withhold distributions for those workers who are rehired and have not yet attained normal retirement age. In addition, employers may withhold benefits for retirees who work 40 or more hours a month. As an example, one respondent told us,

“The conditions of the employment must be as a contractor. Pension benefits would be stopped and have to be recalculated. [The person] would get them when they stop working again. [We] discontinue pension while working full or part-time”

In practice 58% of employers who indicated that phased retirement could occur after official retirement said that the rehired workers could continue to receive pension benefits. Another 8% said that workers could continue receiving benefits under certain conditions. As indicated in figure 35, such benefits were most likely in establishments that had both a defined benefit and defined contribution pension; they were least likely in establishments with only a defined contribution pension. Interestingly, establishments with formal plans governing rehiring of retirees were slightly more likely to say that pension receipt was possible.

**Figure 34** Possible time arrangements for rehired retirees



When employers responded that pensions would continue under certain conditions, we sought information on the nature of those conditions. In most cases, there were limits on the number of hours or days the person could work and continue to receive the pension. In some situations we were told that the pension was a 401(k), and that receipt of the pension was strictly up to the employee.

Another pension issue is whether the employer will continue to make contributions to the rehired retiree’s pension. Among those establishments where phased retirement could take the form of an hours reduction after official retirement, about half indicated that the employer would make contributions to the employee’s retirement fund. Such contributions can depend on how much the person works (for example, 30 hours per week or 1000 hours per year) and are somewhat more likely when the pension is a defined contribution plan.

**Figure 35** Percent of establishments where an employee who shifts from full-time to part time *after* official retirement can receive pension payments, by type of pension



### How are health benefits handled for rehired retirees?

As indicated in figure 36, 51% of the establishments would provide health insurance to a rehired retiree working part-time. In most cases these establishments are already providing health insurance to retirees, and simply continue the health insurance after the person is rehired. In some cases, however, benefits would be initiated or upgraded. 8% of the respondents answered “depends” to this question. When we probed this, we occasionally found that health insurance was worked out on a case-by-case basis. More commonly, however, the respondent referred to a minimum hours requirement for health insurance. For example,

“If they worked 30 plus hours a week. No different than non-retired.

“Depends on how many hours they work per week. They would need to work at least 32 hours to get health insurance.”

## Conclusion

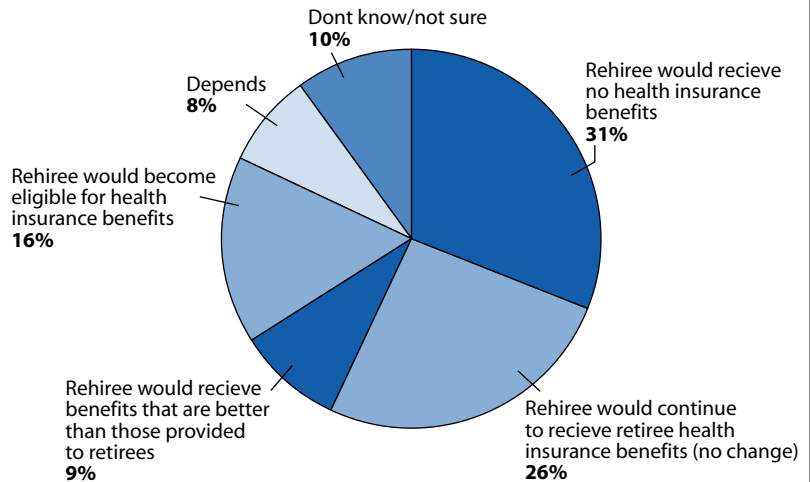
As the baby boom generation approaches retirement age, American employers face challenging times. Not only are baby boomers more numerous than past cohorts, but they are healthier and will probably live longer. Moreover, the nature of retirement income is changing. The social security program has been altered so as to encourage later retirement, and private pensions increasingly take the form of defined contribution plans. Given these changes, there is every reason to expect baby boomers to be slow in retiring. And surveys back that up: baby boomers have a strong interest in continued work, possibly as part-timers.<sup>16</sup> As such, it is likely that American employers will increasingly deal with older employees who want some form of phased retirement.

There are several advantages to phased retirement. Employers can retain the services of an older employee, and employees can shift to part-time work without a change of workplace. As a result, skills developed over a lifetime can be exercised in an environment that values those skills, social connections can be maintained, and the older person can continue to enjoy working. Many of the employers in

<sup>16</sup> AARP, *Staying Ahead of the Curve: The AARP Work and Career Study*, Washington, D.C., 2002.

**Figure 36**

If a full-time employee officially retires and then returns as a part-time employee, what happens to health insurance?



this study perceive those advantages. A quote from the introduction to this report bears repeating,

“We get to maintain a good employee who knows the organization. The older employee has fewer issues, e.g., no baby sitters...higher work ethic, more productive.”

Given these advantages, it is surprising that phased retirement is not more common.

This study supports at least two conclusions about why we do not see more people taking phased retirement. First, some employers confront real difficulties in accommodating phased retirement by an older white-collar employee. Employers were more likely to say that phased retirement could not be worked out if there were no part-time workers in the current white-collar workforce. In addition, many employers were open to phased retirement, but would not provide health insurance to the part-time older worker; other employers, usually those with defined benefit pensions, would not permit a part-timer to draw pension benefits before the pension’s normal retirement age. Perhaps because employers often see phased retirement as a matter of informal discussion with an individual employee, large organizations and establishments with unions were particularly likely to view phased retirement as difficult. Such employers probably prefer detailed and formal policies, and would rather not put resources into hammering out a comprehensive formal procedure for phased retirement.

But a second conclusion to come out of this study is that while there may be difficulties associated with phased retirement, these difficulties are anything but insurmountable.

able. There are many establishments that are quite open to accommodating an older worker's desire to take phased retirement. Of those establishments with no part-time white-collar workers, fully 72% indicate that they could work out some form of phased retirement. Moreover, a surprising 88% of the establishments with defined benefit pensions indicate that phased retirement is possible. There are large organizations and establishments with unions that *have* managed to hammer out formal phased retirement policies. American employers can and do find ways to accommodate employees who desire phased retirement.

Rather than focus on the difficulties posed by phased retirement, it may be more reasonable to focus on the challenge. American employers have faced many challenges over the past several decades. They accommodated a fundamental shift in female labor force participation, not only employing more women, but employing them in increasingly skilled occupations. In the 1960s and 1970s they absorbed a generation of young baby boomers, adjusting to a labor force that grew by more than 3 million new workers in some years. Perhaps most impressive, the racially segregated workplace that characterized the U.S. at mid-century has gradually become more integrated and more friendly to ethnic diversity. All of these changes posed difficulties. All were challenges. While accommodating phased retirement also poses difficulties, there is every reason to believe that American employers are capable of stepping up.

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## For More Information

Interested in learning more about implementing phased retirement in your workplace? Although there does not exist a simple "how to" guide, there are several good options. Benefits consultants often provide advice on issues associated with phased retirement. Some large consulting firms have expertise in the area. Examples include, Deloitte and Touche, Mercer Human Resource Consulting, and Watson Wyatt Worldwide.

Specific public and private sector cases are described in *Current Practices in Phased Retirement: Transforming the End of Work*, Watson Wyatt Worldwide, 2001. The worldwide web also provides several specific cases. For example:

### Universities:

- Cornell University Endowed Colleges at: <http://www.ohr.cornell.edu/benefits/programs/retirePhasedEndow.html>
- The University of Colorado System at: <http://www.cusys.edu/policies/Personnel/phasedretire.html>

### Health Care:

- SSM Health Care at <http://www.ssmhc.com/internet/home/ssmcorp.nsf/0/E02EA4D63415529F86256C760056AA75?OpenDocument>
- Phased retirement for Doctors working in a group at: [http://www.revophth.com/index.asp?page=1\\_368.htm](http://www.revophth.com/index.asp?page=1_368.htm)

### Government:

- <http://www-pao.ksc.nasa.gov/kscpao/snews/1996/mar/mar01-1.htm>

Finally, pension and other legal issues are discussed in the following two resources:

- Rudolph G. Penner, Pamela Perun, C. Eugene Steuerle, *Legal and Institutional Impediments to Partial Retirement and Part-Time Work by Older Workers*, Urban Institute, 2002.
- Vivian Fields and Robert Hutchens, "Regulatory Obstacles to Phased Retirement in the For-Profit Sector," *Benefits Quarterly*, Third Quarter, 2002.