

**What Retirement?  
Working and Learning  
for AARP Members in  
Michigan**

September 2007



# **What Retirement? Working and Learning for AARP Members in Michigan**

**Report Prepared by Erica L. Dinger, J.D.**

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# Michigan Members Plan to Continue Working in Retirement

Retiring comfortably at age 62 is not a reality for many Michigan AARP members. With increased longevity and rising health care costs, many people expect to work well past retirement age. For some people, this will mean re-careering. Opportunities to take classes and find new jobs after age 50 are important for those contemplating a career change or working past retirement age. AARP Michigan conducted this survey to explore members' plans for working past retirement.

- **Half of Michigan members age 50 to 62 surveyed say it is likely that they will put off full retirement and work as long as possible.** When they do reach retirement age, 37 percent plan on staying at their current job as long as possible while 50 percent would like to work part-time in order to pursue their interests and hobbies.<sup>1</sup>
- **Fifty-four percent say the need for health insurance coverage is a major factor in their decision to work beyond retirement.** About 45 percent of members say they enjoy working or need the extra income. Michigan members also want work that will allow them to use their skills and experience, but they recognize that they might not have all the job skills they need.<sup>2</sup>
- **Members say that word of mouth or friends and family, employment fairs, and career centers are helpful resources for job seekers over age 50.** About half would attend a class or program at a community center or community college.<sup>3</sup>
- **Seven in ten members have access to a personal computer and, of these, 91 percent have accessed the internet.** Over half of members say they would take a computer class if one was offered in their community.<sup>4</sup>

## Methodology

The present report is based on data from a mail survey of 3,000 Michigan AARP members age 50 to 62. It was conducted by AARP from June through July 2007. The survey has a response rate of 49 percent and a sampling error of +/- 3.4 percent.<sup>5</sup> The sample was weighted by age to represent the actual composition of Michigan members. The full annotated questionnaire is contained in the appendix of this report. Percentages may not add to 100 percent due to rounding.

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<sup>1</sup> See Appendix A, questions 4, and 7.

<sup>2</sup> See Appendix A, questions 9 and 10.

<sup>3</sup> See Appendix A, questions 15, and 18.

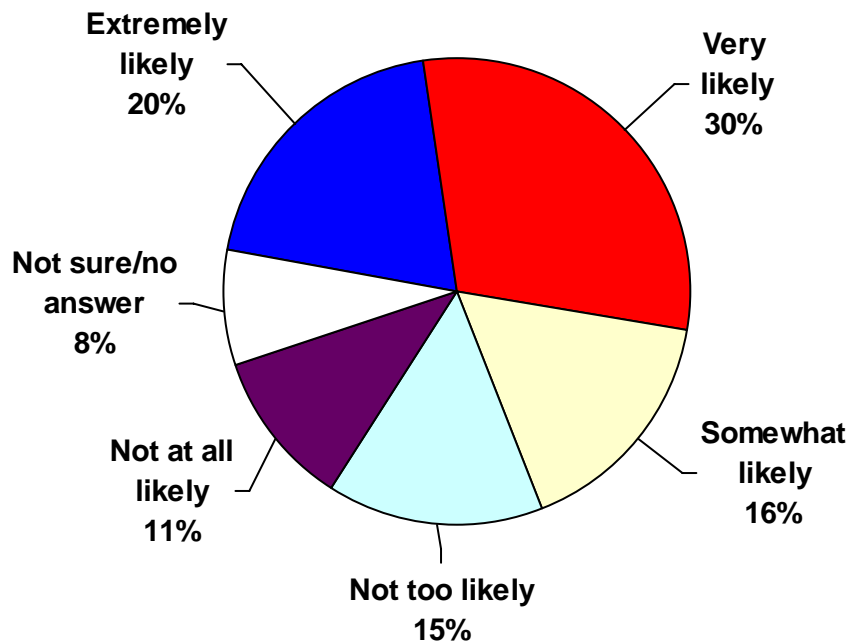
<sup>4</sup> See Appendix A, questions D10, D11, and 17.

<sup>5</sup> Meaning that at the 95% confidence level, member responses reported here are within 3.4 percentage points of what they would have been if every Michigan AARP member was interviewed.

## Detailed Findings

Of those members currently working or looking for work, half say they are extremely or very likely to put off full retirement and work as long as possible.

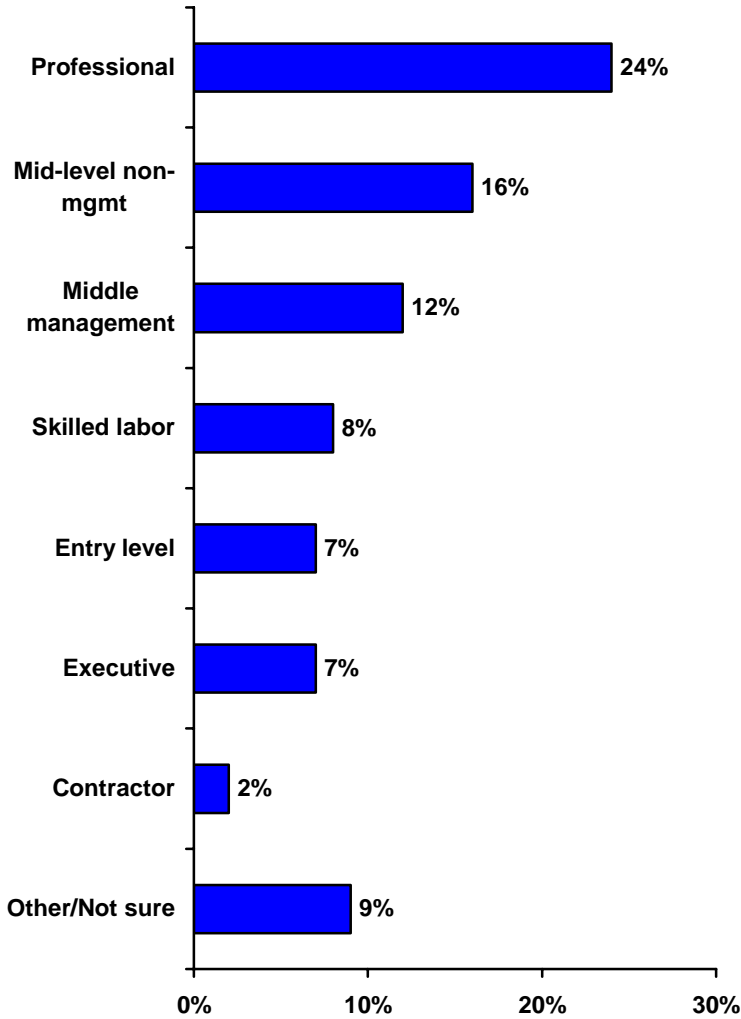
**Likelihood of Putting off Retirement**  
(Weighted n=832 members who are working or looking for work)



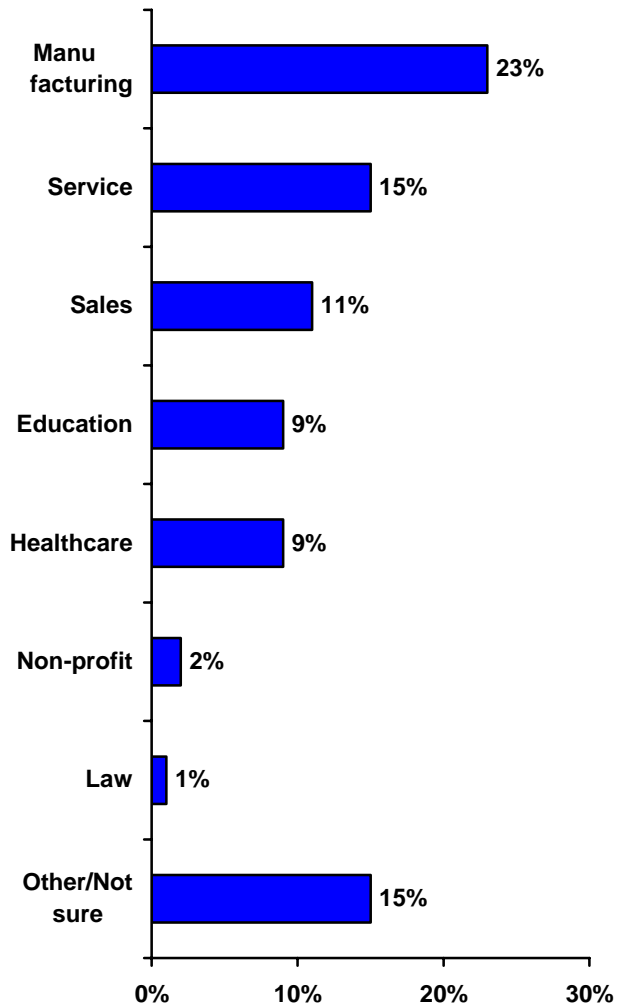
- About 43 percent of Michigan members are retired or are not working or looking for work.
- Of those who do work or are looking for work, 36 percent work full-time and 9 percent work part-time.

Those working or looking for work describe their current position as being professional or mid-level, non-management. Over two in ten workers describe their industry as being manufacturing.

**Current Position**  
(n=832 working or looking for work)

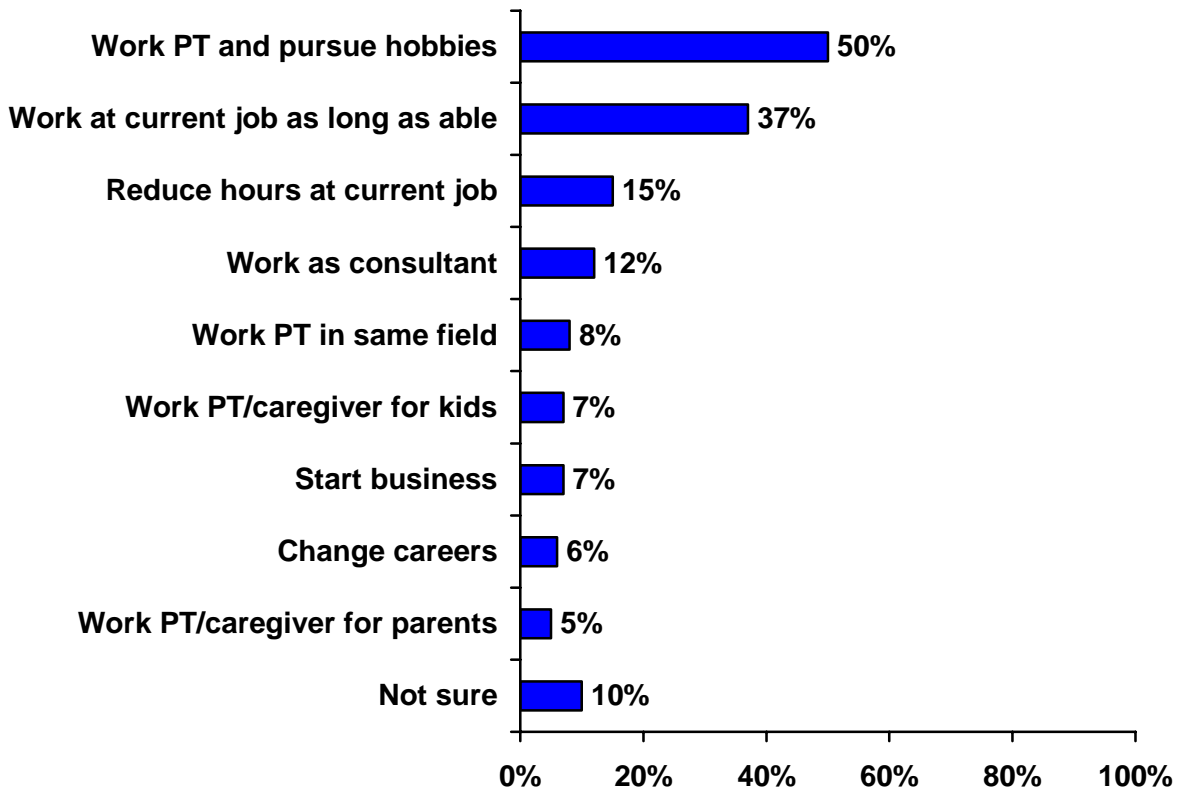


**Current Industry**  
(n=832 working or looking for work)



Michigan AARP members who work or are looking for work were asked what they plan to do when they reach traditional retirement age. The most common response was working part-time and allowing time to pursue hobbies, volunteer, and travel.

**Plans for Retirement<sup>6</sup>**  
(Weighted n=832 members who work or are looking for work)



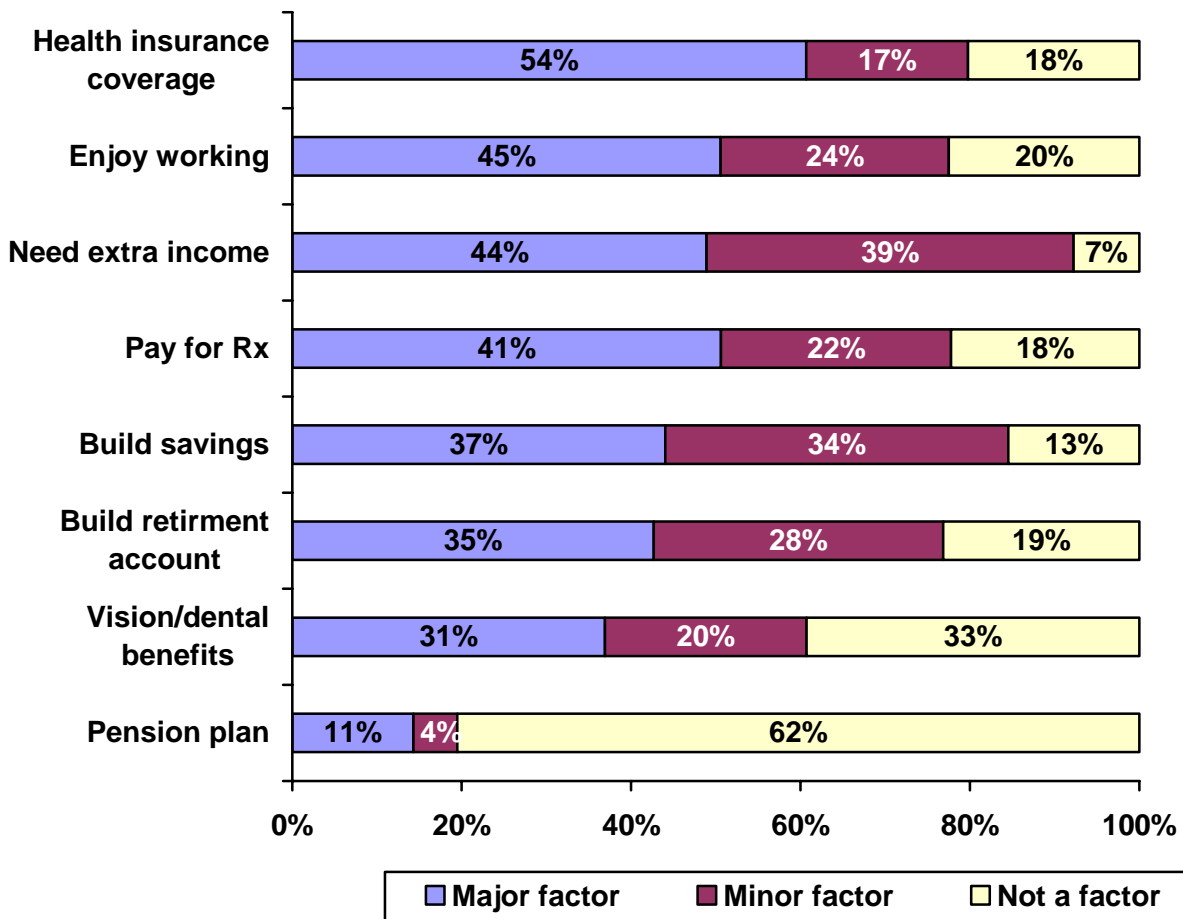
- Most members who work or are looking for work say they would like to retire and not work at all between the ages of 60-64 (30%) and 65-69 (32%). Seventeen percent would like to retire at age 70 or older.
- Members who are working or looking for work say they think they will retire at age 60-64 (23%) or 65-69 (37%). Twenty percent think they will retire at age 70 or older.
- Several of the options for retirement, such as starting a business or changing careers, present opportunities for classes or programs offered in the community.

<sup>6</sup> Multiple responses allowed. For a full list of all responses, see Appendix A question 7.

Nearly half (49%) of Michigan members say that it is extremely (27%) or very (22%) likely that they will continue to work at some point beyond retirement. One-quarter say that working beyond retirement is somewhat likely.

A major factor in members’ decision to work beyond retirement is the need for health insurance coverage. However, many respondents plan to continue working because they enjoy their work.

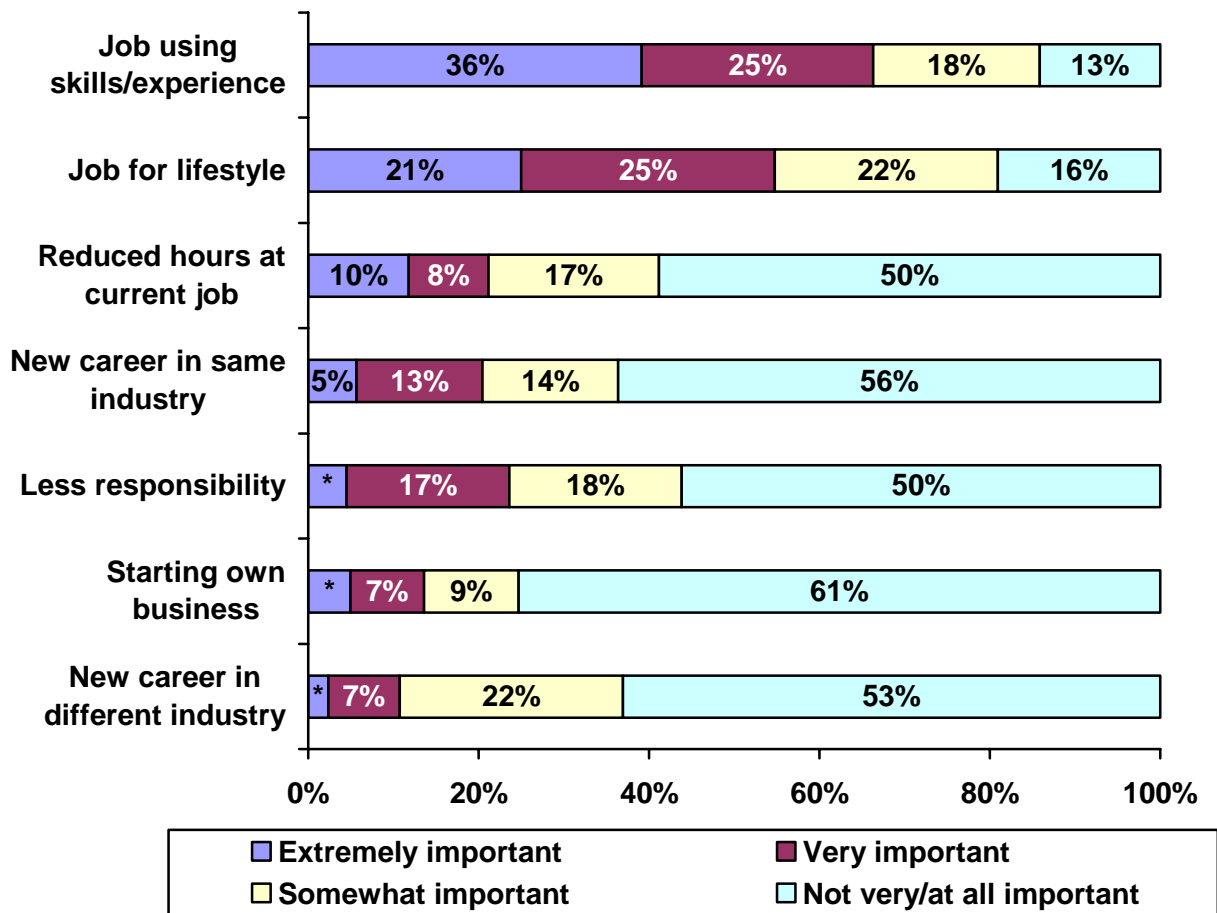
**Factors in Working Beyond Retirement**  
 (Weighted n=755 members likely to work beyond retirement)





Members say that a job that allows them to use their skills and experience is important to them when they think about working beyond retirement. Michigan members would also like a job that is better suited to their family and lifestyle.

### Important Characteristics for Post-Retirement Jobs<sup>7</sup> (Weighted n=755 members likely to work beyond retirement)

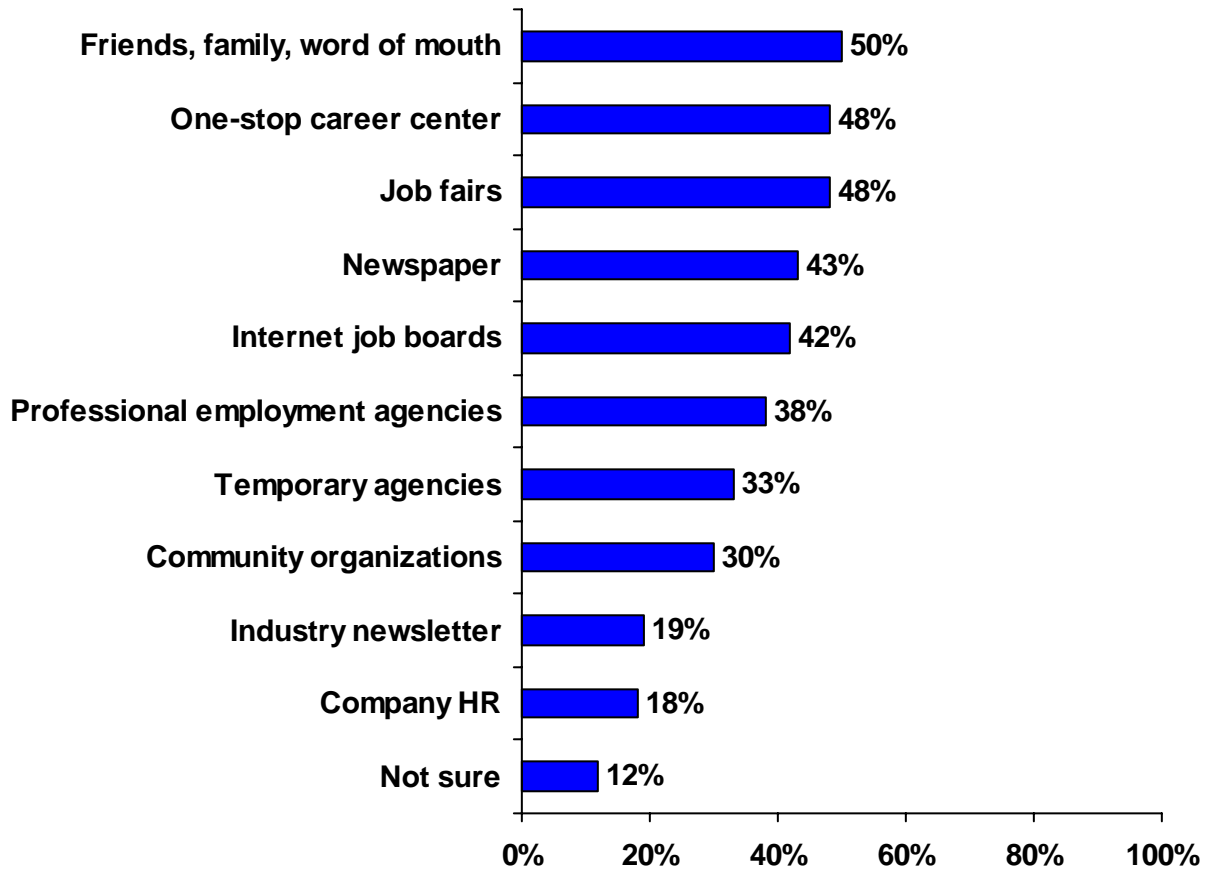


- Of those members who are likely to work beyond retirement, 40 percent would like to work part-time with benefits and 24 percent would like to work part-time and say that benefits are not necessary.
- Fourteen percent of Michigan members say that they are planning on looking for a new job, changing careers, or re-entering the workforce in the next five years. Of these members, 19 percent will be looking for a job in the service industry while 10 percent will look for a job in health care.

<sup>7</sup> An asterisk indicates a response of less than 5 percent.

Michigan members say that friends, family, and word of mouth are helpful resources to those Michigan residents age 50 and older who are looking for a job.

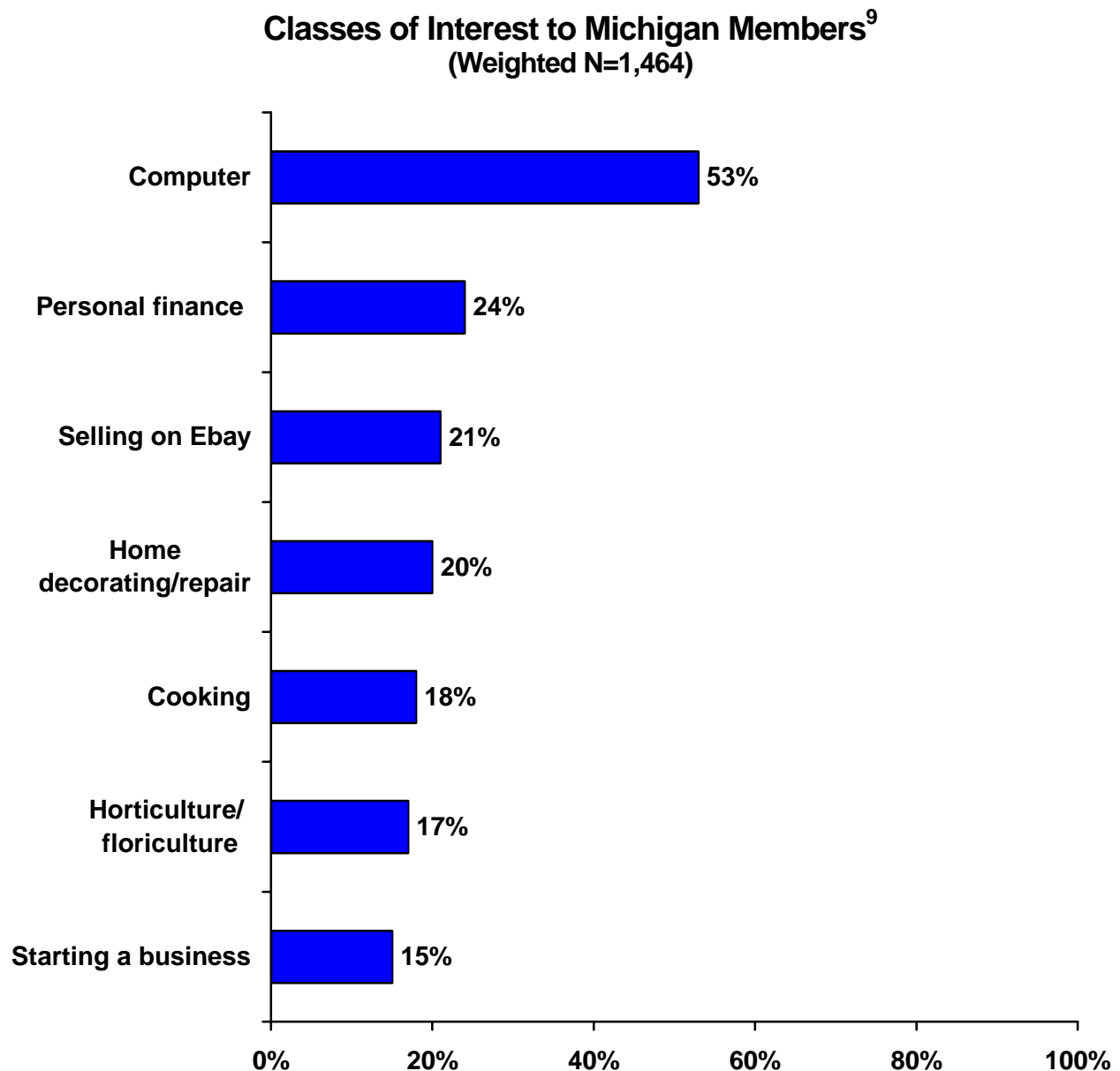
### Resources for Job Hunters Age 50 and Older<sup>8</sup> (Weighted N=1,464)



- Michigan members also see challenges for job seekers age 50 and over. Six in ten say that lack of computer skills could hurt job seekers, while 59 percent see age discrimination as a problem. Forty-three percent say that job seekers need more training or education.

<sup>8</sup> Multiple responses accepted.

Over half of Michigan members say they would take a computer class if it was offered in their community. Other popular classes include personal finance, selling items on Ebay, and home decorating and repair.

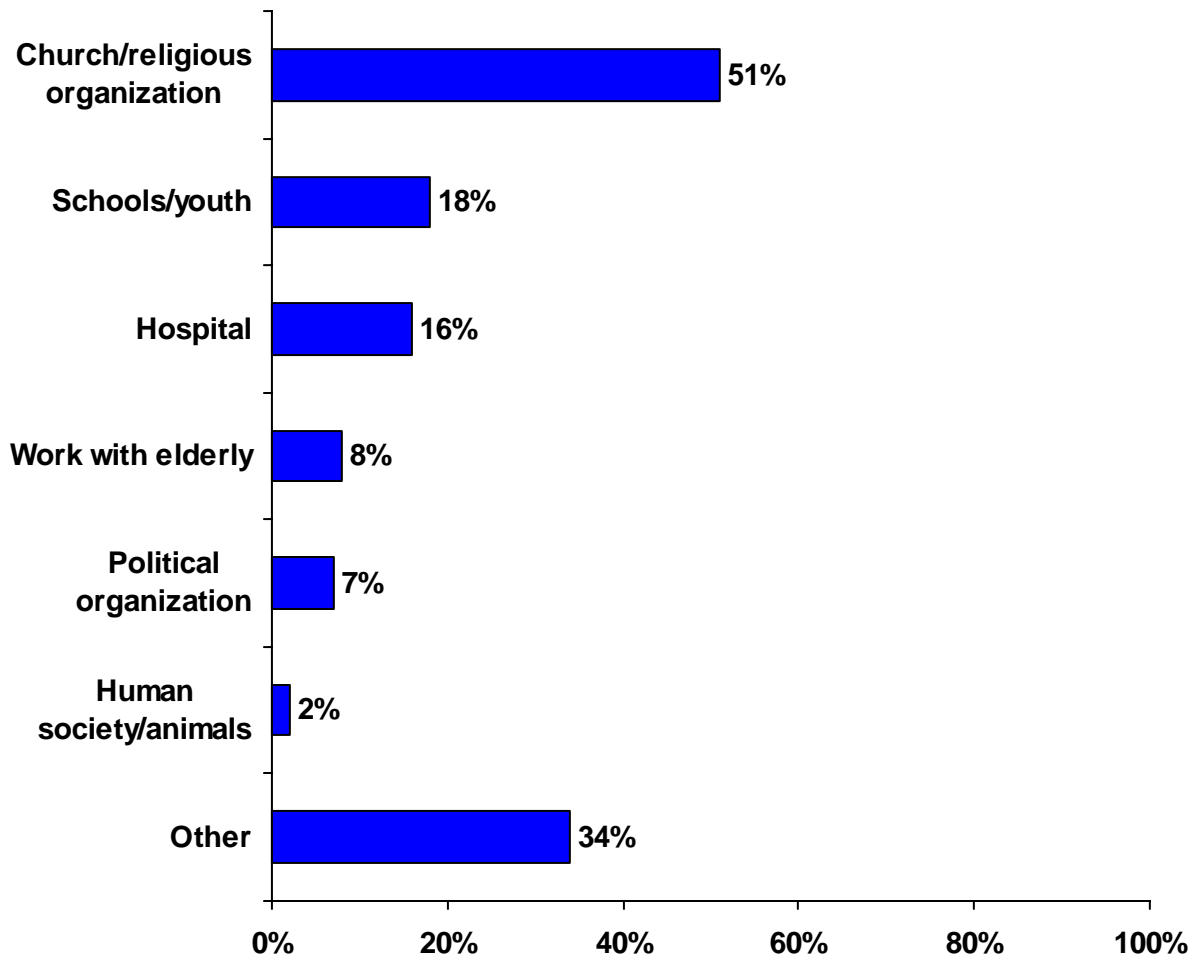


- Michigan members would like to attend a class at a community center (49%), community college (46%), library (46%), or senior center (44%).
- Weekdays are the best time for members to take a class (Weekdays before 5PM: 43%; Weekdays after 5PM: 37%).

<sup>9</sup> Multiple responses accepted. For a complete list of classes, see Appendix A question 17.

Thirty-five percent of respondents currently participate in some kind of volunteer activity. Most of those who volunteer do so through their church or a religious organization.

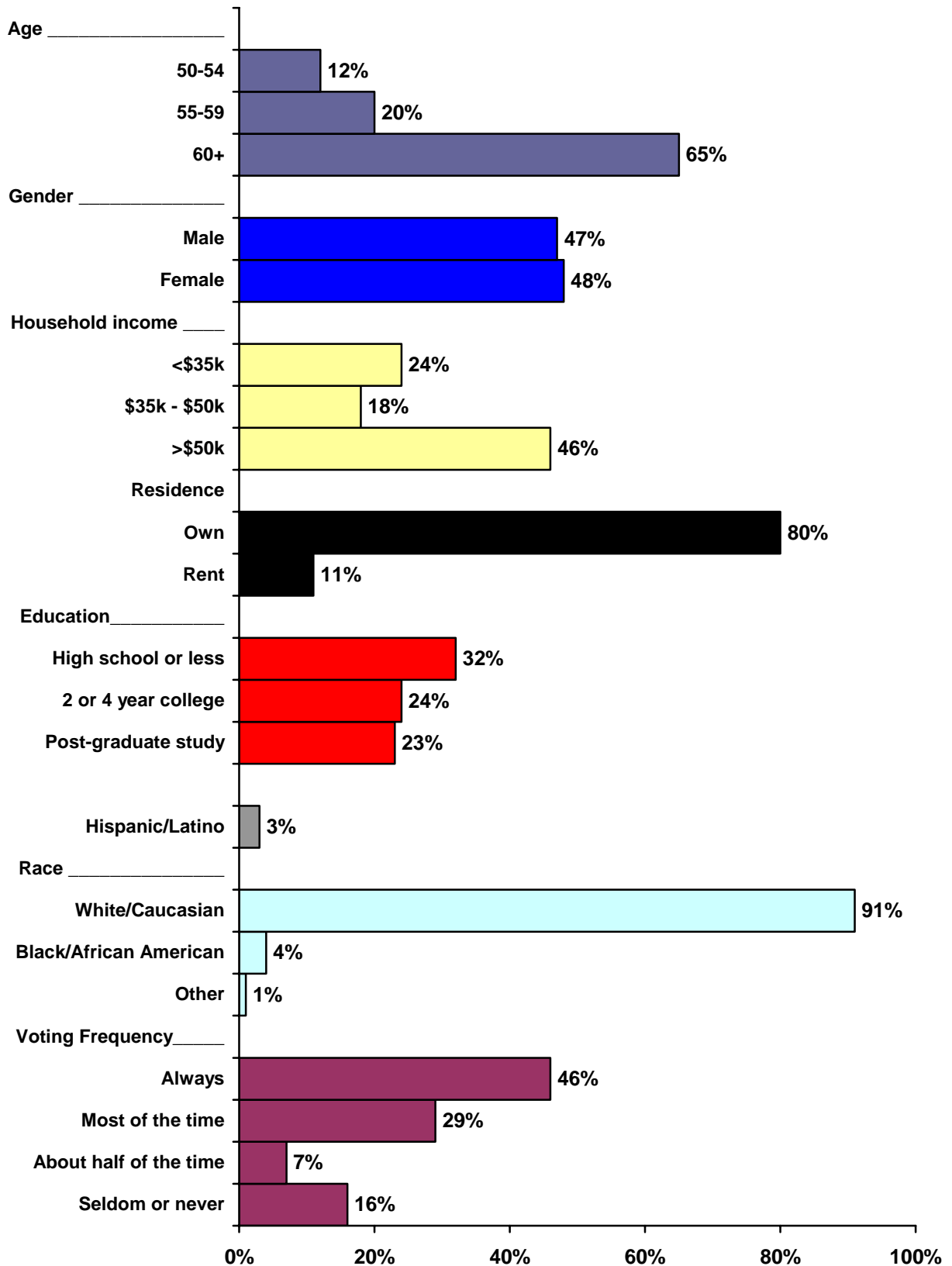
**Where Members Volunteer<sup>10</sup>**  
(Weighted n=543 members who volunteer)



- When asked how often they volunteer, Michigan members said several times a month (28%), once a week (19%), or several times a year (18%).
- Of those who currently volunteer, 40 percent plan to increase their volunteer activities in the future.

<sup>10</sup> Multiple responses accepted.

## Demographic Profile of Respondents (Weighted N=1,464)



**APPENDIX A**  
**Annotated Questionnaire**

# 2007 MICHIGAN LIFELONG LEARNING SURVEY

## 1. Which of the following best describes your current employment situation?

<u>%</u>	
36	Work full-time
9	Work part-time
3	Not working but looking for work
2	Previously retired and looking for work
1	Previously retired and working again full-time
6	Previously retired and working again part-time
8	Not working and not looking for work > <b>Go to Question 12</b>
29	Retired and not looking for work > <b>Go to Question 12</b>
2	Never worked > <b>Go to Question 12</b>
3	Other: (specify) _____ > <b>Go to Question 12</b>

## 2. Which of the following best describes your current position?

<u>%</u>	
7	Entry level
16	Mid-level, non-management
8	Skilled laborer
12	Middle management
7	Executive level
24	Professional
2	Contractor
5	Other: (specify) _____
4	Not sure

## 3. Which of the following best describes the industry you currently work in or want to work in?

<u>%</u>	
15	Service
11	Sales
23	Manufacturing
9	Education, including higher education
9	Hospital/health care
1	Law
2	Non-profit/human services
14	Other: (specify) _____
1	Not sure

**4. Thinking about your own current work situation, how likely is it that you will put off full retirement and work as long as possible?**

<u>%</u>	
20	Extremely likely
30	Very likely
16	Somewhat likely
15	Not too likely
11	Not at all likely
2	Not sure

**5. At what age would you *like* to retire and not work for pay at all?**

<u>%</u>	
3	50-54
8	55-59
30	60-64
32	65-69
17	70+

**6. At what age do you *think* you will retire and not work for pay at all?**

<u>%</u>	
<.5	50-54
4	55-59
23	60-64
37	65-69
20	70+

**7. Which of the following best describes what you plan to do when you reach an age you consider to be “retirement age”? [Check ALL that apply]**

<u>%</u>	
37	Continue working at my present job as long as I am able
15	Continue working at my present job, but with reduced hours
1	Leave my job and look for other full-time work in same industry/field
8	Leave my job and look for part-time work in the same industry/field
50	Work part-time and pursue my hobbies, volunteer, travel, etc.
5	Work part-time and serve as a care-giver to parents
7	Work part-time and serve as a care-giver to children/grandchildren
6	Change careers
7	Start my own business
12	Work as a consultant or on an as-needed basis
2	Go back to school or into a job training program
3	Take classes to upgrade my skills
10	Not sure



**8. Whether or not you are currently working or retired, how likely is it that you will work at some point beyond retirement?**

<u>%</u>	
27	Extremely likely
22	Very likely
25	Somewhat likely
15	Not too likely
3	Not at all likely > <b>Go to Question 12</b>
2	Not sure

**9. How much of a factor are each of the following in your decision to work beyond retirement?**

	<b>Major Factor</b>	<b>Minor factor</b>	<b>Not a factor at all</b>	<b>Not sure</b>
	▼ <u>%</u>	▼ <u>%</u>	▼ <u>%</u>	▼ <u>%</u>
a. Health insurance coverage .....	54	17	18	5
b. To pay for prescription drugs.....	41	22	18	8
c. Enjoy the job/enjoy working .....	45	24	20	4
d. Need/want the extra income.....	44	39	7	1
e. Need to fulfill requirements for employer pension plan.....	11	4	62	9
f. Vision and/or dental benefits.....	31	19	33	8
g. Build up/maintain savings.....	37	34	13	4
h. Build up/maintain retirement account.....	35	28	19	4
i. Other: (specify)_____ .....	3	0	2	10

**10. How important are each of the following to you when thinking about working beyond retirement.**

	<b>Extremely Important</b> ▼ <u>%</u>	<b>Very important</b> ▼ <u>%</u>	<b>Somewhat important</b> ▼ <u>%</u>	<b>Not too important</b> ▼ <u>%</u>	<b>Not at all important</b> ▼ <u>%</u>	<b>Not Sure</b> ▼ <u>%</u>
a. A job that allows me to use my skills and experience .....	36	25	18	7	5	4
b. A new career in a different industry .....	2	7	22	22	30	6
c. A new career in the same industry .....	5	13	14	15	41	6
d. A job with less responsibility than my current position.....	4	17	18	25	25	2
e. A job more suited to my family or personal schedule or lifestyle.....	21	25	22	5	11	4
f. Starting/running my own business.....	4	7	9	19	42	7
g. Staying in my current/old job at reduced hours.....	10	8	17	17	33	2

**11. Again, thinking about future work plans, what type of job situation would you most prefer? [Check only ONE]**

- %
- 12 Contract work – project-by-project
  - 40 Part-time with benefits
  - 24 Part-time, benefits not necessary
  - 10 Full-time with benefits
  - 1 Full-time, benefits not necessary
  - 4 Job share with other employee with benefits
  - 3 Phased retirement position with benefits
  - 5 Consultant – when needed basis
  - 2 Other: (specify) \_\_\_\_\_
  - 6 Not sure

**12. In the next five years, do you plan on looking for a new job, changing careers, or re-entering the workforce?**

%  
14 Yes  
69 No > **Go to Question 15**  
14 Not sure

**13. Which of the following best describes the type of position you will be looking for?**

%  
9 Entry level  
13 Mid-level, non-management  
4 Skilled laborer  
10 Middle management  
1 Executive level  
10 Professional  
7 Contractor  
3 Other: (specify) \_\_\_\_\_  
21 Not sure

**14. Which of the following best describes the industry you will be looking for a job in?**

%  
19 Service  
8 Sales  
4 Manufacturing  
9 Education, including higher education  
10 Hospital/health care  
1 Law  
2 Non-profit/human services  
5 Other: Office  
4 Other: (specify) \_\_\_\_\_  
18 Not sure

**15. Which of the following resources do you think would be helpful to those Michigan residents age 50 and older who are looking for a job? [Check ALL that apply]**

<u>%</u>	
48	One-stop career center (Federal, State, county, or city government)
38	Professional employment agencies
33	Temporary employment agencies
18	Company human resource offices
42	Internet job boards
50	Friends, family, word of mouth
30	Community organizations, centers, universities, or churches
19	Occupational, industry, or company newsletters/fliers
48	Job/employment fairs
43	Newspaper classifieds
3	Other: (specify) _____
12	Not sure

**16. Which of the following do you see as possible challenges for Michigan residents age 50 and older who are looking for a job? [Check ALL that apply]**

<u>%</u>	
43	Need more training or education
60	Lack of computer skills
46	Financial problems
26	Transportation problems, getting to and from work
36	Caring for parents or older relatives
29	Caring for children or grandchildren
20	Balancing work and family
44	Poor health
59	Age discrimination
11	Other: (specify) _____
5	Not sure

**17. Which of the following classes or programs would be of interest to you if they were offered in your community? [Check ALL that apply]**

<u>%</u>	
53	Computer
11	Business
15	Starting your own business
11	Languages
21	Selling on Ebay
11	Resume writing/job hunting skills
11	Liberal arts (art, history, literature)
18	Dance/fitness
24	Personal finance
17	Horticulture/floriculture
20	Home decorating/repair
18	Cooking
10	None
3	Other: (specify) _____

**18. Where would you like to attend a class or program of interest to you? [Check ALL that apply]**

<u>%</u>	
46	Community College
21	University or college
44	Senior center
49	Community center
46	Library
29	Church or synagogue
6	Other: (specify) _____
14	Not sure

**19. What would be the best time of day for you to attend a class or program of interest to you?**

<u>%</u>	
43	Weekdays before 5PM
37	Weekdays after 5PM
12	Weekends before 5PM
5	Weekends after 5PM
4	Over the noon lunch hour
14	Not sure

**20. Do you currently participate in any kind of volunteer activity?**

<u>%</u>	
35	Yes
55	No > <b>Go to Question D1</b>
2	Not sure

**21. Where do you volunteer? [Check ALL that apply]**

<u>%</u>	
51	Church or religious organization
18	Schools or working with youth
8	Working with the elderly
7	Political organization
16	Hospital or health care organization
2	Humane society or working with animals
33	Other: (specify) _____
0	Not sure

**22. How often do you volunteer?**

<u>%</u>	
1	Every day
7	Several times a week
19	Once a week
28	Several times a month
8	Once a month
18	Several times a year
5	Not sure

**23. Do you plan on increasing your volunteer activities in the future?**

<u>%</u>	
40	Yes
31	No
25	Not sure

**The following questions are for classification purposes only and will be kept entirely confidential.**

**D1. Are you male or female?**

<u>%</u>	
47	Male
48	Female

**D2. What is your age as of your last birthday? \_\_\_\_\_ (in years)**

<u>%</u>	
<.5	<50
12	50-54
20	55-59
65	60+

**D4. What is your current marital status?**

<u>%</u>	
68	Married
3	Not married, living with partner
0	Separated
13	Divorced
6	Widowed
4	Never married

**D5. Do you own or rent your residence?**

<u>%</u>	
80	Own
11	Rent
2	Not sure

**D6. Including yourself, how many people live in your household?**

<u>%</u>	
16	1
56	2
13	3
8	4
2	5
<.5	6
<.5	7 or more

**D7. What is the highest level of education that you completed?**

<u>%</u>	
6	0-12 <sup>th</sup> grade (no diploma)
26	High school graduate (or equivalent)
14	Post-high school education (no degree)
12	2-year college degree
11	4-year college degree
4	Post-graduate study (no degree)
19	Graduate or professional degree (s)

**D8. What is your race and/or ethnicity?**

<u>%</u>	
91	White or Caucasian
4	Black or African American
<.5	American Indian or Alaska Native
<.5	Asian
<.5	Native Hawaiian or other Pacific Islander
<.5	Other: (Specify)_____

**D9. Are you of Hispanic, Spanish, or Latino origin or descent?**

<u>%</u>	
3	Yes
88	No
2	Not sure

**D10. Do you have access to a personal computer at home, at work, or some other place?**

<u>%</u>	
6	Yes, at work
47	Yes, at home
16	Yes, at both home and work
14	No → <b>SKIP TO QUESTION D12</b>
2	Not sure

**D11. Do you have access to the Internet or the ability to use online services such as America Online (AOL)?**

<u>%</u>	
91	Yes
6	No
3	Not sure

**D12. What was your annual household income before taxes in 2006?**

<u>%</u>	
3	Less than \$10,000
6	\$10,000 to less than \$20,000
15	\$20,000 to less than \$35,000
18	\$35,000 to less than \$50,000
12	\$50,000 to less than \$60,000
9	\$60,000 to less than \$75,000
25	\$75,000 or more
1	Not sure

Thank you for completing this survey. Please use the postage-paid envelope and return it to the State Member Research Surveys, AARP, 601 E Street, NW, Washington, DC 20049, by **July 10, 2007**.



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