

Is Retirement Good or Bad for Subjective Well-Being?

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Abstract

Retirement has been viewed either as a transition that is accompanied by psychological distress or as a time of continued, or even enhanced, subjective well-being. Existing evidence is mixed, with some studies reporting retirement as positively related to well-being and others reporting a negative relationship or none at all. Our research indicates that developmental and social contexts shape an individual's retirement decisions and experiences, so that retirement should be studied in its ecological and life-course context. Research on marital quality and subjective well-being in retirement has demonstrated both similarities and differences between men and women, as well as the need to consider couples conjointly (rather than viewing individuals in isolation). Future research focusing on the retirement process as it unfolds over time and in ecological context can serve to illuminate the circumstances under which retirement promotes or detracts from the quality of life.

Keywords

retirement; life quality; subjective well-being; life course; ecological approach

Retiring from full-time employment has been regarded as a milestone marking passage into later adulthood. Exiting from one's primary "career" job can be a key life change, transforming one's social and physical worlds. Roles, relationships, and daily routines change, with concomitant shifts in income and health. These transformations may well affect how individuals perceive themselves, their abilities, and the quality of their lives. In this article, we draw on existing research evidence to address the question of whether and how retirement influences subjective well-being (i.e., people's evaluations of the quality of their lives) and marital quality for men and women.

SUBJECTIVE WELL-BEING IN RETIREMENT

Several theoretical perspectives suggest potential links between re-

tirement and subjective well-being. First, role theory points to employment as a fundamental role, central to the individual's identity. Role theory, however, lends itself to two opposite formulations. From the role-enhancement perspective, men and women who retire from their career jobs are vulnerable to feeling that they have lost an important role, and such feelings can lead to psychological distress. Alternatively, from the role-strain perspective, retirement from the demands of a career job may reduce the role strain (i.e., felt difficulty of managing overload and conflict) related to that job, thereby enhancing subjective well-being. Second, continuity theory proposes that people tend to maintain earlier lifestyle patterns, self-esteem, and values, even as they leave their primary career jobs. Therefore, retirement need not lead to maladjustment and distress.

The evidence concerning the relationship between retirement and subjective well-being has been inconsistent. Some studies have shown statistically significant associations between retirement and decreased life satisfaction and greater psychological distress. Others have found no deleterious effects, and some have even found positive effects (see Kim & Moen, in press, for a recent review). One explanation for these diverse findings is that most earlier research compared snapshots of retirees and nonretirees, ignoring the heterogeneity in both populations and the possibility of shifts in well-being around the time of the transition

from employment to retirement (Kim & Moen, 1999).

Research evidence points to three factors that contribute to retirees' subjective well-being: (a) economic resources, (b) social relationships, and (c) personal resources. First, people with inadequate incomes and financial problems are especially likely to experience dissatisfaction and maladjustment in retirement. Perceptions of having an adequate income are also related to adjustment to retirement (Kim & Moen, 1999). Second, studies have shown that marriage and family relationships play an important role in predicting well-being following retirement. For instance, a study of retirees and workers ages 58 to 64 found that being married is associated with positive attitudes toward retirement, possibly because being married buffers the uncertainty of retirement (Mutran, Reitzes, & Fernandez, 1997). We (Kim & Moen, 1999) further showed that marital quality, rather than simply marital status, is positively related to retirement adjustment. Third, personal resources include not only sociodemographic status but also health and personality variables. Having a higher education and higher-prestige job prior to retirement has been linked to greater satisfaction with retirement and higher morale after retirement (George, Fillenbaum, & Palmore, 1984). A substantial body of research has shown that health is positively correlated to adjustment to retirement (e.g., Shaw, Patterson, Semple, & Grant, 1998). Personality characteristics also play a crucial role: Self-efficacy (i.e., an individual's belief that he or she can deal with specific activities or problems appropriately, and with reasonable prospect of success) and self-esteem are major factors facilitating successful adjustment to retirement (Mutran et al., 1997).

MARITAL QUALITY IN RETIREMENT

Although studies show retirement to be related to marital quality, findings regarding the direction of influence are inconclusive. Some studies suggest that retirement promotes marital satisfaction by reducing competition from other roles, thereby increasing opportunities for marital companionship and intimacy. But retirement often means changes in income, health, residence, friends, and the division of household labor, and such changes are all potential sources of marital stress.

Most previous research focused on individuals (typically husbands), but marital quality may be different if both spouses are retired than if only one is retired, and any effects of an individual's retirement may be contingent on his or her spouse's employment status. In a longitudinal study of married workers and retirees (ages 50–74), we found that being retired is positively related to marital quality for both husbands and wives, whereas moving into retirement actually reduces marital quality, at least in the short term. Having a nonemployed wife was positively related to husbands' marital satisfaction, whether the husbands were retired or not. The lowest marital satisfaction was reported by wives who were still in the workforce but whose husbands were not (Moen, Kim, & Hofmeister, 2001). These findings point to the importance of investigating the distinction between being or becoming retired and examining both spouses' employment circumstances.

A LIFE-COURSE, ECOLOGICAL APPROACH

We propose that the link between retirement and well-being

can be best understood through the lens of a life-course, ecological perspective. The life-course approach (Elder, 1995) highlights the dynamic processes of development and change over the life span. The ecology of human development (Bronfenbrenner, 1995) suggests that transitions should be viewed in the social contexts of other roles, relationships, and developmental processes. Viewing retirement as a life-course, ecological transition suggests a focus on process and timing in historical as well as situational contexts, the interdependency of linked lives, and the importance of human agency, as we explain more specifically later in this section.

Scholars are coming to regard retirement not as an "either or" proposition but as a process played out over time, often involving a number of transitions between paid and unpaid work. An important principle of the life-course approach is that to understand any transition (such as retirement), one must place it in the larger context of both current exigencies (e.g., a health crisis) and other life pathways (e.g., whether one's children are grown, one's spouse is about to retire, or one has decided to go back to school; Elder, 1995). Research shows that family, educational, employment, and other experiences all help to shape the transition into retirement. Studies show differential psychological impacts of "early" versus "late" versus "on time" retirement (e.g., Williamson, Rinehart, & Blank, 1992), pointing to the importance of understanding the circumstances shaping the timing of retirement.

Another key tenet of a life-course, ecological perspective is that lives are interdependent. Developmental processes always take place in the context of ongoing social relations. Individuals frequently base their decision to retire on changes in others' health or re-

tirement plans, and the retirement experience is played out in a network of shifting social relations.

Finally, this perspective emphasizes human agency, the idea that individuals take an active role in designing and redesigning their life biographies in the context of available options and existing constraints (such as the availability of pensions and eligibility for retirement). Today, retirement is being transformed, with many people exiting their primary career jobs only to seek other employment and possibly even second and third careers. Growing numbers of people retire from their primary career jobs in their 50s and early 60s. Earlier retirement, in combination with increases in longevity, means that retirement is becoming more of a midlife transition, rather than a transition to old age; people who retire often acquire new roles (e.g., volunteer), continue in other roles (e.g., worker, friend, or spouse), and develop new self-identities.

THE CONTEXTS OF GENDER AND MARRIAGE

Retirement has typically been studied as an individual, principally male, passage. But almost half the workforce is female, and the majority of workers are now married to other workers, and these facts are having enormous impacts on how retirement is conceptualized.

First, gender is a key source of heterogeneity in the nature and impact of retirement. The whole process of retirement may be qualitatively different for women than for men, in part because of the differences in their experience in the labor force (Han & Moen, 1999). Women are more likely than men to experience discontinuity, moving in and out of the labor force as their family responsibilities shift.

Correspondingly, women tend to have more negative attitudes toward retirement, plan for it less, adjust to it more poorly, and are more likely to experience depression following retirement (Kim & Moen, 1999, in press). Moreover, women's adjustment to retirement is more adversely affected by poor health and inadequate incomes than men's (Quick & Moen, 1998; Secombe & Lee, 1986).

Second, joint retirement among dual-earner couples is increasingly common, so a key influence on an individual's retirement decisions is the employment status of his or her spouse. A study of married, full-time workers (ages 58–64) found that having a working spouse encourages both men and women to remain employed (Reitzes, Mutran, & Fernandez, 1998). In a sample of married, retired couples (ages 50–72), even one spouse's retirement was a decision made by the couple, with wives typically influenced by their husbands' retirement timing (but not the reverse; Smith & Moen, 1998).

Recent research findings point to the importance of knowing couples' joint employment status for understanding their adjustment to retirement. In a study of couples ages 50 to 72, Szinovacz (1996) found that couples with employed wives and retired husbands reported lower marital quality than dual-earner couples. Our own findings, from a study of men and women ages 50 to 74, indicate there are significant gender differences in the relationship between couples' retirement and subsequent subjective well-being and marital quality (Kim & Moen, 1999; Moen et al., 2001). Interviews conducted 2 years apart showed that men who were newly or continuously retired tended to have increased morale, especially if their wives remained employed. By contrast, women who were newly retired tended to have increased depres-

sive symptoms, especially if their husbands remained employed. In addition, for women, lower marital satisfaction was associated with decreased morale after retirement, even after we controlled for age, income, and health. Our results document that couples' conjoint retirement patterns matter for the subjective well-being of both men and women after retirement, with retiring men experiencing higher morale but also greater marital conflict if their wives do not retire at the same time they do. Retiring wives experience both more depressive symptoms and greater marital conflict if their husbands remain employed. Note, however, that we found both men and women who had been retired for more than 2 years reported better life quality (subjective well-being and marital quality) than those who had not yet retired from their primary career jobs, or who had recently made the transition to retirement.

CONCLUSION

The literature on retirement and life quality suggests both methodological and theoretical challenges. First, most studies on retirement have been cross-sectional. Developmental, ecological, and life-course perspectives point to the need to study continuity and change across the transition into retirement, as well as how this passage shapes long-term development. Cross-sectional studies on retirement exacerbate the difficulties in interpreting differences across age groups. Are they cohort effects (e.g., unique to pre-baby boomers) or age effects (a function not of retirement, but of growing older)? Dynamic, longitudinal analyses can capture the actual process of moving from a primary career job to (eventually) ending all participation in the labor force and

can illuminate the developmental consequences of this transition.

Second, the evidence on retirement and well-being documents mostly men's retirement experiences in cohorts for which retiring at age 65 is the norm. Even in studies involving women, many researchers rely on a male model of retirement, investigating women whose careers are most similar to men's. Much is left to learn about women's unique experiences in their pathways to and through retirement (see Han & Moen, 1999). There is a similar dearth of evidence on the retirement experiences of members of diverse ethnic and cultural groups.

Finally, investigators studying retirement have yet to develop and test models of the psychological precursors of this transition (i.e., factors that influence the decision to retire). Psychologists know little about how the psychological resources individuals bring to this life stage affect their retirement experiences. The retirement process itself, as well as adjustment to it, is a product of biological (e.g., aging and health), societal (e.g., economic and social conditions), interpersonal (e.g., relations with spouse and co-workers), and psychological (e.g., self-concept and self-efficacy) factors. Future studies of adjustment to retirement would do well to adopt a holistic approach that incorporates all these aspects of this transition.

To conclude, we reiterate that retirement is a process rather than an event, and spans a period of time. As a critical life transition in late midlife, it involves developmental, social-relational, and psychological antecedents and conse-

quences. Our research suggests that psychological adaptation processes involved in retirement are affected by factors relating to social contexts apart from sociodemographic and health variables. Gender is a key factor in shaping the ways in which individuals experience the passage into retirement. This transition can be best understood when it is socially and temporally situated in individuals' life biographies and their ecological contexts. By investigating retirement in its ecological, life-course contexts, future research can capture the complexity of the processes by which retirement may influence the subjective well-being of men and women in late midlife.

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Note

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