HOW DOES INCREASING THE FULL BENEFIT AGE OF SOCIAL SECURITY AFFECT FACTORY WORKERS’ PLANS TO RETIRE?

by Sara Stemen

The Social Security full benefit age has increased from 65 to 67 for those born after 1960. Increased life expectancy has been the main argument for why it is thought that people should work longer. However, research indicates that low income workers have seen little increase in life expectancy. The purpose of this research was to explore the implications of increasing the full benefit age for factory workers to help inform policy makers. A qualitative research design using a grounded theory approach was used to explore the implications of an increased full benefit age. Open-ended semi structured interviews were conducted with seven individuals aged 38 to 57 who work as hourly employees in a Midwestern factory. Interviews were audio recorded and lasted 60 to 90 minutes. Analysis of the seven interviews concluded that factory workers’ concerns about planning for retirement centered on their financial security and health status.
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Chapter One: Statement of the Problem

The Social Security full benefit age is being increased from 65 to 67 for those born after 1960 as a means to help alleviate problems associated with Social Security—with the possibility that it may be increased further (Sass, Munnel, & Eschtruth, 2009). Arguments for raising the full benefit age focus on the idea that people should continue to work into older ages because of increased life expectancy.

However, not all individuals’ life expectancies are increasing; low income workers have seen little or no increase in life expectancy (Kingson & Altman, 2011; Morrissey & Garr, 2009). Due to the inequalities in increased life expectancy for low income workers, increasing the full benefit age may be more adverse for this population because they have seen little to no increase in life expectancy and will likely have shorter retirements than higher income workers (Kingson & Altman, 2011; Morrissey & Garr, 2009). Although increasing the full retirement age may increase the ratio of workers to beneficiaries, low income workers in jobs that require a great amount of physical and manual labor may have difficulties remaining in the workforce for additional years.

Research that has explored the retirement decision-making process has been largely quantitative and looks at predominantly the constricted domains of age, self-rated health, and income. (Palmore, 1971; Thorsen, Rugulies, Longaard, Borg, Thielen & Bjorner, 2012). No research has looked specifically at how individuals who work in factories plan for retirement. With an increased full benefit age it is of utmost importance that populations who may be more vulnerable due to this increase be given the opportunity to have their voices heard. The current study explores the practicality of increasing the full benefit age for factory workers. The aim of this study is to provide policy makers with factory workers’ experiences and perspectives on what Social Security and the full benefit age means to them. The study has three specific aims:

1. To explore how factory workers perceive that the changes in Social Security will affect them

2. To learn if factory workers believe that they have the physical ability to remain working in a factory setting until they reach the Social Security full benefit age

3. To better understand how factory workers plan for retirement

The overarching question of the research is: How does increasing the full benefit age of Social Security affect factory workers’ plans to retire? In addition, three sub-questions questions were explored. First, for individuals aged 30-60 who have worked in a factory for at least five years, to what extent is Social Security a factor in their decision to retire? Second, for individuals 30-60 who have worked in a factory for at least five years, to what extent does the full benefit age for Social Security impact their decisions about retirement? Third, for individuals 30-60 who have worked in a factory for at least five years what factor(s) dictate their retirement plans and why?
The first sub-question, regarding Social Security as a factor in factory workers’ decisions to retire is important to include as a means to understand how these individuals weight Social Security in their financial plans. As described in the literature review, Social Security has become a major source of income for older adults (Herd, 2009). Factory workers in the automotive industry make an average of $17.73 an hour compared to their engineering counterparts in the same industry who make $40.74 an hour (Bureau of Labor Statistics, 2011). Furthermore, in a year, the average salary for a line worker is $36,890 compared to engineers in the same industry who earn $84,740 (Bureau of Labor Statistics, 2011). Since factory line workers earn less on average than those in many other types of work such as their engineering counterparts, they may not have the luxury of having enough money to save and put towards retirement as these other individuals. Therefore, decision-making processes such as to what extent the factory line workers have planned for retirement, saved for retirement, and degree to which they plan to utilize Social Security benefits in retirement are important in understanding how much these individuals depend on the Social Security system as they get older.

The second sub-question, regarding to what extent the Social Security full benefit age impacts factory workers’ decision to retire, will help shed light on whether the benefit age will prevent them from retiring when they want to or put them in a position where they must remain in an industry where they are unable to keep up with the physical demands. The culture and environment of the manufacturing industry is drastically different from that of an office job, demanding different kinds of stress and physical labor that can impact an individual’s health (House, Wells, Landerman, McMichael, & Kaplan, 1979; Miles & Perrewe, 2011). Therefore, the purpose of the question is to find out how the full benefit age affects this specific population in terms of stress and perceptions of health.

The third sub-question regarding which factors dictate retirement plans has been included as a “catch all” category. This question is important to allow individuals to expand on outside reasons which may prompt them to retire. For example, an individual may cite family responsibilities as the major factor in decisions or plans to retire.

These research questions will add to the existing literature on retirement planning and how people decide to retire. Qualitative data can add to the current literature by improving the understanding of the retirement decision-making process of factory workers. This qualitative study complements previous research by being able to support that the previously explored factors are important. Additionally the study can identify new factors which may contribute to retirement planning. Ultimately, this study will yield information that will help to inform policy makers and others about the implications of increasing the full benefit age for this population.

Chapter Two: Background

An Overview Of Social Security

The purpose of Social Security was to establish economic support for workers as they aged (Altman, 2009). At the time Social Security was enacted there were few people eligible to retire and many workers, with an approximate ratio of 17:1 (Altman, 2009). As the demographics of the United States have changed, there was a ratio of only 3:1 in 2009 (Altman, 2009). Social Security was never intended to be a full retirement system. At the genesis of
Social Security, there was a three-legged stool model where Social Security, employer-provided pensions, and personal savings would all contribute to an older worker’s ability to avoid falling into poverty (Herd, 2009). Unfortunately, this model has changed drastically to a two-legged stool where Social Security is becoming a major source of income for older adults. In 2010, 85.6 percent of individuals age 65 and older were receiving benefits from Social Security (Whitman, Reznik, & Shoffner, 2011). Today, 40 percent of Americans identify Social Security as their major source of income at old age, which illustrates how vital Social Security is to retired individuals (Herd, 2009).

**Increasing the Social Security Full Benefit Age**

The full retirement age is rising from 65 to 67 years old (Sass, Munnel, & Eschtruth, 2009). Although increasing the full retirement age may increase the ratio of workers to beneficiaries, low income workers who participate in jobs that require a great amount of physical and manual labor may have difficulties remaining in the workforce for additional years. This in turn may result in more individuals having to retire earlier, leading to a loss of benefits for individuals and fewer employees contributing to Social Security.

**Does Increased Life Expectancy Mean Healthier Lives?**

Although some individuals are in favor of an increased Social Security benefit age, arguing that people today are living longer, many researchers are finding that longer lives do not always mean healthier lives (Meara, Richards, & Cutler, 2008; Angel & Mudrazija, 2011). The main argument against increasing the full benefit age is that the risk associated with the increase is not distributed equally among all Americans (Rogne, Estes, Grossman, & Hollister, 2009; Herd, 2011; Becker, 2007). First, increases in life expectancy are not equal across level of education and race groups (Herd, 2011). Not all individuals’ life expectancies are increasing. Angel and Mudrazija (2011) reported that men and women who are low income workers have a shorter life expectancy than individuals with a higher income. In fact, most of the increase in life expectancy in recent years has been among high income individuals (Kingson & Altman, 2011). Increasing the full benefit age is therefore disadvantageous for low income workers because they have seen little or no increase in life expectancy and will likely have shorter retirements than their counterparts (Kingson & Altman, 2011; Morrissey & Garr, 2009).

**What Makes Factory Workers Especially Sensitive to Increasing the Full Benefit Age?**

Factory workers are especially sensitive to implications of increasing the full benefit age because low income workers are more likely to have health related issues than high income workers. According to Angel and Mudrazija (2011), poor health, as well as disability, remains concentrated among blue collar workers, who comprise 41 percent of workers aged 53 to 63. In 2010, the automotive manufacturing industry experienced an increase in the incident rate of injuries, rising from 5.2 to 5.5 cases per 100 full time workers (Bureau of Labor Statistics, 2011). Although it has been found that younger workers are in fact more likely to have a fall or acquire other types of injuries on the jobsite, older workers are more likely to die from their injuries (Dong, Wang, & Daw, 2012).

Recognition that injuries in the manufacturing industry are increasing should be a red flag when looking at the implications of the increased full retirement age. Leland (2010) argued that
manual laborers have been working in the manufacturing industry since their late teens, and that the many years spent in the industry have taken a toll on their bodies. Even if an individual chooses to work in a different industry, older adults are less likely to get reemployed than younger workers and will also see a decline in wages in their new job (Van Horn, Corre, & Heidkamp, 2011). Physical and manual labor also leads to health problems that inhibit work at older ages (Angel & Mudrazija, 2011). Disability rates increase with age, nearly doubling from the ages of 55 to 64 (Government Accountability Office, 2010). Therefore, increasing the full benefit retirement age may lead to an increased likelihood that factory workers who have to postpone retirement would acquire a disability (Government Accountability Office, 2010).

Continual aging trends bring workforce issues to the forefront since an aging workforce brings significant concerns about the safety and health of older workers (Dong, Wang, & Daw, 2012).

**How People Plan For Retirement**

Deciding to retire may be one of the largest decisions that people have to make (Knoll, 2011). Feldman and Beehr (2011) identified a three-phased model of retirement decision-making. The first phase of the model is “imagining the future.” In this phase individuals are looking at the future and taking into account what they might do to replace the activities and relationships they had during their work years. The second phase is “assessing the past.” During this phase of the model individuals are deciding the time to let go of their work life. At this phase adults are looking to their past work experiences and deciding whether they are willing to leave their jobs behind, and if so, when. This phase is echoed by the concept of “gains or losses reference point,” which is the evaluation of the individual of how it would feel to retire and what they may gain or lose by making the decision to do so (Knoll, 2011; Moody, 2009).

Several studies have shown that when individuals are making retirement decisions they weigh the pros and cons of their present-day life situations against their imaginary futures in retirement (Feldman & Beehr, 2011; Knoll, 2011). Feldman and Beehr (2011) explained this process, writing, “Potential retirees assess their past experiences in the work force, envision what life in the future would be like without those jobs, and think about the amount of effort (emotional and physical) and resources (time and money) that would be needed to make the transition into retirement successfully at present” (pg. 194). The third and final phase of the model is “transitioning into retirement.” At this point individuals are putting their retirement plans into action. When people are in the last phase of the model they are thinking in terms of the present day and are making financial decisions and arrangements to retire (Feldman & Beehr, 2011).

Research has also shown that there are characteristics that make a person more or less likely to begin to make decisions about retirement. McPherson and Guppy (1979) found that socioeconomic status and level of education predict how an individual thinks and talks about retirement, with individuals who have higher socioeconomic status thinking more about retirement than individuals of lower socioeconomic statuses. Similar results were reported where it was found that retirement planners have 10 to 15 percent more wealth than their counterpart non-planners (Lusardi, 2009). Lusardi (2009) also found a link between level of education and retirement planning by noting that those who are more financially literate and knowledgeable are more likely to plan for retirement. Feldman and Beehr (2011) noted that individuals who start to
think about retirement are likely to have one or more of three traits: being older, having wealth, or having poor health.

The Role of Job Stress and Person Environment Fit

The nature of manual labor poses threats to individuals working in the factory industry. Psychosocial job stress was found to be associated with psychological and psychosomatic disorders among blue collar workers, which suggests that stress may pose additional hazards. This may make blue collar workers more susceptible to effects of environmental agents (House, Wells, Landerman, McMichael, & Kaplan, 1979). A theory discussed by Feldman and Beehr (2011) that concerns older adults participating in manual labor is the Person Environment Fit theory (Lawton, 1986). Recently, the Person-Environment Fit theory has become accepted by organizational stress researchers (Edwards & Cooper, 1990). Lawton (1986) explains that behavior is a function of the person and the environment. A subcomponent of Person Environment Fit theory is Demands-Abilities fit, which is the correspondence between environmental demands and personal abilities (Edwards & Cooper, 1990). Demands-Abilities fit is important to note because it examines the extent to which a person’s abilities meet the demands of a job (Livingstone, Nelson, & Barr, 1997). An example in the case of this research is the finding that perhaps older factory workers make the decision to retire because they no longer have the physical ability required by their job to remain in that position or in the automotive manufacturing industry.

The Person-Environment Fit theory more specifically applies to stress by characterizing it as a lack of correspondence between the characteristics of a person (e.g., abilities, values) and the environment (e.g., demands, supplies) (Edwards & Cooper, 1990). Unfortunately, organizational stress has been found to increase the costs of illness, accelerate lost time at work, and lower productivity of workers (Miles & Perrewe, 2011). Person-Environment Fit theory provides a framework for explaining challenges an older worker may face, which in turn can lead to retirement (Feldman & Beehr, 2011). Feldman and Beehr (2011) explained that older workers observe whether the degree of fit between their current positions and their skills has decreased over time. Poorer fit may relate to decline in physical or cognitive ability of the worker that occurs with the process of aging. The inability of the older adult to complete the manual labor tasks that they were able to complete when they were younger may result in the individual having to retire. With a declined fit, it is more likely that the individual will decide to leave their job or the workforce and decide to retire (Feldman & Beehr, 2011).

Additionally, studies have found that the fit between the person and environment is an important predictor of work related outcomes, such as job satisfaction (Ahmad and Veerapandian, 2012). Job satisfaction is an important facet when looking at decisions going into planning for retirement because “the job itself has an impact on how people feel about leaving it” (Atchley, 1976, p. 29). In a study done by Thorsen, Rugulies, Longaard, Borg, Thileen, and Bjorner (2012), job satisfaction was found to be a component of the psychosocial work environment and poor psychosocial work environments are associated with retirement planning. Further research as early as 1972 found that British workers with physically demanding jobs were twice as likely to favor retirement compared to those who had less physically demanding work (Atchley, 1976).
McPherson and Guppy (1979) also found that perceived health was a factor in retirement related decision-making, noting that declining health may force individuals to think about retirement and begin to make decisions. However, it must also be acknowledged that employer attitudes play a role in the decision to retire. This concept can be seen as early as the 1920s when the percentage of older men working fell from 73 to 60 percent (Hudson & Gonyea, 2007). In industrial work employers viewed older workers as less productive and it became the norm to lay them off or get the older employees to retire so that there would be room for younger workers, emphasizing the need for a faster pace and the recognition that age means decline (Hudson & Gonyea, 2007).

Conclusions to Be Drawn

Acknowledging that self-perceived health and Person Environment Fit theory come into play by individuals when it comes to making decisions about retirement is of utmost importance. This population works in exceedingly different conditions than our policy makers and legislators. One in three workers over age 58 does a labor intensive job (Leland, 2010). Therefore it is important that researchers explore how individuals who hold jobs in these fields feel about having to work longer than previous generations. Economic security and comfortable living in retirement are major concerns of American citizens. Raising the Social Security full benefit age will have implications for workers in the factory industry. Thus, researchers and policy makers should be made aware of how older adults who participate in manual labor are thinking about retirement and how they feel about the Social Security full benefit age.

Chapter Three: Methods

Research Strategy

A qualitative research design was used as a means to add to the literature regarding workforce issues and implications of changes made to Social Security and to answer the research questions. Qualitative methods were chosen because there is a gap in the literature regarding perspectives of individuals who work in factories and how they may be affected due to changes in the Social Security full benefit retirement age. A qualitative methodology was essential for this study because qualitative research lends itself to being able to understand the experiences of the individuals who work in factories, how this shapes their decisions about how they plan for retirement, and what factors contribute to their decisions regarding retirement.

Methodology

The qualitative paradigm of grounded theory was utilized. The goal of grounded theory is to generate or discover a theory that relates to a particular situation (Cresswell, 1998). Grounded theory takes in the perspective that reality is negotiated between people, always changing and constantly evolving (Richards & Morse, 2007). Grounded theory was introduced primarily through Glaser and Strauss in 1967 and is often used in qualitative research (Cresswell, 1998). The premise of the paradigm is that theory should be developed “in intimate relationship with data, with researchers fully aware of themselves as instruments for developing that grounded theory” (Strauss, 1987, p. 6).

Sampling and Recruitment
Seven participants aged 38 to 57 were recruited through a factory specializing in car-part production in the Midwest in the fall of 2012. Eligibility criteria included: being aged 30-60, working as a non-salary employee, and having five years of factory work experience. The age of the sample, along with the amount of time spent working in a factory, is important to note because this is the first cohort of individuals who are seeing the full benefit age increase from 65 to 67. Furthermore, the eligibility criteria for the sample were included as a means to ensure that the individuals are experiencing the same phenomenon of concern (Cresswell, 1988). A convenience sampling technique was used where flyers were hung in the facility in both the break room and time clock. The flyers contained information about the research and provided the researcher’s contact information. Interested participants contacted the researcher, and the interviews were scheduled. Once interviews begun the researcher utilized a snowball sampling technique wherein the researcher asked if participants could refer other individuals who may be of help to the study (Schutt, 2009).

In grounded theory, data collection continues until theoretical saturation is reached (Strauss & Corbin, 1998). Therefore, each interview informed the next. Starks and Trinidad (2007) reported that typical grounded theory studies report sample sizes ranging from 10 to 60 individuals. However, previous research that explored the meaning of retirement noted that saturation was reached with a sample size of eight individuals (Davis & Cannava, 1995). For this study, seven individuals (six women and one man) were recruited and interviewed before the researcher reached thematic saturation. Each interview guided the researcher to subsequent interviews. Due to the nature of grounded theory, the researcher continued to add individuals to the sample until the complete range of constructs that made up the theory was fully represented by the data (Starks & Trinidad, 2007).

**Interviews**

At the onset of each interview or prior to the interviews, consent forms were provided and explained to the research participants. Participants then signed the consent form before any data collection began. Open-ended semi-structured individual interviews were conducted and audio recorded, lasting 60 to 90 minutes with seven individuals. Interviews were conducted at an off-site location of the participants choosing. Interviews were completed either face to face or over the phone.

A semi-structured interview strategy was utilized to allow the researcher to implement predetermined questions and topics while also allowing them to have the freedom to digress or focus attention to other topics that may be brought up by the research participant (Berg, 1998). The interview guide (Appendix) included 21 questions; however, not every question was asked to every participant as experiences among participants varied, and not all questions were applicable to each participant. Under the direction of grounded theory techniques, participants were asked questions regarding their experiences in factories, what factors go into their decision to retire (e.g. money, health, abilities), and to what extent Social Security benefits are a deciding factor in their decision to retire. The semi-structured interview guide served as the means to achieve the aims set forth for the research: to explore the impact of the increase of the Social Security full benefit age on factory workers, to learn if factory workers believe that they have the physical ability to remain working in a factory setting until they reach the Social Security full benefit age, and to better understand how factory workers plan for retirement.
Upon the completion of each interview, the researcher dictated her thoughts and what she thought the most prominent parts about the interview were into the recorder. Next, the researcher had the audio recordings transcribed. Once the transcripts were returned to the researcher, they were read through thoroughly. The researcher then reviewed the transcripts with another researcher to make sure that the richest possible data were obtained and to ensure that the interview guide was adequate. As explained more in depth in the following section, the researcher utilized the technique of memoing while reading the transcripts. The process of memoing involves making theoretical notes about the data and conceptual connections between categories (Glaser & Holton, 2007). Memo writing is a key component in grounded theory and is the approach used for capturing the “frontier of the analyst’s thinking” (Glaser & Holton, 2007).

Analysis and Interpretation

Upon the completion of interviews and their transcriptions, transcripts were carefully read through multiple times. After all interviews were thoroughly read through, an initial codebook was created that included the codes and the definitions for each code. As consistent with Corbin and Strauss (1990), and under the direction of Straussian Grounded Theory, open coding was used to interpret and analyze the data. In open coding, the researcher forms initial categories of information about the phenomenon being studied by segmenting information. Within each category, the researcher found properties and subcategories, and looked for data to illustrate the possibilities on a continuum (Cresswell, 1998). This process entailed identifying a single category as the central phenomenon which led to the researcher visualizing the range of conditions and consequences related to the central phenomenon (Cresswell, 1998).

Transcripts were coded line by line, important passages were highlighted, and memos were written in the margins. The purpose of writing the memos was to express insights, comparisons, summaries and questions (Richards & Morse, 2007). As the researcher conducted line by line analysis, the following questions were posed: “what is this sentence about?” and “how is it similar to or different from the preceding or following statements?” (Ryan & Bernard, 2003). Memoing began with the first coding session and continued until the end of the data analysis. Memoing was an important process because it contributed to the creation of the theory (Straus & Corbin, 1990). Constant comparison was used, which allowed the researcher to detect patterns, label similar incidents as a category, and to identify the properties of the category (Richards & Morse, 2007). Finally, the researcher identified the linkages connecting the various categories by comparing and contrasting the conditions and consequences of the relationships among categories (Richards & Morse, 2007).

After the data were coded, the researcher created a document wherein each code had beneath it sections of text that pertaining to that specific code. This process is similar to the process of cutting and sorting. Cutting and sorting involves the researcher identifying quotes and expressions that seem important and arranging the quotes and expressions into piles of things that fit together (Ryan & Bernard, 2003). Quotes (with their context) were cut out of the transcript and pasted underneath the appropriate code. The purpose of organizing the data this way was to help with extracting themes. The researcher used the technique of repetition, wherein she paid attention to and made note of topics that occurred and reoccurred in the data. The items that repeated were regarded as the main themes. Four themes emerged from the data.
Using the direction of Straussian grounded theory, the researcher constructed the theory via means of reflection, discussion, and detailed examination of the text (Richards & Morse). Straussian grounded theory was chosen by the researcher because of its appropriateness for the research. The researcher has previous experience with this population of individuals as well as with factory environments. Therefore, using Straussian grounded theory allowed the researcher to interact with the data in lieu of separating with it. The theory evolved during the course of the research through the continuous back-and-forth between analysis and data collection. In order to generate the theory, the researcher looked for the core concept that ran through all of the data. After the core concept was identified, the researcher constructed the theory.

Chapter Four: Results

Factory workers’ thoughts and feelings about Social Security and retirement were powerfully conveyed throughout the in-depth interview process. Data analysis of the transcripts revealed four main themes. Participants contributed to several of the themes that were identified. The four themes are: “No Worse, Maybe Even A Little Better,” “Social Insecurity,” “My Body Is Going to Tell Me,” and “I’ve Earned It and I Want to Enjoy It.” In the following paragraphs each theme will be expanded on and described.

No Worse, Maybe Even a Little Better

This theme describes how factory workers wish to keep their same lifestyle once they retire. Furthermore, this theme shows that money and savings are a factor in the retirement decision-making process for factory workers. Every participant mentioned the role of money and being financially stable as an impact on their decision to retire.

As one participant said, “Well, they always say that you should have the magic million and what basically that means is that you should have a million dollars in savings if you want to retire. It’s because if you break it down, if I had a million dollars say now in savings and I retired and did not earn one more dime and just lived off of my retirement, if I lived until like in my 80s, that’s only $20,000 a year. That’s just above poverty level. Am I willing to just have the magic million and out? No, because I’m going to need more than $20,000 to live with my lifestyle…I think everybody wants to keep their lifestyle than to see it dip.” This excerpt centers on the idea that being retired is about being financially comfortable and stable. This participant noted that even having a million dollars in savings would not be enough for them once they retired after you figure in how many years a person can live after they retire. The participant was not interested in living a retired life that simply allowed for them to just get by. Furthermore, the participant did not wish to see her lifestyle dip once she retired. In this participant’s explanation it appears that the ability to maintain a lifestyle serves as a prerequisite for retiring.

Another participant stated, “That’s what I’m thinking—being able to live just like I do now. If I want, I can buy pretty much whatever I want. I can go out to eat whenever I want. Some people can’t. And I can buy whatever clothes I want. And I don’t have any bills and I just want to... I don’t want to have to worry about money when I’m older. I want to think I can do... And from what I understand, you can live cheaper when you retire because now I pick up fast food or just all kind of stuff for me and [daughter name] because I’m too lazy to cook because I’m too tired, you know? Or stuff like that. I could save a lot of money if I didn’t have to work
all the time. So that’s my thing is I don’t want to be poor when I get old. I don’t want to have to watch my money. I want to be comfortable…or maybe even a little better.” This quotation shows the significance of living a comfortable retired life. It was critical to this and other participants that once they retire that they can spend money as they do now and continue to live like they currently do, buying what they want, when they want, without having to worry. Lastly, this participant exposes a concern they have about retirement and getting older. The participant states that she did not want to be poor when she retired and was old. After retirement it was important to this participant that she did not have to worry about money.

A third participant expressed similar feelings declaring, “My envision is to where I’m living the same as I am right now, to where I don’t really have to worry about paying the bills and we can still go out and have a good time and not worry about it. Say I want to buy something—I don’t really have to worry about it—I just go out and buy it.” The ability to not have to worry about money and paying bills was vital to this participant. Once retired, the participant did not want to devote time to worrying about money and making ends meet. Instead, retirement should be about living life the same as in the present moment. For many participants, retirement was perceived as a period where they could purely enjoy life.

The theme of “No Worse, Maybe Even A Little Better” shows that the ability to maintain or improve one’s lifestyle is a key element in the retirement decision-making process for factory workers. Participants indicated that they did not want their lifestyle to have to change because they retired. This theme shows that maintaining a lifestyle is undeniably a factor that dictates retirement planning for factory workers, which speaks to the third research sub-question. Therefore, when factory workers plan for retirement they consider the lifestyle that they will be able to live when they are no longer working.

Additionally, this theme reveals how factory workers view their retired lives. For factory workers, retirement was described as a period in their lives when they can enjoy living and not have to worry. More specifically, when factory workers retire they do not want to have to spend time worrying about their financial situations and their ability to make ends meet. For factory workers, retirement is considered as a phase where having fun becomes a priority in their lives.

Social Insecurity

This theme describes how factory workers questioned the solvency of Social Security. Nearly half of participants did not think Social Security would be available to them once they retired. Participants who did believe that Social Security would be available for them noted that although they would receive benefits from Social Security, they believed that the program would be structured differently. These participants believed that the amount of benefits they would receive once retired would be less than what has been historically given.

One participant stated, “The factory workers right now are the ones supporting Social Security and to really—in my belief—that it’s not going to be around, even for my age when I retire. It’s kind of hard to imagine what the younger ones feel that they’re paying in right now, that they have no idea that it’s not even going to be there—that all their money is gone.” This statement describes how the participant believes that Social Security will not be there for them after they retire. The participant reveals frustration with the fact that they are paying into a
system for which they will never see the benefits from. Furthermore, this participant touches on how this program will not be around for future generations and that the money that this younger generation has given is also gone.

Another participant also talked about questioning the future of Social Security and how this makes her feel. This participant said, “I think it’s scary. Everything that I’ve heard is that we’re not going to have enough money by the time I was going to retire, which is coming up. So I mean to me, it’s scary.” This participant divulges that she fears that Social Security will not be there for them. The participant notes that she hears about Social Security’s financial state and how it will not have enough money to be able to assist her once they retire. Hearing that Social Security would not be around for them once participants got older made them worry.

Other participants did believe that Social Security would be there for them and future generations. One participant explained, “Well, we’re in a real big deficit and that’s going to… It’s going to have an effect all the way around and they’ve been talking about Social Security being in trouble for a long time and it’s still there. I think it will still be there but for how many years more, I don’t know. I think until the deficit starts to decrease—which I’m not quite sure how they’re going to fix that problem—everything is in jeopardy. When the economy bottomed out a few years back, it’s been a slow process—I mean that. In some areas you can see the improvement—some you can’t. But Social Security—personally, I don’t think it’s going to not exist anymore. The raises just might not be there as frequently as what they have been but I don’t think that it will completely go away.” From this person’s perspective, the deficit will shape what happens with Social Security. The participant talks about how the deficit has affected several areas and will in turn affect the amount of Social Security benefits given to retirees. Although the participant thinks Social Security will be available for future generations, he did not anticipate that retired individuals will receive the same amount of benefits or the same rate of increases to benefits.

It is important to mention that two participants said that they do not think about Social Security or worry about its future. One participant stated, “I try not to worry about things down the road and not worry about things that I have no control over and whether or not Social Security is there or not, which I have no control over. And basically, the deficit—I don’t have any control over that either so my decisions are made… They’re made according to what’s best in my life and what is best for me.” This person describes how she does not spend her time thinking about how things out of their control will pan out. This person chooses to live in the here and now. Instead of worrying about things down the road and out of their hands, these participants put emphasis on what is best for them.

The theme of “Social Insecurity” shows how factory workers feel about Social Security. This is a finding worth mentioning because it centers on both the aim of the research and research questions. First, we can begin to more clearly understand the third aim of the research—to explore the impact of the Social Security full benefit age on factory workers. Statements by participants show that they question the solvency of the program. Participants believed that Social Security would either not be there for them upon retirement or that if it is, it will not provide them with the same benefits and increases in benefits that have historically been seen. The fact that the majority of participants questioned the sustainability of the program shows that
the full benefit age is not their largest concern. Their concern is losing the money that they have put into the Social Security program.

This theme also sheds light on two research questions: “How does increasing the full benefit age of Social Security affects factory workers’ plans to retire?” and “To what extent is Social Security a factor in their decision to retire?” Due to participants indicating uncertainty about the future of Social Security it is clear that factory workers do not plan to rely heavily on Social Security once they retire. Several participants noted how they do not expect to see any of the money that they have put into the program. Thus, participants have begun to rely on themselves and their savings to prepare for retirement. Social Security was not discussed in terms of being a marker for which they measured their ability to retire—rather it was seen as a program that was there for generations before them. Even when examining the statement from the participant who did not think about Social Security it is evident that the full benefit age and program are not the biggest pieces of the retirement decision-making puzzle. The participant’s attitude about not worrying about Social Security, and the benefits that they may or may not receive, point to the fact that Social Security and the full benefit age are not factors in their decision to retire. Instead, the participant’s decision about when to retire will focus on when is the best time for them.

**My Body Is Going To Tell Me**

This theme describes how the factory workers will rely on their body to tell them when they should stop working. In regards to this theme, both physical and mental health was identified as essential. Every participant discussed how their health in the future would impact their decisions about retirement and that if they felt as if they could continue to work then they would.

One participant made this statement: “Me choosing to retire is going to be because I just can’t do it anymore and I think that goes back to just the work ethic that’s been instilled in me by watching my parents, my mom, my dad, my brother. It just comes to a point where I’m done. I can’t do it anymore. And it’s just... I think it’s just your body and your mind tells you when it’s time.” For this participant once she reaches the point where she feels as though she cannot work is when she will retire. The value of having a work ethic and belief in working until she could no longer work was important to her.

When participants talked about retiring early they often cited health as a reason for having to do so. A participant explained, “Even if… I’ve got to work until 67… that’s what I’m going to do. I think sometimes you have to, you know? Who was that? I know somebody that had… Oh, (man’s name) at work. I don’t know if you know him. But he has been at Company X for 30-some years and he’s had I don’t know how many heart attacks and from what I understand, he goes on vacations all the time and his wife works and I think, “Why don’t you retire?” If I had a heart attack… Well, I guess it’d depend how serious it would be. But if I was in bad health and I saved like I did now, I think I would retire.” This statement reveals that the severity of a health condition is reason for this person to reflect on her thoughts about retirement. Although she plans to work into older ages, she realized through observing the experience of another person that a health condition of that magnitude may cause her to retire earlier than she
had originally planned. However for this participant, having to retire early due to a health condition was sandwiched within the context of also having enough money saved.

Participants also talked about how continuing to work into older ages could provide more opportunities for individuals to experience mental and physical health benefits. A participant expressed this sentiment saying:

And I think that we’re realizing that as—my generation—we’re realizing that activity is very important part of being healthy. The more active you are the less health problems you have and if you do have health problems, that’s a good way of managing health problems. For example, I have (medical condition). I have to maintain a diet and a health level that’s pretty active and pretty strict in order to keep that under control. And I think we are, as a society, we are becoming more health conscious. We don’t want to be sedentary. We’re not content to sit on the couch. We’re not content to just sit and watch the Price is Right every day. We want to go do something. We want to interact. By interacting, you’re going to see that that’s people’s motivation to work is sometimes on a level of just interacting with people.

For this person staying active and working contributes to being healthy. This person identified that there is a culture change taking place in society, where being health conscious and physically active is not only important but valued. In addition to the physical benefits of working, she expanded on the important mental and social benefits that can come along with working into later adulthood. The participant stated that the opportunity to continue to be able to interact with other people could also be a benefit for working older adults.

The theme of “My Body Is Going to Tell Me” sheds light on the fact that perceptions of physical ability play a critical role in the retirement decision-making process. This finding ties back to the second aim of the research, to learn if factory workers believe that they have the physical ability to remain in a factory setting until they reach the Social Security full benefit age. According to the statements of the participants, it is clear that the full benefit age is not what is important in regards to retirement planning. For example, one participant stated, “You know I never… I guess I never think of retirement because I know I am the youngest of four kids but I still haven’t come to grips with the fact that I am 54. I’m going to be 55 this year and I’m like, “No, I’m not.” You know? I just… I just… I want to still be called the little sister and… or the baby of the family. Well, the baby of the family is getting older now. You know? And it’s like, “That’s me.” This statement shows that individuals are not basing their decision to retire off of a specific age. Instead of looking at retirement from an age perspective they see retirement as a health driven decision. This finding is noteworthy because it relates to the third research sub-question regarding which factors dictate retirement plans. As described by the participant’s, physical and mental health, coupled with the degree of severity, are reasons that would prompt them to think about retirement.

I’ve Earned It and I Want to Enjoy It
This theme illustrates how the participants feel about the concept of retirement. This theme reflects attitudes that were previously observed in the first theme—that retirement should be an opportunity for individuals to finally enjoy themselves without having to worry about daily stressors such as work or money. More than half of the participants contributed to this theme, discussing how they are in the process of earning the right to have a pleasant retirement experience.

In addition, this theme describes the outlook that people deserve the opportunity to be able to retire when they are healthy enough to enjoy this exciting and new stage in their lives. One participant said, “You go to work and you try to give it all you can and then there comes a point where factory life catches up to you.” This participant is conveying that factory work takes its toll on people. A second participant expanded on these feelings and talked about how it is important for people to be able to retire at an age where they can enjoy themselves. This participant said, “…you still have energy enough to enjoy yourself where you start getting at the actual retirement age… You start slowing down. You don’t have a chance to enjoy yourself because you worked your whole life. You should have that opportunity to be able to enjoy yourself and not have to worry about anything.” This person describes how people who have worked their whole lives have earned the right to enjoy themselves when they retire. Moreover, it was important to this person to be able to retire at an age when they could fully appreciate the opportunity to not have to continue to work.

Other participants simply talked about how they envisioned their retired lives. One participant said, “I was just thinking…when I think about retirement, I think of Hawaii. Been talking about selling the house and getting like a condo or something, you know?” For this person, retirement is about moving to a dream destination. Another participant stated, “Just to hopefully be able to have enough energy to spend time with the kids or just to be up and about—to have the liberty, the freedom to spend time with my husband on the porch and know that I don’t have to go to work anymore. That would be awesome.” For this person, enjoyment came from spending time with family. Many want to have enough energy once they retire so that they can be active with the younger members of their family.

In addition to earning and enjoying retirement some participants talked about how retiring would give them the chance to catch up on things that they have had to let go to the backburner during their working years. This participant said, “Well, I retire from working for someone… I won’t really be retired because there’s so much I like to do—hobbies and things like that—to where I can’t actually do them now because of work…Yeah. I would love to be retired now. You know? I’m just… There is so much that I would like to do. Number one—spend more time with family—that’s at the top of the list. And then do stuff in the house and get back to some of my hobbies and… just various things—a little more travel. I’d say that’s for the most part. Might pick up a part time job. Just all depends.” For this participant retirement is about getting back into hobbies she used to enjoy. More particularly, retirement is viewed as a time for this participant to re-prioritize and indulge in activities that she used to participate in.

For the theme “I’ve Earned It and I Want to Enjoy It” retirement is about having the opportunity to enjoy life. Participants communicated on several occasions that people who have worked their whole life are entitled to a pleasant retirement experience. For the participants retirement is about having fun not having to think about the stressors associated with everyday
life. For example, health issues, paying bills, or being tied down to a job. This group noted that retirement is about being free and simply doing what they want to do, when they want to do it. This theme is worth mentioning because it provides both a better understanding for the third specific aim of the research- how factory workers plan for retirement- and what this group of peoples’ expectations of retirement are.

In summary, the factory workers who participated in this study indicated that there are two prongs in their retirement decision-making process: financially stability and health status. The participants expressed that they want to have a comfortable retirement, with enough money to continue to live their current lifestyle. Additionally, health played an important role when thinking about retirement. Participants discussed how their health status would be a reason for them to continue to work or cause them to think about retirement, depending on the severity of the condition. Finally, the position of how these individuals envision retirement was revealed, that retirement should be a time for enjoyment and reprioritizing.

Chapter Five: Conclusion/Discussion

The study sought to explore the feelings of factory workers by posing the following research questions: How does increasing the full benefit age of Social Security affect factory workers’ plans to retire?, For individuals 30-60 who have worked in a factory for at least five years, to what extent is Social Security a factor in their decision to retire?, For individuals 30-60 who have worked in a factory for at least five years, to what extent does the full benefit age for Social Security impact their decisions about retirement?, and For individuals 30-60 who have worked in a factory for at least five years what factor(s) dictate their retirement plans and why?

Based on the analysis of the transcripts, data revealed several important findings. First and most surprising was that Social Security and the increase in the full benefit age were not identified as major factors in retirement planning and decision-making process. Despite the fact that prior research revealed that 40 percent of Americans identify Social Security as their major source of income at old age (Herd, 2009), the majority of research participants discussed how they did not put much stake in the system because they believed that it would either not be there for them once they retired or that the benefits would not be as financially supportive. Moreover, the research participants spoke more about how they would rely on personal savings and downsizing as a way to maintain their financial stability in retirement instead of relying on Social Security benefits.

Second and in regards to the question of the role of age in planning for retirement, participants indicated that age is not what is most important to them when thinking about retirement. These research participants were most concerned about their health, claiming that their body would tell them when it was time to retire. Instead of looking at retirement as an age based decision it was clear from the interviews that this group of individuals see their retirement as a health driven decision. Although participants were able to pinpoint an age at which they hoped to retire, all participants included the caveat that health would dictate their plans by either forcing them to retire earlier than anticipated, or allowing them to continue working to a later age than they had previously imagined. This finding supports the research done by McPherson and Guppy (1979) which indicated that perceived health was a factor in retirement related decision-making, noting that declining health prompts individuals to think about retirement.
The third finding was that the second prong to the retirement decision-making process was financial security and stability. Participants revealed that they wanted to maintain their current lifestyle into retirement. This group of individuals valued the ability to not have to see a dip in their lifestyle as they aged. Additionally, this group of participants wanted their retirement to be a time in their life where they finally reached a point where they did not have to be concerned about money. They wanted to live comfortably and to be able to spend money without worrying. This idea of a comfortable retirement has been prominent in current retirement research. According to a study done by the Employee Benefit Research Institute (2012), only 14 percent of Americans are confident that they will have sufficient funds to live comfortably in retirement. This statistic illustrates the fact that the ability to have a comfortable retirement is a primary concern for not only the research participants but other individuals as well.

Based on the findings of the research it is evident that Social Security and the full benefit age were not the focus of the participants’ responses. Instead the participant’s spoke more about their retirement decision-making process and factors that would influenced their decisions. The most important factors in planning for retirement for these individuals were financial security and health status. The factors of financial security and health status have been somewhat researched quantitatively in regards to looking at self-rated health and income (Palmore, 1971; Thorsen, Rugulies, Longaard, Borg, Thielen & Bjorner, 2012). The third factor that was explored by these researchers was age. However, as these participants indicated it was not age that mattered to them when planning for retirement. Instead, they spoke about working until their body gave out or until they could retire comfortably.

For the research participants, retirement was a two-pronged decision hinging on both health status and financial security. Those issues reoccurred throughout the interview process and led the researcher to the development of the theory. First, it must be acknowledged that Lawton’s (1986) Person Environment Theory played a role in the decision-making process for these participants. Environment had the potential to influence behavior. For example, as indicated from the participant interviews, if the work proved to be too much for the participant’s body, then the participant would begin to think about retirement. However, the second piece to this theory in looking at how factory workers plan for retirement is the importance of financial security. The interviews indicated that there is a connection between these two factors. For example, someone might not be financially secure enough to make the decision to retire but due to being diagnosed with a health condition they might have to give up working. Or on the other hand, someone may be financially secure enough to retire but because they are healthy they choose to stay in the workforce. Both factors of financial security and health status contribute to a push and pull (shown in Figure 1 below) in the retirement planning and decision-making process for these research participants. Therefore, the overarching theory for the study is that for factory workers, the decision to retire is based on the interplay between financial security and health status.
The implications of this research are important and will be useful for a variety of stakeholders. First, the interviews suggested that this group of individuals did not believe that Social Security is going to be available for them. Furthermore, because they did not rely on Social Security, the increase in the full benefit age seemed to not matter much to them. Therefore, this population may need more educational opportunities in the workplace to learn about Social Security, what is being done to keep it running for future generations, and how the full benefit age affects the amount of benefits they receive once they retire. This information would be valuable for human resources personnel as they have the knowledge and expertise that could link factory workers to resources that may help educate them about Social Security. Furthermore, with financial security being a factor in the retirement decision-making process it would be beneficial for this population to have better access to individuals who can assist them with financial planning. Several participants indicated how they were relying on savings and other investments but feared that they may not be putting their money in the right places. Therefore, these individuals seem to need an individual to provide them with basic tools and knowledge about savings and investments. This again, is another opportunity for individuals in human resource positions to link factory workers to the appropriate parties so that the factory workers can be more confident in their investments.

Additionally, the results may have implications for how the manufacturing industry is structured. If this group of individuals intends to work until their body tells them they no longer
can; it may be beneficial for more factories to adopt the practice of having a doctor’s office on site for its employees. With a doctor or clinic on site factory workers can have easy access to health professional. The adoption of having a doctors and health clinics onsite may influence workers to focus on the importance of living a healthy lifestyle and participating in health prevention activities. With a focus on living a healthy lifestyle workers might be able to increase their amount of active years and be able to stay in the workforce longer.

There are limitations that should be noted regarding this study. First, this study only explored the feelings of individuals aged 30-60 with a minimum of five years factory work experience. Therefore, the researcher cannot report on the perspectives of younger workers and workers closest to the current full retirement age. Second, the research had a small sample size (n=7). However, small sample sizes are common and appropriate in qualitative studies where rich data can be produced. Third, as the research is qualitative, the results cannot be generalized to all factory workers.

This study offered a more complete understanding of how factory workers plan for retirement and which factors in the decision-making process are most important to them. Although this research is an important step, it cannot be generalized to all factory workers. Therefore, additional research is needed. Possible directions for future quantitative and qualitative research include: the development of a national survey exploring why individuals intend to work until they no longer can, the confidence that factory workers have in their financial security, and how individuals feel about Social Security.
References


Appendix: Interview Guide

1. How old are you?
2. How long have you been working in factories?
3. When you think about your retirement-what comes to mind?
4. When do you think you will retire?
5. How old do you think you will be when you retire?
6. What plans have you made for your retirement?
7. What financial plans have you made for your retirement?
8. Does your job provide you with any benefits that will help you with retirement?
9. What concerns do you have about planning for retirement?
10. How would you describe the work that you do now?
11. Can you see yourself remaining in the factory industry until you are able to retire?
12. Do you plan to stay in this line of work as you get older?
13. What other job options have you considered (switching to a different industry, further education, etc.)?
14. Some people are saying Social Security is a problem, others believe it is not. What are your thoughts on this?
15. What are your thoughts on the full retirement age for Social Security being increased to 67?
16. How does the full benefit age affect your thoughts about retirement?
17. What is the one thing you feel you need to have in order to feel comfortable about making the decision to retire?
18. How do you think you or other factory workers will be affected if the full benefit age of Social Security is raised past 67?
19. How do you think you or other factory workers will be affected if the early benefit age of Social Security is raised past 62?
20. Is health a factor in your decision to retire?
21. What do you think will be the main reason for you choosing to retire?