Bridge Employment and Job Stopping: Evidence from the Harris/Commonwealth Fund Survey*

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Abstract:
This article analyzes a 1989 Louis Harris and Associates survey designed to elicit information on the employment histories and job-stopping behavior of men and women who then were approaching or had recently reached retirement age. The results indicate that retirement often occurs gradually and includes a substantial period of "bridge employment." Most bridge jobholders work full-time, by choice, and report high levels of job enjoyment. Occupational mobility occurring late in life typically involves upward movement, although the pattern of change is quite different when it takes place outside, rather than within, the longest job. The principal concern identified in this article is the limited ability of some groups of workers (nonwhites, females, the less educated, and those in poorly compensated occupations) to either retain longest jobs or to obtain acceptable bridge employment. Health problems also frequently lead to early departures from the labor force.

Article:
Increased longevity, combined with earlier departures from career jobs, provide many Americans with the opportunity to maintain attachments to the labor force following the end of traditional employment relationships. The actual experiences of such persons are quite diverse. Some workers retire early and permanently. Frequently, however, retirement is a gradual transition rather than a single abrupt event. Understanding this "job-stopping" process is of key importance in efforts by policymakers and others to increase the employment opportunities of mature adults.

Economists have increasingly recognized the disparate nature of job stopping and have begun to study the employment patterns observed during the periods preceding and following "normal" retirement ages. The first research of this type focused on the frequency and determinants of partial retirement.[1] More recently, attention has been paid to the diverse set of activities undertaken after career jobs end. A partial listing includes: (1) beginning a second career; (2) temporary full-time employment; (3) part-time work of either brief or lengthy duration; (4) self-employment; and (5) reentry into the labor force after a short period of temporary retirement.[2] For given individuals, the job-stopping process can involve one or a combination of these activities.

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Employment held after the end of career positions, which I shall refer to as postcareer or "bridge" jobs, differs from career employment in a number of important respects. It generally is located in an industry and/or occupation other than the one from which the person came and often implies voluntary or involuntary reductions in pay. It is more likely to involve part-time work or self-employment although, even in bridge positions, full-time employment is the norm. Bridge jobs also last for shorter periods of time than the previous employment and are less likely to offer pension coverage. There are also important demographic group differences in job-stopping patterns.

Earlier examinations of the retirement process have typically relied on data collected during the late 1960s and 1970s from the Social Security Administration's Retirement History Longitudinal Survey (RHLS). Although this data set provides an enormous amount of detailed information, the sample analyzed is unrepresentative of persons currently approaching retirement for at least two reasons. First, members of the RHLS cohort began their work lives during or just before the Great Depression and their movement into career employment may have been further delayed by the onset of World War II. Second, they approached retirement during the relatively stable economic period of the 1960s and early 1970s. In contrast, workers presently in their fifties and sixties completed school after World War II and have neared retirement during the more turbulent 1980s and 1990s.

An additional shortcoming of the RHLS is that it does not contain a representative sample of women. The only women included were those who were unmarried in the initial survey year (1969), with some information collected on women widowed during the 10-year survey period.

This article presents an analysis of a Louis Harris and Associates survey, recently made available, that was specifically designed to elicit information on the employment histories and job-stopping behavior of men and women currently approaching or having recently reached retirement. The investigation focuses on two questions. First, how do bridge jobs differ from career jobs? Second, who takes bridge employment and why?

DATA AND SAMPLE

Data for this study were obtained from a Louis Harris and Associates survey conducted for The Commonwealth Fund between March and September of 1989, in which 3,509 Americans between the ages of 50 and 64 were interviewed by telephone. The sample represents a national cross-section of the U.S. civilian adult population of these ages, excluding people in prisons, hospitals, nursing homes, or religious and educational institutions, as well as residents of Alaska and Hawaii. Included are 1,758 women between the ages of 50 and 59 and 1,751 men aged 55 to 64. Fifty-seven percent of respondents were working at the time of the survey and 43% were unemployed or out of the labor force.[3]

The data are weighted by age, race, sex, and working status utilizing data from the Census Bureau to produce projectable results for the 21.5 million Americans in the age cohort surveyed. Since this analysis focuses on labor-force behavior in the preretirement and retirement years, persons who had never held a paid full-time job were excluded from the sample. This restriction eliminated 3.4% of respondents (123 individuals); however, as shown in Table 1, the

TABLE 1. Percentage of Respondents Never Holding a Paid Full-Time Job

All Respondents	3.4%
Groups With High Probabilities:	
Females	6.0%
High School Dropouts	6.0%
Hispanics	5.0%
Groups With Low Probabilities	
Males	0.5%
College-Educated Workers	1.8%
Nonwhites	1.8%

probability of being excluded for this reason varies considerably across population groups.

The analysis following distinguishes between the longest job held during the respondent's lifetime (up to and including the job held at the survey date) and bridge positions, which are held after the longest employment ends. It is important to recognize that the end of the longest job does not automatically begin the transition out of the labor force. For example, professionals may leave the longest job to secure positions of greater responsibility and some persons may depart the longest job at fairly young ages to begin second careers. At the opposite extreme, other workers may have trouble keeping any job for more than a few years and so never develop lasting attachments to a single firm. Employment following the longest job therefore includes lengthy periods of substantial attachment to the labor force as well as transitional jobs that briefly precede permanent and complete retirement. As shown by Christopher Ruhm (in press), however, similar job-stopping patterns are obtained whether one focuses on the longest job or uses a more expansive definition of career employment.

LONGEST JOB TERMINATIONS AND BRIDGE EMPLOYMENT

Longest positions typically end well before "normal" retirement ages (i.e., the early to middle sixties), providing individuals with the potential to work in bridge jobs for several years. This section discusses the pattern of these terminations and the prevalence of bridge employment. The four sections following this one provide supplementary information on differences between longest and bridge jobs, patterns of occupational mobility within and outside longest employment, and possible motivations of persons accepting positions following the end of longest jobs.

Fewer than one third (33%) of the sample continued in their longest jobs through the survey date; an almost equal proportion (28%) were employed in bridge jobs, with the largest fraction (39%) reporting themselves to be voluntarily or involuntarily out of work (see Table 2). This indicates that it is relatively uncommon for this age group to remain in their longest jobs and that bridge posi-

TABLE 2. Survey-Date Employment Status by Marital Status, Age, and Gender

	Survey-Date Employment Status		
	Working in Longest Job	Working in Bridge Job	Not Working
All Respondents	32.6%	28.4%	39.0%
Marital Status			
Married	31.4%	28.2%	40.4%
Unmarried	36.3%	28.0%	35.7%
Age (in years)			
Males:			
55-59	42.1%	36.8%	21.2%
60-61	33.3%	31.3%	35.4%
62-64	21.5%	21.0%	57.5%
Females:			
50-54	41.6%	26.7%	31.7%
55-59	33.9%	24.1%	42.1%

tions provide an extremely important source of work. The frequency of bridge employment varies only slightly by marital status but unmarried persons are considerably more likely to still be working for longest employers than are their married counterparts.

The probability of remaining in one's longest job falls with age. The reduction is moderate prior to age 62 but much more rapid between the ages of 62 and 64. For example, 42% of 55- to 59-yearold males worked in their longest jobs at the survey date, as compared to 34% of those aged 60 or 61 and 22% of the 62- through 64-year-old category.[4] Conversely, bridge jobs account for an increasing share of employment for both men and women at higher ages. Forty-seven percent of employed men between the ages of 55 and 59 worked in these positions. This rises to 49% for 60- and 61-year-olds and to over 49% of the 62- through 64-yearold age group. Similarly, 39% of employed 50- to 54-year-old women worked in bridge positions, versus 42% of 55- to 59-yearolds.

Women were less likely than men to be working at the survey date-55- to 59-year-old females were almost twice as likely to be nonemployed as males of corresponding ages (42% versus 22%). Nonetheless, more than a third of men aged 60 or 61 and almost three fifths of those between the ages of 62 and 64 were out of work. The sharp decrease in work propensities at age 62 suggests the importance of voluntary responses to Social Security incentives. As will be shown later, this decrease is concentrated among "disadvantaged" groups, which indicates the key role of labor market opportunities in determining the employment outcomes of mature adults.

Regression analysis provides further detail on the relationship between individual characteristics and survey-date employment status. The first column of Table 3 displays estimates of the linear probability model:

$$Y_i = X_i\beta + \mu_i,$$

where the subscript denotes the ith respondent, Y is a dependent variable equal to one if the individual works in their longest job at the survey date and zero otherwise, μ is a regression error term, and X is a vector of characteristics controlling for age, education, mari-

TABLE 3. Regression Estimates for the Probability of Working in Longest or Bridge Jobs at Survey Date

Regressor	In Longest Job vs. Not Employed or In Bridge Job	In Bridge Job vs. Not Working
Age (in Years)	–.0248	–.0389
	(8.74)	(10.79)
High School Dropout	–.0359	–.0584
	(1.56)	(2.12)
Some College	.0475	.0539
	(2.68)	(2.42)
Married	–.0588	–.0468
	(3.05)	(1.91)
Female	–.0893	–.2562
	(4.08)	(9.14)
Nonwhite	–.0429	–.0416
	(1.64)	(1.31)
Good Health	.0801	.0830
	(4.35)	(3.46)

Note: Table presents regression results for the linear probability model $Y = X\beta + \mu$. The dependent variable in the first column is equal to one if the respondent is working in his or her longest job at the survey date and zero if not employed or in a bridge job. In column two the variable equals one if they are employed in a bridge job and zero if they are not working. A respondent is classified as being in good health if he or she reports having neither health problems nor activity limitations. Absolute values of t-statistics are shown in parentheses.

tal status, sex, race, and health. Column 2 provides corresponding estimates for an equation where the outcome takes the value of one if the respondent is employed in a bridge job and zero if they are not working (with persons in their longest job deleted from the sample).

The econometric estimates confirm that the oldest sample members, unmarried respondents, and women were less likely, than their counterparts, to be working or to be in their career jobs at the survey date.[5] The regression coefficients further indicate that more educated and healthy individuals, as well as whites, had relatively high probabilities of working in career jobs and low rates of nonemployment.[6] For instance, college-educated respondents were 5% more likely to be working in career jobs, at the survey date, than high school graduates (without college educations) and 8% more likely to be doing so than high school dropouts.

CHARACTERISTICS OF BRIDGE JOBS

Following the end of formal education, most individuals pass through a number of jobs before settling down into career employment, which lasts for a substantial portion of their working lives.[7] It is not clear, however, whether the job-stopping period most closely resembles the unstable work attachments of younger persons or the low turnover rates of individuals in their prime working years. Intermittent jobholding may imply that older persons prefer positions of fairly short duration, possibly on a part-time or part-year basis. Conversely, more stable employment indicates greater attachments to specific jobs, in which case mature adults are less likely to be unwilling to accept positions that offer inadequate compensation, working conditions, or status.[8]

Table 4 provides information on the number of bridge jobs held by persons who worked after the termination of their longest jobs. Respondents meeting this criteria had held an average of just over two bridge jobs by the survey date. This average, however, reveals two distinct patterns. Two thirds of these individuals had worked for two or fewer bridge employers and almost half for only one such firm. For these workers, bridge positions were generally quite stable.[9] The remaining one third of respondents had been employed by at least three companies, after the end of their longest job, and

TABLE 4. Number of Bridge Jobs Held by Respondents

Number of Bridge Jobs Held	Currently Working in Bridge Job	Previously Worked in Bridge Job
1	44.9%	45.7%
2	19.7%	21.3%
3	13.7%	11.5%
≥4	21.7%	21.5%
average #	2.2	2.1

fully one fifth by four or more firms. Thus, unstable job attachments were predominant for a substantial minority of bridge jobholders. The frequency distribution is virtually identical for current and previous holders of bridge jobs, suggesting that the findings may generalize to the group who will subsequently hold bridge employment.

Longest and bridge jobs are likely to differ along a number of dimensions. To illuminate these disparities, Table 5 presents information on the class of employment, hours worked, and occupational attachments of persons holding jobs at the survey date. The Harris data confirms previous research indicating that a substantial number of workers move into self-employment after

departing longest jobs. Only 14% of longest jobholders are self-employed, as compared to 22% of those in subsequent positions. Bridge jobs pay hourly wages slightly more often than longest jobs (40% vs. 38%) and are much less likely (36% vs. 47%) to offer salaries. This suggests that movement into self-employment may be most common for workers previously receiving salaries.

Although bridge jobholders work part-time (less than 35 hours per week) almost twice as frequently as their counterparts remaining in longest employment (24% vs. 14%), more than three quarters are employed full-time. As shown subsequently, the vast majority of those working full-time do so by choice, rather than preferring part-time employment. It is therefore inaccurate to equate bridge positions with marginal employment. This is consistent with evidence in Table 4 indicating that many workers exhibit patterns of

TABLE 5. Characteristics of Longest and Bridge Jobs

	Longest Job Characteristics	Bridge Job Characteristics
Type of Employment		
Salary	46.5%	36.4%
Hourly Wage	38.3%	39.9%
Self-Employed	14.1%	22.1%
Hours		
Full-Time	86.5%	76.1%
Part-Time	13.5%	23.9%
Occupation		
Professional/Managerial	26.9%	28.2%
Technical/Sales	12.5%	15.1%
Clerical/Service	27.0%	27.9%
Agricultural	2.9%	3.3%
Production	18.3%	13.5%
Transport/Laborer	11.4%	11.4%

Note: Longest job occupation refers to the primary occupation held during the longest job. This may differ from the current occupation. Longest occupations are calculated for all respondents (not just those employed in the longest job at the time of the survey).

strong and stable labor force attachment, even after longest jobs end.

The last six rows of Table 5 show that the distribution of occupations is surprisingly similar across longest and bridge jobs.[10] Bridge employment is slightly more likely to be in professional, managerial, technical, or sales occupations and less likely to involve production work. The probability of working in clerical, service, agricultural, laborer, or transportation jobs is virtually identical.

These findings indicate the absence of any wholesale shift in occupations, following the end of longest employment. However, when interpreting these results, it is important to keep in mind that the distribution of longest occupations is calculated for all workers, whereas only a subset

were employed in bridge positions at the time of the survey. For instance, clerical and service workers were relatively less likely to be working at the survey date and so are infrequently included when calculating the distribution of bridge occupations. A full analysis of occupational mobility is provided later.

ARE BRIDGE JOBS DESIRABLE?

We next investigate whether bridge jobs are considered desirable by those mature adults holding them. The first step involves comparing desired and actual hours of employment. As shown in Table 6, the majority of persons employed in longest and bridge jobs preferred to work full-time (more than 35 hours per week). Although we might expect that over two thirds of those in longest

TABLE 6. Preferred Hours of Work

	Preferred Hours of Work if:		
	Working in Longest Job	Working in Bridge Job	Not Working
Prefers Full-Time Job	66.8%	61.2%	44.1%
Prefers Part-Time Job	31.5%	37.5%	53.6%
Currently Works Full-Time:			
Prefers Full-Time	75.3%	75.3%	
Prefers Part-Time	24.7%	24.7%	
Currently Works Part-Time:			
Prefers Full-Time	22.7%	21.0%	
Prefers Part-Time	77.3%	79.0%	

Note: Percentages may not sum to 100% because of nonresponses.

jobs desired full-time employment, it is surprising that 61% of those in bridge jobs also did. This belies the notion that bridge employment is composed of marginal jobs and weak attachments to the labor force.

The preferences of the nonworkers were quite different. Five- ninths of those stating an inclination desired part-time work, which suggests that a significant barrier to their employment might have been a mismatch between the actuality of full-time vacancies (recall that over three quarters of bridge jobs were full-time) and the preferences for part-time employment.

Although nonworkers may have difficulty finding positions that match their inclinations, employed older persons generally do work their desired number of hours. More than three quarters of full-time employees preferred to work more than 35 hours per week and almost 80% of those employed part-time did so by choice. These percentages vary only slightly across longest and bridge jobs.

Further evidence of high levels of satisfaction for respondents working in bridge jobs is provided in Table 7. Fifty-seven percent claimed that the bridge position was the most enjoyable job they had ever worked in, as compared to 40% stating that their longest position was most enjoyable. This occurs even though a slightly larger proportion (47% vs. 44%) earned most in the longest posi-

TABLE 7. Pay and Enjoyment of Longest and Bridge Jobs

	Currently Working in Bridge Job	Previously Worked in Bridge Job
Longest Job Was:		
Best Paid	46.7%	39.2%
Most Enjoyable	39.9%	53.6%
Best Paid & Most Enjoyable	25.3%	28.1%
Bridge Job Was:		
Best Paid	44.3%	57.7%
Most Enjoyable	57.0%	39.3%
Best Paid & Most Enjoyable	31.2%	29.0%

tion. Further, 31% stated that their bridge job was both the best paid and most enjoyable, as compared to only 25% for the longest job.

The situation was very different for workers who had departed bridge jobs. These individuals typically earned more in bridge jobs than longest employment (58% vs. 39%) but they enjoyed the bridge jobs less (39% vs. 54%), suggesting that enjoyment, rather than pay, is the key factor determining the longevity of bridge jobs. It also hints that persons departing bridge jobs prior to the survey date or never employed in them may remain out of work because they cannot find jobs they like, rather than because the pay is inadequate. The next two sections provide some indication of whether nonemployed persons have difficulty finding satisfactory work because of inferior job options or because their expectations are unrealistic.

OCCUPATIONAL MOBILITY

Many workers change occupations even before leaving their longest jobs. Dividing occupations into 10 broad categories, 13% of persons employed in longest jobs (at the survey date) had worked in an occupation different than that held during the majority of their employment tenure and 20% had switched more finely defined occupations (97 categories).[11] Occupational mobility is even more common for workers moving from longest to bridge employment-42% and 53%, respectively, had switched broad and detailed occupational categories.[12]

Tables 8 and 9 detail the patterns of this mobility. Information on individuals still working for their longest employer at the time of the survey is provided in the first of these tables, that on persons in bridge positions in the second. Column 1 of each table shows the distribution of longest job occupations. Columns 2 and 3 display gross movements into or out of the specified occupations occurring by the survey date. Column 4 indicates the corresponding net change—Column 3 minus Column 2. Finally, Column 5 shows the net change as a percentage of longest employment in the specified occupation—Column 4 divided by Column 1.

The various relationships can be clarified by considering the example of managerial and professional employment among long-

TABLE 8. Differences Between Longest and Current Occupations Among Respondents Working for Longest Employers at Survey Date

	Distribution of Longest Occupations	Movements Into or Out of Specified Occupation			
		Moves In	Moves Out	Net Change	Net Δ as % of (1)
	(1)	(2)	(3)	(4)	(5)
Occupation					
Professional/Managerial	33.0%	4.4%	1.0%	3.4%	10.3%
Technical/Sales	12.9%	1.8%	1.6%	0.2%	1.6%
Clerical/Service	23.1%	3.6%	4.0%	–0.4%	–1.7%
Agricultural	4.4%	0.0%	1.2%	–1.2%	–27.3%
Production	14.7%	1.2%	1.5%	–0.3%	–2.0%
Transport/Laborer	11.4%	1.5%	3.0%	–1.5%	–13.1%

TABLE 9. Differences Between Longest and Current Occupations Among Respondents Working for Bridge Employers at Survey Date

	Distribution of Longest Occupations	Movements Into or Out of Specified Occupation			
		Moves In	Moves Out	Net Change	Net Δ as % of (1)
	(1)	(2)	(3)	(4)	(5)
Occupation					
Professional/Managerial	27.6%	7.3%	6.4%	0.9%	3.3%
Technical/Sales	12.5%	8.0%	5.4%	2.6%	20.8%
Clerical/Service	26.6%	11.2%	10.1%	–1.1%	–4.1%
Agricultural	3.3%	2.3%	2.3%	0.0%	0.0%
Production	18.8%	3.5%	8.9%	–5.4%	–28.7%
Transport/Laborer	10.1%	6.0%	4.8%	–1.2%	–11.9%

est jobholders (see the first row of Table 8). The main occupation of 33% of the longest jobholders was professional or managerial in nature. Four percent of the group moved into professional or managerial occupations after leaving longest occupations (while staying with the same employer but in a different job) and 1% switched out of professional or managerial positions to work in other occupations. Taking the difference between these two percentages implies a net movement of 3% of longest jobholders into professional and managerial jobs, which is equal to 10% (3.4/33.0 x 100% = 10.3%) of original employment in the occupation.

The clear and surprising result of Tables 8 and 9 is that occupational change, occurring late in life, was dominated in this surveyed group by upward rather than downward mobility. In addi-

tion to the increase in the percentage of longest jobholders working in professional or managerial occupations, there was a small rise in technical or sales employment. Conversely, workers moved out of clerical, service, and production jobs, and particularly away from agricultural, transportation, or laborer occupations as they aged. For instance, agricultural employment fell by more than one quarter and transport or laborer positions by more than one-eighth (see Table 8).

Occupational change occurred with still greater frequency when workers moved from longest job to bridge employment. Nonetheless, upwards mobility continued to be common. As shown in Table 9, there was no net change in agricultural employment, modest growth in professional and managerial jobs, larger movements into technical and sales occupations, and employment declines in the other three broad occupational categories. Unlike longest jobholders, the largest decrease is observed for production occupations, where total employment fell by almost one third. The avenues of occupational change therefore differed considerably within and outside longest jobs.

Substantial gross movements both into and out of clerical and service positions are also noteworthy. Four percent of longest jobholders both exited and entered these occupations, while 11% (10%) moved into (out of) them when changing from longest jobs to bridge employment. Because the exits and entries are of approximately equal size, the net changes in clerical and service employment are fairly modest.

It is important to realize that the predominantly upward mobility observed for those individuals working at the survey date need not imply that all persons have attractive employment options late in life. To the contrary, individuals working in longest occupations offering low pay and status are much more likely to depart the labor force at relatively young ages. For instance, the percentage of workers whose longest occupations were professional, managerial, technical, or sales in nature was 46% for persons holding longest jobs at the time of the survey, 40% for those employed in bridge jobs, but only 33% among respondents not working at the survey date. Conversely, 44% of the latter group worked in clerical, service, transportation, or laborer longest occupations, as compared to 37% of bridge employees, and 35% of longest jobholders.

THE NATURE OF JOB STOPPING

Most individuals leave longest jobs well before "normal" retirement ages. Previous research provides limited information as to whether these departures are voluntary or involuntary, and to what extent even "voluntary" terminations occur as the result of health limitations, incentives implicit in private or public pensions, or adverse family circumstances. Although the Harris survey did not directly ask why longest positions ended, some inferences can be obtained from those questions asked about health, pension status, family status, and income. The effects of these factors may also differ dramatically, depending on the range of labor-market opportunities available to given workers. We begin by considering the disparate employment patterns of "advantaged" and "disadvantaged" groups.

Advantaged groups include those who are generally free from labor-market discrimination or who, by virtue of education or occupation, have favorable work opportunities in their prime employment years. Conversely, members of disadvantaged groups frequently suffer from discrimination or have inferior job options. Five (nonmutually exclusive) advantaged groups are considered next: men, non-Hispanic whites, the college educated, professional or managerial

workers, and those in technical or sales occupations. The corresponding disadvantaged groups are: females, nonwhites, Hispanics, high school dropouts, clerical or service employees, and transportation workers or laborers.

The survey-date employment status of the advantaged and disadvantaged groups are displayed in Table 10. Members of the advantaged groups remain in longest jobs until later ages and, if they leave them, more frequently work in bridge positions. The differences are particularly pronounced by education and occupation. At the time of the survey, 38% of college-educated individuals were employed in longest positions and 30% in bridge jobs; this compares to only 22% and 24% of high school dropouts. Similarly, 44% of professionals and managers were in longest jobs and 29% in bridge jobs, versus 31% and 27% of clerical and service workers, respectively.

TABLE 10. Survey Date Employment Status of "Advantaged" and "Disadvantaged" Groups

	Survey-Date Employment Satus		
	Working in Longest Job	Working in Bridge Job	Not Working
All Respondents	32.6%	28.4%	39.0%
Advantaged Groups			
Males	33.9%	31.2%	34.9%
Non-Hispanic Whites	33.1%	28.4%	38.5%
College Educated	38.0%	29.9%	32.1%
Professional/Managerial	43.8%	28.6%	27.6%
Technical/Sales	36.8%	27.7%	35.5%
Disadvantaged Groups			
Females	31.3%	25.3%	43.4%
Nonwhites	30.6%	23.0%	46.4%
Hispanics	27.9%	35.6%	36.5%
High School Dropouts	21.8%	24.4%	53.8%
Clerical/Service	30.5%	27.4%	42.1%
Transport/Laborers	35.6%	24.6%	39.8%

Although the men surveyed were older than their female counterparts, they worked slightly more often in longest jobs and held bridge employment positions with considerably greater frequency. Non-Hispanic whites also had relatively high probabilities of retaining longest positions as of the survey date but Hispanics were most likely to be working in subsequent jobs at that time. The latter result is probably due to the frequency with which Hispanics are employed in agricultural occupations, where labor-force attachments are sustained until relatively late ages.

These results imply that groups disadvantaged during their prime working years not only fail to recover from earlier disparities but rather become increasingly worse off. Although it is possible that the relative reduction in their labor-force participation occurs voluntarily, such voluntary choices are constrained by an inferior set of employment opportunities. In addition, age

discrimination is likely to hit these groups especially hard, with the result that they become doubly disadvantaged.

Both previous research and the regression results in Table 3 indicate that poor health is associated with reduced labor supply among mature adults. It is therefore important to understand the relationship between health status and job-stopping behavior. Most earlier studies have focused on self-assessed health status, which is likely to overstate the adverse impact of health problems for two reasons. First, ill health may represent a more socially acceptable reason for retirement than the preference for leisure. Second, health problems are a prerequisite for receiving disability insurance and certain government transfers.[13]

We avoid using self-assessed status in this analysis. Instead, a measure of health is constructed from a series of 12 questions on health problems and activity limitations. Respondents were asked if they had ever had the following health problems: (1) arthritis or rheumatism; (2) lung disease; (3) hypertension or high blood pressure; (4) a heart attack or other heart trouble; (5) diabetes; (6) cancer or a malignant tumor of any kind. A score of one point was attributed for each positive response. Respondents were also questioned as to whether they had difficulty: (1) walking a mile; (2) doing their own shopping; (3) reading the phone book; (4) using a calculator; (5) driving to and from work; (6) polishing a car. If the respondent stated that he or she could complete the activity with "some difficulty" (as opposed to "no difficulty") a score of one- half point was assigned. A full point was assigned for activities that the individuals said they were unable to accomplish.

Total points for the 12 questions on health and activity limitations were summed to provide a measure of overall health status. The minimum score (0) indicates the best health; the maximum score (12) represents the worst health. Categorical classifications of "good," "average," and "poor" health were assigned for scores of 0, 0.5 to 2, and greater than 2 points, respectively. Using this criteria, 26%, 51%, and 23% of the cohort were in poor, average, and good health, respectively.

Individuals with health problems departed longest jobs at younger ages than others and were less likely to obtain bridge positions than their healthier counterparts. Thirty-eight percent of the nonemployed were in poor health, compared to 17% of those in bridge positions, and 14% of longest jobholders (see Table 11). Corresponding percentages for individuals in good health were 19%, 27%, and 31% respectively.[14] Health is therefore an important determinant both of the timing and pattern of job stopping. Generally, healthy workers stayed on their longest jobs until later ages and, if they did leave them, more often took bridge positions rather than retiring.[15]

The need for health insurance may motivate some individuals to

TABLE 11. Survey Date Employment Status by Health and Activity Limitation Status

		Health Status if:	
	Working in Longest Job	Working in Bridge Job	Not Working
Poor Health	14.0%	16.9%	37.9%
Average Health	54.8%	56.2%	43.1%
Good Health	31.2%	26.9%	19.0%

Note: Health Status is derived from a set of questions on activity limitations (e.g., difficulty walking a mile or reading the phone book) and previous health problems (e.g., lung disease or heart trouble).

remain in the labor force after leaving longest jobs.[16] Nonetheless, most persons take subsequent employment for other reasons. As shown in Table 12, barely half of bridge jobholders (52%) received health benefits from their current employer and fewer than one third (31%) relied exclusively for coverage on the firm they worked for at the survey date. Given that insurance from previous employers often terminates when new jobs are obtained, the percentage for persons in bridge jobs is likely to overstate the proportion of individuals accepting this type of position in order to receive health benefits. Insurance was also purchased by this group for themselves almost as frequently as persons who were not working bought their own (29% vs. 32%). On the other hand, persons who did not have jobs were more likely to report being completely uninsured (15% vs. 11%).

Persons remaining in longest employment had the most adequate health insurance coverage. This is seen by noting that longest jobholders were most likely to have had health insurance of some type, least often had coverage that they had purchased themselves, and were less dependent on Medicare than the other two groups. More than three quarters of those in longest jobs were covered by their employer and almost half obtained their only health insurance from this source.

TABLE 12 . Sources of Health Insurance

	Sources of Health Insurance if:		
	Working in Longest Job	Working in Bridge Job	Not Working
None	5.5%	10.9%	14.5%
Current Employer	75.6%	52.4%	
Previous Employer	3.8%	18.6%	35.7%
Self-Purchased	29.0%	29.4%	31.5%
Medicare	3.0%	3.2%	11.8%
Other	14.6%	17.6%	20.7%
Current Employer Only	48.7%	31.3%	---

Note: Many respondents have multiple sources of health insurance.

We next examine how the job-stopping process is influenced by having: (1) an employed spouse, (2) pension coverage or benefits, and (3) high household income. One plausible hypothesis is that financially needy individuals maintain the strongest attachments to the work world. In this case, nonemployed persons would most often have working spouses, qualify for pensions, and have relatively high household incomes. Longest jobholders would have the least outside support, according to the three criteria, with bridge workers representing a middle ground.

There is, however, considerable reason to doubt the scenario described above. Many researchers (e.g., Burkhauser, 1980; Burt- less & Moffitt, 1984) have found that increased earnings and greater wealth delay, rather than speed, retirements. In addition, we have seen that members of "advantaged" labor-market groups maintain attachments to longest jobs and bridge jobs until later ages than their disadvantaged counterparts. This suggests that employment opportunity, rather than financial need, is the key determinant of the age at which individuals end their longest job and their propensity to work in bridge jobs.

Table 13 provides further evidence that job-stopping behavior acts to increase, rather than reduce, preexisting labor market disparities. Whereas one half of persons working in longest jobs at the survey date had an employed spouse, only 43% of the nonemployed similarly did so (row 1). Of course, lack of employment also translates into lower household incomes. Twenty-six percent of nonworker households received less than $15,000 per year and 63%, under $35,000. Corresponding percentages for longest jobholders were 9% and 44%, respectively, and for those in bridge positions, 14% and 50%.

More than one third (34%) of nonemployed individuals received pension benefits. Although this is considerably higher than the 19% of bridge jobholders and 3% of longest jobholders doing so, the disparity does not indicate that the former group possessed greater pension wealth. Most employers only begin paying benefits after

TABLE 13. Household Income, Pension, and Spouse's Employment Status for Working and Nonworking Respondents

Characteristic	Probability of Selected Characteristic if:		
	Working in Longest Job	Working in Bridge Job	Not Working
Spouse Working	50.1%	49.3%	43.1%
Pension			
Receives Benefits	2.7%	18.8%	34.2%
Covered by Pension Plan in Current Job	74.0%	48.5%	--
1988 Household Income (in thousands $)			
< 15	9.1%	14.1%	25.9%
15–35	34.7%	35.8%	36.8%
35–50	24.2%	22.7%	15.2%
> 50	27.4%	22.9%	14.0%
Not Reported	4.6%	4.6%	8.1%

workers leave the firm. This makes it unlikely that individuals still working in their longest positions at the survey date would have been receiving benefits, even if their eventual pension income would be substantial. To a lesser degree, the same restriction limited the receipt of benefits by persons employed in bridge jobs.

To the extent that pension-plan coverage in current employment indicates subsequent pension payments, persons working in longest jobs have by far the highest probability of ultimately receiving pension payments, while the nonemployed are least likely to do so. Almost three quarters (74%) of longest jobholders at the survey date had pension coverage, which is more than double the proportion of nonworkers who were receiving benefits. Bridge employees were covered approximately half (49%) the time, which adds to the one fifth of these persons already receiving pensions from a previous job.

IMPLICATIONS

Retirement often occurs gradually and includes a substantial period of bridge employment. Bridge positions are neither marginal nor undesirable. Instead, most bridge jobholders work full-time, by choice, and report high levels of job enjoyment. Occupational mobility occurring late in life typically involves upward movement, although the pattern of changes is quite different when it takes place outside, rather than within, the longest job.

The principal concern identified in this article is the limited ability of many workers to either retain longest jobs or to obtain acceptable bridge employment. Women, nonwhites, high school dropouts, and workers in poorly compensated occupations are most likely to leave their longest jobs at relatively young ages. After doing so, they rarely obtain or retain bridge jobs. At the same time, these individuals typically have the least adequate pension coverage and seldom reside in high-income households or have working spouses. Health problems also lead to early departures from the labor force.

Further research is needed to enhance our knowledge of the job- stopping process. For example, we need to understand better the extent to which older individuals are prevented from working because they have unrealistic employment expectations. We also need to know to what degree structural impediments in the labor market, which could be alleviated through changes in business and public policies, are a factor. Nonetheless, several principles for designing policies can be enumerated. First, assistance should target disadvantaged population groups, rather than providing general incentives to all mature adults. Second, labor-market interventions should begin early. As this article and related research make clear, the job-stopping process begins well before "normal" retirement ages, often prior to age 55. Third, policymakers must recognize that many departures from the labor force are voluntary, with the result that broad efforts to delay retirements may make many individuals worse off.

At the same time, the distinction between private and social benefits should be recognized. Many individuals currently respond to pension incentives that encourage early departures from longest jobs. These decisions may be privately optimal, given the structure of the plans, but impose social costs which are borne neither by the worker nor the firm. Similarly, employers are unlikely to consider the social benefits of designing policies that provide jobs for older workers, particularly those who were most disadvantaged during their prime working years.

Untargeted efforts to increase the employment opportunities of older Americans are likely, primarily, to benefit persons with relatively favorable employment options. For instance, elimination of the Social Security earnings test would mainly aid persons who are already working. Conversely, stronger enforcement of Equal Employment Opportunity laws may assist disadvantaged groups directly, by reducing the amount of age discrimination, and indirectly, by broadening the work options available to them at younger ages. Government assistance for older workers (e.g., that provided under Title IIA of the Job Partnership Training Act) might also be usefully expanded beyond traditional placement and training activities to include efforts aimed at restructuring employment opportunities for workers beginning the transition into retirement. In particular, these efforts might focus on increasing the ability of disadvantaged groups to move into bridge jobs while remaining with the career employer.

The labor-market activities of mature adults are extremely diverse. Some individuals work for a single firm their entire life, depart the company in their middle sixties, and never work again. More frequently, workers pass through a number of jobs and retire gradually. These transitions involve complex interactions between personal preferences, household constraints, and labor-market opportunities. The challenge is to construct policies that better reflect and respond to this diversity.

ENDNOTES

1. See Gustman and Steinmeier (1984) and Honig and Hanoch (1985). Also see Iams (1987) for a study of the employment behavior and attitudes of workers after age 62.

2. See Ruhm (1990, 1991), Quinn, Burkhauser, and Meyers (1990), and Blau (1994) for analysis of postcareer employment patterns.

3. For more information on the survey procedures, see Louis Harris and Associates (1989).

4. The standard error of the difference between group means generally ranges between 2% and 4%, depending on the size of the groups and proportions in the specified category. This implies that differences of four to eight percentage points are statistically significant at the 5% level.

5. Probit or logit regressions have a number of advantages over linear probability models when the dependent variables are dichotomous. For this reason, the two equations were alternatively estimated as maximum likelihood probit models. The results obtained were virtually identical to those in the table. The linear probability estimates are focused upon because they are easier to interpret.

6. An individual is classified as being in good health if he or she reports neither health problems nor activity limitations. Further discussion of the classification criteria is provided later.

7. For discussions of the transition into career employment, see Feldstein (1973), Osterman (1980), or Topel and Ward (1992). Investigations of prime-age employment patterns include Akerlof (1981) and Hall (1982).

8. See Christensen (1990) for evidence of the unwillingness of older workers to take undesirable jobs. This does not imply that older workers will never "step down" to less responsible positions. A major finding of the ICF/Commonwealth Fund "Americans Over 55 at Work Program" is that a substantial fraction of non- employed older persons are willing to work

in positions that are inferior to their career jobs, provided that the employment meets specified criteria.

9. This definition of stability refers only to the number of bridge jobs held, not the duration of these positions. Some respondents may have worked in a small number of bridge jobs because their career employment terminated shortly before the survey date, rather than because the bridge positions have lasted a long time.

10. The longest occupation refers to the main occupation held by the individual while working for the employer of longest duration; this may differ from the occupation held at the survey date.

11. The ten categories are: professional/managerial; technical; sales; administrative/clerical; service; farming/fishing/forestry; precision production/craft/repair, machine operators/assemblers/inspectors; transportation/material moving; and handlers/equipment cleaners/laborers.

12. These findings accord closely with Ruhm's (1990) evidence, using data from the 1970s, that 39% of individuals change broad occupations when switching from longest to bridge employment.

13. Bound (1991) provides the best discussion of alternative health measures. Research using health variables *other* than current self-classified status includes Parsons (1980), Bazzoli (1985), and Butler, Burkhauser, Mitchell, and Pincus (1987).

14. The results are not sensitive to changes in the classification criteria for the health variable. For instance, if individuals with scores greater than 1 were classified as being in "poor" health (and those with scores between 0.5 and 1 in "average" health), 57% of the nonemployed were in poor health, versus 38% of longest jobholders and 40% of workers in bridge jobs.

15. These results partially confound the effects of health and age since older persons are both less likely to work and more often have health problems. Empirically, the upwards bias is fairly small, since health problems increase only slightly over the age range studied. For instance, of the four age groups 50-54, 55-59, 60-61, and 62-64, 21%, 24%, 25%, and 26% were in poor health, respectively, while good health was experienced by 27%, 26%, 25%, and 23% of the four groups. Thus, health is much more strongly related to employment status than to age.

16.See Gustman and Steiruneier (1993) or Gruber and Madrian (1993) for recent research examining the effects of health insurance availability on retirement behavior.

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