

Fast Facts from EBRI

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 FFE #91, July 16, 2008

How Long Do Workers Consider Retirement Decision?

WASHINGTON—How long do workers normally consider their decision to retire?

The interval between when workers first begin *thinking seriously* about retirement and *actual* retirement is typically fairly short, with two years or less elapsing between the start of serious consideration and follow-through, according to the results of a survey of recent retirees published by the nonpartisan Employee Benefit Research Institute (EBRI) in the July 2008 *EBRI Issue Brief*, available at www.ebri.org. Here are some of the details:

- Twenty-two percent of the surveyed retirees report they first began thinking seriously about retiring only six months before they left the company, while another 22 percent began serious consideration about one year beforehand.
- Twenty-eight percent started thinking about it 18 months (10 percent) or two years (18 percent) before.
- Only a minority (28 percent) gave their decision serious consideration for more than two years.

	Approximate Length of Retirement Decision-Making Period			
	Total (n=4981)	Health-Related Reason for Retiring		
		Own Health (n=2281)	Spouse's Health (not own) (n=243)	No Health Reason (n=2457)
6 months	22%	19%	31%	24%
1 year	22	21	22	24
18 months	10	9	8	10
2 years	18	19	17	16
3 years	8	8	7	7
4 years	2	3	2	2
5 years	7	8	3	7
More than 5 years	11	13	9	10

Source: Employee Benefit Research Institute, 2008 Recent Retirees Survey.

Several groups of retirees are more likely than their counterparts to have made a rapid decision to retire. Among retirees especially likely to say they gave only about six months of serious consideration to their decision are those who were *not at all* satisfied with their job (31 percent, compared with 20 percent of those with a higher level of satisfaction), those retiring due to their spouse's or another family member's health (31 percent, compared with 19 percent retiring because of their own health and 24 percent with no health-related reason for retiring), those with less than 20 years of tenure (31 percent, compared with 20 percent having more tenure), those who continued to work for pay after retirement (29 percent, compared with 20 percent not working for pay), and women (29 percent, compared with 20 percent of men).

On the other hand, retirees who retired before age 58 (25 percent vs. 16 percent retiring later) or who left due to their own health (21 percent vs. 16 percent not retiring due to own health) are more likely to have considered their decision for at least five years.

The survey involved responses from 4,981 workers in aerospace and defense industry companies who retired in 2003 or later and are currently between ages 55 and 65.

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