Tales from the Road – No Gold Watches and No Retirement

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Recommended Citation
Available at: https://vc.bridgew.edu/br_rev/vol41/iss1/8

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Retirement, the last stage in a series of five career lifespan stages, is simply defined as the cessation of work. Increasingly, in the United States of America, the full-retirement stage may be unattainable and/or undesirable. Many of the Baby Boomer generation may never be able to afford retirement and it’s not our fault! Due to changes in employer pension practices, increases in human longevity, catastrophic economic downturns, and shifting social structures, a majority of Americans age 50+ have less than $10,000 in retirement savings.

Even if we may be able to afford to retire, many still choose to seek bridge employment or other working-in-retirement arrangements, rather than a full cessation of work and complete withdrawal from the workforce. Relevant to the field of management, this phenomenon has resulted in the creation of a new career lifespan stage. The new Working-in-Retirement stage has emerged between the fourth stage, the Maintenance stage (last 10+ years at the top of a career journey, but no longer moving up the career chain), and the traditional Retirement stage (complete withdrawal from the workforce), which is still the final stage in the career lifespan trajectory.

Prior to June 2023, my research about the Working-in-Retirement phenomenon was a mix of academic research and hands-on experience. I served as center director and faculty in several grant-funded positions, developing entrepreneurship programs for individuals who were age 50+ and/or low-income, at two universities. This essay is based on my earlier work as well as sixty talks/interviews I had with people this past summer about their experiences.

Not Retiring

I spent this past summer not retiring. The same was true – not retiring – for many of the people I met over the course of my cross-country travels. My youngest adult daughter hiked the Continental Divide Trail and I had the pleasure of providing two hotel-intercepts, where she could come off trail for a break and sleep in a real bed. While spending two weeks working and waiting in Wyoming and Montana for my daughter to come off trail, and while driving across country twice, through a total of 15 states, I met a lot of people age 50+ at the hotels, motels, and lodges where I stayed, dining next to me in restaurants, and even at the local Friday night rodeo. I’d mention my ongoing research and interest in learning about people working in retirement, or not retiring at all. Wherever I went, people opened up and told me their stories, like a female Harley Davidson motorcyclist who said her husband insisted she couldn’t retire from her job as a coder because of her “Harley habit!” She declared this proudly as she re-tied her bandana around her forehead. As she was walking out the door she turned and said, “I wouldn’t have to retire if they’d let me work remotely.”

Quietly Coerced Retiring

One recurring narrative in my conversations is what I call “Quiet Coerced Retiring.” Person after person confessed, often with more than a little embarrassment, that they had been called into Human Resources, or had received an email, informing them that their job had been eliminated. Often, they were politely escorted out of the building or, if they were being fired/
retired via email, never even returned to company premises. There were no retirement parties, there were no thank yous for the years or decades of service. I certainly didn’t have to ask whether they received a gold watch on the way out the door.

One man I spoke with had worked for a bank in the Chicago neighborhood where he spent his whole life. He started working for the bank as an intern, in the mailroom, as part of a program through his high school. He stayed at the bank after graduating high school and took on various responsibilities over the decades. The bank was sold multiple times over the years, including a federally forced sale/bailout during the global financial crisis of 2008/2009, but always, for 40-plus years, he worked at that bank location, employed by each successive bank owner. The man didn’t miss a day of work during the COVID pandemic, major snowstorms, or due to personal matters. And then, when his direct supervisor was on vacation for a week, this 61-year-old man was called into the bank’s human resources office and informed that his job was being eliminated, outsourced to a national company. He was given the telephone number of the national company to see if they might be hiring and was told he could file for unemployment benefits. When he asked about his pension, the human resources department (of the bank that recently acquired the bank location) replied that they did not have any information about the pensions the man may or may not have earned from any of the prior bank owners over the past 40 years.

Afraid he would no longer be able to make the mortgage payments on his home, he overcame the hesitation he had (due to embarrassment about his predicament) and reached out to his family and people he knew in the community to try to find work. It was several months before he finally found a new full-time job, paying slightly above minimum wage. And he felt fortunate to have found two small part-time jobs while searching for full-time employment. As he told me when we last spoke, “I’ll need the full-time job and the two part-time ones to keep up with things. They’re just not paying me good money like the bank was paying.” I didn’t ask him if or when he planned to retire, even though it appears the Maintenance stage of his career lifespan has ended.

Unfortunately, this is one of the sad realities for many individuals aged 50+ in the Working-in-Retirement stage. Very few are earning as much as they did during the Maintenance stage of their career.

It’s Not Our Fault!

Accelerated Forced Retirement
53% of age 50-54 partially or fully forced into retirement, per Urban Institute (Johnson & Gosselin, 2018).

Inadequate Retirement Savings
With the U.S. economy (and global economies) on the brink of a recession this cause will only get worse.

Pre-recession youth focus of American culture.

2008-2009 Global Financial Crisis & Great Recession
 Employer transition from defined benefit pension plans to defined contribution.


Unprecedented Debt Levels
The largest holders of college debt are Baby Boomers’ debts for their kids & grandkids.

Healthier living leads to longer lives, and inadequate actuarial forecasts in financial planning.

Parents living longer, needing more care, and leaving less inheritance.

The largest holders of college debt are Baby Boomers’ debts for their kids & grandkids.
in retirement until something unexpected happened to a spouse, family member, or themselves. Whether the unplanned issues were health related, a result of life changes such as divorce, or due to substantial loss of value in their underlying assets (e.g. due to the housing and financial crisis of 2008/2009), the pool of retirement savings was drastically reduced for many of these older entrepreneurs.

Despite these dire straits, the seniors I met were resilient, optimistic, and motivated to keep moving forward. Several of the age 50+ entrepreneurs invested some of the little money they did have to obtain U.S. patents and/or currently have patents pending for inventions. Many of them have extensive experience in their industries but worked mostly for companies during their careers. So a lot of them have little prior experience raising the capital required to launch and grow an entrepreneurial venture. Furthermore, many of them don’t have experience launching an entrepreneurial venture and growing it from nothing into something.

While the impact of increased profits was immediately evident on companies’ balance sheets, the devastating impacts on individual Americans who have to work until they drop dead, due to severely inadequate retirement savings, and/or spend their final years living in poverty, are just starting to be felt.

**Access to Capital Issues for Older Entrepreneurs**

One alternative to low-paying or sporadic part-time bridge employment is senior entrepreneurship. I first started working with older entrepreneurs through the AARP Foundation’s “Work for Yourself at 50+” program. I quickly became aware of the unique obstacles faced by older entrepreneurs, including an often urgent, even desperate, need to generate income.

In the Netflix series *Grace and Frankie*, Jane Fonda’s and Lily Tomlin’s characters have difficulty raising funding for their business, which they believe is at least in part due to age discrimination. Jane Fonda’s character lamented that the bankers were afraid they wouldn’t live long enough to pay back the loan, even though it was a business loan and Jane Fonda’s character was a successful entrepreneur who had completed a second-generation transfer of her first business to her daughter.

During my travels this summer I discussed access to capital issues with several people aged 60 to 90+. They told me their ventures had to be successful so they could generate the income they needed to live. Many told me they had been doing fairly well financially in retirement until something unexpected happened to a spouse, family member, or themselves. Whether the unplanned issues were health related, a result of life changes such as divorce, or due to substantial loss of value in their underlying assets (e.g. due to the housing and financial crisis of 2008/2009), the pool of retirement savings was drastically reduced for many of these older entrepreneurs.

Despite these dire straits, the seniors I met were resilient, optimistic, and motivated to keep moving forward. Several of the age 50+ entrepreneurs invested some of the little money they did have to obtain U.S. patents and/or currently have patents pending for inventions. Many of them have extensive experience in their industries but worked mostly for companies during their careers. So a lot of them have little prior experience raising the capital required to launch and grow an entrepreneurial venture. Furthermore, many of them don’t have experience launching an entrepreneurial venture and growing it from nothing into something.

Many older entrepreneurs continue working full-time or part-time jobs while trying to launch their new business. Others, having no source of income from employers, resort to taking on debt or selling their home to fund it. One of the oldest entrepreneurs, with a patent pending on one of his inventions, in an industry in which he had held senior marketing executive roles for several decades, has a wife living in assisted living because she needs full-time medical care. He had to sell the moderately-priced condo they had planned to live in during their retirement years and move to a smaller apartment alone. He’s planning to use some of the proceeds remaining from the sale of their residence to fund his venture. While he and his wife have three adult children, none of them are able to contribute financially to help with their parents’ situation. What once seemed like an adequate retirement situation financially is now a rapidly dwindling nest egg that can sustain the couple only a few more years until it is completely depleted.

This man understands the importance of having succession plans and actual successors built into the business from
day one, to provide investors with confidence that they will be paid even if the founder dies, and to ensure that his wife and estate receive some benefit from his invention should he die before she does. The need to care for his wife, the urgent need to generate income, his decades of experience launching new products for major corporations in the industry, and his drive for an accelerated time frame will hopefully make this a glowing success story – this senior entrepreneur is literally betting everything he has on it!

A Change in Direction is Needed

When corporations provided defined benefit pension plans for employees, corporations were rewarded with loyal employees who stayed with the company for decades, rising through the management ranks, contributing to company profits, and eventually, after a 10-to-15-year Maintenance period at the top of their careers, passing the reins to the next generation. Retiring seniors could rely on the company to which they had dedicated their careers paying them a monthly pension for the rest of their lives. Corporate-funded benefit plans, employee retirement security greatly diminished across the United States.

While the impact of increased profits was immediately evident on companies’ balance sheets, the devastating impacts on individual Americans who have to work until they drop dead, due to severely inadequate retirement savings, and/or spend their final years living in poverty, are just starting to be felt. “More Baby Boomers Become Homeless” was the title of a front-page article in The Wall Street Journal predicting a mounting “Silver Tsunami” (Najmabadi, 2023). I pursued and completed my doctorate degree and a graduate-level Public Leadership Credential because I want to avert what I see as an impending national crisis.

The one-way path we relied on in the post-defined-benefit-pensions world to provide for seniors’ retirement isn’t adequate. Senior citizens shouldn’t be desperate, enduring unprecedented financial stress, and forced into making decisions about selling off their homes or delaying health care expenses during the last stages of their careers and lives. If not ignored, and instead viewed from a different perspective, the Working-in-Retirement phenomenon has the potential to spur a substantial wave of American productivity and innovation as people in the last stages of their working lives continue to be engaged in gainful and meaningful endeavors.

Seniors’ working-in-retirement contributions should be valued by companies and society at large and should be well-compensated. Public policy interventions related to supporting older workers in the workplace via bridge employment and other opportunities should be considered. Education and retraining regarding new technologies should be anticipated and funded. And, given that entrepreneurship may be the best income-generating alternative for many older Americans, consider how to provide the business management education and access to capital these senior entrepreneurs need to be successful. At age 60+, they can’t afford to fail!

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