Pathways to Labor Force Exit: Work Transitions and Work Instability

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The purpose of this study is to examine alternative pathways to labor force exit among older men. Based on the life course perspective, we distinguish between crisp exits from the labor force, which are characterized as being unidirectional, and blurred transition patterns, which include repeated exits, entrances, and unemployment spells. Using longitudinal data from the 1984 Survey of Income and Program Participation, we find that one-quarter of the sample of men aged 55 to 74 at first interview experienced at least one transition in labor force status over a 28-month observation period. Fewer than half of these can be characterized as crisp exits from the labor force. Our multivariate analysis suggests that blurred transition patterns are likely part of an effort to maintain economic status in later life.

A LIFE COURSE approach to late-life work behavior prompts us to consider the diversity of pathways out of the labor force (Elder, 1985). Conventionally, a single, unreversed, and unambiguous exit from the labor force is cited as the normative pathway for relinquishment of the worker role. Based on this assumption, much extant research focuses on the timing of retirement as a discrete event. Recent research illustrates clearly that these conventional understandings characterize the experience of only a segment of the older population. For many individuals, the retirement process is more consistent with the idea of a "blurred" transition, in that the pathway out of the world of work may span months or even years, may include repeated moves in and out of the workforce, and may even include periods during which the roles of worker and retiree are held simultaneously. In shaping a strategy for analysis, such a conceptualization directs our attention away from focusing strictly on events and transitions, toward an examination of sequences of behavior. Recent research on labor force re-entry has documented one aspect of this sequence but excludes other key components.

We estimate the extent to which "crisp" exit patterns are typical of older men, and examine the alternative patterns evident in the life histories of individuals approaching the end of their work lives. Sources of this divergent patterning are then examined. Due to well-documented gender differences in work behavior throughout the life course (Moen and Smith, 1986), only men are examined to avoid the confounding effects associated with the different processes underlying labor force decision-making among men and women. Based on our analyses, we suggest that blurred transitions may be strategic: the result of status maintenance efforts on the part of many older men. These behaviors are most characteristic of those who are approaching old age with limited economic resources.

Late-Life Labor Supply and Transition Behavior

Labor force behavior in later life has substantial implications for economic well-being (Pampel and Hardy, 1994) as well as for status maintenance (Calasanti and Bonanno, 1992), and earnings remain an important source of income among those over 65 (Treas and Torrecilha, 1995). In response to the recognized importance of labor supply for overall well-being, a considerable volume of sociological and economic research has accumulated in an effort to understand the mechanisms underlying continued labor force attachment. Some of this literature has been based on insights offered by the life course perspective.

The life course perspective. — Elder (1985, p. 31) identifies trajectory and transition as "central themes" in the study of the life course. Trajectories, or pathways as they are sometimes called, occur over an extended period of time and are composed of a sequence of events or transitions in state. A work trajectory, for example, is composed of a sequence of work transitions which may include employment, unemployment, and nonparticipation over adult life. Events are interdependent throughout the life course both within and across trajectories. Early work experiences shape work behavior in later life, and components of different "careers" are linked. For example, work transitions may be linked to changes in marital or parental roles. An essential goal of the life course approach is to examine and understand diversity in the character of pathways, as well as of their component events and sequences.

Consistent with the life course approach, many researchers now view retirement as a process rather than a single event or status. The status of "retiree" is not inevitable; moreover, when entered it is not necessarily an absorbing state. For example, Parnes and Sommers (1994) show that a sizable minority of men work past age 70 and occasionally...
past age 80. Further, late-life work transitions frequently include repeated work exits and reentry (Beck, 1985; Hayward, Grady, and McLaughlin, 1988; Hayward, Hardy, and Liu, 1994; Treas and Torrecilha, 1995) as well as episodes of partial retirement, or shifts to part-time work. In short, labor force withdrawal patterns in later life are substantially more complex than previously recognized (e.g., Anderson, Burkhauer, and Butler, 1984; Fuchs, 1982; Gustman and Steinmeier, 1984; Honig and Hanoch, 1985; Quinn, Burkhauer, and Myers, 1990; Ruhm, 1990). Despite this recognition of retirement as process rather than event, the research literature continues to focus on work-related events, albeit increasingly examining a complex array of outcomes beyond labor force exit.

Two elements of life course transitions have received the most extensive attention: (a) the timing of critical events; and (b) the extent to which linked transitions, or sequences, can be considered orderly or disorderly in character. Studies of the early stages of the adult life course have explored the implications of early as opposed to late or on-time marriage, as well as the degree to which linked transitions such as school-leaving, marriage, and parenthood follow a predictable, normative order. With reference to late-life work behavior, an interest in the timing of labor force exit or retirement has generated a considerable body of literature documenting the secular decline in age at retirement as well as the growing diversity in this timing. The overall level of order in the retirement process has received less attention, in part because a clear conceptual understanding of what currently characterizes an "orderly" work-ending is lacking. Orderly transitions imply that certain norms and values regarding the timing and sequencing of linked roles underlie behavior; yet in the case of retirement, these norms have been changing rapidly in recent decades (Laczko, 1989; Schuller, 1989).

As an alternative conceptualization, orderly transitions may imply some concurrence between behavior and the individual's plans or expectations. Following this logic, Ekerdt, Vinick, and Bosse (1989) find that although a large share of their study participants retired close to the time planned, about one-third failed to meet their expectations (or, alternatively, failed to accurately predict timing), indicating a substantial degree of "disorder" in the retirement process.

CRISP VS. BLURRED PATTERNS OF LABOR FORCE EXIT

— Rindfuss (1991) notes that events for which a precise time point can be defined marking the end of all components of the first role and the beginning of the second, such as births or deaths, may be considered "crisp" transitions. In contrast, "blurred" transitions are characterized by a gradual role transition, or a period of time when the two roles are overlapping. For example, Rindfuss suggests that many young adults experience a transition from singlehood to married that has been blurred by cohabitation. In the case of late-life work behavior, a clean break from employment via a single, final labor force exit would reflect a crisp transition. A blurred transition is characterized by repeated labor force exits and reentries or the combination of retirement and work. Although a close examination of blurred transitions as such has not yet occurred in the literature on late-life labor force behavior, Pampel and Hardy (1994) cite the "blurring" of work and retirement among those who partially retire, and others refer to the growing "ambiguity" of late-life labor force experience (Schuller, 1989).

Inasmuch as blurred transitions measured explicitly as sequences or patterns of events are seldom examined, we have little evidence regarding their significance (Rindfuss, 1991). Although Rindfuss (1991, p. 505) notes that "the extent to which transitions are crisp or blurred probably has important effects on subsequent stages of the life course," extant literature provides little direction for anticipating these effects at any point in the life course. Abbott (1995; Abbott and Hrycak, 1990) suggests that the antecedents of divergent patterns also may be important, and cautions against an exclusive emphasis on discrete and often presumably "normative" transition patterns (e.g., a crisp exit to retirement). Following this logic, we expect that an exit embedded within a more complex pattern of change may be different from the unidirectional, crisp exit conventionally known as retirement, and that the antecedents of blurred transitions may differ from those of crisp transitions.

ANTecedENTS OF A BLURRED TRANSITION. — For direction in anticipating the antecedents of blurred work transitions in later life, we turn to the literature on status attainment and maintenance in later life (e.g., Henretta and Campbell, 1976; Pampel and Hardy, 1994). This literature suggests that disadvantage is reproduced throughout the life course such that individuals with marginal economic resources at midlife typically enter old age in similar circumstances. Rather than becoming either leveled or exacerbated with increasing age, status differences appear by and large to be maintained in later life. Pampel and Hardy (1994) note that, as in earlier stages of the life course, labor force behavior may be an important vehicle whereby status is negotiated in old age. Thus, work behavior in later life may reflect underlying inequalities among members of the older population (Calasanti and Bonanno, 1992; Hayward and Grady, 1990). Following these arguments, patterns of labor force activity in later life may be seen as extensions of behavior earlier in the life course, as well as a response to threats to economic well-being.

This view is consistent with a preponderance of research evidence on late-life labor supply in general, particularly research on low-wage populations and on reentry following retirement. For example, in her evaluation of work behavior among older African Americans, Gibson (1987) notes that worker and nonworker statuses often are confounded in that many persons report being out of the labor force yet not retired — a labor force category she terms the "unretired-retired." Gibson argues that this hybrid status arises due to several conditions common among low-wage populations, including a lack of distinction between unstable work patterns in youth and old age, and a recognition that one must continue to work from time to time even beyond retirement age. One behavioral outcome of being "unretired-retired" is a sequence of work and nonwork consistent with our description of a "blurred" transition. Applied to lower status populations in general, this argument clearly suggests that "hybrid" statuses as well as "blurred" transitions may be a result of prior work patterns and limited economic resources.
Studies focusing on transitions back into the labor force following retirement also support this hypothesis. Calasanti and Bonanno (1992) find that many individuals reenter the work force in an apparent struggle to maintain their preretirement status or, at least, an acceptable standard of living. Ruhm (1990) also suggests that reentry is linked to status maintenance, finding that those ineligible for a pension are more likely to cycle back into the work force.

Following these insights, our primary hypothesis is that economic resources — specifically, lack of pension and low level of nonwage income — are key factors dissuading older men from crisp exits and permanent retirement, toward more blurred transition patterns. That is, limited nonwork resources are expected to be associated with a higher probability of experiencing a blurred labor force exit. Our emphasis on economic and status maintenance arguments is consistent with the bulk of the research literature suggesting that these considerations play a dominant role in labor supply decisions among older men (e.g., Fields and Mitchell, 1984). An accurate assessment of this hypothesis requires that we take into consideration additional processes shaping blurred transitions, however. Included among these alternatives are (a) the residual effects of unstable work patterns over the life course; (b) the obstacles to working posed by poor health; and (c) the desire to maintain some attachment to the worker role.

As argued by Gibson (1987), repeated work transitions in later life may be the result of similar patterns occurring earlier in the life course. We therefore expect that low levels of work experience earlier in life may carry over into old age, resulting in a pattern of blurred transitions. Many observers note the growing importance of health and disability on work patterns (Hayward and Grady, 1990; Smith, 1985). Insofar as poor health serves as a barrier to work, it is expected to be associated with nonwork and crisp exits as opposed to working. Among men who feel a strong normative obligation to work, or those with only moderate disabilities, health problems may result in blurred transition patterns. Finally, a segment of older men, particularly those with careers that are intrinsically satisfying, may avoid nonwork well into the retirement years. Older men with a strong preference for work or attachment to the work role, proxied here by occupation (Hayward and Grady, 1990; Hayward, Hardy, and Grady, 1989) and education (Parnes and Sommers, 1994), may also display blurred exits from the labor force. For these men, blurred transitions reflect the continued lure of the work role even in the absence of significant economic need.

A life course approach to late-life labor force behavior suggests that several alternative pathways to labor force exit likely occur among the older population. Inasmuch as transitions in work status are costly in terms of wages, leisure, investment, and training or other costs, it can be assumed that most decisions will reflect fairly stable commitments to a given status. However, as documented here, some individuals display patterns of behavior that represent repeated, short-term forays into and out of the labor force, often accompanied by spells of unemployment. Our goal in the ensuing analysis is to estimate the extent to which such blurred transitions occur, and to establish key differences in the behavioral antecedents of this patterning as opposed to crisp transition patterns and nontransitional work statuses.

**METHOD**

**Methodological implications of the life course approach.** — The life course approach suggests that analytical attention must be directed to both events and sequences or patterns. Although some investigations have focused on sequences per se (Hogan 1978; Moen, 1985), empirical investigations using the life course approach frequently focus on discrete events, some of which conform to Rindfuss’s (1991) definition of a ‘‘crisp’’ transition and some of which are misclassified as such (Abbott, 1995). For example, a common approach in the literature on late-life work behavior involves estimating transitions based on pairs of observations one or two years apart, with interim statuses ignored, not observed, or assumed to be inconsequential. More complex patterns of change, involving multiple transitions occurring over repeated observations, have not been effectively summarized. Several writers (Abbott, 1995; Mayer and Tuma, 1990; Rindfuss, 1991) point out that the development of dynamic techniques such as hazards models or event history models, while providing a wealth of critical information about transitions which are in fact crisp, have supported this emphasis on events, despite the theoretical arguments focusing also on sequences.

The practical significance of this emphasis for the problem at hand is central to our understanding of the diversity of transition patterns. Insofar as work transitions in later life are of the ‘‘crisp’’ variety, event history-type models provide an accurate depiction of behavior. However, for the segment of the population that displays blurred patterns of transitions, event history-type models may be misleading. The argument that a labor force exit (or entry, for that matter) takes its meaning not in isolation as a change in status, but rather within a particular context of other exits (entries) preceding and following that event prompts us to consider blurred transitions as patterns rather than as isolated events. In making this critical distinction between blurred and crisp transitions, we are unable to use dynamic modeling techniques that have been successful in the examination of discrete events. This is the result both of the fact that dynamic techniques for blurred transitions are not yet well developed, and of limitations of the data set used here. The resultant loss of information on state duration is deemed a necessary trade-off in our effort to learn more about the patterns anticipated here.

**The data.** — We use data from the 1984 panel of the Survey of Income and Program Participation (SIPP; for a detailed description of these data, see Kasprzyk et al., 1987). The SIPP provides national coverage, relatively large sample size, and a wide range of relevant variables. Respondent data on labor force behavior as well as demographic characteristics, economic resources, and household and family composition are obtained at 4-month intervals. During the third wave of interviews, retrospective information on work history and contemporaneous indicators of health are acquired; during the fourth wave of interviews, informa-
tion describing pension eligibility is recorded. The focus of our analysis is the labor force data recorded at each of the first eight interviews, describing behavior of the respondent over the month prior to interview.

Our analysis focuses on White and Black men aged 55 to 74 at first interview, who report having had at least 6 months of continuous work history at some time during their lives. Our sample excludes men who have had a life-long disability and/or who lack any appreciable work attachment. Age 55 is widely regarded as the normative lower limit of the transition to retirement period (DeViney and O’Rand, 1988), and few men over age 74 are working or considering work. Moreover, we exclude men who are neither White nor Black due to the small number of respondents reporting other races. The sample is further restricted to individuals who did not leave the sample prior to the end of the survey. Attrition rates and patterns of premature exit in the SIPP are similar to those in other national longitudinal surveys (Citro and Kalton, 1993).

Assessing blurred transition behavior. — Our measurement strategy is designed to distinguish among those who display crisp versus blurred labor force transition patterns. Contrasts are further developed with those who report no transitions in labor force status over the observation period, being either continuously working or nonworking. We develop a categorical measure that summarizes behavior over a period of time. As noted by Moen (1985), this focus is consistent with the life course approach in its emphasis on patterns of attachment and on continuities and discontinuities in labor supply, as opposed to likelihood of employment at a particular point in time. The key indicators of work behavior assessed here include employment status and unemployment experience. Our outcome measure identifies meaningful transitions across these statuses and summarizes them over eight observations in the SIPP, spanning 28 months. We first classify respondents at each observation according to whether they are working, unemployed, or not working during the month preceding interview. In summarizing these behaviors over the eight observations, the potential for a very large and intractable number of unique response patterns exists. In our initial examinations of the data, we discovered that many of the theoretically possible patterns do not emerge in the data. In addition, a substantial share of the observed patterns reflects minor differences in timing as opposed to sequence (e.g., exiting work in the third as opposed to the fifth wave). The patterns reflecting unique yet meaningful sequences are portrayed in Table 1.

Response patterns A and B reflect nontransitional statuses and, taken together, capture the activity of about three-quarters of the sample. Pattern A represents the group of respondents who report working in all waves of the survey. About a third of the weighted sample displays this pattern. Our decision to assign individuals who report being unemployed during a single wave to the continuously employed category (Pattern A) is designed to avoid including with the transitional groups those who report single, short-term unstable events (about 5.5% of Pattern A). Men who move between full-time and part-time work over the course of the survey, but reported no other changes in work status, are also included in Pattern A. Pattern B includes those in a continuous nonworking status during the survey: this pattern captures 41 percent of the sample.

Pattern C is termed “crisp exit” because a single exit from the labor force, representing 10 percent of the sample, is observed. This pattern is one that researchers and lay persons alike perceive as normative and traditional. The final pattern (D) includes respondents who report two or more transitions between labor force participation and nonparticipation, two or more spells of unemployment, or a combination of spells of unemployment, labor force exit, and/or reentry, and makes up our blurred transition category. Individuals observed making a single reentry to the workforce are also included in this category. Although in preliminary analyses reentrants were retained as a distinct response pattern, this category included only 1.4 percent of the sample, fewer than 50 cases, making detailed analysis inadvisable. Moreover, logistic regression models indicate minimal differences in the antecedents of reentry and other transition patterns making up Pattern D.

Fifteen percent of the sample respondents are included in this category; inflating the sample data to population levels, this represents over two million men in this age group. These results show that blurred transition patterns are common among older men, at least as common as crisp exits. Additional analysis of the blurred category reveals that about two-thirds reported two or more transitions in and out of the labor force. More than half of these respondents experienced some unemployment, and nearly 60 percent reported some part-time work, although most were predominantly employed full-time during their work episodes. Due to the censored nature of these data (ending after 28 months of observation), we cannot know how many of those reentering would subsequently re-exit or, indeed, how many experiencing a crisp exit during the observation period may have subsequently re-entered. Our “uncensored” cases (those exiting during the second wave and reentering prior to the end of study) re-entered about six months following exit, on average, suggesting that some share of the single exit group would have returned had the study period continued. As noted by Hayward, Hardy, and Liu (1994), reentry following exit occurs quickly, if at all. Moreover, about half of the men observed

Table 1. Patterns of Labor Force Activity Over Eight Interviews Spanning 28 Months. White and Black Men Aged 55–74

<table>
<thead>
<tr>
<th>Response Pattern</th>
<th>Observations</th>
<th>Percent of Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Transitions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working</td>
<td>W W W W W W W W</td>
<td>33.6%</td>
</tr>
<tr>
<td>Nonworking</td>
<td>N N N N N N N N</td>
<td>41.3</td>
</tr>
<tr>
<td>Transitional</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crisp exit</td>
<td>W W W N N N N N</td>
<td>10.1</td>
</tr>
<tr>
<td>Blurred exit</td>
<td>W W U U U N N W</td>
<td>15.0</td>
</tr>
<tr>
<td>Total number of cases: 2226</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes: W = Working; N = Not working; U = Unemployed. Calculations are weighted. Men with no more than one report of unemployment are included in response category A. See text for additional description of response patterns.

entering the labor force during this observation period subse-
sequently re-exited. Based on a description of these patterns,
and consistent with Gibson's observations, we argue that
many reentries are of short duration and represent blurred
patterns of exit rather than a recommitment to the work role.

Due to the relatively short 28-month window of observa-
tion, our estimate of the rate of blurred transitions for this
group is somewhat conservative. While it is unlikely that
the continuously nonparticipating men would reenter the
workforce, it is probable that some of the men continuously
working during our observation period will experience
blurred exits and, as noted, some share of the crisp exit
group may have been initiating or ending a blurred pattern
not observed here. These patterns are therefore not as dis-

tinct as would be afforded by a data set with a longer panel
length. However, the repeated, closely spaced observations
offered by the SIPP are essential to a test of our hypotheses,
and the conservative nature of these estimates should be kept
in mind as we discuss the results of the analysis.

Independent variables. — The key antecedents of transi-
tion patterns examined here are the economic constraints to
nonwork posed by low levels of nonwage income and lack of
pension. We assess pension eligibility by reports of receipt
of private pension income or future eligibility for receipt if
the individual should stop working. Nonwork income is
assessed by combining all nonwage income of the respond-
tent and his spouse, if married, plus the wife's earnings, if
any are reported, for the 4 months prior to interview. In other
words, this indicator includes all income of the individual or
couple less the respondent's own earnings (see Parnes and
Sommers [1994] for a similar measurement strategy). Al-
though taking partner's income into account is essential for
providing an estimate of a person's actual standard of living,
this strategy likely overstates the standard of living among
married persons as compared to single persons. Therefore,
marrid persons' joint income is deflated by 0.8, yielding an
estimate of family nonwage income that takes into account
economies of scale associated with marriage as well as the
extra costs and resources of additional members. Our mea-
sure of income underestimates the nonwage income of those
respondents who are still working and not receiving transfer
income, such as pensions or Social Security, to which they
might be entitled if they were to stop working. Parnes and
Sommers (1994) suggest that the extent to which this endo-
genicity is a problem may be assessed by estimating the
multivariate coefficients while excluding income from the
model. We consider this issue further in the Results section.

As noted above, likely alternatives to this effect include
(a) the residual effects of unstable work patterns over the life
course; (b) the obstacles to working posed by poor health;
and (c) the desire to maintain some attachment to the worker
role. To assess unstable work patterns we start with the self-
reported number of years during which the respondent
worked at least half of the year, the only measure of work
experience available in the SIPP. These self-reported years
of experience reflect differences in work attachment due to a
variety of factors, including educational activities and age-
graded and cohort variations in work patterns as well as gaps
or discontinuities in work attachment. Our final measure
identifies those falling into the bottom quintile of experi-
ence, adjusted for education and age. This measure is not
significantly associated with self-reported levels of retire-
ment, suggesting that it is not simply a proxy for early
withdrawal from the labor force. Moreover, pension eligibil-
ity is significantly less common among the low-experience
group, suggesting that this group is marginal in terms of
work attachments.

Health is based on respondent rating, using a 5-point scale
ranging from excellent (1) to poor (5). Self-reported health is
obtained in the third wave of the SIPP, or about one year into
the interview cycle. Some observers suggest that self-reports
of this kind reflect a desirability bias whereby those who are
not working justify this status through real or fictive reports
of poor health. Alternative measures, such as reports of bed
days or visits to health care professionals, suffer from
response biases as well (see Bound, 1991, for discussion).
We use this measure with appropriate caution.

Preference for work is a difficult concept to measure with
the best of data, and the SIPP includes no attitudinal infor-
mation that might directly assess attachment to the work
role. We proxy preferences using a combination of educa-
tional attainment and occupation. In addition to capturing
"taste" for work, education provides an indirect measure of
expected wage rate, work skills, and wealth (Parnes and
Sommers, 1994). After exploring many different transfor-
mations of educational attainment, we determined that the
best model fit was provided by a simple continuous measure
of years of formal education. For occupation, a categorical
measure contrasts those reporting professional or managerial
occupations with all others. We reason that these occupa-
tions may be more linked to one's sense of identity as well as
offering more intrinsic rewards and fewer physical demands.
We assign occupation based on our best assessment of career
job, which takes into consideration current labor force sta-
tus, pension receipt, and tenure in current or most recent job.

Several other variables have been discussed in the litera-
ture as important in conditioning labor supply decisions,
including respondent's age, self-employment status (Blau,
1987; Hurd, 1993), marital status (Henretta and O'Rand,
1983; Henretta, O'Rand, and Chan, 1993; Szinovacz,
1989), and race (Burr et al., 1996; Hayward, Friedman, and
Chen, 1996; Welch, 1990). Age and race are assessed at first
interview. Self-employment status is based on current or
most recent job. Marital status is based on presence of a
spouse and her labor force status. In preliminary analyses,
presence of dependent children in the household was also
included in the model as a control for possible ongoing
demand for wage income (Hardy, 1982; Hausman and Wise,
1985). It is excluded in the present analysis due to lack of
contribution to statistical fit of the model.

RESULTS

We begin our analysis by exploring the association be-
tween the patterns of work behavior and age. Inasmuch as
the age dependence of labor supply is well-established
(Peracchi and Welch, 1994), the extent to which age deter-
mines the patterns of change addressed here is an important
question. Cumulative percentage distributions of these labor
force patterns by single years of age at initial interview are
displayed in Figure 1. Because the labor force patterns depicted here summarize behavior over a 2-year period, and age is reported at the beginning of these 2 years, this graph indicates patterns of change by initial age. For example, roughly 68 percent of those age 55 at initial interview reported continuous labor force participation throughout this 2-year period. In contrast, only about 15 percent of those age 65 at first interview experienced continuous participation. This figure shows that the majority of all age groups report no transitions in work status, either working at all observations or reporting no work during this time period, although the balance between participation and nonparticipation shifts with initial age. Among the youngest respondents, nearly 80 percent are in the same labor force status across each interview, about 70 percent working and 10 percent reporting no work. Around 85 percent of the oldest members of the study display unchanging patterns of behavior, and the vast majority of these are nonworkers throughout the observation period. The crisp exit pattern is most commonly observed among men younger than age 65. Blurred transition patterns are not unique to any particular age group, but are somewhat more common for men aged 60 to 67 at first interview. Beyond the age of 68, blurred transitions are uncommon, indicating that labor force exit and the status of nonworker are more permanent among the oldest men.

Table 2 includes descriptions of the bivariate associations among the key independent variables and the four labor force activity patterns developed for this analysis. Although these results are not discussed here, we note that most of the variables have statistically significant bivariate associations with the work behavior patterns.

Multivariate results. — To estimate our multivariate models, we use multinomial logistic regression techniques (Maddala, 1983). Our categorical measure of work behavior is regressed on the key independent variables as well as the control variables (see Table 3). Models including interactions with age and with other independent variables were tested but are not presented here due to consistently weak contributions to model fit; relevant exceptions to this generalization are discussed below.

Our primary hypothesis is that limited economic resources outside of one’s own earned income, assessed here by pension availability and nonwage income, are associated with blurred transitions as opposed to crisp exits and permanent nonwork. Substantial support for this hypothesis is provided in Table 3. Holding constant those measures reflecting alternative processes that may shape blurred transitions, such as low work experience, men who report receiving or being eligible for pension income are significantly more likely to experience a crisp exit as opposed to a blurred transition over the course of the observation period. Interaction terms of pension with age (not shown) suggest that the effect of pension eligibility declines with age. Men
economic resources are significantly less likely than their cannot completely resolve this problem using the SIPP data. Note, however, that level of nonwork income may be partially endogenous with work status in that continuous workers and instead work consistently without sporadic exits. However, excluding the income variable from the otherwise limited nonwage income and lack of a pension by retaining may not yet be receiving the full amount of Social Security transition patterns may indicate that the most economically display continued attachments to the workforce, albeit in nonwage income appear to prompt some older men to exits from the labor force. Phrased differently, low levels of income in the absence of work. Taken together, we are confident that economic shortfalls prompt some men to the crisp exit contrast, and pension eligibility loses significance. The crisp exit group of men comprises those for whom nonwork income estimated after labor force exit occurs (end of survey) would be a substantially better estimate of income in the absence of work. Taken together, we are confident that economic shortfalls prompt some men to experience multiple, short-term forays into and out of the labor force and that this process is central to the experience of blurred transition patterns.

### Table 2. Sample Characteristics by Labor Force Activity Pattern (Percentages Unless Otherwise Noted)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Working</th>
<th>Not Working</th>
<th>Crisp Exit</th>
<th>Blurred Exit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension Eligibility</td>
<td>33.5%</td>
<td>40.8%</td>
<td>11.3%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Nonwage Unit Income* (Median 4-month total)</td>
<td>$2093</td>
<td>$4053</td>
<td>$2572</td>
<td>$3106</td>
</tr>
<tr>
<td>Experience*</td>
<td>37.3</td>
<td>35.8</td>
<td>11.2</td>
<td>15.7</td>
</tr>
<tr>
<td>Health*</td>
<td>46.7</td>
<td>25.8</td>
<td>9.2</td>
<td>18.3</td>
</tr>
<tr>
<td>Education* (median)</td>
<td>12</td>
<td>11</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Career Occupation*</td>
<td>30.9</td>
<td>44.2</td>
<td>10.2</td>
<td>14.7</td>
</tr>
<tr>
<td>Age* (median)</td>
<td>59</td>
<td>67</td>
<td>62</td>
<td>62</td>
</tr>
<tr>
<td>N of cases (unweighted)</td>
<td>729</td>
<td>961</td>
<td>216</td>
<td>320</td>
</tr>
</tbody>
</table>

Note: Calculations are weighted. Source: 1984 Survey of Income and Program Participation.

*association between independent variable and labor force activity pattern significant at \( p < .05 \) or better, based on analysis of variance (income, education, age) or chi-square test (remaining variables).

with higher nonwage incomes are also significantly more likely to be nonworkers than to experience a blurred transition pattern.

These results suggest that older men may supplement limited nonwage income and lack of a pension by retaining some attachment to the labor force. Individuals with limited economic resources are significantly less likely than their better-off counterparts to display smooth and unreversed exits from the labor force. Phrased differently, low levels of nonwage income appear to prompt some older men to display continued attachments to the workforce, albeit in sporadic patterns. The finding that nonwage income is negatively associated with continuous work as opposed to blurred transition patterns may indicate that the most economically insecure individuals are unable to reduce their work commitment, and instead work consistently without sporadic exits. Note, however, that level of nonwork income may be partially endogenous with work status in that continuous workers may not yet be receiving the full amount of Social Security and pension income for which they may be eligible. We cannot completely resolve this problem using the SIPP data. However, excluding the income variable from the otherwise full model yields similar results (see Parnes and Sommers [1994] for a similar strategy). As an additional check, an estimate of nonwork income based on income at final interview is substituted for the initial estimate reported in Table 3. Results based on income at the final observation point are similar to those reported here, with the notable exception that nonwork income becomes positive and significant for the crisp exit contrast, and pension eligibility loses significance. The crisp exit group of men comprises those for whom nonwork income estimated after labor force exit occurs (end of survey) would be a substantially better estimate of income in the absence of work. Taken together, we are confident that economic shortfalls prompt some men to experience multiple, short-term forays into and out of the labor force and that this process is central to the experience of blurred transition patterns.

### Table 3. Logistic Regression of Labor Force Behavior, Men 55 to 74

<table>
<thead>
<tr>
<th>Contrast*</th>
<th>Working vs Blurred Exit</th>
<th>Nonworking vs Blurred Exit</th>
<th>Crisp Exit vs Blurred Exit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension Eligibility (No)</td>
<td>-0.06</td>
<td>0.13</td>
<td>0.48*</td>
</tr>
<tr>
<td>Nonwage Income (ln)</td>
<td>-0.17**</td>
<td>0.63**</td>
<td>-0.11*</td>
</tr>
<tr>
<td>Low Experience (No)</td>
<td>-0.69**</td>
<td>1.06**</td>
<td>-0.28</td>
</tr>
<tr>
<td>Poor Health</td>
<td>-0.16*</td>
<td>0.49**</td>
<td>0.16*</td>
</tr>
<tr>
<td>Years of Education</td>
<td>0.07**</td>
<td>-0.03</td>
<td>0.05</td>
</tr>
<tr>
<td>Career Occupation (Other)</td>
<td>-0.60</td>
<td>-0.30</td>
<td>-0.26</td>
</tr>
<tr>
<td>Career Self-employed (No)</td>
<td>0.42*</td>
<td>-1.36**</td>
<td>0.20</td>
</tr>
<tr>
<td>Marital Status (Not Married)</td>
<td>1.00**</td>
<td>-0.75**</td>
<td>-0.39</td>
</tr>
<tr>
<td>Nonworking wife</td>
<td>0.37*</td>
<td>0.44**</td>
<td>0.87**</td>
</tr>
<tr>
<td>Race (White)</td>
<td>0.03</td>
<td>-0.17</td>
<td>0.21</td>
</tr>
<tr>
<td>Age</td>
<td>-0.12**</td>
<td>0.12*</td>
<td>0.24**</td>
</tr>
<tr>
<td>Age spline at 62</td>
<td>-0.15</td>
<td>-0.06</td>
<td>-0.54**</td>
</tr>
<tr>
<td>Age spline at 65</td>
<td>0.31**</td>
<td>0.10</td>
<td>0.36**</td>
</tr>
<tr>
<td>Intercept</td>
<td>8.64</td>
<td>-13.23</td>
<td>-15.38</td>
</tr>
<tr>
<td>Model ( \chi^2 )</td>
<td>42</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*All contrasts reflect log-odds. See text for description of each status. Reference group for each categorical variable is reported in parentheses under variable names. Standard errors of the log-likelihood coefficients are reported in parentheses.


*p < .05; **p < .01.
The alternative processes posed above receive mixed support. Gibson (1987) and others suggest that multiple transitions in work status may simply be a reflection of work patterns established earlier in the life course. Our evaluation of this possibility suggests that men reporting very low levels of work experience are significantly more likely to display blurred transition patterns than to work continuously. Experience levels do not distinguish between crisp and blurred transition patterns, however, and those with low experience are less likely to display blurred transitions than to be out of the labor force for the entire observation period. We conclude that unstable patterns of work earlier in the life course are not consistently associated with blurred transitions in later life.

Not surprisingly, strong health effects are evident. Poor health appears to form a powerful barrier to working even sporadically. Those in poorer health are significantly more likely to report no work for the entire observation period, and to display a crisp exit from the labor force. Although poorer health is associated with blurred transition patterns in contrast to continuous work, additional analysis (not reported here) shows that those in the poorest health are more likely to display a crisp exit or no work at all.

The final alternative to the economic argument is that some men have a strong preference for work and may avoid nonwork. Insofar as preference can be proxied by educational level and professional or managerial occupation, we find only limited support for this explanation. Although the coefficients for occupation are signed in the predicted direction, none approach statistical significance. More highly educated men are more likely to work continuously than to display a blurred transition pattern, but none of the other education contrasts are significant. (In additional analyses not shown here, higher education is also significantly associated with working continuously vs nonwork, but has no effect on the likelihood of a crisp exit vs working continuously.)

The remainder of Table 3 includes the coefficients for the control variables, which will be discussed only briefly. Self-employed men are significantly less likely to report no work and are more likely to report continuous work. In terms of marital status, the coordination of work behavior between spouses is observed, and an avoidance of the blurred transition pattern by men with nonworking wives. Race has no significant effect on any contrast. Age shows a predictable association in that men move away from work participation as they age. The inclusion of two spline factors in the model illustrates that, as indicated in Figure 1, blurred transitions are particularly common among men in their early to mid-60s. The last column in Table 3 shows that the likelihood of a crisp versus blurred transition increases with age, flattens between age 62 and 65, and increases again after age 65. This suggests that the blurred patterns discussed here may be particularly common among men who have initiated a retirement process in their mid-to-late 60s.

DISCUSSION

Current literature on late-life labor force behavior documents a growing diversity in patterns of work participation among older men. Consistent with a life course approach, this study develops estimates of the extent to which patterns of change in late-life work behavior represent "crisp" exits from the work role as opposed to "blurred" pathways to labor force exit. Our research shows that blurred transitions, defined here as repeated transitions between nonwork, work, and unemployment, are relatively common among older men: among the 25 percent of the sample experiencing at least one significant work transition event, we find that fewer than half of the transitions are crisp exits from the labor force.

The multivariate analysis shows that many older men experience blurred transition patterns as part of a strategy to maintain economic status in later life. Nonwage income and pension availability are most consistently associated with the likelihood of displaying blurred transition patterns. Availability of a pension appears to precipitate a crisp exit from the work role. In contrast, those with neither a pension nor adequate nonwage resources of other kinds retain an attachment to the work role, albeit some on a sporadic basis. Alternative hypotheses regarding blurred exit patterns received equivocal support. Sporadic work experiences in the past, assessed by a cumulative measure of experience, are associated with blurred transition patterns as well as nonwork, but do not distinguish between crisp and blurred exits. Poor health is a very important part of the model, but primarily distinguishes between those who are not working or who display a crisp exit, and those who retain either a continuous or sporadic attachment to the work role. Preference for continued work, although only assessed here using proxies of education and occupation, appears to have little impact.

The relatively high rates of blurred exit for this sample of older men suggest that for many men, no single event characterizes the transition to retirement. This finding supports the call for more attention directed toward patterns of behavior and the process of labor force exit as opposed to cross-sectional statuses or single transitions. A core of older individuals cycling in and out of the labor force, while possibly meeting many needs for short-term work assignments, also represents substantial turnover costs for some organizations. The implications of this behavior for individual economic well-being, as well as for the labor force as a whole, require continued examination.

We conclude that the high rates of blurred transitions reported here present a challenge both to the traditional image of the older worker, and to emerging understandings of reentry and partial retirement. We acknowledge, however, that patterns observed in the future may represent important variations on those reported here. The 1983/85 time period under study here followed a period of unusually high unemployment, during which many older men may have experienced spells of discouragement, other nonwork, and threats to their employment that could have had residual impacts over the subsequent few years. We anticipate that blurred transition patterns will be increasingly common. Herz (1995) notes that the rate of working among older pensioners has risen consistently over the last decade, and concludes that increasing opportunities posed by the growing service economy and increasing part-time job opportunities likely play a role in this increase. These structural changes in the economy will be important in shaping transition patterns. Recently implemented and proposed changes in the social security system, including the increasing age at
which full benefits may be received, penalties for early retirement, and earnings exemption amounts will also have an impact. Additional research examining alternative time periods is necessary to establish the roles of macroeconomic factors, industrial shifts, and policy innovation on the diversity of pathways to labor force exit.

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