Work, Aging, and Retirement in Europe: 
Introduction to the Special Issue
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ABSTRACT

This introduction to the special issue on work, aging, and retirement in Europe consists of 3 parts. First we describe important differences in demographic trends relevant for older workers and retirees, as well as the high variance of the European socioeconomic context, in different countries in Europe. The second section briefly introduces the articles included in this special issue. They consider different aspects of the aging experience in the workplace during late career and the forthcoming transition to retirement. In doing so, the articles touch on 3 important research areas: age differences in the workplace, planning late career and retirement, and work after retirement in bridge employment. The articles are written by researchers adopting different theoretical perspectives, but mainly grounded in the field of work and organizational psychology. The final section calls for a broader research perspective in the field and covers several important methodological issues. We argue for multidisciplinary and multilevel research to advance science and practice alike in this field.

This special issue of the Journal, titled “work, aging and retirement in Europe,” hosts a number of articles that can be characterized by two common themes:

1. The socioeconomic context: The articles examine older workers and retirees in different countries in (Western) Europe, which constitute various socioeconomic contexts.
2. The research topic: The articles consider different aspects of the aging experience in the workplace during late career and the forthcoming transition to retirement. Depending on the research topic, the articles are written from different theoretical perspectives, but mainly grounded in the field of work and organizational psychology.

THE SOCIOECONOMIC CONTEXT

The articles of this special issue focus on work, aging, and retirement in Europe. The national contexts in which the articles are developed are: Belgium, Germany, Ireland, Italy, Netherlands (European Union member states), and Norway. These countries experience similar levels of economic development and technological progress; work together inside a common and open market of goods, services, and people; and share a rather similar cultural background in terms of work and economic activities. However, at the same time, European countries do maintain some strong national specificities in terms of the financial and economic situation, labor market rules, pension systems, demography, and collective behaviors in the workplace. This is even true for those countries that are member states of the European Union (EU) since the EU is a federation of countries rather than a federal country. Therefore, these differences are manifested as important contextual factors that could affect the experiences of people at work during their late career or retirement process. For example, these contextual factors can operate as push or pull factors stimulating people to stay at work or leave work as soon as possible (Shultz & Wang, 2011). Broadly, they can also be related to choices and strategies people adopt to manage their late career and prepare their transition to retirement (Deller, Liedtke, & Maxin, 2009).

Although these contextual macro-level factors are not the focus of the articles included in this special issue, we would like to provide a general overview of them to help the reader better understand the unique research context of each study. As noted by Wang (2013), a better knowledge of contextual macro-level variables is needed to understand the processes related to the late career and the transition to retirement. Therefore, in Table 1 we present selected data related to the countries involved in the articles of the special issue. We also present some additional data for other European countries that we consider important in terms of comparison: The United Kingdom as an example of well developed economy; Poland as an example of an east-European country in a phase of economical development; Greece, the country with the greatest financial and economic crisis in Europe; Turkey as a “new-economy” candidate to become member of the EU.
Table 1. Some Socioeconomic Characteristics of the Countries Involved in the Special Issue

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Note. NA, not applicable.

Source. (1) http://www.gapminder.org/; (2) Eurostat; (3) Eurofound (2012); (4) http://www.tradingeconomics.com; (5) OECD.

Aging Process

The aging society is a major issue faced by Europe, as it is for other economically developed countries (e.g., Japan and the United States).Following some forecasts of the European Commission, by 2025 more than 20% of European citizens will be 65 or older, with a swift increase in numbers of over-80-year-olds. This aging process is due to an increase of the population’s life expectancy and to a low fertility rates common in all EU countries (Table 1). This means that in 2030, the EU is expected to face a shortage of more than 20 millions of people of working age (a reduction of more than 6.5%; Eurofound, 2012; Phillips & Siu, 2012; Skirbekk, Loichinger, & Barakat, 2012).

However, inside this general population aging trend, we can identify very important differences among the countries that are covered in this special issue (Table 1). The aging process is already quite advanced in Italy and Germany with a median age of 44 and 46, respectively and 33% of the population over 55. Ireland, however, is in a different situation with a median age of 36 and 21% of population over 55. Indeed, if we consider Europe as a more complex entity, including the non-EU countries, the picture is even more complicated. A very different example is Turkey, a candidate to become a member of the EU, with a median age of 29.

Labor Market Participation

In the last 20 years, policies in the EU have been concentrated on the effort to increase the proportion of working people in the age bracket of 55–64, to postpone retirement age, and to reduce incentives for early retirement. These policies have been focused on restraining public spending on the pension systems, taking demographic changes into consideration. In 2013, the 28 member states of the EU reached the aim to have 50% of people still at work in the age group of 55–64 (this percentage is 61% in United States and 65% in Japan).

But here too, the differences among EU countries are very large (Table 1) based on the national legislation and possibly different work values, cultures, and traditions. In general, Northern European countries have higher levels of workforce participation of people between 55 and 64 (Norway, for instance, is at 71%) compared to Southern European countries (e.g., Italy is around 43%). Further, Eastern European countries that joined EU more recently have even lower workforce participation rates for this age group (see the data of Poland in Table 1). Other examples are Slovenia, Croatia, and Hungary. In 2013, they all had workforce participation rates below 38% for people in the age group of 55–64 (they were even lower 10 years ago, around 23–28%).

Also the effectiveness of the policies for improving labor market participation differ across countries (Table 1; see increment in the Labor market participation section). From 2003 to 2013 Germany obtained an improvement of more than 23% in the labor market participation of older workers, in contrast to Ireland showing quite stable rates. These data show the capacity of different national governments to activate pension reform and policies for postponing retirement, considering also the intensity of economic crisis and other socioeconomic issues, such as youth unemployment (Table 1; youth unemployment level; Peiró, Hernández, & Ramos, 2015). It was more difficult to intervene in favor of older people’s participation in the labor market in countries with a strong crisis. This is particularly evident in Greece where in the period from 2003 to 2013 the participation rate of people aged from 55 to 64 dropped from 41% to 36%. Here we can see the typical reaction of the 1970s using early retirement to provide jobs for young entrants to the labor market based on the idea that young individuals cannot find jobs because of older job incumbents who do not retire (cf. Deller & Pundt, 2014). However, research across several countries suggests that the main driver for both youth and elder employment is the...
economy, making the employment of both age groups rise or decline simultaneously (Gruber, Milligan, & Wise, 2009).

The following age bracket of 65–69 years covers mostly people who have already reached traditional retirement age. In the EU a growing portion of this group is still active in the labor market (Eurofound, 2012). However, differences in employment rates in this age group between countries can also be observed (Table 1). While 19.1% of all 65- to 69-year-olds are economically active in the United Kingdom (and 16.0% in Ireland, a country from which a study is covered in this special issue), the same holds true for only 3.9% in Belgium. Thus, differences in this aspect are quite large as well (for an international comparison of different approaches to bridge employment in the European context, please see Alcover, Topa, Parry, Fraccaroli, & Depolo, 2014). Looking for correlates of this phenomenon, the idea of a relationship with the actual retirement age naturally comes to mind. As Table 1 shows, the labor force participation rate in retirement age corresponds with a higher actual retirement age in most of the cases.

These macro-level differences may be reflections of economic developments, social, or labor market policy of the past, and/or the psychological meaning of work in the respective culture (e.g., Protestant work ethic). These macro-level differences then lead to differences in the management of retirement and late career, possibly influenced by the respective demographical structure of each country’s population.

It is important to note that this reasoning may be partly speculative as, to our knowledge, specific studies that examine how macro-level differences impact work-related choices and behaviors of older individuals across countries are still lacking. Following Wang (2013), we can consider the relationship between contextual factors and individual behaviors as one of the key challenges for future research.

**Pension Policies**
The policies adopted for changing the pension systems at the national levels in Europe have been inspired by common principles (determined at the European Commission level), and then implemented through different national laws and rules. The main principles of these reforms could be summarized in the following points (Eurofound, 2012):

- changing the benefits pensioners receive and the pension contributions employees and employers make;
- raising the statutory pension age and eliminating male–female pension age differences;
- reducing incentives for early retirement;
- developing anti-discrimination policy;
- giving incentives to promote lifelong learning and skills development in the workplace.

With this common policy guidance, countries are quite similar in terms of age of retirement (generally at 65 for both male and female, with future increases in retirement age related to life expectancy improvement). Some differences persist in terms of actual age of retirement (Table 1). In most countries, the effective age of retirement is below the official age for receiving a full old-age pension. Men on average are still in the workforce at age 65 in Denmark, Iceland (EU candidate), Ireland, Portugal, and Switzerland (not an EU member), but have left the workplace by their 60th birthday in Austria, Belgium, France, Hungary, Luxembourg, and Slovakia. Women, in general, retire about 1–2 years earlier than men (OECD, 2015). Thus, the realized retirement age differs quite substantially in the EU despite common principles determined at the European Commission level. This variance leaves much room for the better understanding of the causal effects of such differences. Therefore, research in this field needs to be carried out with caution and sensitivity regarding country specifics that may influence individual behaviors.

**THE RESEARCH TOPICS**
The aim of this special issue is to give an overview (even if not complete and comprehensive) of some key current topics related to older workers in the workplace in different countries in Europe. The six articles published in this issue offer a very articulated and rich range of theoretical approaches, methodologies, and practical implications. In the following, we briefly introduce the articles. Considering the large number of topic areas in which the studies of aging at work could be classified, we attribute labels for each article that are derived from the topic list proposed by Wang (2015) in the journal’s Inaugural Editorial. Moreover, to organize the contributions, we identify three main areas of interest on which the articles are focused.

**Age Differences in the Workplace**
The first area is related to the study of age differences in workplace, with particular attention to job design, motivation, emotional jobs, and well-being. In these cases, samples of the studies are composed by a broader age range. The first two articles cover this area of interest.

The article of Henry, Zacher, and Desmette (2015) is devoted to work design for older workers. The generative motives (e.g., help someone, transfer the knowledge to younger persons, leave a legacy) are considered to rise in the elderly age, following socioemotional selectivity theory. Using a Belgian sample, the article examines whether the opportunities of generativity and development in the workplace are in negative relationship with age biases and the intention to leave the job. The study considers also another moderator variable: the intergenerational contact quality. The results show that, for older people only, the opportunities of generativity and development in the workplace promote more positive intergenerational contact and a reduction of age biases. Moreover, opportunity for generativity and development are related in general to a lower intention to quit. These results point out that job design models should take into account workers’ changing needs across the lifespan when examining effects of job characteristics and job design on work outcomes (Truxillo, Cadiz, Rineer, Zaniboni, & Fraccaroli, 2012). Moreover, the article outlines important practical interventions to reduce age stereotypes in the workplace.

Scheibe, Stamov-Rößnagel, and Zacher (2015) is centered on the topic of aging and work stress, health, and well-being. The authors analyze the link between emotional job demands and occupational well-being, using a sample of employees in German senior care homes (N = 141, age between 17 and 62 years). In these healthcare organizations it is crucial to meet emotional job demands for organizational outcomes. However, meeting emotional demands may also negatively affect employees’ well-being. While drawing on the emotional aging literature, their data confirmed the moderating role of age for links between emotional job demands and occupational well-being indicators. However, they also found age effects. Thus, according to their
findings, age may confer both advantages and vulnerabilities in managing emotional job demands. As a practical implication, age-tailored trainings could be offered to increase each age group’s capability to manage emotionally challenging job demands.

Planning Late Career and Retirement

The second area is related to the processes of late career planning and preparing to retirement transition. Samples, in this case, are composed by people aged 50 and older during their late career.

The article of Zaniboni (2015) focuses on age discrimination at the workplace. The focal outcome variables are the desired retirement age and the expected adjustment. Based on the resource-based dynamic model for retirement adjustment, hypotheses consider interaction effects in which the relation between older workers’ personal resources and the two retirement-related outcomes are expected to be different for workers that perceived low versus high age discrimination. This research was conducted in Italy on more than 50 public workers. Results show that older workers with higher levels of personal resources desire to work longer and expect to successfully adjust to retirement if they perceive low age discrimination in the workplace. The main insight of the article is that the perception of age discriminations in organizational settings could neutralize the positive effect of personal resources in successfully managing late career and transition to retirement.

The central focus of Heraty and McCarthy (2015) is on retirement planning, more specifically on financial preparation for retirement among late career workers aged from 50 to 65. This is an important issue related to the quality of life after retirement. In this case, the socioeconomic context is Ireland. The data considered are drawn from the first wave of the Irish Longitudinal Study on Ageing (TILDA). Authors investigate the role of several important psychological resources (self-perceptions of aging, perceived control on aging, and awareness of aging) in influencing financial planning for retirement. The results show that older workers with more positive beliefs about their ability to control aspects of aging, are more likely to financially plan for retirement; while those who have an intermittent, rather than a constant, awareness of the aging process are less likely to do so. Moreover, workers with stronger employment positions (permanent contracts) are attentive to plan the retirement compared with people in temporary or irregular jobs. These results help to identify older workers at higher risk of failing the adequate preparation for retirement and to develop interventions and policies for improving the awareness of workers about the planning of the retirement transition.

In their phenomenological interview panel study, Furunes and colleagues (2015) contribute to the understanding of retirement decision making of older workers. The authors examine drivers and obstacles for prolonging working life or retiring. The methods of their study are interesting in two ways: the authors apply a longitudinal, three-wave design. This is done using qualitative interviews for a sample of 42 individuals (58–70 years old). While interviewees were generally positive about continuing to work, the results show multifaceted reasons. Findings suggest that plans for late career and retirement decisions emerge and mature over the years prior to retirement. The study has implications for human resource planning and management.

Working After Retirement

The third area of interest is devoted to the experience of working after retirement in bridge employment. Specifically, one article is devoted to this late career stage, studying a sample of over 65-year-old workers. With a sample of 228 employees (age range 65–80 years) in bridge employment from a Dutch temporary employment agency, Müller and colleagues (2015) look into the design of job characteristics in bridge employment to support older employees’ productivity, considering potential declines in intra-individual resources. In their longitudinal study they draw on lifespan development of resources and job design models, and investigate the interplay of cognitive functioning, job demands, and job control, as well as their impact on task performance. Good cognitive functioning emerged as an essential intra-individual resource in order to maintain good task performance for employees aged 65 years and older. Outcomes suggest that age-related changes in cognitive functioning among employees above the age of 65 years only affect productivity at work when the job demands are too high relative to the available job control. The outcomes may inform human resource management practices to, on the one hand, sustain employees’ health and working capacity and, on the other hand, act in a preventative manner by designing healthy and decent jobs.

FUTURE RESEARCH AND CONCLUSION

This journal publishes research that considers the phenomena of worker aging and retirement from various perspectives (Wang, 2015). These perspectives include “the fields of psychology, sociology, economics, gerontology, public health, business and management, and industrial labor relations, just to name a few” (Wang, 2015, p. 1). The phenomena can be described and analyzed on multiple levels. While the articles of this special issue predominantly focus on individuals and the micro level, a perspective typical for psychology, some also address the organizational or meso level, at least in the implications sections. The joint reflection of these two levels is likely derived from the understanding that behavior is the result of individual and situational characteristics and their interaction. However, situations on the meso level are also influenced by an even more encompassing perspective, the macro level (Wang & Shi, 2014). This level describes influences from factors such as economics and politics. Both meso and macro levels have the potential to influence individual behavior. However, there still remains much room for the inclusion of these two levels in research. They are important for understanding resulting individual behavior. For a full understanding, it is important to integrate both the meso level (e.g., business administration and sociology) and of the macro level (e.g., economics and political science) into our research on aging workers and retirement. Indeed, we still do not have a good handle on which mediators or moderators at the different levels matter in explaining age diversity effects (cf. Hertel, Van der Heijden, de Lange, & Deller, 2013).

More research is necessary on these levels. It will help us to understand why employment rates of specific age groups differ so much across countries (Table 1). As social systems differ between societies, transferability of research results has to be tested (Deller et al., 2009; Wang, 2013). Thus, to fully understand the drivers for differences in individual behavior in different countries, we need to include the macro and meso levels in our analysis. For example, the differences in the comprehensiveness and generosity of social security systems with
a long tradition of state reliance in many parts of Europe may exert situational influence on individual behavior. For a thorough understanding we need international comparative studies between societal frameworks that form the situation for aging individuals. Research in our field needs to be extended to generalize findings to other settings and cultures (Wöhrmann, Deller, & Wang, 2013).

This leads us to some important methodological considerations. Several methods have been used by the authors of this special issue. These include quantitative methods for larger samples and the testing of hypotheses including the analysis of big phenomena using big data, as well as qualitative methods to gain a first understanding of small and so far not yet well-known processes in the field. Different methodological suggestions could be considered for future research:

- To allow for causal inferences, longitudinal data collection is crucial to gain a better understanding of the causality of processes related to individuals and to understand the role of time in late career and retirement processes. So far, this field follows predominantly cross-sectional research designs. Also, longitudinal designs including different age cohorts could be used for a better understanding of cohort effects.

- Specific to studies focusing on postretirement adjustment, we should consider multiple comparative samples (i.e., paid and unpaid active retirees, non-working retirees, older employees before entering retirement) as well as different degrees of education and financial strength (cf. Pundt, Wöhrmann, Deller, & Shultz, 2015).

- The use of only self-report measures may limit the interpretability of results, as correlations between variables of interest might have increased common method bias. We therefore should include external reports in future research wherever possible.

- Looking into the motivation of individuals working in retirement, we do not know enough about similarities and differences between those who continue work to a certain extent and those who have fully discontinued their participation in the labor market. Ideally, in addition to explicit (conscious) motivation, implicit (unconscious) motivation could be assessed (Pundt et al., 2015).

This field of research has the potential to offer practical recommendations to several areas of organizational practice. One of the core objectives is a better integration of an aging workforce by facilitating age diversity at the workplace. This requires the development of strategies for human resource management and leadership that adopt a life-span perspective of work. In most European countries, such strategies used to include ages until the mid or late 50s during the last decades. In the midst of employee aging and demographic changes, it now becomes apparent that such strategies need to also include individuals in former retirement age and retirees up to the age of 70 plus. These developments will force organizations to develop life-span strategies, processes, and tools from young to old. For older employees, it is important to analyze and understand their individual situation because variance among individuals grows with age. Therefore, managers need to develop approaches that cater to a higher degree of individuality by offering programs that are tailored to the individual situation. For policy makers, information is also scarce about an aging population and the consequences of policy decisions. We see this as one of the crucial challenges for researchers to support informed decisions by those responsible on the micro, meso, and macro levels.

Overall, we see much potential for this field of research to develop. Integrating the different levels across countries is an open field deserving much attention. It will open up a new world of interdisciplinary research across disparate disciplines, working together for the good of society and the enrichment of the value of academia. The cultural diversity of Europe offers manifold opportunities for this research—including different levels and disciplines described above—that will allow us to better understand the interplay of several dimensions and, as a consequence, human behavior in aging societies in the fields of work, aging, and retirement.

REFERENCES


employment/emp/ageingandemploymentpolicies-statisticsonaverageeffectiveageofretirement.htm


