

Factors influencing early exit from the labour market

According to a recent study based on the [Netherlands Working Conditions Survey](#), Dutch employees are increasingly motivated to work until the official retirement age of 65 (42% in 2009). They also increasingly think they will be able to do so in their present job (45%). A poor social climate at work and poor health are predictors of lower motivation and ability to continue working until 65. In addition to promoting health and a positive social climate, the ability to work until 65 should be supported by less heavy work and adjusting working hours to employees' needs.

Background

In the Netherlands, many employees leave the workforce well before the official retirement age of 65, but the issue of continuing to work until and beyond 65 is increasingly the focus of debate.

To maintain the social security system and meet global economic demands, the Netherlands needs to identify ways to encourage people to work longer while maintaining high productivity and good health.

The [Netherlands Working Conditions Survey](#) (NWCS) is a national survey on working conditions that has been conducted annually since 2005 among some 23,000 employees. Those who participated in 2007 were asked to take part in follow-up assessments in 2008 and 2009 and about 10,000 employees agreed to be part of this follow-up.

The cohort data of 2007 and 2008 provided the opportunity to study which factors predicted motivation and ability to work until the age of 65 in more than 5,000 older employees aged 45 to 64 years, as well as premature exit from the labour market.

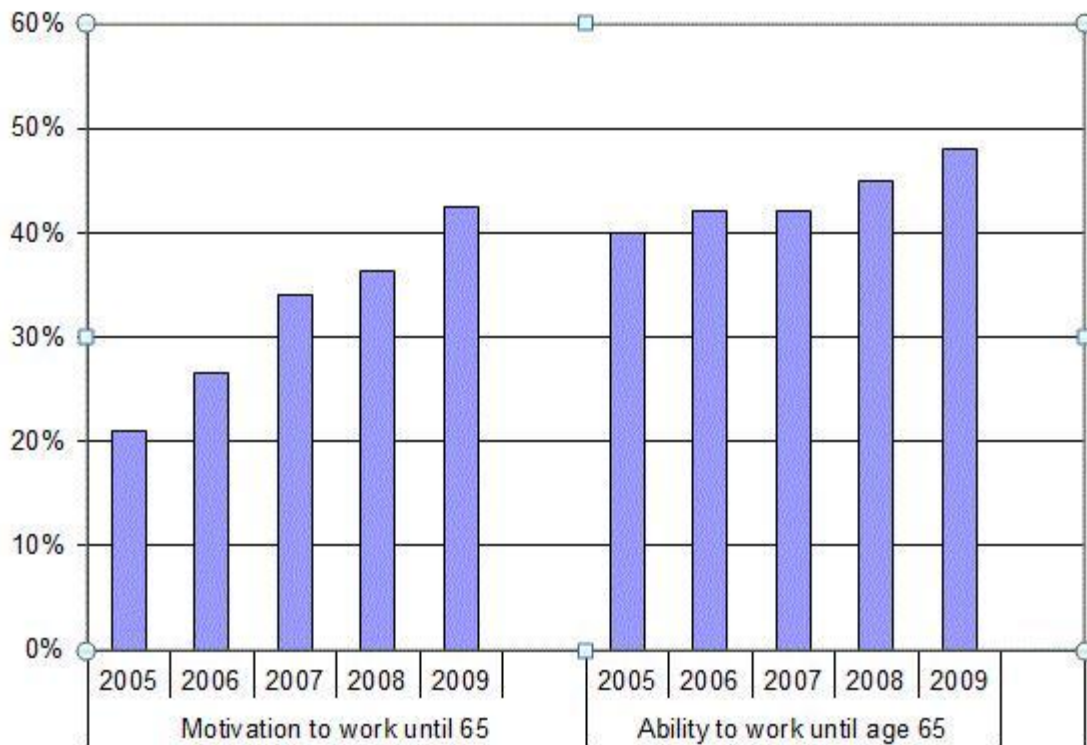
Main findings

Trends in motivation and ability to work until 65

Since 2005, employees in the Netherlands are increasingly motivated to continue working and perceive themselves as being increasingly able to work until 65. This phenomenon applies across the labour force and is found in all sectors.

Several factors may explain this development, one of which is a widespread political and public debate about increasing the official retirement age.

Figure 1 shows that the percentage of employees who were motivated to work until 65 was initially much lower than the percentage who thought they would be able to continue working, but the gap in these figures has been narrowing over recent years.



Predictors of early retirement

In addition to predictors of the motivation and ability to continue working until the age of 65, predictors of early retirement were also investigated in the NWCS cohort study.

Two types of premature exit were identified: exit to non-disability early retirement and exit to benefits (unemployment or disability benefit). All analyses were performed in employees in which premature exit is prevalent, namely the 45–64 age group.

The table below shows factors that significantly predicted the motivation or ability to work until the age of 65 and actual retirement a year later.

Inappropriate behaviour by colleagues or a supervisor (such as bullying) and emotional exhaustion were predictors of lower motivation among employees to remain in work until 65. The presence of a collective labour agreement was also a predictor of decreased motivation to continue working. Although it is not clear what exactly what this finding means, it may reflect financial arguments or (attractive) arrangements which stimulate or allow for an early exit from the labour force.

Predictors of workers not being able to continue in their current job until 65 included:

- heavy workload (both physical and psychosocial);
- the high emotional demands of professions such as healthcare, social work or teaching;
- poor support from a supervisor;
- health problems;
- low satisfaction with flexibility of working hours.

Leaving work before retirement age to receive disability or unemployment benefits was predicted as a result of low social support from colleagues, inappropriate behaviour by colleagues or supervisors, and by health problems.

A transition from work to early retirement was predicted by, among other things, company restructuring and working in the same job for a longer period of time. Workload, social climate and health problems were not predictors of early retirement a year later.

Predictors of the motivation and ability to continue working until 65 and actual early retirement of employees aged 45–64				
Predictor	Motivated to work until the age of 65*	Able to work until the age of 65*	(Non-disability) early retirement	Disability or unemployment benefit
Demographics				
Age 55–59	--	--	++	++
Age 60–64	++	++	++	
Women	--		++	
Partner does not work			++	
Job				
Temporary contract				++
Longer period of time in present job			++	
Being a supervisor			++	
High physical workload		--		
High job demands		--		
Profession: health care or social work		--		
Profession: teacher		--		
Social climate				
Low social support supervisor		--		
Low social support from colleagues				++
Intimidation, violence or bullying by colleagues/supervisor	--			++
Health				
Emotional exhaustion	--	--		++
Poor perceived health		--		++
Work handicap		--		

Prolonged sick leave in previous year				++
Other				
Low satisfaction with flexibility of working hours		--		
Collective labour agreement	--			
Restructuring			++	

*Note: * Analyses are corrected for the motivation or ability to work until the age of 65 at baseline as well as demographics (age, gender, partner does not work).*

++ = positive relation

-- = negative relation

Source: NWCS Cohort, TNO

Commentary

Fewer than half of the employees in the Netherlands are motivated and able to work until the age of 65, although this number is rising.

The results of the study presented here suggest that prolonging working life could be supported by interventions that promote a positive social climate at work and good health, by making work less burdensome and by adjusting working hours to suit employee needs.

References

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