

RETIREMENT RELUCTANCE

Should I stay or should I go?

Many faculty expect to work past what is typically considered a normal retirement age. For some, this is based on personal finances. But for most, this is based on more personal considerations. For both, however, assumptions not grounded in examination typically underlie their expectations.

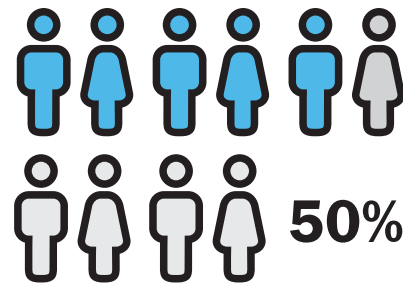
TIAA Institute research has examined the underlying dynamics of faculty retirement decision issues with implications for individuals and institutions.

Retirees driven by different needs

Senior faculty (age 50 and older) can be divided into three groups depending on when they want to retire and when they expect to retire.

Traditional Retirees

Want to retire by normal retirement age (67) and expect to do so.



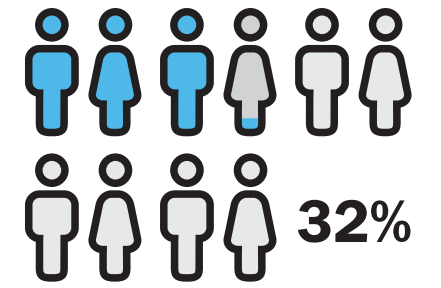
Reluctantly Reluctant (RR)

Want to retire by normal retirement age, but expect to work longer.



Reluctant by Choice (RBC)

Want to work beyond normal retirement age and expect to do so.



There is a fundamental difference in why RRs and RBCs expect to work past normal retirement age and it is really no surprise: financial considerations are primary among those who want instead to retire by 67, while psychosocial considerations are primary among those who want to work past 67.

Assumptions—an invisible influence

The decision regarding whether and when to retire should be based on full information, not assumptions.



While financial considerations are primary for those who want instead to retire by 67 (reluctantly reluctant), **2/3** have not carefully evaluated their retirement finances.



While psychosocial considerations are primary among those who want to work past 67—**60%** have not carefully considered what they could do if they retired.

Replace assumptions with knowledge

Addressing assumptions positions individuals to make a fully informed decision about retirement that is in their best interest.

Addressing financial considerations is a straightforward financial planning exercise. Best done with a financial advisor, this provides clarity regarding when an individual can afford to retire.

Examining the psychosocial aspects of retirement is a different type of exercise but every bit as important. Without considering the possibilities of retirement it is impossible to know when the time is right.

Questions for the Reluctant by Choice

- ① What kinds of opportunities and possibilities exist for me in retirement?
- ② How can my knowledge, skills, experience and passions fuel new opportunities?
- ③ How can I remain engaged, and maybe remain part of the university community?



Make a Well-Rounded Retirement the goal

TIAA's "Well-rounded retirement" model is a comprehensive framework for retirement planning beyond the financial aspects. The model/framework encompasses the nonfinancial aspects that need to be considered in order to have a satisfactory next chapter:



Meaningful Purpose



Livable Community



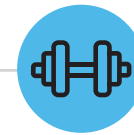
Nurturing Relationships



Mental Acuity



Emotional Strength



Wellness Lifestyle

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