

# The self-employed and employees have different ideas when it comes to retirement

“Job characteristics such as flexibility relate to preferences to continue working for longer”

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Self-employed people on average prefer to continue working two years longer than their salaried counterparts. They are also more often uncertain about their future retirement age. Previous research suggests that this difference could partly be explained by the relatively limited pension savings of the self-employed. This study examines whether job characteristics such as flexibility, autonomy, and skills-job match can also be a reason why the self-employed prefer to continue working until a relatively older age.

### Principal Findings

- One in three self-employed persons does not know at what age they would like to stop working. For salaried employees, this is somewhat lower at 27%.
- Twenty percent of self-employed people prefer to continue working beyond age 67, compared to 3% among people in salaried employment.
- The fact that the self-employed prefer to retire later is partially (16%) due to the effects of the studied job characteristics. Flexibility in terms of work location and working times is a driving factor in this regard.

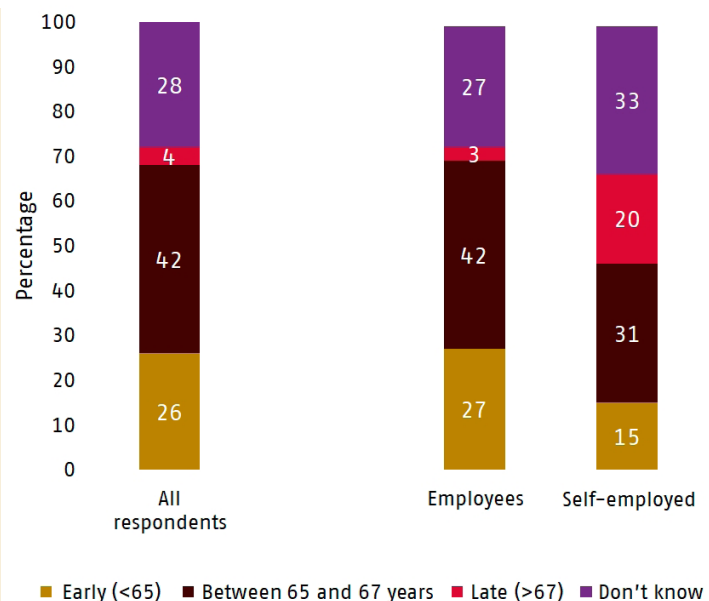


Figure: Retirement preferences of employees and self-employed persons without personnel (age 45-64 years). Source: STREAM, 2016. Based on the question: Until what age would you like to continue working?

### Key Takeaways for the Industry

- It will be useful for employers to examine whether an HR policy that focuses on the above-mentioned job characteristics will help to keep older workers employable.
- The group of self-employed people is highly diverse. Future research will be needed to identify the differences in retirement preferences within this group.
- The collection of data was conducted in 2016, i.e. before the new pension agreement and coronavirus crisis. Further research is needed to determine the effects of these events.



Want to know more? Read the paper

**'Differences in retirement preferences between the selfemployed and employees: Do job characteristics play an explanatory role?'**