

Predicting Retirement Anxiety: The Roles of Parental Socialization and Personal Planning

KARYL E. MACEWEN

*Child and Adolescent Outpatient Unit
Cornwall General Hospital, Ontario*

JULIAN BARLING

*School of Business
Queen's University, Canada*

E. KEVIN KELLOWAY

*Department of Psychology
Guelph University, Canada*

SUSAN F. HIGGINBOTTOM

*Wilson Banwell Associates
Vancouver, Canada*

ABSTRACT. It was proposed that anxiety about retirement begins long before retirement, and that perceptions of one's parents' socialization into retirement and one's own planning for retirement are associated with retirement anxiety. Data from 213 Canadian respondents (mean age = 44 years) were analyzed. Path analysis indicated that both parental socialization and own planfulness affect retirement anxiety.

IT IS WIDELY ASSUMED that retirement involves substantial adjustment (Fretz, Kluge, Ossana, Jones, & Merikangas, 1989). As the time of retirement approaches, there is more thinking and greater apprehension about what it will be like (Atchley, 1976). Thus, it would be useful to study how expectations for retirement develop before retirement occurs. Although adjustment to retirement is ad-

This research was supported in part by grants from the Advisory Research Council of Queen's University and Imperial Oil to Julian Barling.

Address correspondence to Julian Barling, Department of Psychology, Queen's University, Kingston, Canada K7L 3N6.

dressed in preretirement training programs (Kamouri & Cavanaugh, 1986), there has not been sufficient research on preretirement expectations and anxiety. Because preretirement conceptualizations of retirement may affect retirement adjustment, we examined two sets of predictors of retirement anxiety in the present study, parental socialization (perceptions of one's parents' retirement) and one's own preretirement planning.

Parental Socialization

This portion of our study was based on a premise of social learning theory—that people develop conceptual models or abstract ideas about the world by observing how salient others behave and think. Social learning theory is especially useful in explaining how people acquire complex schemas, or views of the world, without having had certain experiences (Bandura, 1973). Because parents are usually the most proximal and familiar adult models, they are likely to be one of the most influential sources of information about the world (Bandura). Thus, individuals will probably develop preconceived notions of retirement by observing their parents.

Planfulness is a variable that is typically associated with adjustment to retirement (Beehr, 1986; Fretz et al., 1989). Two domains that are important to retirement adjustment are financial well-being and involvement in activities, because the termination of employment entails a potential disruption in these two areas. The manifest function of employment is to provide a consistent level of financial resources to meet one's needs (Jahoda, 1982). In retirement, a person's sense of financial security may be threatened by inadequate preretirement planning. The level of perceived financial strain is an important predictor of psychological well-being among the retired (Krause, 1987).

Also associated with retirement adjustment is involvement in activities. The termination of employment usually coincides with the end of an externally imposed, daily time schedule (Jahoda, 1982). Retirees have more leisure time than nonretirees do and greater flexibility with regard to the structuring of that time. The sense of purpose a person gains from fulfilling a valued function may be threatened upon retirement (Jahoda), but preretirement planning to fill the greater amount of time available with purposeful activities should enhance retirement adjustment, particularly because of the societal value that is associated with "keeping busy" during retirement (Ekerdt, 1986).

Thus, the extent to which parents plan for activities and finances in retirement will affect their satisfaction regarding activities and finances. In turn, the parents' satisfaction with these two major facets of well-being should influence the extent of change in their well-being after retirement. The greater the children perceive their parents' satisfaction with finances and activities to be, the greater the improvement in their own well-being after retirement should be. In the present study we measured the participants' perceptions of their parents' planfulness and

well-being (rather than their actual planfulness and well-being) because social learning theory suggests that it is a person's perceptions of a model's behavior that guide his or her conduct.

Own Planfulness

The second component of our model of retirement anxiety emphasizes the respondents' own approaches to retirement. Again, planfulness in the areas of finances and activities were included as two predictors of retirement adjustment. Because the participants were still employed, we predicted that financial and activity planning would influence expected financial and activity satisfaction during retirement and that both types of planning would affect expected overall well-being during retirement.

We also proposed that internal locus of control would determine the extent of planfulness. Fretz et al. (1989) found that people who had poorer attitudes toward retirement, planned poorly, and had a lower sense of self-efficacy exhibited the most retirement avoidance. Similar to internal locus of control, self-efficacy involves a sense of mastery over one's environment. If a person believes that he or she has no control over financial well-being and activities in retirement, then he or she is not likely to plan extensively for these aspects of retirement.

Parental Socialization and Personal Planning as Predictors of Retirement Expectations

The last stage in our model is retirement anxiety. We proposed the existence of at least two types of influences on expectations for retirement and anxiety about retiring—perceptions of parents' adjustment to retirement and own planning. A person who has observed his or her parents' well-being decrease after they retired is more likely to expect a similar negative change in his or her own well-being than a person whose parents' well-being improved after they retired. We hypothesized that the greater one's expectations for positive changes in well-being and for satisfaction with finances and activities are, the lower his or her retirement anxiety will be.

Method

Procedure and Participants

A letter describing the study and a lottery (with a \$100 prize) for all the respondents was mailed to all the employees of a Canadian university ($N = 2,750$), together with a reply form asking them to indicate whether they were eligible for the study (had at least one parent who had retired) and whether they would agree to participate. Of the 958 employees who returned a reply form, 616 (64%) were

eligible for the study, but only 409 of the 616 (66%) agreed to fill out a questionnaire. Three hundred thirty-six participants (142 men, 194 women) returned questionnaires. Pairwise deletion of data resulted in a final sample size of 213 participants (mean age = 43.75 years, $SD = 9.27$) who had completed an average of 18 years of education ($SD = 3.78$, range = 8 to 30) and earned, on average, \$3,136 per month ($SD = \$2,045$; range = \$800 to \$15,000).

Measures

Parents' retirement experiences. We assessed planning for finances and activities, using one item for each, "To what extent did your parents plan for retirement in terms of: finances/activities?". Each response was rated on a 7-point scale with endpoints of *not at all* and *very well*.

We assessed perceptions of parents' satisfaction with their activities, using two 11-item scales, one for each parent (e.g., "My father/mother's activities are quite simple and repetitive [reverse coded]). The 11-item scales, which were derived from the Retirement Descriptive Index (Smith, Hulin, & Kendall, 1969), were reliable as a 22-item scale, obtained by summing the fathers' and mothers' activities ($\alpha = .88$).

We assessed the respondents' perceptions of their parents' satisfaction with their finances by summing two six-item scales, one for each parent. The six-item scale ("My father/mother had enough money for the leisure activities he/she wanted to do.") consisted of the five items on Krause's (1987) Perceived Financial Strain Scale and one additional item used to measure financial strain in employed populations (Rowley & Feather, 1987). The six-item scale, which has been found to be internally consistent (Higginbottom, Barling, & Kelloway, 1993), was also used when the individual assessments of the mothers' and fathers' satisfaction with finances were combined into a 12-item parent scale ($\alpha = .90$).

We assessed the respondents' perception of change in parental well-being using a six-item scale, with three items referring to change in the mothers' well-being ("Did your mother's spirits/self esteem/marital satisfaction change following retirement?"), and the same three items referring to change in the fathers' well-being. The six-item scale was internally consistent ($\alpha = .78$).

Personal planning. We assessed locus of control, using Levenson's (1981) eight-item Internality subscale. Each item (e.g., "I can pretty much determine what will happen in my life.") was rated on a 7-point scale with endpoints of *strongly disagree* and *strongly agree*. Thus, high scores indicated the extent to which the respondents believed they could exert control over the course of their lives. The scale was internally consistent ($\alpha = .74$).

We assessed planning for finances and activities in retirement, using one item for each area ("To what extent have you planned for retirement in terms of your

finances/activities?"), which we rated on a 7-point scale with endpoints of *not at all* and *thoroughly*.

We measured expectations for financial well-being and activities, using two subscales that were adapted from the Retirement Descriptive Index (Smith et al., 1969). The scale's instructions were modified so that they referred to expected (rather than experienced) satisfaction in retirement. Both subscales consisted of 18 adjectives, and the subjects used a yes/no format to indicate whether each item applied to their expectations for retirement. The subscales for expected financial satisfaction (e.g., "good pension plan," "barely enough income" [reverse coded]) and for expected satisfaction with activities (e.g., "exciting," "boring" [reverse coded]) were internally consistent ($\alpha = .78$ and $\alpha = .79$, respectively). We summed three additional items to assess expected overall well-being in retirement, "Do you expect any change in your marital relationship/mood/self esteem following retirement?". As were the items for the parents' well-being, each of the three items was rated on a 7-point scale with endpoints of *will deteriorate* and *will improve*, with a midpoint of *no change*. The internal consistency of this scale was only adequate ($\alpha = .62$), possibly because the scale consisted of only three items.

We assessed retirement anxiety, using Fletcher and Hansson's (1991) 23-item Social Components of Retirement Anxiety Scale. The psychometric adequacy of the scale was demonstrated in Fletcher and Hansson's study, and the scale was also found to be internally consistent in the present study ($\alpha = .87$).

Results

The descriptive data and the intercorrelations of the variables in the model are presented in Table 1. Because age and income were significantly correlated with some of the variables, they were statistically controlled in all subsequent analyses.

After relevant assumptions had been empirically satisfied—namely, that the variables in the model had been measured reliably, there was no multicollinearity between predictor variables (see Table 1), the relationships between the variables in the model were linear, and the residuals were uncorrelated across equations—we tested the proposed model (see Figure 1), using path analysis.

First we computed a series of hierarchical multiple regression equations to derive standardized beta weights for each of the proposed paths in the model and then tested the statistical significance of the beta weights. All but three of the proposed paths were statistically significant (see Figure 1): (a) own financial planning to expected overall change in well-being, (b) parents' satisfaction with finances to parents' overall change in well-being, and (c) parents' overall change in well-being to own expected financial satisfaction in retirement.

Next, we tested the overall fit of the model to the data by contrasting the variance explained by the proposed model with the variance explained by a just-

TABLE 1
Descriptive Data and Intercorrelations

	<i>M</i>	<i>SD</i>	1	2	3	4	5
1. Sex							
2. Age (years)	43.75	9.27	-.22**				
3. Income (\$1,000/ month)	3.14	2.05	-.39**	.24**			
4. Locus of control	40.53	6.40	.01	.07	.06		
5. Financial planning	4.50	1.47	-.09	.37**	.16*	.15*	
6. Activities planning	3.41	1.80	.01	.36**	.11	.22**	.51**
7. Parent financial planning	5.20	1.83	-.02	-.06	.07	-.06	.07
8. Parent activity planning	4.04	1.92	-.04	-.07	.05	.07	.10
9. Parent satisfaction with finances	76.63	10.57	-.01	-.03	.04	.04	.01
10. Parent satisfaction with activities	93.03	24.22	-.02	-.07	.01	.04	-.03
11. Parent change in well-being	24.06	5.29	-.13*	-.06	-.02	-.01	.08
12. Expected overall change in well-being	13.52	2.41	.08	-.10	-.02	.09	.15*
13. Expected financial satisfaction	40.24	8.66	-.12*	.04	.10	.09	.41**
14. Expected satisfaction with activities	46.97	7.97	.05	-.03	-.01	.16*	.18**
15. Retirement anxiety	54.97	19.52	-.05	-.04	-.03	-.19**	-.30**

* $p < .05$. ** $p < .01$.

identified model in which no paths were set to zero. This contrast is reflected by Q (Pedhazur, 1982), which can range between 0 and 1 (values close to unity reflect a better fit of the model to the data). The value of Q was .80, indicating a good fit to the data. Because the statistical distribution of Q is not known, we calculated the statistical significance of Q by using W , a χ^2 approximation, with d equal to the number of paths in the model set to zero. The results of this analysis, $\chi^2(36, N = 213) = 38.94, p > .05$, suggested that the model provided a good fit to the data (there were no significant differences between the just-identified and over-identified models). The present sample size has been shown to be appropriate for testing models (James, Mulaik, & Brett, 1982).

Discussion

We have suggested that two sets of variables contribute to employed persons' retirement anxiety: perceptions of retirement learned by observing one's parents

TABLE 1—Continued

6	7	8	9	10	11	12	13	14
-.01								
.09	.51**							
-.02	.62**	.30**						
-.05	.31**	.51**	.19**					
-.04	.18**	.40**	.06	.37**				
.29**	-.01	-.01	.01	.02	.18**			
.15*	.13*	.12*	.10	.11	.12	.15*		
.25**	.16*	.20**	.09	.11	.18**	.43**	.36**	
-.34**	-.05	-.05	-.15*	.12	-.10	-.50**	-.32**	-.54*

and own locus of control and planfulness. Support for the model suggests that both types of variables are important for understanding retirement expectations and, ultimately, retirement anxiety. Our findings also extend social learning theory; although previous research has tended to focus predominantly on the extent to which parental models influence children's behavior, our results suggest that adults as well as children learn from observing their parents' behavior.

All but three of the proposed paths were significant. The fact that those that were not significant concerned finances—financial planning (parents' and own) and expected financial satisfaction in retirement—suggests that financial planning may have very specific effects on satisfaction with finances, but not on overall well-being after retirement. The participants' own financial planning for retirement had a specific effect on their expectations for financial well-being but did not affect their expected overall well-being after retirement. Similarly, parents' financial planning affected their satisfaction with finances, but financial satisfaction was not associated with an overall change in well-being. Moreover, the participants' perceptions of their parents' overall change in well-being after retirement

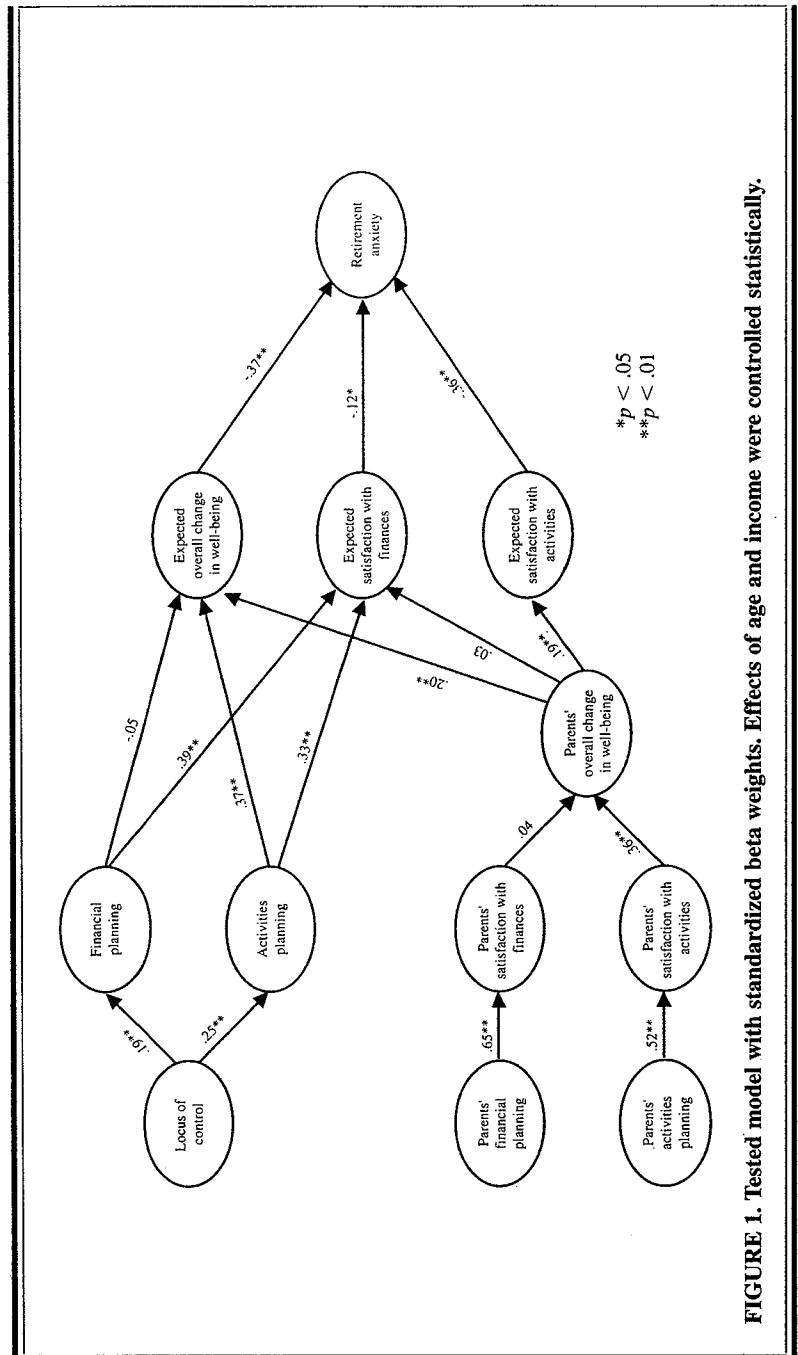


FIGURE 1. Tested model with standardized beta weights. Effects of age and income were controlled statistically.

was not associated with their own expectations for financial satisfaction in retirement. Thus, financial well-being and planning seem to have little direct effect on overall well-being during retirement.

In contrast, planning for activities did predict expectations of satisfaction with activities during retirement and overall expectations of well-being during retirement. Similarly, for parents, planning for activities affected involvement in activities, which predicted an overall change in well-being. Activities have a more pervasive effect on well-being than finances do because participation in activities is associated with many psychological aspects of well-being, a sense of time structure and purposefulness (emphasized by Jahoda, 1982), social contact, and enhanced self-esteem.

That involvement in activities contributes more to retirees' well-being than does finances is evident in the relationships between expected satisfaction with activities/finances and retirement anxiety. The size of the beta for the relationship between expected satisfaction with activities and retirement anxiety was three times that of the size of the beta for the relationship between expected satisfaction with finances and retirement anxiety. One possible explanation for this finding is that because the sample had, on average, a relatively high income, financial well-being was not a major concern. The plausibility of this explanation is questionable, however, given the consistency between the findings of the present research and those of previous studies of nonemployed samples. For example, in a nationally representative sample of Canadians (mean annual income = \$14,000), activities were more important predictors of well-being than finances were (Ostling & Kelloway, 1992). In a study of retired individuals (Higginbottom et al., 1993), financial strain was substantially less important than retirement quality (measured by time use, sense of purpose, and interpersonal contacts) in determining retirement satisfaction. Among the unemployed, the effect of unstructured time on depressive symptoms was twice as great as the effect of perceived financial strain (Grant & Barling, 1994).

Because the level of retirement anxiety in the present study was rather low and because most of the sample was probably in the "remote" preretirement phase (Atchley, 1976), this study may address retirement concerns more than retirement anxiety. Also, retirement anxiety as measured in this study may not affect retirement adjustment because retirement was such a distant outcome, given the average age of this sample. Retirement anxiety in younger samples would probably affect more proximal issues, such as the decisions of when to retire or of whether to accept an early-retirement package. Thus, even though age was not shown to be significantly associated with retirement anxiety in the present study (see Table 1), a replication of the present study, with representative samples closer to retirement, might indicate otherwise.

The reliance of the present study on self-report measures, particularly the respondents' perceptions of their parents' retirement-related experiences, is also problematic. However, the salience of this problem is reduced given that the parti-

participants' perceptions of their parents' retirement planning were virtually orthogonal to their own reports of planning (see Table 1). In addition, researchers should avoid using one-item scales whose reliability cannot be verified. Last, our methodology, in which the parents' perceived retirement experiences were summed, did not allow for the fact that retirement patterns and experiences may differ between parents.

The present findings have both conceptual and practical implications. Conceptually, attempts to understand the functions of employment (and the consequences of unemployment; Jahoda, 1982) must be directed equally toward its manifest and latent functions. Practically, organizational attempts to induce employees to accept early retirement packages might be more successful if they are focused not only on financial security during retirement but also on retirement activities. Similarly, preretirement counselors should emphasize planning for retirement activities as well as financial planning.

Because adjustment to retirement begins long before actual retirement, it is important from social, economic, and health perspectives for researchers to learn about the factors that contribute to well-being during retirement. The present findings suggest that expectations for retirement are learned and that people can minimize retirement anxiety by planning for their retirement.

REFERENCES

- Atchley, R. C. (1976). *The sociology of retirement*. New York: Wiley.
- Bandura, A. (1973). *Social learning theory*. Englewood Cliffs, NJ: Prentice Hall.
- Beehr, T. A. (1986). The process of retirement: A review and recommendations for future investigation. *Personnel Psychology*, *39*, 31-54.
- Ekerdt, D. J. (1986). The busy ethic: Moral continuity between work and retirement. *The Gerontologist*, *26*, 239-244.
- Fletcher, W. L., & Hansson, R. O. (1991). Assessing the social components of retirement anxiety. *Psychology and Aging*, *6*, 76-85.
- Fretz, B. R., Kluge, N. A., Ossana, S. M., Jones, S. M., & Merikangas, M. W. (1989). Intervention targets for reducing preretirement anxiety and depression. *Journal of Counseling Psychology*, *36*, 301-307.
- Grant, S., & Barling, J. (1994). Linking unemployment experiences with marital functioning: A mediational model. In G. P. Keita & J. J. Harrell, Jr. (Eds.), *Job stress in a changing work force* (pp. 311-328). Washington, DC: American Psychological Association.
- Higginbottom, S. F., Barling, J., & Kelloway, E. K. (1993). Linking the quality of the retirement experience to marital satisfaction: A mediational model. *Psychology and Aging*, *8*, 508-516.
- Jahoda, M. (1982). *Employment and unemployment*. Cambridge: Cambridge University Press.
- James, L., Mulaik, S., & Brett, J. (1982). *Causal analysis: Assumptions, models, and data*. Beverly Hills, CA: Sage.
- Kamouri, A. L., & Cavanaugh, J. C. (1986). The impact of retirement education programmes on workers' preretirement socialization. *Journal of Occupational Behaviour*, *7*, 245-256.

- Krause, N. (1987). Chronic financial strain, social support and depressive symptoms among older adults. *Psychology and Aging, 2*, 185-192.
- Levenson, H. (1981). Differentiating among internality, powerful others and chance. In H. M. Lefcourt (Ed.) *Research with the locus of control construct* (Vol. 1, pp. 15-63). San Diego: Academic Press.
- Ostling, I., & Kelloway, E. K. (1992, June). *Predictors of life satisfaction in retirement: A mediational model*. Paper presented at the annual conference of the Canadian Psychological Association, Quebec City.
- Pedhazur, E. J. (1982). *Multiple regression in behavioral research: Explanation and prediction* (2nd ed.) New York: Holt, Rinehart & Winston.
- Rowley, K., & Feather, N. (1987). The impact of unemployment in relation to age and length of unemployment. *Journal of Occupational Psychology, 60*, 323-332.
- Smith, P. C., Kendall, L., & Hulin, C. L. (1969). *The measurement of satisfaction in work and retirement: A strategy for the study of attitudes*. Chicago: Rand McNally.

Received July 26, 1994