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# THE INFLUENCE OF PERCEIVED ORGANISATIONAL SUPPORT AND PERCEIVED SUPERVISOR SUPPORT ON RETIREMENT INTENTIONS

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### Aims of paper

- Outline theoretical propositions for investigating perceived organisational support (POS) and perceived supervisor support (PSS) and retirement intentions.
- Present findings from a study of Older Workers in the UK

## Background

- Retirement is complex decision institutional arrangements, personal, familial and professional factors
- Most retirement research from the occupation psychology and HR
  perspectives has focused on characteristics of the individual (e.g.
  role identity and work attachment theory), rather than on the nature
  of the work or social environment of the employee.
- Commentators have argued that organisations need to promote age management policies and improve the quality of work to support the extended working life agenda
- Better understanding of the influence of the organisational environment on individual choices is needed, both in terms of theory development and from a practical perspective if companies are to encourage extended working life.
- In this research, we borrow ideas from the employee turnover literature to examine whether these are applicable in the retirement context.

## Turnover and Retirement

	Turnover	Retirement
Withdrawal from job	Yes	Yes
Withdrawal from organisation	Yes	Yes
Withdrawal from profession	No	Yes (?)
Withdrawal from career	No	Yes
Withdrawal from (paid) work itself	No	Yes

### Empirical evidence

- A number of studies have investigated whether retirement and turnover are distinct constructs (Adams & Beehr, 1998; Hanisch & Hulin, 1990; Münderlein et al., 2013; Schmidt & Lee, 2008)
- Broadly, personal characteristics (financial considerations, age and health) add more to the explanation of retirement intentions (Münderlein et al., 2013).
- Work characteristics (e.g. job characteristics) better explain turnover intentions than retirement intentions.
- However, organisational motivators can increase older workers' labour market participation.

# Perceived organisational support (POS) and turnover intention

- POS is an employee's global belief concerning the extent to which an employee believes that the organisation values their well-being. Support can be through tangible benefits (e.g. wages) or intangible (care, respect, collegiality).
- Links between POS and turnover intention have been established.
- Causal explanations have been through
  - Affective commitment (Wayne et al 1997; Rhoades et al 2001; Rhoades and Eisenberger, 2002 and Maertze et al 2007) and Chinese settings (Newman, Thanacoody, & Hui, 2011).
  - Reciprocity / social exchange (normative commitment) (Maertz, Griffeth, Campbell, & Allen, 2007)

## Extending perceived organisational support (POS) to retirement intention

- Organisational support has not be examined extensively in the context of retirement intentions.
- As choices available to older workers increase, it follows that the relationship with the employer will influence decision making.
- Older workers who feel supported by their organisation are more likely to derive positive feelings (affective commitment) and so be motivated to delay retirement (extend working life).

#### **Hypothesis**

 There is a positive relationship between perceived organisational support, affective commitment and retirement intention.



# Perceived supervisor support (PSS) and turnover intention

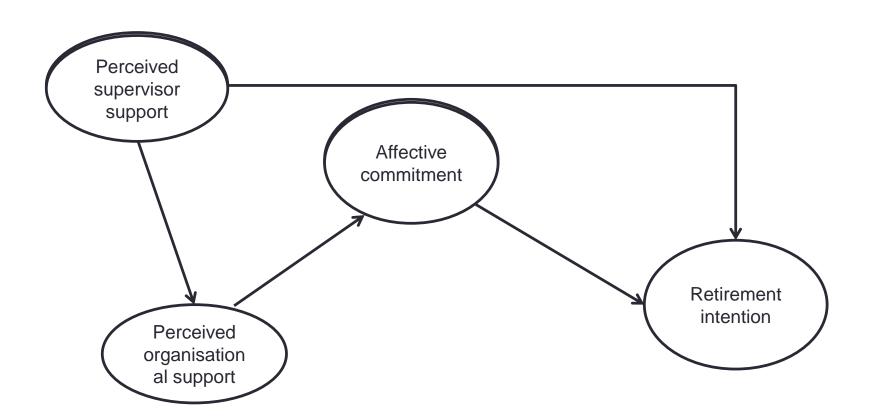
- PSS refers to the view that employees develop concerning the degree to which supervisors value their contributions and care about their well-being (Kottke and Sharfinska, 1988).
- Two perspectives support has been found for both in relation to turnover
  - Supervisors embody the organisation itself employees interpret treatment by their managers as representing the employer more generally.
  - Supervisors engender their own attachments. Commitment, mentoring and coaching and LMX theories suggest that supervisor support. Developed relationships are characterised by support, trust, information sharing, liking, respect and reciprocal influence.

## Extending perceived supervisor support to retirement intentions

- Theoretically, line managers and supervisors have a significant role to play in retirement choices:
  - Availability of alternative working patterns
  - Advice, support, motivation and encouragement of staff (Henkens and van Dalen, 2011)
  - Timing of retirement.
  - Work climate
- A growing body of empirical work has found positive, albeit modest, effects of supervisor support in retirement intentions and intention to continue working (Armstrong-Stassen and Scholsser, 2010; Van Solinge and Henkens, 2014)

#### **Hypotheses**

- PSS is positively associated with the retirement intention
- PSS effects on retirement intentions will be partially moderated by POS



### Data

- ESCR funded project many thanks to Matt Flynn
- Data collected from 800 UK employees
- Variables included in this analysis:
  - Older worker supportive culture
  - Supervisor support
  - Job satisfaction
  - Positive retirement affect
  - Retirement intention
- Recoded, so high scores are good
- Analysis: SmartPLS which uses Partial Least Square Structural Equational Modelling. Suitable for non-parametric data. It is suitable for complex models.
- PLS-SEM incorporates an outer measurement model and an inner path-model.

### Measures

Older worker supportive culture (3 items)

The experience of older employees is valued in my work place (1= strong disagree / 5 = strongly agree)

Perceived supervisor support (6 items)

How capable do you feel in being able to discuss with your manager: - Your retirement plans

Job satisfaction (6 items)

My job makes me satisfied with what I have accomplished

Retirement affect

Are you looking forward to retirement

1= I haven't really thought about it

2 = Not at all, I'm dreading it

3 = Not really, I'm apprehensive about it

4 = I'm relaxed about it

5 = I shall be pleased about it / it will be a relief

Retirement intention

What age do you intend to retire. Clusters

1= Under 60

2 = 60-64

3 = 65

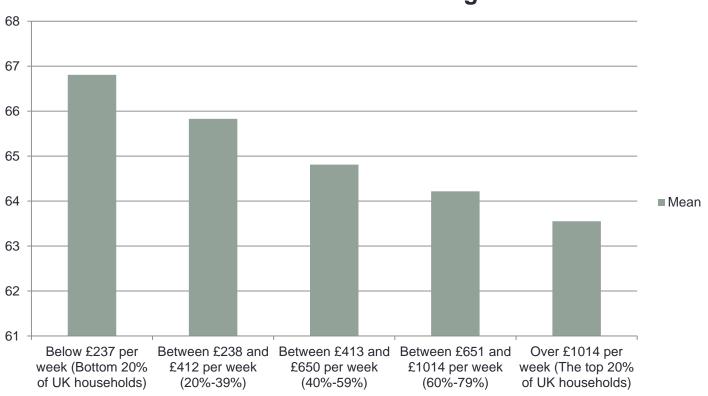
4 = 65 +

### General descriptors

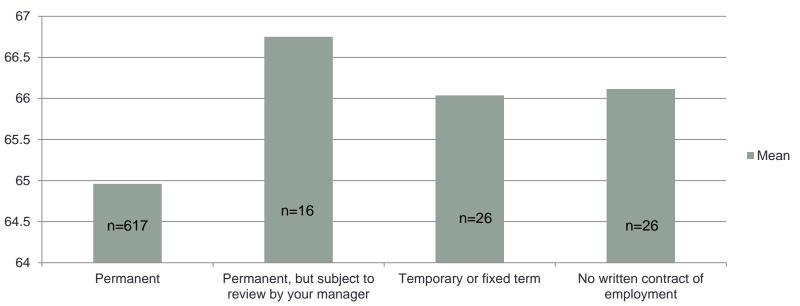
- Mean age = 55.63 years
- 68% did not have caring responsibilities
- Almost 50/50 male female split
- Mean intended retirement age 65.08 years (SD 4.49)

## Findings

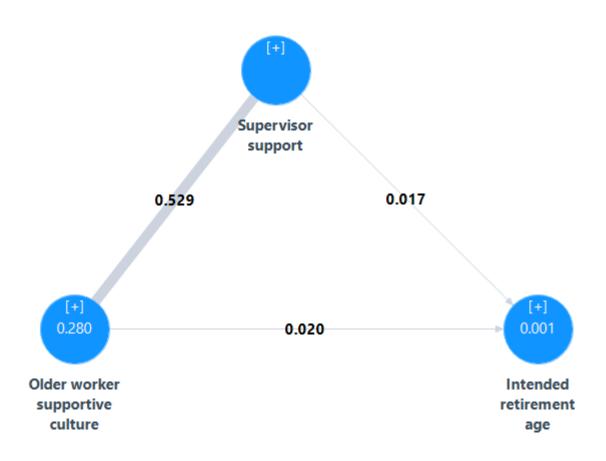
#### Intended retirement age



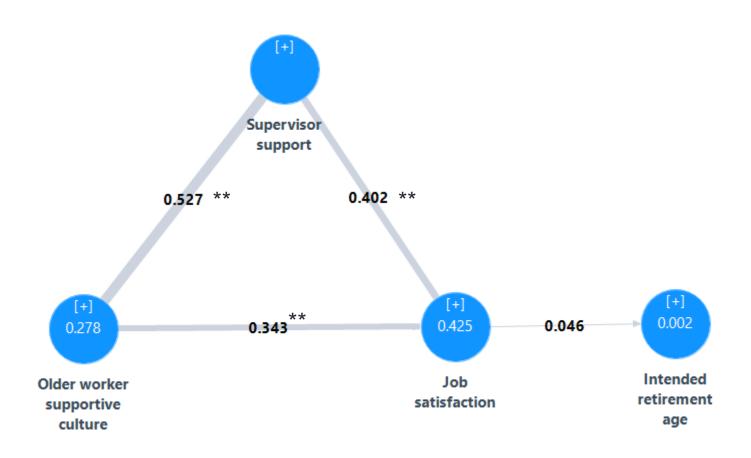
#### Intended retirement age by employment status



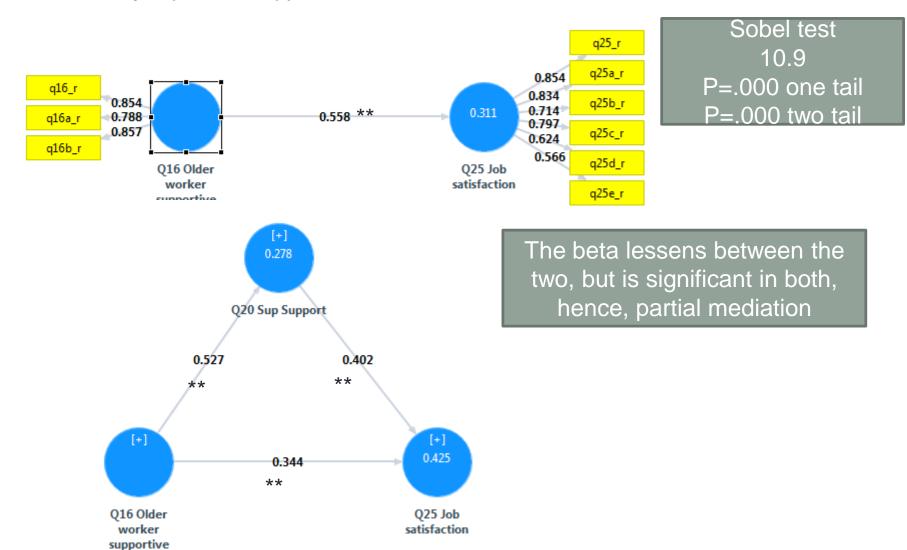
# No association between OWSC, SS and Intended Retirement Age



# No direct links between JS and intended retirement age

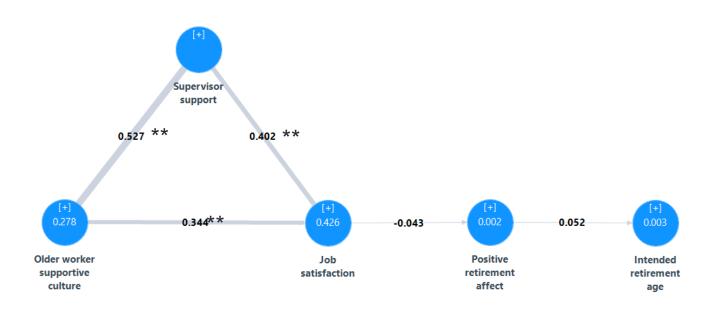


The relationship between older worker supportive culture and job satisfaction is partially mediated by supervisor support

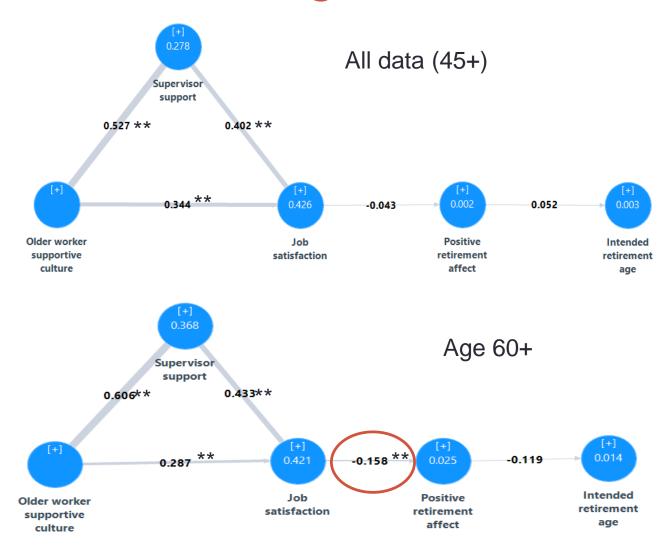


culture

## Including positive retirement affect into the model



### Consideration of age



### Summary of results

- The hypothesised relationships were not supported. Perceived organisational support and supervisor support do not exert any direct effects on intended retirement age
- However, they are strongly associated with job satisfaction
- Job satisfaction is not associated not with retirement affect or intended retirement age in the broader sample, but there is an association between job satisfaction and retirement affect in the 60+ sample.
- This suggests that as people get older, they begin to weigh up their feelings towards retirement in light of their jobs.
- Future research will undertake further segmented analysis, particularly in respect of gender.

## Thank you!

