



## **Merrill Lynch: Baby Boomers plan to work during retirement**

By Neha Ramani | June 10, 2014

A recent study shows it is increasingly common for wealthy retirees to seek work during their retirement years.

The study conducted by Merrill Lynch and Age Wave found that 47% of current retirees work or plan to find work and that 72% of pre-retirees over age 50 want to work during retirement. The report, titled *Work in Retirement: Myths and Motivations*, debunks the common myths that retirement means the end of work and is a time of decline, that people only work during retirement out of financial necessity, and that career changes are only for young workers.

Additionally, the report shows that the affluent are more likely to work during retirement, with the amount of working retirees in each asset level at 13% for below \$50,000, 19% for between \$50,000 and \$100,000, 22% for between \$100,000-\$200,000, 31% for between \$250,000 and \$1m, 33% for between \$1m and \$5m, and 29% for above \$5m.

David Tyrie, head of Retirement and Personal Wealth Solutions for Bank of America Merrill Lynch, said: “Baby Boomers are once again redefining a life stage. They’re blazing a new path through retirement that is more fulfilling, stimulating, and financially viable for themselves and their families.”

The study uses the term “retire-preneurs” to describe retirees who launched their own ventures, and reports that working retirees are three times more likely to be entrepreneurs.

Ken Dychtwalk, Ph.D., the founder and CEO of Age Wave, said: “This study confirms that as people live longer and healthier lives, they’ll continue to find satisfaction from work even after they retire from their primary career. Whether it’s continuing to do what they love, pursuing a long-desired interest or simply seeking to remain socially engaged, there’s a revolution brewing. People have come to realize that retirement doesn’t necessarily represent the end of an active life, but rather the beginning of new and exciting chapters.”

The study suggests retirees largely return to work by choice (80%) as opposed to for the money (20%). Other motivations to work during retirement include staying “youthful” (83%) and “mentally active” (62%).

The results also show that 58% of working retirees are in a different field than their pre-retirement career. The retirees who transitioned lines of work did so to have more flexibility (51%) and more fun and less stress (43%).

The study defines four categories of working retirees: 'Driven Achievers' (15%) are top-of-their-game workaholics who see no reason to quit; 'Caring Contributors' (33%) desire to give back and make a difference; 'Life Balancers' (24%) seek stress-free flexible work that also provides an income; 'Earnest Earners' (28%) generally work out of financial need and have more frustrations about their work situation than other working retirees.

The study is based off of a survey completed by over 7,000 people as well as responses from over 1,800 working retirees.

Merrill Lynch Global Wealth Management is a provider of wealth management and investment services for individuals and businesses globally. Age Wave provides research and commentary on population aging and its business, social, healthcare, financial, workforce and cultural implications.

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