Employee Pre-Retirement Programs in the Chicago Area, 1956-1961

John M. Long
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EMPLOYEE PRE-RETIREMENT PROGRAMS
IN THE CHICAGO AREA, 1956-1961

By
John M. Long, Jr.

A Thesis Submitted to the Faculty of The Institute
of Social and Industrial Relations in Partial
Fulfillment of the Requirements for the
Degree of Master of Social and
Industrial Relations

June
1962
LIFE

John M. Long, Jr. was born in Chicago, Illinois, on November 30, 1925.

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CHAPTER I

INTRODUCTION

A. What Pre-retirement Education Means

This thesis concerns that category of education of the aging sometimes called pre-retirement education or preparation for retirement. These programs have the objective of "helping people who are approaching retirement achieve a satisfactory transition from a working to a non-working way of life." ¹

"As life expectancy and, with it, the size of the aged population increases, and as the number of years elapsing between retirement and death rises, the problems of retirement policy becomes increasingly critical for society." ²

Education for those who are on the verge of retirement has been developed for the most part on the premise that people face certain crises or problems as they grow older and that a fuller understanding of these problems results in greater contentment in the later years. Pre-retirement programs, therefore, strive to

¹ Woodrow W. Hunter, "Pre-retirement Education", Geriatrics, XV, November, 1960, 794

² G. Hamilton Crook and Martin Heinstein, The Older Worker in Industry, Institute of Industrial Relations, University of California, (Berkeley, California, 1958), 47
reduce anxiety, create anticipatory attitudes toward retirement, and encourage the individual to make maximum use of his resources in adapting to changing circumstances.

One of the most vexing of the problems still unresolved in dealing with the subject of pre-retirement education has to do with determining the age at which this education should begin. Broadly conceived, all education to which the individual is exposed can and should help to prepare that person for the time in life when he finds himself leaving the labor force either because of aging or upon reaching a certain chronological age. The hobbies he develops during his working lifetime may become his chief focus of interest after his days in the work force are ended.

Narrowly conceived, pre-retirement education can be thought of as only that kind of training which aids the individual directly to make the adjustment from work to retirement with the least possible trauma. It is generally recognized that even under this narrow definition of pre-retirement education, a good adjustment can not be made by those having to retire even with the best training program unless some development has taken place in the individual during the course of his lifetime which makes the acceptance of retirement easier. 3

Until now most of the pre-retirement education programs which lend themselves to examination are those developed under the more narrow definition which has already been stated.

---

3 A Report of The Cook County Committee for the White House Conference on Aging, August 31, 1960, 26
The contents of pre-retirement programs have been considerably standardized on the basis of a growing number of investigations which show that occupational retirement removes the base from which older workers derive personal satisfaction and social approbation. "Forty years of directed activity in the office or shop with one's social needs often satisfied among one's working associates, are by no means the best preparation for self-directed activity and free choosing of friends after the age of 60 or 65." 5

The individual facing retirement is confronted with a drastic reduction in income, 6 and with a vast increase in leisure time, which he is completely unprepared to use in ways that yield the same satisfactions and social usefulness as did his work activity. 7


Poor health and decline in energy reserve often aggravate the situation, as does the need to readjust longstanding marital arrangements, since the husband spends so much more time in the home. It is at this point, too, that the retiree may face a decision about a different residence or community in which to live.

In examining pre-retirement education programs which are in existence in the Chicago Metropolitan Area, the Mayor's Commission for Senior Citizens found that most of these programs have been conducted by management, unions, universities and by community agencies such as libraries, governmental units, and by voluntary agencies such as the Y.M.C.A. In some cases there has been an interaction of pre-retirement program planning between several agencies. The Industrial Relations Center of the University of Chicago, for example, has provided a comprehensive plan which has been integrated into the pre-retirement programs of at least eight Chicago business organizations.

This plan states as its objectives:

1. To provide information about later maturity and retirement; to investigate the problems associated with them and what can be done about them.

2. To stimulate positive thinking and planning for later years.

---

8 John S. Sloan, "Paving the Road to Retirement", American Business, XXX, January 1960, 13
9 Cook County Committee, 27
3. To encourage action on plans before retirement.

These objectives are brought to focus through a series of eleven meetings. Each of these sessions carefully develops one aspect of retirement planning and preparation. In general, the subject matter covered during both personal and group conferences is as follows:

1. Retirement policy.
2. Finances.
3. Health.
4. Housing and living arrangements.
5. Activities and personal relationships.
6. Retirement philosophy.

In addition to the methods of lecture and group discussion and group socialization, some pre-retirement education programs have made effective use of printed materials such as booklets issued by the Chamber of Commerce of the United States, literature from the Retirement Council, Inc., and from various state bureaus of adult education.

Self-education of prospective retirees is possible, also, with the aide of numerous books written about retirement preparation. The Golden Years, compiled by the author of a popular syndicated newspaper column directed to older people, Begin Now - To Enjoy Tomorrow which was published by a life insurance company,
and A New Outlook for the Individual by Gifford R. Hart, are examples of the type of book available.

Audio-visual materials are utilized in pre-retirement education programs. There are films dealing with aging that are made available by various interested organizations as well as government agencies, particularly the United States Department of Health, Education and Welfare.

Other methods and materials that have proved effective in achieving these educational goals are autobiographical presentations in which retired persons tell of their adjustment to a new way of life and answer questions from prospective retirees. If the proper care has been exercised in the selection of the retired person, this method can be particularly helpful in engaging the interest and easing the anxieties of people nearing retirement age.

Field trips, exhibits, and various demonstrations have all been tried and proven good devices.

In order to obtain a sample of the content of the pre-retirement programs conducted in the Chicago area, industries and groups were contacted by the Mayor's Commission on Senior Citizens in 1960. These participating organizations reported that:

Ray Giles, Begin Now - To Enjoy Tomorrow, The Mutual Benefit Life Insurance Company (Omaha, 1951)
1. Most of these groups have compulsory retirement at the age of 65.

2. All of these groups do something in counseling older workers in matters of retirement income, beginning when the employee reaches the age of 60 years.

3. Most of these counsel on an individual basis rather than in a group.

4. The emphasis seems to be mostly on the financial aspect of retirement with little or no thought given to other important areas, such as health, leisure time, family, friends, and living arrangements and how to prepare retirees for finding satisfactions they received from work in their retirement projects.

Most of these programs seem to indicate that the scope was relatively narrow, with scant attention paid to the broad problems of adjustment to the aging process and the acceptance of limitations in activities which result from aging.

One of the reasons these programs are so narrow is because they are slanted toward the severing of relationships with a particular company rather than toward the total problem of adjustment.

However, management and industry as a whole have come to accept the proposition that they should help employees adjust to retirement. "To start, companies have a sense of loyalty and obligation to long service employees."12

In addition, some companies fear that if business does not

11 Cook County Committee, 27-28

take the lead in providing pre-retirement education, the Federal
government or local government will step in - and the costs will be
higher. 13

Finally, productivity may slump as the older worker comes close
to retirement if no program helps him overcome anxiety or bitter-
ness. It is hoped, also, that a pre-retirement program will help
to encourage retirement and foster subsequent good public relations
for the company sponsoring the program. 14

As yet very little is known about the effectiveness of pre-
retirement programs in respect to these objectives, such as improv-
ing public relations, maintaining the efficiency and productivity
of the older worker, increasing worker morale, and recognizing the
contributions of the older worker.

However, some of the immediate effects of participation in
pre-retirement programs - attitude changes, acquisition of infor-
mation, and the development and implementation of plans for retire-
ment - have been fairly well documented. 15

13 E.G. Thomssen, "Production Clinic: Retirement Policies of
Industrial Concerns", Soap and Chemical Specialities,
XXXII, February 1956, 63

14 Perrow, 111

15 Hunter, 798
B. Development of Pre-Retirement Education

In the preceding section the author gave a definition of pre-retirement education, discussed the basic problems facing persons in retirement, and indicated the sponsoring agencies for such programs as well as the content, method, and materials used. The author also drew a parallel between the ideal and the actual effort present in most pre-retirement programs.

This section will show the development of the acceptance of pre-retirement education as part of many established personnel programs.

The necessity for some form of pre-retirement education developed during the years immediately following the second World War largely due to two reasons.

The first reason is found in the recent phenomenon in our society of a man's loss of his worker's role while he is still able to fill that role. In 1890, 68 percent of the men over 65 were at work. This was fairly close to 100 percent of the men who were able to work efficiently. The proportion of older men at work decreased rapidly; to 43 percent in 1940, went up to 50 percent under the stimulus of war production in 1945, and dropped back to 42 percent in 1950. By 1958 only 36 percent continued

16 Robert J. Havighurst, Ruth Albrecht, Older People, Longmans, Green and Co., (New York, 1953) 103
to be actively employed or seeking employment, the rest having retired. 17

There is good reason to think that this withdrawal from the labor force at the age of 65 in large part reflects the effects of compulsory retirement programs as well as the general acceptance of age 65 as the time to quit the labor market and to cease working. Males are especially likely to be in employment situations subject to compulsory retirement rules.

An United States Bureau of Labor Statistics study of three hundred Pension Plans under collective bargaining covering approximately 5,857,000 workers, covering nonflexible provisions, by compulsory age specified and provisions for automatic retirement at the same or later age showed that more than fifty percent of all plans fixed age 65 as the retirement age. 18

17 Background Paper on the Employment Security and Retirement of the Older Worker, July, 1960, 32

TABLE I
RETIREMENT AGE IN PENSION PLANS

<table>
<thead>
<tr>
<th>Compulsory Retirement Age</th>
<th>Total Number of Plans</th>
<th>Selective Retirement</th>
<th>Mandatory Retirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>65 YEARS</td>
<td>104</td>
<td>81</td>
<td>23</td>
</tr>
<tr>
<td>66 &quot;</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>68 &quot;</td>
<td>50</td>
<td>29</td>
<td>21</td>
</tr>
<tr>
<td>69 &quot;</td>
<td>1</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>70 &quot;</td>
<td>18</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>72 &quot;</td>
<td>1</td>
<td>-</td>
<td>1</td>
</tr>
</tbody>
</table>

* Twenty plants, covering 492,500 workers, specified a lower compulsory retirement age for women than for men. In all but two cases, the age differential was five years; the other two programs specified differentials of three and ten years.

During the seventeenth, eighteenth, and nineteenth centuries, the average person retired very late in life. Most of our ancestors lived and worked on the land, and normally stayed there until they died, lessening their labors with advancing age. For most of them there was no retirement problem; no date of leaving; no pension. There was usually a place for them in the homestead, food, and a rocking chair.

Business, industry and government also tended to keep their older workers in harness to an advanced age, and then let them go informally, usually without a special provision for their declining years. That failure was not glaring as it is today, partly because the years of retirement were all too few. As late as
1900, the average 60 year old American male was destined to continue work until he was a little over 71, at which time death was only thirty-four months away.

By 1955, it was quite different. The Standard Annuity Mortality Table shows that in that year, an average 60 year old male worker might reasonably expect to retire at a little over 69 years of age (two years earlier than his grandfather in 1900); and to spend 9.2 years (rather than 2.8) in retirement. Because of this rapid increase in the average period of retirement, millions of middle aged and older workers have become more deeply interested in the timing of their retirements and the provisions that might be made to meet their needs during the years that follow.

However, it is not expected that medical science will be able to stretch man's life span much further than it is today. "Barring some miraculous breakthrough in medical research, our finite lives are not likely to be extended on the average much beyond 80 years. Our foreseeable problem, then, is that of coping with the aged who attain the age 65, and then some thirteen to fifteen years more. Relatively few of us will live much beyond these years."

As the nation becomes increasingly urban, as populations shift ever more freely, as families are uprooted and scattered, it is becoming more and more difficult for the average man to retreat to a rent-free shelter, raise a few vegetables, meet modest needs for

---

19 James R. Morris, Employment Opportunities in Later Years, (Foundation for Voluntary Welfare, Burlingame, Calif, 1960)
cash from a small pension or from sharpening his neighbors lawn-mowers, and rely upon his children for emergency aid and funeral expenses.

Today, also, the older worker realizes that his wife will probably outlive him. Assuming that his wife will be a widow for several years he knows that she will need his post-mortem support in some form of money income. With these things in mind, the average aging male worker is struggling to build up some source of future income that will meet his wife's and his retirement needs, and meanwhile, is hanging on to his job as long as he can.

About two-thirds of our 65 and over population are urban dwellers, the other one-third living in rural areas. About one-half of those 65 and over live with a spouse and maintain their own household. More than 20% live apart from any relative, most of these maintaining their own household. 20

In addition to increased life expectancy and a transfer from rural to urban living that has taken place in the United States, there is a third substantial reason for the growing interest in pre-retirement education.

This is the increase in the older population over 65 during the past sixty years. At present there are about 16 million persons

aged 65 and over in the United States. In 1900 there were only three million aged 65 and over. By the year 1980 it is expected that this figure will be approximately 25 million with almost one and one-half women to each man in this age category. 21

TABLE II

PROJECTED UNITED STATES POPULATION,
AGED 65 AND OVER (IN MILLIONS)

<table>
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<tbody>
<tr>
<td>65-69</td>
<td>5.9</td>
<td>6.4</td>
<td>6.9</td>
<td>7.8</td>
<td>8.6</td>
</tr>
<tr>
<td>70-74</td>
<td>4.4</td>
<td>4.9</td>
<td>5.4</td>
<td>5.9</td>
<td>6.7</td>
</tr>
<tr>
<td>75 and over</td>
<td>5.5</td>
<td>6.4</td>
<td>7.3</td>
<td>8.2</td>
<td>9.2</td>
</tr>
<tr>
<td>TOTAL 65 and over</td>
<td>15.8</td>
<td>17.6</td>
<td>19.5</td>
<td>21.9</td>
<td>24.5</td>
</tr>
</tbody>
</table>

Of our total civilian labor force about one-third is composed of men and women aged 45 to 64. Adding the 65 and over group, men and women aged 45 and over comprise approximately 40% of our total

civilian labor force; about two-thirds of these are men. 22

TABLE III

POPULATION OVER 65 BY AGE GROUPS AND SEX, PROJECTED
TO 1975; PERCENTAGES INDICATED ARE THE PROPORTION
OF EACH SUB-GROUP IN THE TOTAL OVER 65 POPULATION

<table>
<thead>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL</td>
<td>7.8</td>
<td>50.6</td>
<td>46.4</td>
<td>53.6</td>
<td>42.1</td>
<td>57.9</td>
</tr>
<tr>
<td>65-69</td>
<td>14.0</td>
<td>14.1</td>
<td>13.4</td>
<td>15.5</td>
<td>11.5</td>
<td>15.5</td>
</tr>
<tr>
<td>70-74</td>
<td>14.3</td>
<td>15.9</td>
<td>14.7</td>
<td>18.5</td>
<td>14.4</td>
<td>22.1</td>
</tr>
<tr>
<td>75 and over</td>
<td>14.3</td>
<td>15.9</td>
<td>14.7</td>
<td>18.5</td>
<td>14.4</td>
<td>22.1</td>
</tr>
</tbody>
</table>

Over the past half century, the aged in total numbers as well as in percentage of the population have represented an ever increasing number of persons in Cook County whose needs must be provided for and whose hopes and aspirations must be met.

In 1900, of 1,838,735 persons living in Cook County, 4.8% were estimated to be 65 years of age and over. In the next 40 years, the population increased to 4,063,342 - and those 65 and

22 "Our Aging Population", Business Record, November, 1955
and over increased to 5.9% of that population. In the next decade, 1940-1950, while the total population increased to 4,508,792, those 65 and over increased to 7.5% of the total population. Projections indicate that by 1970 the total Cook County population will have increased to 6,312,000 of which approximately 665,000 persons or over 10% of the total population of the County will be 65 years and over. 23

Income maintenance is one of the most serious and basic of the problems faced by people over 65 years of age. There were more than 400,000 persons 65 years and over in Cook County in 1956. Approximately 297,640 received Old Age and Survivors Insurance and 31,700 received Old Age Assistance. (Thirty-three percent of those receiving O.A.A. also received O.A.S.I.) 24

The average income of all Chicago households is about $7,000. In a Chicago household where the head of the household was 65 years or over 41.7% had a family income of less than $3,000, and 31.5% had an income of less than $2,000 a year. 25

It has become clear that the average man must look well beyond his own individual husbandry for economic security in the years of his retirement. The problem is one of vast and growing

23 Cook County Committee, I
24 Ibid., I
25 Ibid., I
scope. In 1958, almost 2.5 million people were receiving Federal Old Age Assistance based on their demonstrated need - and this despite the existence of the Federal Old Age, Survivors, and Disability Insurance Program, the Railroad Retirement System, government pension systems, and private pension plans (the latter estimated to number about 200,000 involving benefits for some 80 million persons.  

"In short, by shifting him (the older worker) from the farm to the city, by reducing his opportunities for continued economic production, by putting him in a household separated from his children and his grandchildren, our society has exposed the older worker to special hazards of insecurity."  

As a nation we are beginning to realize that for the well being, strength and happiness of society and the individual, it is essential that older people remain an active part of their families and their community. It is important also for the individual's sense of worth and importance. In order to accomplish this broad objective, many older people need new knowledge, attitudes and skills.

26 "Closer Tabs on Pension Plans", Business Week, February 17, 1962, 108

27 Robert Tilove, Pension Funds and Economic Freedom, The Fund for the Republic, (New York, April, 1959) 6-
As a step towards smoothing the way for older people facing retirement, various companies started pre-retirement education programs in the period of World War II. "In 1948, there were only a handful of small pre-retirement programs. By 1952 over 50% of the companies in a nationwide survey had some such counseling; and by 1954, 65% were embarked on such efforts, with 35% assigning a company representative to call on retired people." 28

A survey made by James R. Morris in January, 1960, of three hundred largest firms in the United States showed that 68% of the 146 respondents had pre-retirement programs. 29

Geneva Mathiasen's research corroborates the steady increase in the number of industrial firms that have been carrying out pre-retirement programs. In somewhat comparable surveys carried out in 1950, 1952, and 1955, the percentage of companies which reported some plan for pre-retirement counseling or education was 13 percent, 54 percent, and 65 percent respectively. 30

The 1955 study showed that 85 percent of the 327 companies surveyed by the National Industrial Planning Conference Board

28 Perrow, 114

29 Morris, 87

described their programs as being "informal." Three quarters of the informal programs did not begin until the employees were less than one year from the anticipated date of retirement.

In a survey of 97 Cleveland, Ohio, firms in 1954, the Cleveland Welfare Federation found that 45 percent had some sort of pre-retirement program, usually, individual counseling. By 1957, the percentage of firms having programs increased 15 percent.\(^\text{31}\)

With the increase in the number of firms developing pre-retirement education programs, a number of problems have been noted that will call for solution. The first problem is extending the coverage of pre-retirement education to the great number of persons who will be retiring and cannot benefit from the programs organized by large industries and the unions because they are not union members or are working for small firms who are not and cannot be staffed to develop pre-retirement programs.

The second problem is attracting the attention and interest of the workers in their forties and fifties to the program as well as reaching those nearer retirement age and showing them the value of pre-retirement planning and education.

An interesting off-shoot of retirement and pre-retirement programs is the effort made by some firms to make adjustments for

\(^{31}\) Ibid., 7
employees whose ability to perform is declining. These adjustments include measures such as reduced hours on the job, reduced pay rate, transfer to lighter jobs, transfer to less responsible jobs, modifying the job itself, re-training, tapering off (gradual retirement) and health rehabilitation.32

By making these efforts to keep an employee in the work force and help him ease gradually into full retirement rather than face him with a mandatory cut-off date, firms have developed valuable ways of preparing the worker for eventual full retirement.

It is the feeling of many that the pre-retirement programs should give more consideration to the broad problems of adjustment to the aging process and the acceptance of limitations which result from aging. It had been suggested that perhaps a program of pre-retirement education developed by a combination of agencies working together might be able to give a thorough preparation for life after withdrawal from the labor force.

Retirees would then be able to "enjoy retirement as a normal phenomenon, that is as natural as being hired, and when planned for and accepted with a light heart, instead of in the spirit of martyrdom, it can open up the most useful period of a man's life."33

32 Morris, 84

33 Clarence B. Randall, "Plea for Creative Retirement", Management Review, XLV, October 1956, 818
C. Review of Castronovo Thesis

The writer of this paper is concerned mainly with developments in pre-retirement education programs that have taken place in the Chicago area during the period from 1956 through 1961. This thesis is a continuation of research that was initiated by Thomas Castronovo, a Loyola University graduate student, who surveyed developments in pre-retirement programs from 1950 to 1956. 34

In reviewing the Castronovo work, Developments in Pre-Retirement Programs Since 1950, it is necessary to relate his survey in time to the development of the pre-retirement orientation and education programs which was traced in the preceding section of this paper. For example, in the period of 1949-1950 the concept of pre-retirement education was evolving and this concept gradually enlarged its scope so that by 1956 when Castronovo conducted his survey his thesis showed a great growth in pre-retirement education programs. However, it should be noted that there were companies with such employee counseling programs in existence for a good period of time before 1950.

Castronovo initiated his study with a statistical survey of our aging population and concluded that older people are living longer and therefore, retirement planning has become much more im-

portant now than it was previously.

In a discussion of "fixed" versus "flexible" retirement Castronovo brought out a point of considering the possibility of eliminating a definite date for retirement based on chronological age and concentrating instead on a date reached by consideration of physiological factors. Such a date would be established by impartial authorities after evaluating the employee's mental and physical capability to perform in his work situation and after the employee had expressed a desire to continue his employment after a "normal" cut-off date.

Castronovo cited opinions brought forth at the first National Conference on Retirement held at Columbia University in support of a flexible retirement. These reasons were:

1. "Both science and experience indicate that the aging process and its effects show such wide variations among individuals as to destroy the logic of age as the sole factor in determining whether a person should retire or should continue to work.

2. There is ample evidence that arbitrary retirement results in hardships for a substantial number of elderly individuals.

3. A flexible retirement policy is consonant with the philosophy of maximum utilization of the country's resources - a philosophy which must guide the national policy in the foreseeable future." 35

35 Castronovo, 9-10.
Geneva Mathiasen, Criteria for Retirement, (New York, 1953), 33
A minority group at this Conference held for fixed retirement. They gave the following reasons in support of it:

1. "The worker should have a period of rest at the end of his life while he is still physically able to enjoy it and fixed retirement age provides the best incentive to prepare for satisfactory retirement.

2. A plan based on chronological age is simple to administer and until more effective objective criteria are developed, it is the only basis for impartial decisions about individual retirement.

3. For this second reason it is the best device now available from the point of view of employee relations."  

Castronovo found that the majority of people approach retirement without mature plans. He also found that the pre-retirement programs studied were effective in eliminating the fears and anxieties associated with retirement and he recommended that such programs be adopted by other companies. Castronovo also suggested that the pre-retirement education programs be linked with a retirement selection panel which includes management and the worker. The worker would be examined by the medical department of his company on a yearly basis and the pre-retirement board would counsel him periodically either directly or indirectly during the five to ten years prior to an established chronological age.

Castronovo felt that such a policy would permit the retention of competent workers and the retirement of the incompetent. He also concluded that chronological age would always be a major fact-

36 Castronovo, 10
Mathiasen, Criteria for Retirement, 35
or in consideration of retirement. In addition a worker should have the right to retire at a given age if he wishes to do so.

Castronovo also suggested that other companies look to training programs such as carried out by Hotpoint, Inc., which prepare workers for retirement by teaching them new skills that fit them for other employment and also permits the utilization of the retired worker in labor shortage areas.

D. Design and Method of the Study

The purpose of this thesis is to determine by exploratory study what has occurred since 1956 in the field of pre-retirement orientation and education programs. This thesis will be a continuation of the previous study made by Thomas Castronovo in 1956 and it is designed to bring out important trends and changes that have occurred since 1956.

The problem will be presented in three phases in this thesis.

The first phase will deal with material published since 1956 concerning pre-retirement education. It will analyze both commentaries and statistical studies. These studies will be related to the thesis as a whole and the trends and changes important to this field of study will be reported.

The second phase is the most important and the most difficult. The phase involves an original mail questionnaire directed to personnel managers of 270 Chicago area companies. The questionnaire was programmed so that it could be compared to the question-
-naire issued in 1956 by Castronovo.

The third phase will define the trends and changes brought forth by phases one and two. This final phase will make a calculated prediction as to the future of pre-retirement education and orientation programs.

The study itself has consisted of a mail survey, personal interviews and investigations, a systematic survey of the work done by others in the field of pre-retirement education programs, as well as drawing heavily on the many sources in government, private organizations, business, labor, and the academic world for information.

The mail survey was confined to a sample of companies in the Chicago Metropolitan Area employing over 250 people. A cross-section of different types of industries has been used in the hopes of discovering variations in pre-retirement programs.

The companies receiving the questionnaire were selected by the following procedure:

From the Directory of Large Employers in the Chicago Area, 1960, compiled by the Industrial Department of the Chicago Association of Commerce and Industry, 270 companies were selected. This area includes the counties of Cook, DuPage, Kane, Lake and Will in Illinois, and Lake County in Indiana.

These 270 companies were divided as follows:

Ninety-five companies were selected at random from manufacturers employing over 1,000 employees; 65 from manufacturers employ-
-ing between 500 and 1,000 employees; 50 from manufacturers employ-
ing between 250 and 500 employees and 60 companies from non-manu-
facturers employing over 250 employees. 37

It would have been desirable to contact the same companies
queried in the 1956 survey. However, Castronovo did not include
a list of the companies contacted in his research so the author
has utilized the identical method of selection employed by Castrono-
ovo.

37 See Appendix I, p. 79 for Questionnaire, accompanying
letter, and list of companies contacted and list of
companies responding.
CHAPTER II

PRE-RETIREMENT EDUCATION PROGRAMS
ON THE NATIONAL LEVEL

A. Federal Sponsorship of Pre-Retirement Programs

The problem of retirement is a multi-dimensional one. It is a broad social problem, in that it affects the roles and status of people and may remove valued skills and accumulated knowledge from society. It is an important economic issue in that it affects the utilization of manpower and, from the national economic point of view, retiring people who still could make a contribution through work may mean that the country loses their productivity and also that others must assist in supporting them.

Retirement is a management problem, for needed continuity of viewpoint, skills and vigor in an organization may be affected when through application of a mandatory retirement age, important talents are withdrawn from an enterprise, or, conversely, when older employees who are no longer able to perform their jobs fully are retained. It is an individual problem, for the retiree and his family may not be prepared for retirement - financially, emotionally, or otherwise.

It is a problem to younger people, because, if older persons are not retired on a regular basis, the younger ones may feel that
they are restricted in their personal development and advancement within an organization.

There can be no doubt that pre-retirement education is a concern of the nation as a whole. For example, in 1958 only 36% of all men 65 and over were in the work force (either actively working or seeking employment), the rest having retired. Which brings us to the question: to what extent does the Federal government sponsor pre-retirement programs?

Even with the rapid increase in the pre-retirement education programs during the past ten years, it is estimated that at "the present time, most information about aging and retirement reaches people through magazines, newspapers, books and pamphlets."\(^1\)

However, the Federal Government (through Congress, the President, the Federal Council on Aging, the Special Staff on Aging, the Office of Education, and many special committees and special staffs in the various departments and offices) is beginning to take aggressive leadership in the field of aging and education for aging. There seems to be the feeling that the Federal Government will enter further into the field of pre-retirement education programs only if private industry fails to do the job properly.

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1 Background Paper on Education for Aging, prepared under the direction of the National Advisory Committee for the White House Conference on Aging, March, 1960, 15
The government is attempting to create an atmosphere of enlightened understanding about the problems of aging. An example of the type of work being done under the sponsorship of the Federal Government is the 1961 White House Conference on Aging which devoted much time and effort in preparation for and in discussing pre-retirement education programs.

There is beginning to be a nationwide, grassroots awakening to the problems of aging. State governments are beginning to take leadership through governor's committees on aging and other official state agencies on aging. In Illinois there is a State Advisory Council on the Improvement of the Economic and Social Status of Older People which in turn is responsible for the creation of separate county committees on aging.

In Chicago, the Mayor has appointed a Commission for Senior Citizens to investigate and plan for help to older people in the metropolitan area.

Still on the national level but outside the government, there are a number of organizations that have been active in creating interest and giving leadership to education for aging. These organizations include the Adult Education Association of the United States of America, the National Committee on Aging of the National Social Welfare Assembly, the Council of National Organizations, the National Associations of Retired Teachers, and the Senior Citizens of America.

It is interesting to note that relatively few governmental
units have carried out formal retirement preparation programs for their own personnel. While a number have informal programs, included limited counseling, an increasing number are considering formal programs. Some governmental approaches to pre-retirement education have been developed in the Federal Government's Veterans Administration, the Social Security Administration of the Department of Health, Education, and Welfare, the General Services Administration. The two best known are the programs of the Bureau of Ships and the Tennessee Valley Authority.

The Bureau of Ships in the Defense Department has one of the oldest governmental programs in pre-retirement education. Ten seminars were set up as a result of 150 interviews with a sample of older employees. This seminar program, using the University of Chicago materials, is directly related to both current counseling and to special follow-up counseling with participants. The seminars were voluntary and most were held during working hours. They included spouses, and were limited to twenty participants each. More than two hundred have participated and more seminars are planned.

In 1933, the Tennessee Valley Authority was established as a

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3 Background Paper on Education for Aging, 52
separate agency of the Federal Government, but without coverage by the Social Security or the Civil Service retirement systems. In 1939, the Authority established its own retirement system with optional retirement at 60 and mandatory retirement at the age of 70.

By 1954, TVA recognized an emerging problem, because employees generally were remaining in employment until the age of 70 when they were obliged to retire. In studies conducted by the TVA, the majority of employees indicated that inadequate income was a primary reason for remaining in employment, but a general distaste for retirement was also involved. The management saw this as a serious situation. Because of the indefinite retention of older workers, younger efficient people were laid off when restrictions in the work force became necessary.

Based on the studies, the TVA retirement plan was revised in 1957. A pattern of selective retirement was provided for by establishing a normal retirement age of 65, with extension of employment, one year at a time, at the option of the management, up to the age of 70, which remained the compulsory retirement age. An extensive pre-retirement counseling program was introduced, and pension benefits increased materially. These changes were designed to make voluntary retirement before the age of 70 more attractive, and to lessen resentment in cases of automatic termination by the management at 65.

The selection procedure followed at age of 65 requires a review of the physical condition of an employee, and a judgment by
the director of his division as to the desirability of his retention for not more than one year in light of (1) his work record, (2) his need for continued service, and (3) his physical condition.

After three years experience, TVA officials expressed satisfaction with the revised retirement program, and, perhaps more important, they detected favorable changes of attitudes towards retirement on the part of the employees.4

B. University, College, and Public School Programs

There is a large body of evidence indicating that universities have led the way in the development of the pre-retirement education courses and programs. Approximately eighteen universities and colleges have developed pre-retirement education programs.

A number of the universities which have organized industrial relations centers have investigated the need for formulating plans for pre-retirement orientation and education of the older worker, that will benefit the individual, the economic process, the nation, and society in general.

Michigan, Chicago New York, and New Hampshire Universities, Purdue, Iowa, Indiana, Michigan State, Wisconsin, Washington, Pittsburgh, Georgia, Cornell, St. Louis, California, and Omaha Universities along with others have developed pre-retirement edu-

cation courses and programs.

Several universities have prepared special "package programs", correspondence courses, radio and television programs, audio-visual aids, and extension programs.

In the midwest, Purdue has worked extensively with local counties in Indiana and also conducts an annual conference on pre-retirement education. The University of Chicago's work with labor, business, and community groups is widely known. Michigan has evolved programs with a wide variety of organizations and committees. In some of their programs, they have used retired people as discussion leaders.

College pre-retirement education has been developed at Clemson, Whittier, Brooklyn College, New York City College, and at Roosevelt University. Public schools in a number of states including Illinois have offered courses to assist the individual in preparing for retirement.5

C. Labor Union Pre-Retirement Programs

While labor union programs have tended to be limited in numbers, they have developed variety in the different types of programs, activities, and services than have the industrial programs. For example, in a United Steel Workers of America
survey, seventy-two locals indicated that they offered counseling on subjects other than financial to their older members. Locals representing nearly half of the union's membership indicated that they provided some sort of activity, service, or facility for the older members.

The United Auto Workers have a program supported by a small assessment on membership. Intensive training is given to their regional staff members who assist locals in developing programs of pre-retirement counseling, education and "day centers" for retired workers.

The Upholsterers International Union and the International Ladies Garment Workers each have developed pilot programs for pre-retirement education. The National AFL-CIO Community Services Committee has helped develop pre-retirement and post retirement education and counseling programs in over 85 communities.

A study made in New York of older members of the International Ladies Garment Workers Union revealed a number of attitudes of the workers towards preparation for retirement. The data indicate that the respondents have done little to prepare for retirement. They also had given little thought to the problems that might confront them in retirement. Similar attitudes among California workers were found in a survey completed in 1958.

"Workers Prepare to Retire", Steel, 138, June 11, 1956, 70
Although the respondents have given little thought to retirement, only a small number of them indicated that they would like to know more about retirement.  

**TABLE IV**

RETIREMENT PLANS OF THE WORKERS

<table>
<thead>
<tr>
<th>PLANS</th>
<th>MEN</th>
<th></th>
<th>WOMEN</th>
<th></th>
<th>ALL</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Younger</td>
<td>Older</td>
<td>Younger</td>
<td>Older</td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>Whether or not the workers report definite retirement plans</td>
<td>YES</td>
<td>23%</td>
<td>24%</td>
<td>18%</td>
<td>23%</td>
<td>23%</td>
</tr>
<tr>
<td>YES, qualified or contingent*</td>
<td>19%</td>
<td>13%</td>
<td>21%</td>
<td>21%</td>
<td>17%</td>
<td>21%</td>
</tr>
<tr>
<td>NO#</td>
<td>59%</td>
<td>63%</td>
<td>61%</td>
<td>56%</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>101%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* Usually expressed in terms of health or money

# Includes those who say they don't expect to retire and those who expect to retire but say they have no plans.

In the New York study, the response to the open-end question,  

7 G. Hamilton Crook and Martin Heinstein, *The Older Worker in Industry, University of California, (Berkeley, 1958)* 36
"What should the union do about retirement?" indicated the concern of the respondents primarily with finances, and to a lesser extent with health benefits and social services, and an educational or recreational program. More than 80 percent of the respondents were anxious to maintain a continuing relationship with the union. They were enthusiastic about the proposal that the union open a center where retired workers could get together.

Two-thirds of the respondents favored the proposal for housing where retired union members can live together because it offers them an opportunity to be with their friends and to obtain better housing.

Over 90 percent believed that retired workers should have the right to use the facilities of the union health center and a similar proportion wanted to continue receiving union literature after retirement and also the privilege of attending union meetings after retirement even if denied the right to vote.

Based on these findings, the study makes the recommendation that "unions can do much to help the worker make the transition from work to retirement and to make retirement more acceptable and meaningful" by establishing day centers where retired workers can get together for social contacts, recreation, and educational activities; and by providing them with honorary life memberships.

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8 Jacob Tuckman and Irving Lorge, Retirement and the Indus-
trial Worker; Prospect and Reality, Columbia University, New York. 1953, 108
The study concludes that unions might well consider the establishment of counseling programs to help workers plan for retirement since, at some time or other, the majority of industrial workers will have to retire. It is important that workers be helped to accept their own aging and to prepare for the many adjustments they have to make on retirement. Since younger rather than older workers look forward to retirement, a counseling program designed to help workers prepare for the stresses that occur in later life will be more successful when initiated well in advance of, rather than just before, retirement.

D. Industrial Programs

"The retirement problem in all its dimensions is but another challenge to the private enterprise system." 9 The major share of responsibility for preparing workers for life after retirement has been assumed by industry. Surveys reveal that a much higher percentage of business concerns have some form of pre-retirement education and orientation programs than do labor unions, governmental and educational agencies, or schools. Upwards of sixty-five

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percent of industrial concerns report in national surveys that they have some form of pre-retirement education for their employees.\textsuperscript{10}

It is obvious that a company must have some form of retirement plan (whether retirement be mandatory, selective, or flexible) before it can institute any type of pre-retirement education program.

Formal retirement programs with a mandatory retirement age provide a basis for planning in advance to deal with the requirements of retirement. Many companies feel that the most important facet of mandatory retirement with a fixed retirement age is that it conditions people to the idea of retirement.\textsuperscript{11}

In the handling and administration of retirement plans there has been a trend on the part of management toward the sharing of authority with the union. Geneva Mathiasen reports that a survey of the type of administration of retirement plans which the company alone administered showed they constituted only one-third of the three hundred plans studied. The majority were administered with some form of union participation.\textsuperscript{12}

\begin{itemize}
\item \textsuperscript{10} Refer to page 20 of this paper for documented discussion.
\item \textsuperscript{11} Beaumont and Tower, 153
\item \textsuperscript{12} U.S. Department of Labor, Bureau of Labor Statistics, \textit{Pension Plans Under Collective Bargaining}, Bulletin 1147, Table 2, 10
\end{itemize}
### TABLE V

**TYPE OF ADMINISTRATION OF RETIREMENT PLANS**

<table>
<thead>
<tr>
<th>TYPE OF ADMINISTRATION</th>
<th>ALL PLANS</th>
<th>PLANS WITH RETIREMENT THAT IS MANDATORY</th>
<th>SELECTIVE</th>
<th>FLEXIBLE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL</strong></td>
<td>300</td>
<td>61</td>
<td>114</td>
<td>125</td>
</tr>
<tr>
<td>Company</td>
<td>111</td>
<td>20</td>
<td>68</td>
<td>23</td>
</tr>
<tr>
<td>Co. with Union Representation</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Co. with Individuals</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Right to Appeal Through Grievance Machinery or to a Bipartite Committee</td>
<td>91</td>
<td>16</td>
<td>23</td>
<td>52</td>
</tr>
<tr>
<td>Combination of Company and Bipartite Committee</td>
<td>40</td>
<td>17</td>
<td>17</td>
<td>6</td>
</tr>
<tr>
<td>Bipartite Committee</td>
<td>48</td>
<td>7</td>
<td>5</td>
<td>36</td>
</tr>
<tr>
<td>Tri-Partite Committee</td>
<td>7</td>
<td>-</td>
<td>-</td>
<td>7</td>
</tr>
</tbody>
</table>

A logical outgrowth of this shared administration of retirement plans would be joint participation of union and management in pre-retirement education programs. Many educators have suggested that for pre-retirement education to be most successful, and to include a wider range of subjects, it should be carried on by a combination of agencies.

Joint participation would be feasible also with the more formal programs of pre-retirement education. In a larger business, a for-
mal program utilizing group meetings would be a cost saving feature in that the trained personnel would be reaching more persons at a time than they could by individual counseling.

Large companies with a formal pre-retirement education program such as General Electric, Republic Steel, Pitney Bowes, Minnesota Mining and Manufacturing, North American Aviation, Bell and Howell, and Swift and Company employ a number of methods such as group discussion, lecture, and distribution of printed material as well as individual counseling.¹³

Some companies invite the spouse of the prospective retiree to accompany him to these pre-retirement education programs. Other companies that have no pre-retirement program as such foster activities of specific employee clubs and groups which can be helpful to the older workers in the plant communities.

For example, two employee organizations of the Personal Products Corporation set out a program of pre-retirement education that was conducted in the plant and on company time. Two organizations, The Quarter Century Club composed of employees having twenty-five or more years service with the company, and PERSO, an employee organization set up to sponsor plant recreational, social, and adult-education activities, laid out seven ninety minute programs that were given twice each week so that workers on each shift might attend. An average of fifteen people attended each session.

¹³ "Workers Prepare to Retire", 71
(the Corporation employs eight hundred people; approximately sixty would reach retirement age of sixty-five in the next ten years) and heard lectures on:

1. Social Security provisions and the company's retirement insurance plan (First Week);
2. Personal finance (Second and Third Weeks);
3. Maintaining health after 50 (Fourth Week);
4. Emotional adjustment to retirement (Fifth Week);
5. Planning for future activities (Sixth Week);
6. Community needs and resources (Seventh Week).  

Smaller companies are less inclined to formal retirement plans and consequently less likely to have pre-retirement education plans. Programs in the majority of smaller companies are informal. Counseling is done on a "one-stop" basis close to the retiree's actual departure from the firm. Smaller companies with 100 to 200 employees have found that the distribution of printed material is the most economical yet effective solution for them in pre-retirement education.  

In industry the greatest amount of pre-retirement education


has been directed toward the "blue collar" worker, second in importance is the "white collar" worker, and lagging far to the rear is pre-retirement education for the managerial group. Pre-retirement counseling for executives has been used for the most part to induce painless early retirement for the non-producers in an organization. 16

A recent report of the Midwest Planning Committee of the Life Office Management Association suggested a retirement program which is an indication of the extent and range of the program likely to be considered adequate in the future.

The committee suggested that pre-retirement education be programmed in three phases. The initial conditioning period would begin when the employee becomes eligible for his company's pension plan. In some companies this happens after a certain length of service or at a chronological age, perhaps thirty years. At that time a personal interview draws out the employees plans for retirement and the means he is devising towards carrying them out. The interview is repeated at five year intervals and a record is kept of the content of the conversations.

This initial period prepares the worker to accept the idea that he will retire and that he should prepare for it early enough to escape the general reluctance of older workers to think of or discuss retirement.

16 Beaumont and Tower, 155
The second phase of pre-retirement education begins around the workers fifty-fifth birthday, ten years before retirement. His retirement plans are reviewed and evaluated and he is encouraged to continue with them. A special effort is made to see if his plans will be feasible in the light of his expected retirement income.

If the employee indicates interest, he is to be furnished with publications that may help in planning for leisure time in retirement.

The company medical department counsels him on preventative measures to guard against diseases associated with aging.

At sixty, there is another general interview. Some companies invite the wife to accompany her husband to this interview and subsequently to all formal pre-retirement education programs.

Between the ages sixty and sixty-five the employee attends the formal pre-retirement lectures and group discussions.

At retirement there is a final interview, a review of all financial and physical conditions, a party, a gift, and the assurance of counseling help in the future should he request it.

The third phase is post-retirement help. The retiree is at his request kept on the employee publication list, invited to yearly get-togethers with the other retired employees and allowed to continue using the facilities of the company medical department.
and company-sponsored employee programs for recreation and education. In other words, the company continues to indicate interest in his existence and his welfare.\textsuperscript{17}

\textsuperscript{17} Sloan, 13-15
CHAPTER III

PRE-RETIREMENT EDUCATION PROGRAMS IN THE
CHICAGO METROPOLITAN AREA

A. Response to Questionnaire by Company Size and Type

One hundred and fifty questionnaires were returned for a 55.5 percent response to the mailing to 270 Chicago area companies conducted in February, 1962.¹

One hundred and fourteen of the responding companies (76%) stated that they had a retirement program. The balance of the respondents did not have any type of retirement programs and will not be included in further data.²

As might be expected on the basis of national studies, the author found that manufacturers with 1,000 employees and over had the highest percentage of retirement programs. Ninety percent of the large businesses reported having a retirement program while the range of retirement programs in smaller companies was from 63.6 percent to 71.4 percent.

It is surmised that the larger companies had a large enough staff organization in personnel to build and promulgate retirement programs. It is also surmised that larger firms are in a better

¹ See Table VI, 46
² See Table VII, 47
### TABLE VI

**QUESTIONNAIRES ISSUED AND PERCENTAGE RETURNED ACCORDING TO COMPANY SIZE**

<p>| Type and Size of Company                  | Issued | Questionnaires | Returned |  |
|------------------------------------------|--------|----------------|----------|
|                                          | No.    | %              | No.      | % |
| Manu. having 1,000 employees and over   | 95     | 35.2%          | 59       | 21.8% |
| Manu. having 500 - 1,000 employees      | 65     | 24.0%          | 33       | 12.2% |
| Manu. having 250 - 500 employees        | 50     | 18.6%          | 30       | 11.2% |
| Non-manufacturers having 250 employees and over | 60 | 22.2%          | 28       | 10.4% |
| <strong>TOTAL</strong>                               | 270    | <strong>100.0%</strong>     | 150      | <strong>55.5%</strong> |</p>
<table>
<thead>
<tr>
<th>Type and Size of Company (150 Companies Reporting)</th>
<th>Retirement Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>YES</td>
</tr>
<tr>
<td></td>
<td>No.</td>
</tr>
<tr>
<td>Manufacturers having 1,000 employees and over</td>
<td>53</td>
</tr>
<tr>
<td>Manufacturers having 500-1,000 employees</td>
<td>21</td>
</tr>
<tr>
<td>Manufacturers having 250-500 employees</td>
<td>20</td>
</tr>
<tr>
<td>Non-manufacturers having 250 employees and over</td>
<td>20</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>114</td>
</tr>
</tbody>
</table>
financial position to accommodate retirement programs. There could also be the consideration of the influence of the union working for retirement programs in larger businesses.

If the companies answering indicated that they had a retirement program, the questionnaire then asked them to answer questions regarding the type of retirement program. There were three classifications: compulsory retirement meaning that the employee must retire when he reaches a specified age with few or no exceptions allowed; and voluntary retirement meaning that the employee may retire at a certain chronological age but he may, at his option, continue working. The third classification designated "other" was designed to pick up an unusual type of retirement program that might be in existence. Nothing of value was noted in this third classification.

Table VIII was set up to give a numerical and percentage breakdown of the compulsory and voluntary types of retirement programs. The author found that of all answering companies with a retirement program, the compulsory plans accounted for 55.3 percent and the voluntary plans for 44.7 percent of the total response.

A review of Table VIII yields factual information which can relate the size of the manufacturing organization to its type of program: compulsory or voluntary retirement. The larger the organization, the greater the trend toward compulsory retirement. For

3 See Table VIII, 49
### TABLE VIII

**RETIREMENT POLICIES IN 114 CHICAGO AREA COMPANIES**

<table>
<thead>
<tr>
<th>Type and Size of Company</th>
<th>Retirement Policy</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
</tr>
<tr>
<td>Manufacturers having 1,000 employees and over</td>
<td>31</td>
<td>56.6%</td>
<td>22</td>
</tr>
<tr>
<td>Manufacturers having 500-1,000 employees</td>
<td>10</td>
<td>47.6%</td>
<td>11</td>
</tr>
<tr>
<td>Manufacturers having 250-500 employees</td>
<td>9</td>
<td>35.0%</td>
<td>13</td>
</tr>
<tr>
<td>Non-manufacturers having 250 employees and over</td>
<td>15</td>
<td>75.0%</td>
<td>5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>63</td>
<td>55.3%</td>
<td>51</td>
</tr>
</tbody>
</table>
smallest manufacturers (250-500 employees) reported that 65 percent of their retirement plans were on a voluntary basis.

In the non-manufacturing classification the author discovered that the rate of compulsory retirement was even higher than in the large manufacturing classification. Returns for the non-manufacturing classification showed 75 percent had compulsory retirement plans. These companies included banks, insurance companies, retail sales firms, and utilities.

The author felt it essential to get information about the age range of retirement plans and established two classifications. The first was a minimum age classification at which an employee might elect to retire. The second classification was for a maximum age at which employees must retire.

Data covering these responses are found in Table IX and Table X. In Table IX the totals include those age groups set up for voluntary type of retirement. This means that the voluntary group would have a date to start retirement but retirement would never be compulsory. This Table had nine instances where women were assigned a different optional early retirement date from that given men employed by the same firm. Women were offered the option of retirement three to five years earlier than men. For purposes of clarity the women's lowest starting age was used and the men's

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4 See Table IX, 51
5 See Table X, 53
TABLE IX

MINIMUM AGE THAT AN EMPLOYEE CAN ELECT TO RETIRE IN 98 CHICAGO AREA COMPANIES

<table>
<thead>
<tr>
<th>Retirement Optional at Age of 98</th>
<th>MANUFACTURERS</th>
<th>NON-MANUFACTURERS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Group A</td>
<td>Group B</td>
</tr>
<tr>
<td>1,000 emp.</td>
<td>50-1000</td>
<td>250-500</td>
</tr>
<tr>
<td>50</td>
<td>5.1%</td>
<td>3</td>
</tr>
<tr>
<td>55</td>
<td>37.8%</td>
<td>19</td>
</tr>
<tr>
<td>58</td>
<td>2.0%</td>
<td>-</td>
</tr>
<tr>
<td>60</td>
<td>22.5%</td>
<td>11</td>
</tr>
<tr>
<td>62</td>
<td>10.2%</td>
<td>5</td>
</tr>
<tr>
<td>63</td>
<td>1.0%</td>
<td>1</td>
</tr>
<tr>
<td>65</td>
<td>21.4%</td>
<td>5</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0%</td>
<td>44</td>
</tr>
</tbody>
</table>

Note: There were nine instances in which women were assigned an earlier optional retirement date from that given men employed by the same firm. Three were in Group A; one in Group B; three in Group C; and two in Group E.
Ninety-eight of the 114 companies offered an option of a minimum age for retirement. The remaining 16 respondents had only a single fixed age for retirement. A review of the responses of the ninety-eight companies shows that there are three basic starting dates for retirement that account for 81.7 percent of the returns. These three optional retirement ages were fifty-five, sixty, and sixty-five. However, it must be recalled that at the age sixty-five the responses include those from companies having voluntary retirement and companies having no cut-off date for employment. Therefore, a company listing sixty-five as a voluntary retirement date is simply stating that if the employee desires to retire at that age he may or he has the option to continue working.

Table X classified the maximum retirement ages. This table is composed of responses of companies that have compulsory retirement only. Seventy-one of the 114 companies had a definite set age for retirement. Age sixty-five was mentioned by 77.5 percent of the respondents as the age for compulsory retirement.

Table X included four instances in which there was a different age for the retirement of women than that given for men employed by the same company. In all four instances, the women were obliged to retire at sixty-two, the men at sixty-five.

Table X also contains one instance of multiple classification. The company's retirement program classified exempt salaried employees as having compulsory retirement at sixty-five and the non-ex-
TABLE X
MAXIMUM AGE FOR RETIREMENT IN
71 CHICAGO AREA COMPANIES

<table>
<thead>
<tr>
<th>Mandatory Retirement at Age of</th>
<th>MANUFACTURERS</th>
<th>NON-MANUFACTURERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of 71</td>
<td>Group A</td>
<td>Group B</td>
</tr>
<tr>
<td>1,000 emp. 500-1000 and over</td>
<td>250-500</td>
<td>250 employees</td>
</tr>
<tr>
<td>62 5.6%</td>
<td>-</td>
<td>3</td>
</tr>
<tr>
<td>65 77.5%</td>
<td>28</td>
<td>6</td>
</tr>
<tr>
<td>67 1.4%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>68 5.6%</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>70 8.5%</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>71 1.4%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL 100.0%</td>
<td>35</td>
<td>11</td>
</tr>
</tbody>
</table>

Note: This Table includes four instances of a different retirement age for women and men working for the same companies. In all four cases, the women were obliged to retire at 62 whereas the men retired at 65. Three cases were in Group B, one in Group E. There is also included one instance where retirement is compulsory at age 65 for exempt salaried employees but not compulsory for non-exempt, and is voluntary for bargaining unit employees.
empt salaried employees and bargaining unit wage employees were under a voluntary retirement classification. The exempt salaried employees were in the category of management. This company reported that their clerical and lower management level employees benefits and practices were tied in with those negotiated with the union.

This information, which has been tabulated for easy reference, gives the basic outline or background for the classification of pre-retirement programs as they relate to those companies responding to the mail survey.

B. Classification of Pre-Retirement Programs in Chicago Area

Forty companies stated that they had a pre-retirement education program. This was 35 percent of the companies which had reported having a retirement program.

The types of programs were broken into two classifications: formal and informal. A formal program was one that had a planned schedule of events for the prospective retiree. A typical formal pre-retirement program would have a definite time schedule for the retiree to follow. There would be a regular program of lectures or group discussions or individual counseling sessions and he would be furnished with appropriate printed material. These would be designed to cover a complete or near complete range of subjects that would be expected to affect the individual upon his retirement.
The informal program would use the more casual approach. The employee approaching retirement would be contacted by the personnel department for an interview. Upon his arrival the retiree would be handled in a friendly manner, being advised that since he knew his retirement date was coming due perhaps there was something on which the personnel office could advise - in effect, the employee and the personnel advisor would have a "little chat". There would be no effort made to orientate the employee upon subjects other than the amount of his retirement compensation, his insurance conversion, government benefits and other matters of a financial nature.

All companies, by and large, that said they had a pre-retirement program also stated that they had coverage of company pension, medical benefits, and government benefits. This was uniform coverage in both the formal and informal pre-retirement programs.

Sixty-five percent of the forty companies with programs reported a formal retirement education program; 35 percent have informal programs.

Since it would be valuable in tracing the development of the acceptance of pre-retirement education programs to know when the companies surveyed had started their programs, a question was inserted requesting the year in which the program had been inaugurated.

---

See Table XI, 56
<table>
<thead>
<tr>
<th>Type and Size of Company</th>
<th>Retirement Programs</th>
<th>Pre-Retirement Programs</th>
<th>Formal P-Ret.</th>
<th>Informal P-Retire.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>%</td>
<td>No.</td>
<td>%</td>
</tr>
<tr>
<td>Manu. having 1,000 and over employees</td>
<td>53</td>
<td>46.5%</td>
<td>20</td>
<td>17.5%</td>
</tr>
<tr>
<td>Manu. having 500-1,000 employees</td>
<td>21</td>
<td>18.5%</td>
<td>7</td>
<td>6.1%</td>
</tr>
<tr>
<td>Manu. having 250-500 employees</td>
<td>20</td>
<td>17.5%</td>
<td>5</td>
<td>4.4%</td>
</tr>
<tr>
<td>Non.-Manu. having 250 employees and over</td>
<td>20</td>
<td>17.5%</td>
<td>8</td>
<td>7.0%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>114</td>
<td>100.0%</td>
<td>40</td>
<td>35.0%</td>
</tr>
</tbody>
</table>
ated. As Table XII shows, few of the twenty-one companies reporting in this category have had such a program for any length of time. The oldest program was established in 1930. One was started in 1935, another in 1936, and a fourth commenced in 1940. The majority of programs originated in the years since 1950 with the greatest concentration in 1956.7

A point of interest relating to program inception time is that not one of the respondent companies initiated a program after 1960.

Of all the companies reporting, including those without retirement programs, only five stated that they were considering establishing a pre-retirement program in the future. None of the five announced a possible starting date for such a program. The author did not make any provision for firms which had discontinued a pre-retirement education program. One of the respondent companies (a large national firm) said that they had started a formal pre-retirement program with the assistance of the University of Chicago and at a later date discontinued it. The explanation for stoppage was: "Due to other programs which required precedence."

The questionnaire sought information on the amount of time spent in counseling each employee in the program. The companies answered that time spent was as high as twenty hours yearly to as

---

7 See Table XII, 58
TABLE XII

YEAR IN WHICH PRE-RETIREMENT PROGRAMS
WERE INITIATED BY TWENTY-ONE
CHICAGO AREA COMPANIES

<table>
<thead>
<tr>
<th>DATE</th>
<th>NUMBER OF COMPANIES ADOPTING PRE-RETIREMENT EDUCATION PROGRAMS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NONE</td>
</tr>
<tr>
<td>1930</td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td></td>
</tr>
<tr>
<td>1932</td>
<td></td>
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<tr>
<td>1933</td>
<td></td>
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<tr>
<td>1934</td>
<td></td>
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<td>1939</td>
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<td>1940</td>
<td></td>
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<td>1941</td>
<td></td>
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<tr>
<td>1942</td>
<td></td>
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<td>1943</td>
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<td>1944</td>
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<td>1950</td>
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<td>1957</td>
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<tr>
<td>1958</td>
<td></td>
</tr>
<tr>
<td>1959</td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td></td>
</tr>
</tbody>
</table>
low as one hour or fraction thereof. There was no pattern evidenced in the replies from which the author could deduce any standard time allowance.

The author also thought it important to show a classification of the type of counseling involved. Of the twenty-eight companies reporting, the use of counseling, the preference was individual counseling with five companies stating that they used a combination of group and individual methods. The Table below shows the actual breakdown.

**TABLE XIII**

**TYPE OF COUNSELING USED BY TWENTY-EIGHT COMPANIES**

<table>
<thead>
<tr>
<th>COUNSELING</th>
<th>INDIVIDUAL</th>
<th>GROUP</th>
<th>BOTH</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Companies Reporting</td>
<td>21</td>
<td>2</td>
<td>5</td>
<td>28</td>
</tr>
</tbody>
</table>

It appears that the difficulty in setting up definite time schedules is related to the factor of individual counseling. The counseling evidently is tailored to the individual need or desire for help. Some retirees who use their own initiative in developing attitudes and plans towards retirement probably need less counseling than others who make little or no preparation for retirement.
About forty percent of the companies who reported programs start their pre-retirement counseling five years before the date of retirement. Twenty percent, however, wait until just before the retirement date or only six months prior to it, to begin any pre-retirement education. The Table below shows a seven part breakdown of the time element in starting pre-retirement education programs.

**TABLE XIV**

**TIME AT WHICH PRE-RETIREMENT PROGRAM IS INITIATED WITH EMPLOYEE**

<table>
<thead>
<tr>
<th>Time at Which Program Initiated</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Just before</td>
<td>3</td>
<td>10.7%</td>
</tr>
<tr>
<td>Six Months before</td>
<td>3</td>
<td>10.7%</td>
</tr>
<tr>
<td>One Year before</td>
<td>5</td>
<td>17.9%</td>
</tr>
<tr>
<td>Two Years before</td>
<td>2</td>
<td>7.2%</td>
</tr>
<tr>
<td>Three Years before</td>
<td>3</td>
<td>10.7%</td>
</tr>
<tr>
<td>Five Years before</td>
<td>11</td>
<td>39.2%</td>
</tr>
<tr>
<td>Seven Years before</td>
<td>1</td>
<td>3.6%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>28</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Twenty-two of the twenty-five companies answering the question said that their employees participated in the pre-retirement education.
education programs on a voluntary basis. The next question, then, would provide a key to the amount of employee-interest in pre-retirement education. Would employees respond to pre-retirement education programs if attendance and participation were not compulsory? Various studies made throughout the country had shown that workers were not too interested in learning about retirement and the closer they came to retirement the less they cared to find out about it.

This survey showed a different attitude on the part of the workers. Twenty-one companies reported that 80 percent or better of their people eligible for the program participated in it on a voluntary basis. The bulk of the companies reported 90 percent or better participation.8

The author requested the personnel managers of the companies surveyed to report benefits that they felt were derived from a pre-retirement program: was the pre-retirement education program worth the time, effort, and cost?

One hundred percent of the forty respondents indicated a duel benefit to the employees and to the company.

One hundred percent of the forty companies answering stated that they were going to continue the pre-retirement education

8 See Table XV, 62
**TABLE XV**

PERCENTAGE OF VOLUNTARY PARTICIPATION
OF EMPLOYEES IN RE-RETIREMENT
EDUCATION PROGRAMS

<table>
<thead>
<tr>
<th>Number of Companies</th>
<th>Employees Attending Program Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELEVEN</td>
<td>100.0%</td>
</tr>
<tr>
<td>TWO</td>
<td>99.0%</td>
</tr>
<tr>
<td>ONE</td>
<td>95.0%</td>
</tr>
<tr>
<td>THREE</td>
<td>90.0%</td>
</tr>
<tr>
<td>ONE</td>
<td>80.0%</td>
</tr>
<tr>
<td>ONE</td>
<td>50.0%</td>
</tr>
<tr>
<td>THREE</td>
<td>Varies Between 80% to 100%</td>
</tr>
</tbody>
</table>
programs. Plans to expand the current program in the immediate future were announced by 17.5 percent of the forty personnel managers reporting.
CHAPTER IV

CHANGES SINCE 1956 AND FUTURE TRENDS

A. Analysis of Chicago Area Changes in Pre-Retirement Education Since 1956

To begin an analysis of the changes in pre-retirement education programs in the years since 1956, it is natural to start with a consideration of retirement programs. In 1956, Thomas Castronove had 130 companies out of a field of 270 respond to his questionnaire. Of the respondents, 108 reported retirement programs. Only 16.9 percent said they did not have retirement programs.

The author had a response of 150 companies out of a field of 270; 114 companies reported that they had retirement programs; 36 companies or 24 percent did not have any retirement program for their employees. The author finds an increase of 7.0% in the number of companies reporting that they have no retirement program for their employees.

Another facet of the comparison between the two surveys of the Chicago Metropolitan area companies is that in 1956, fifty percent of the companies responding reported having either a formal or informal pre-retirement education program for their employees. In 1962 only forty of the 150 companies responding had pre-retirement programs. In other words, there was a decline from 50 per-
cent to 26.6 percent in the years 1956 to date.

This decline in the Chicago area is in opposition to the national trend as shown in Chapter II. In the national picture, each survey has showed an increase in the number of firms having pre-retirement education programs. There has not been any report of a decrease or dropping off of the percentage of firms having such programs in the last seven years.

During the same period in the Chicago area, there has been a drop in the number of firms reporting pre-retirement education programs. In 1956, according to the Castronovo survey, one out of every two firms reporting retirement plans also reported pre-retirement education programs. The author’s survey of the same area showed that one firm in four reported that they had pre-retirement education programs.

The survey made in 1956 and the current survey followed the same procedure. Both contacted 270 Chicago area companies drawn from the same source and with the identical number of companies in each size classification. Castronovo did not publish a list of companies contacted, so it is not possible to know if the same companies have been reached in this second survey nor was it possible to plan to re-contact the same companies used for the Castronovo survey. It may be possible that skewed distribution in either or both surveys has resulted in producing this unexpected variance of response.
There is another consideration also in analysis of the changes in Chicago area pre-retirement education programs. In February, 1956 (the period that Thomas Castronovo was completing his research in pre-retirement education and orientation programs in the Chicago area) the concept of pre-retirement education had just moved beyond the stage of embryonic development. Pre-retirement programs were almost completely a development of the years from 1950 to 1956.

The standards that Castronovo applied to his research have since been refined. In 1962, the concept of pre-retirement orientation and education is closer to the following definition. A company has a program of pre-retirement orientation and education if it is using either the formal or informal approaches explained earlier in this paper. The company's program actually advises the prospective retiree what can be expected to occur in his life after retirement and encourages and aids him in his plans for meeting his future.

Under this definition of pre-retirement education it is not correct to classify the practice of mere issuance of a booklet describing financial working of the company pension plan as a pre-retirement program.

Perhaps the refinement of standards from one survey period to the next would account for an inflated figure in 1956. No provision was made in either the 1956 or 1962 questionnaire for firms that had dropped either retirement or pre-retirement pro-
grams but one respondent volunteered that information in the 1962 survey.

A search of the comments made by personnel directors did not reveal any dissatisfaction with the pre-retirement programs currently in operation. Contrarily, it showed that the firms were 100 percent satisfied with their programs results and two out of ten firms planned to expand their program.

In addition, the trend has been to increasingly formal and more ambitious programs during recent years. In 1956 Castronovo found that 35.4 percent of the companies which had pre-retirement programs had formal programs. The author's survey showed that 65.0 percent of the companies had a formal program of pre-retirement education. This represents an increase in formal programs of 29.6 percent.

The author believes that this swing towards formal programs is accounted for by two factors. First, a meaningful change in the concept of retirement that has taken place since 1956. In 1956, Castronovo found that 44 of 130 companies had compulsory retirement, a percentage of 33.9. In 1962, the author's survey showed that the number of firms with compulsory retirement had increased from 33.9 percent to 42 percent. This increase shows that a trend is building towards the setting up of a definite retirement program in more and more companies that have instituted retirement programs. A formal program of pre-retirement education is easier to integrate in a retirement system that is focused on a fixed
The second reason is found in the length of time the programs have existed. As the programs advance in age and develop to meet the needs of the employees and as they are more fully understood, it is possible to accomplish the enlarged objectives more completely through a formal program of pre-retirement education.

Pre-retirement programs are now starting to counsel employees for longer periods. Castronovo's study showed that most of the counseling was done in the year immediately preceding retirement. The current study found that pre-retirement counseling was commencing five years before retirement in the majority of companies.

This local development fits in with the national experience that pre-retirement counseling is able to be more effective the earlier in the employee's work life it is begun. Younger people show much less resistance to the notion of participating in pre-retirement education programs.

There seems to be little difference in the method of handling the retiree. Individual counseling remains the dominant method as it best fits the needs of the individual retiree.

To summarize: pre-retirement education programs are changing from informal to formal programs; they start earlier to reach the employee; and the method of individual counseling remains the one most commonly used. There are more companies that have set retirement at compulsory age limits for employment. These findings conform to the national level developments in pre-retirement education.
The serious drop in the proportion of Chicago firms reporting pre-retirement education programs is in reverse of the national trend.

B. Future of Pre-Retirement Education Programs in the Chicago Metropolitan Area

In the letter accompanying the questionnaire that was sent to 270 personnel directors of Chicago area firms, the author deliberately refrained from offering to send a copy of survey results upon completion of the research. The majority of respondents, both those with pre-retirement education programs and those without, wrote requesting that they might receive a summary of survey results. This would indicate more than casual interest in pre-retirement education among personnel directors.

There are other indicators of the climate surrounding the future development of pre-retirement education. More firms are resorting to compulsory retirement. Usually compulsory retirement brings with it definite retirement plans for employees. And management is aware of the increasing use of pre-retirement education programs to adjust its employees to retirement without anxiety and to lessen the impact of mandatory retirement.

Firms with pre-retirement education programs are turning to formal programs and are contacting employees further and further away from the actual retirement date - another indication that pre-retirement educations programs are becoming a standard part of personnel procedure.
Outside of industry, there has been increased pressure for recognition of the need for pre-retirement education and the author believes that this agitation and publicity will continue to bear fruit in the type and number of pre-retirement education programs.

Many firms have indicated the effectiveness of using the experiences of retired employees in meeting their retirement problems to interest and help the prospective retirees in the organization.
CHAPTER V

SUMMARY AND CONCLUSION

With an ever increasing number of persons living beyond sixty-five, there must be a more adequate preparation for the increased years of life. Such preparation requires changes in both behavior and attitudes by the individual, his family, his community and by society generally. Pre-retirement education and orientation programs are an effort to accomplish some of these ends. Through pre-retirement education it may be possible to:

1. Conserve, develop, and utilize the talents of older people, and build dignity and self-respect within them.
2. Increase the possibility of the later years being healthful, satisfying and meaningful.

There is little comprehensive data generally available on the extent or nature of retirement preparation programs. Most programs are focused upon pension and/or Social Security rights. Some programs involve lectures or discussions on practices, living arrangements, possible second careers, educational opportunities, attitudes towards retirement, and general financial matters.

Business, industry and unions are becoming more aware of the need for counseling and education about aging and retirement.
Governmental agencies and educational institutions are becoming more realistic about the need of pre-retirement education for their employees. However, most older people have not been involved in pre-retirement study or counseling though the number of such programs is increasing rapidly.

Pre-retirement education programs have been going through a period of experimental development, particularly during the past decade. Based on this experience, and with leadership from the Federal Government and state governments that is now coming to the fore, development of comprehensive educational services for older workers during the coming decade will be possible.

It is evident by the strong degree of employee participation and endorsement by the personnel managers that pre-retirement education programs are doing valuable work in the Chicago Metropolitan area to assist older workers into successful retirement.

The author has come to the conclusion that there can be no average or standard amount of time devoted to counseling on an individual basis. Such programming of time and working out schedules is possible only if and when the companies swing away from individual counseling and into the more controlled atmosphere of group counseling.

There is definite evidence of the interest of the retiring employee in obtaining information about life in retirement and what he can expect in the future away from work. The high percentage of voluntary participation (80 percent or better) should be an
inspiration for more companies to move into the pre-retirement education and orientation programs. Employees today do not want to retire with a party and a gift and their pension check. They are interested in education and guidance for their new mode of life.

The author believes that more firms will utilize their retired employees in group programs either by live presentations or by film.

The author also believes that larger firms will consider and adopt post-retirement plans as a necessary correlation to pre-retirement education. The retiree will be given the assurance that the firm is still interested in his welfare and that he still counts. Firms, perhaps in cooperation with unions, perhaps with utilization of the company-fostered employee groups, will provide for meaningful contact with retired employees. This could take the form of continued use of the company medical department, participation in company recreational and educational activities, continued inclusion in company publications and company turnouts.
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APPENDIX I

LETTER, QUESTIONNAIRE, AND LIST
OF COMPANIES CONTACTED
February 12, 1962

Dear Sir:

We need the benefit of your knowledge.

The writer in conjunction with Loyola University is conducting a research project on employee pre-retirement orientation and education programs. The enclosed questionnaire has been sent to you and 270 other selected Chicago area companies. The information we hope to gather from this questionnaire will enable us to calculate the progress of pre-retirement programs in the Chicago area.

The questionnaire is not an easy one to answer. It will take some time and effort to complete. We sincerely hope that you will give us the benefit of your experience.

I have attached my business card to the questionnaire. Please call me if you have a question.

Attached also is a self-addressed, stamped envelope. It is most important that the questionnaire be returned no later than Tuesday, February 20th.

My sincere thanks,

John M. Long, Jr.

P.S. If you have prepared booklets, pamphlets, or brochures—would you also send them, marked to my attention, please.
QUESTIONNAIRE

1. Does your company have a retirement program?  
   (Please check) Yes   _____  
   (If No, disregard balance of questionnaire.  
   Please sign and return in attached self-addressed envelope.)  
   No   _____

2. Type of retirement program.  (Please check) Compulsory   _____  
   Voluntary   _____  
   Other*   _____  
   * If Other, please define:

3. What is the age range of retirement program?  
   Can retire at   _____  
   Must retire at   _____

4. Does your company have a pre-retirement orientation and educational program for your employees?  
   (Please check) Yes   _____  
   (If No, disregard balance of questionnaire.  
   Please sign and return in attached self-addressed envelope.)  
   No   _____

5. How many years has pre-retirement counseling been in effect?  

6. What is the age of employee when you start your pre-retirement program?  

7. What type of pre-retirement program do you use?  
   (Please check) Individual Counsel   _______  
   Group Counsel   _______
3. What does the counseling consist of? Lecture, discussion, audio-visual etc. Please advise:

9. What points of information do you cover with your employees? (Please check)
   A. Company Pension
   B. Medical Benefits
   C. Gov't. Benefits
   D. Changes to be anticipated in mode of living
   E. Mental attitudes
   F. Company's continued interest after retirement
   G. Other

10. How much time is spent counseling an employee? (Indicate by hours)
    Weekly
    Monthly
    Yearly

11. Does your employee participate in the counseling on a voluntary basis? (Please check)
    Yes
    No

12. If the answer to 11 is Yes, what percentage of your employees participate in the pre-retirement program?

13. Do you find your pre-retirement program to be a benefit to - (Please answer Yes or No)
    Employee
    Company
    Company's Public Relations
14. What will your company do with the pre-retirement program in the future?
(Please check) Continue as is ________
Expand it ________
Drop it ________

15. We would appreciate a statement of your views as the Director of Personnel regarding the subject of employee pre-retirement programs:
Is the program worth the time, effort, and cost?
(Please attach your statement to the questionnaire when completed for return.)

In conclusion, we would like to have your opinion on a new and not too well known subject. It would be a big help to us if you would answer the next item.

16. Would you consider waiving your retirement program at the individual employee's request if the employee was physically capable of continuing to do his job?
(Please check) Yes ________
No ________

17. Would you hire a retired person if he or she were capable of doing the job?
(Please check) Yes ________
No ________

Thank you for your helpful cooperation and expenditure of your time in assisting in this research program.

Your Name __________________________
Your Company's Name __________________________

Please check if you want this review of your opinions to be confidential. Your name and your company's name will not be used. ________
LIST OF 270 COMPANIES IN CHICAGO
METROPOLITAN AREA CONTACTED
IN FEBRUARY, 1962

GROUP A - Manufacturers Employing over 1,000 Persons

Abbott Laboratories*
Admiral Corporation*
Addressograph-Multigraph*
Advance Transformer Company*
Allis-Chalmers Manufacturing Company
American Can Company*
American Gage & Machine Company
American Maize Products Company*
American Towel Laundries*
American Steel Foundries
Ampmhnol-Borg Electronics Corporation*
Argonne National Laboratory*
Armour and Company*
Atlantic and Pacific Tea Company, The Great*
Automatic Electric Company*

Bell and Howell Company*
Blaw-Knox Company
Booth Fisheries*
Borg-Warner Corporation*
Bowman Dairy Company*
E.J. Brach & Sons *

Campbell Soup Company
Ceco Steel Products Corporation*
Chemetron Corporation*
Chicago Bridge and Iron Company
Chicago Rawhide Manufacturing Company*
Chicago Tribune*
Cities Service Oil Company
Commerce Clearing House, Inc.*
Consolidated Foods Corporation*
Container Corporation of America*
Continental Baking Company*
Continental Can Company, Inc.*
Croname, Inc.*
Cook Electric Company
Corn Products Company
Cuneo Press, Inc.*
Helene Curtiss Industries, Inc.
Curtiss Candy Company*

Danly Machine Specialties, Inc.*
A.B. Dick Company*
Dole Valve Company*
Dormeyer Corporation*

Ekco Products Company*
The Electric Autolite Company

Fansteel Metallurgical Corporation
Field Enterprises, Inc.*
The Florsheim Shoe Company*

General American Transportation Corporation
General Dynamics Corporation
General Mills, Inc.*
Goodman Manufacturing Company*

W.F. Hall Printing Company
Hallicrafters Company*
Hart Schaffner and Marx*
Hills-McCanna*
Edward Hines Lumber Company

Illinois Tool Works
Inland Steel Company*
International Minerals & Chemical Corporation

Jewel Tea Company
Johns-Manville Corporation
Joslyn-Mfg. & Supply Company*

B. Kuppenheimer and Company, Inc.

Link-Belt Company

Maremont Automotive Products, Inc.*
Mars, Inc.*
McGraw-Edison Company*

Nacham Corporation*
National Dairy Products Corp.

Olson Rug Company
Outboard Marine Corporation*
Pure Oil Company

Rand McNally and Company
Reynolds Metals Company
Rheem Manufacturing Company*
The Richardson Company*

Arnold Schwinn and Company*
The Seeburg Corporation
Signode Steel Strapping Company*
Simpson Electric*
Sinclair Refining Company
Smith-Corona-Marchant, Inc.
Standard Coil Products Company
Standard Forgings Corporation
Stewart-Warner Corporation*
Sun Electric Corporation

Teletype Corporation*

United States Gypsum Company*

Victor Adding Machine Company
Victor Chemical Works

Webcor, Inc.*
Wells-Gardner & Company
Wilson & Company, Inc.

Zenith Radio Corporation*

GROUP B - Manufacturers having 500-1,000 Employees

Acme Industrial Company*
Arvey Corporation

The Bastian-Blessing Company
Baxter Laboratories, Inc.*
Belden Manufacturing Company
Bell & Gossett Company*
Benjamin Electric Manufacturing Company*
Binks Manufacturing Company*
Bodine Electric Company*
M. Born and Company*
Charles Brunning Company Inc.
Bunte Brothers Chase Candy Co.*
Chicago Hardware Foundry Company
Chicago Show Printing Company
C.P. Clare & Company*
Cory Corporation
Crane Packing Company*

Ditto, Inc.*
Ruben H. Donnelley Corporation

Elgin American Inc.
Encyclopedia Britannica Inc.*

A. Finkl & Sons Company

Garden City Plating & Mfg. Co., Inc.
General Precision Equipment Corp.

Hannifin Company
The H.M. Harper Company*
Hoffman Electronics Corporation

Illinois Gear & Machine Company
The Imperial Brass Manufacturing Company
Interchemical Corporation
International Register Company
Interstate Bakeries Corporation

D.O. James Gear Manufacturing Company

Lindberg Engineering Company*
Ludlow Typograph Company
Loyon Metal Products, Inc.

Clayton Mark & Co.

National Video Corporation*

O-Byran Brothers, Inc.*
Ohmite Manufacturing Company

Playskool Mfg. Co.
Pullman Coubh Company
The Pyle-National Company

The Regensteiner Corporation
Rockola Manufacturing Corporation

S & C Electric Company*
Salerno-McGowen Biscuit Company*
Santay Corporation*
Scott, Foresman & Company*
G.D. Searle & Company*
Shure Brothers, Inc.*
J.B. Simpson Inc.*
Skil Corporation*

Tractomotive Corporation

UARCO, Inc.
Union Asbestos & Rubber Company
United Mfg. Company
Universal Oil Products Co.*

Vapor Heating Corporation*

The Walgreen Company
The Wallace Press*
Sidney Wanzer & Sons Inc.*
Ward Baking Company*

Young Spring & Wire Corporation

Zion Industries, Inc.

GROUP C - Manufacturers Having 250-500 Employees

R.C. Allen Business Machines Inc.
Allied Paper Corporation
American Bank Note Company
American Potash & Chemical Corporation
Anchor Coupling Co., Inc.
Avildsen Tools & Machines, Inc.

Barco Manufacturing Co.*
I.S. Berlin Press
Berns Air King Corporation

Chicago Lock Company
James B. Clow & Sons, Inc.
F.E. Compton & Co.*
Continental Coffee Co.*
Culligan, Inc.*

DeLuxe Check Printers, Inc.*
The DoAll Company
Dormeyer Industries*
Dutch Mill Candy Company

Ericson Tool & Machine*

Fannie May Kitchen Fresh Candy Shops*
Federal Tool Corporation*
Felt Products Manufacturing Company

General Telephone Directory Co.*
D. Gottlieb & Company
Great Lakes Carbon Corporation*
The Grigsby Company, Inc.

Hales & Hunter Company*
Harsco Corporation
Henneberry Rotogravure Company*
Hineman's Bakeries Inc.*
Hoween Leather Company*

Inland, Magill, Weinsheimer*

Robert O. Law Company
Littelfuse, Inc.*

Manz Corporation
Morton Salt Co.*
Muntz TV, Inc.*

Naxon Utilities Corporation*

Onsrud Machine Works, Inc.
C.D. Osborn Company*

R.M.Palmer Inc.*
Peanut Specialty Company
Pepperidge Farm Inc.*
Peter Hand Brewery Company
The Powers Regulator Company

Radio Industries, Inc.*
Rothmoor Corporation*
Ruebens & Marble Inc.

The Seng Company
The S.K. Smith Company*
Solo Cup Company
GROUP E - Non-Manufacturers Employing Over 250 People

Aetna Insurance Company
Alexander & Company*
Allied Radio Corporation*
American Hospital Supply Corp.
American Photocopy Equipment
Automatic Canteen Co. of America*

Bankers Life and Casualty Co.*
Blue Cross Plan for Hospital Care
Brinks Inc.
Brunswick Corp.
Leo Burnett Company*

Cargill Inc.
Robert Carpenter and Co., Inc.
Chicago Motor Club
Chicago Title and Trust Co.*
Chicago Transit Authority*
Columbia Broadcasting System*
Combined Insurance Co. of America

Drake Hotel*
Dun and Bradstreet Inc.*

Edgewater Beach Hotel
Electrolux Corp.
Equitable Life Assurance*

Federal Reserve Bank of Chicago
Marshall Field & Company*
Firestone Tire and Rubber Company
First Federal Savings & Loan Assn. of Chicago
Foote, Cone and Belding*
Forum Cafeterias of American Inc.

General Finance Corporation

Harris Trust and Savings Bank*
Fred Harvey
The Hertz Corporation
Horder's Stationery Stores Inc.

Illinois Bell Telephone Co.*
International Association of Lions Clubs

The Kane Service*
LeMarge Mailing Service Co.
Lyon and Healy Inc.

National Broadcasting Co., Inc.
A.C. Nielsen Company*
North Shore Gas Company*

O'Connor and Goldberg*
Otis Elevator Company*

Pixley & Ehlers
John Plain Company
R.L. Polk Company

Retail Credit Co.
Maurice L. Rothschild & Co.

Sperry & Hutchinson Co.*
Statistical Tabulating Corp.*
Stivers Office Service*
Sumner Sollitt Co.

J. Walter Thompson Company

Vaughans Seed Company

Washington National Insurance Company*
Western Union Telegraph Company*
Wieboldt Stores, Inc.
Willett Company*

Young & Rubicam Inc.

Note: An asterisk after the company name denotes returned questionnaire. There were ten anonymous returns: one in Group A, four in Group B, three in Group C, and two in Group E.
APPENDIX II

PRE-RETIREMENT PROGRAMS OF THREE

CHICAGO AREA COMPANIES
A. PRE-RETIREMENT PROGRAM FOR A LARGE CHICAGO AREA STEEL COMPANY

Informal Program

It is the practice at the company works to provide interview and counseling service to employees of any age who are seeking information on matters pertaining to retirement and retirement income plans.

Employees may obtain information on the above subject by stopping at the Personnel Department during their off-work hours. Interviews are conducted with these people upon their appearance at the Personnel Department. Explanations are given them as to how the plans operate and any questions they may have are answered.

At the employee's request, an estimate may be made of his possible retirement benefits. In such cases, it is carefully explained that the estimate of retirement income is based on an estimate of future earnings and that any difference between estimated and actual future earnings will change the retirement benefits.

In the event that such employee is a member of the Optional Retirement Income Plan, he is informed as to the amount he has contributed to date into that plan.

Formal Program

Employees Approaching the Age 60

All employees approaching age sixty are called in for an interview in connection with their decision on the Joint and Survivor Option in the retirement income plans.

When such an employee reports to the Employee Services Station in the Personnel Department, the Joint and Survivor Option is carefully explained. A form is prepared showing estimated retirement benefit at normal retirement date and how the selection of joint-survivor option would effect those benefits.

The employee is invited to bring in his wife in order that she might also understand the Joint and Survivor Option. He is also at that time informed of some of the many problems that may confront an individual upon retirement and advised of the importance of a start in planning toward retirement.
The employee is encouraged at this point to come in at any time during the five years remaining prior to normal retirement date to discuss any problems or questions that might come up in connection with retirement.

The employee is counseled about the importance of having satisfactory proof of date of birth as needed for the company pension and also for Social Security as well. He is requested to bring in evidence of his date of birth.

When the evidence is submitted, it is checked against existing records. If the employee does not have evidence of his date of birth, he is counseled and assisted in his efforts to obtain satisfactory evidence.

Retirement Interview

Two months prior to normal retirement date, all employees and their departments are issued notices requesting that the employee contact the Employee Service Section, Personnel Department for an interview in connection with the approaching normal retirement date.

The purpose of this interview is to explain the rights and benefits available and also to counsel with him on individual problems he may have concerning retirement. Also, where he has this prerogative, to learn whether he hopes to retire or to continue working beyond his normal retirement date.

If the employee elects to retire, he is asked to sign all the necessary forms so that everything will be in order for his retirement and the following retirement information is explained to him in detail:

1. Life insurance coverage, percentage of reductions and the amount that will continue in force after a four year reduction period.

2. The situation on Hospital and Surgical coverage for the retired employee and his spouse is explained.

3. Retirement luncheon, group picture, and permanent identification card.

4. Picture to be taken for company magazine.

5. How, when and where to apply for Social Security Benefits to avoid a delay in receiving benefit check.
6. Unemployment compensation benefits; how and where to apply.

7. If a member of the company stock purchase plan, he is permitted to sign termination forms requesting refund of contributions. If his retirement date is February 1 or August 1, however, he is eligible to purchase stock and this is explained to him.

8. How and when he may expect to receive his retirement income check.

9. Final paycheck, how and where he may receive it.

If an employee who has the prerogative to do so elects to continue working beyond normal retirement date, he is informed that he will be required to have a physical examination at the Medical Department. The Medical Department and the employee's department are notified by letter of his decision. Following the physical examination, a determination is made by the Medical Director as to whether he is physically able to perform the duties of his regular job. In addition, his department reviews his record to determine if his work and attendance have been satisfactory.

If the employee is recommended by the Medical Department and/or his department as being unable to perform the duties of his regular job, he is returned to the Personnel Department where the various benefits are explained and the required forms signed.

Retirement Exit Interview

The retirement exit interview is usually conducted on the last day worked just prior to retirement.

The purpose of this interview is to answer any questions or help with any problems confronting the retiree since the retirement interview. During this interview he is given a card so that he may pick up his final pay. His group retirement picture is also presented to him and he is also given a completed form to present to the State Employment Security Division Office.

Since this may be our last formal contact with the retiring employee, he is made to feel that he is always welcome to contact the Personnel Department should any problem or questions arise.
B. LARGE CHICAGO MANUFACTURING COMPANY'S PRE-RETIREMENT EDUCATION PROGRAM

Blank Company has recognized the fact that even its generous pension plan cannot assure successful retirement. Realizing that there are psychological factors involved as well as the need for adequate income, the company decided the best way to fulfill the need was to help prepare its employees for retirement ... to condition them to realize that retirement must come and to accept ... and to help them plan ahead and be ready ... in many instances, eager, for retirement. Thus was developed Blank Company's "Pre-retirement Educational Program." Attesting to the success of this program are the scores of content, well occupied, happily retired former employees of this company.

An Outline of the Program:

I. Objective

1. To help company members of our Pension Plan to prepare for retirement.

2. Broaden the participant's understanding of the retirement program and point out that retirement at age 65 is not mandatory, but is encouraged.

3. To aid the participant to get into a program which will add to his longevity.

4. To deepen his appreciation of the benefits derived from participation.

5. To aid in a general orientation which will provide an acceptance of retirement.

6. To provide the participant with an opportunity for discussing retirement and his personal problems relating to it.

7. To provide the participant with some definite and specified retirement goals.
II
Method

The above objectives are implemented in the following manner:

1. A list is set up that becomes continuously current of all company employees who are going to be eligible for retirement beginning with age 50.

2. Sometime within the six-month period after the time the employee becomes 60 and again during the first six months of his 61st year, we interview him individually as outlined in Interview A, in addition to presenting any points felt necessary to the interviewer.

3. Stated group meetings in all plants and for all employees age 50 and over limited to relatively small groups for free expression. These groups should be selected wisely to provide for a homogeneous response. This is to be done once yearly. Younger employees who are newest to the group should be put together so as to get a minimum of repetition of material to the entire group.*

4. Additional interviews for the age 60 and over groups are arranged at the discretion of the interviewer but at least one in the first six months of each additional year up to the year prior to retirement. A minimum of two interviews in the year prior to retirement and more if indicated by previous interview.

* Any employee up to the age 60 who, as a result of these group interviews, wants to get help as an individual through individual interview is encouraged to do so.

III
Interviews

A. First Interview

2. Discussion of retirement: to and not from concept.

3. Discussion of participant's special interests and his own thinking to date about what he wants to do.

4. Wherever in the interviewer's judgment it is possible, a future interview should be arranged at the participant's home.

5. The interviewer keeps complete notes of all interviews and a record sheet for the individual.

6. To establish rapport, it is most desirable to have all of employee interviews conducted with the same counselor.

7. Further refinement and development of both group and individual interviews by our industrial psychology consultants and a member of the company who will be doing the interviews.

8. Subsequent Interviews (Often in the Home)

   1. The objective is to cover basically the points covered in the first interview.

   2. Subsequent interviews until the year of retirement are centered around matters which the interviewers feels are the most important.

   3. In the year of retirement interviews are centered around the issues which are now apparent and important to the participant plus ideas which are necessary in the guidance of the participant.

IV
Group Meetings

1. To promote special interests of participants who have been found to have special interests.

2. Develop plan so as to encourage employee's active participation in the discussion.

3. Each meeting should include question and answer session.

4. Wherever possible bring retired people into these meetings.
5. Run current films of company employees, showing their new activities.

NOTE: These are to be considered as suggestive of the types of things to be included in the group meetings rather than a conclusive outline.

V
Additional Educational Aids

1. Work toward an organization of retired people. A communication of interests and a publication of a newsletter by them.

2. Group meetings for all retired people who are invited to come back. A member of senior management conducts the meeting. Emphasis upon reminiscing.

3. Publication of articles on retirement in company publications is a must.

4. Make available additional retirement educational publications.
C. SKIL CORPORATION RETIREMENT PROGRAM

It shall be the policy of SKIL Corporation to assist all employees in seeking the answer to successful retirement. This answer to be obtained through use of various devices to stimulate the thoughtful planning that has a lot to do with contentment in retirement.

1. On reaching age 62 each employee will be sent a letter inviting them to participate in SKIL's preparation for retirement program.
   (A) Enclosed with initial letter will be a copy of the "Retirement Planning Guide Book."
   (B) Letter will also notify employee of subscription to "Retirement Planning News."

2. At age 64 each employee begins semi-annual physical check-ups.
   (A) The report submitted by the doctor is then reviewed with each individual by the nurse.
   (B) Each employee is then interviewed in the Personnel Department and the following matters are discussed with him:
      (1) Inquiry made of the individual's plan for retirement, if any.
      (2) Inform individual of the company policy which shall be that any employee may be retained in the employ of the company after having attained the age of 65 only by invitation of the company management.
         (a) Invitation based upon review of employee's health record, and
         (b) Work availability.
      (3) Each individual will be encouraged to visit his Social Security Board to receive first hand information pertaining to his Social Security coverage.
3. At time of voluntary retirement, an interview should be conducted with the employee at the earliest possible moment following his notification of desire to retire. This interview should cover:

(A) Review of all benefits affecting individual beyond retirement age.

(1) Amount of Profit Sharing and Method of Payment - Lump Sum or Semi-Annual.

(2) Status within the Pension Program and the amount of pension. Also, disposition of any vested amount due under the former SKIL Pension Plan.

(3) Review of status of all insurance.

(B) Discussion of Social Security Benefits.

4. At time of involuntary retirement:

(A) Same as under Paragraph A:1,2,3, above.

(B) Same as B above.

(C) Discussion of possibility of individual applying for unemployment compensation benefits. Referral to Unemployment Compensation Board and Social Security Board.
APPROVAL SHEET

The thesis submitted by John M. Long, Jr. has been read and approved by a board of three members of the faculty of the Institute of Social and Industrial Relations.

The final copies have been examined by the director of the thesis and the signature which appears below verifies the fact that any necessary changes have been incorporated, and that the thesis is now given final approval with reference to content, form, and mechanical accuracy.

The thesis is therefore accepted in partial fulfillment of the requirements for the Degree of Social and Industrial Relations.

6/1/62

Date

[Signature of Adviser]