Aging, Work, and Retirement among Late-Career Faculty at the University of California

An Alfred P. Sloan Funded Project*

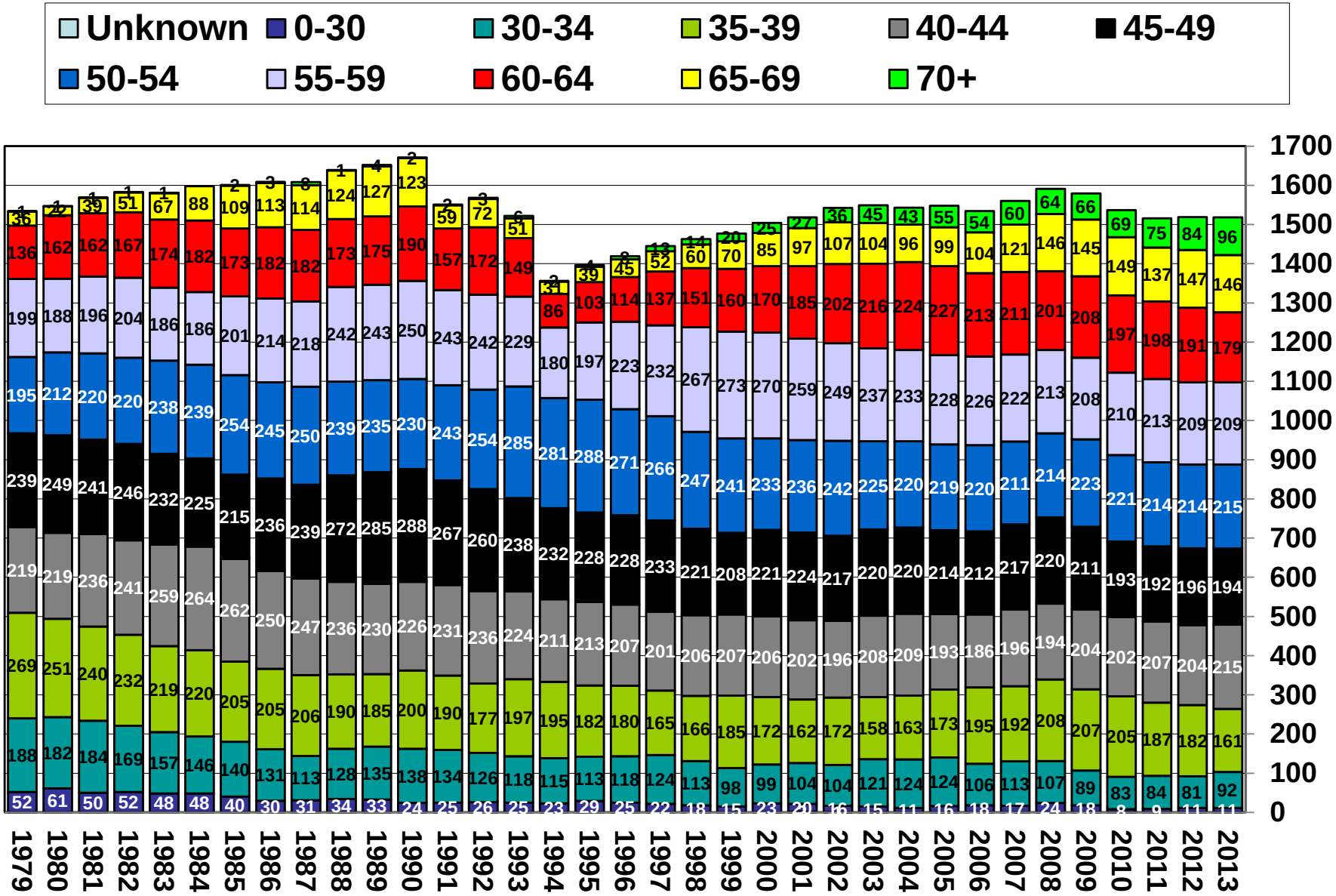
National Academy of Sciences, COSEPUP

Washington D.C., September 9th 2013

Presented by Marc Goulden
University of California, Berkeley

***Project personnel include David Card, Karie Frasch, Marc Goulden, and Angelica Stacy.**

UC Berkeley Faculty Headcount by Age Categories, AY 1979-80—2013-14*



*Data for academic year 2013-14 is preliminary, as of September 6, 2013.

Source: UCB Faculty Personnel Records, AY1979-80—2013-14. Prepared by Marc Goulden, September 2013.

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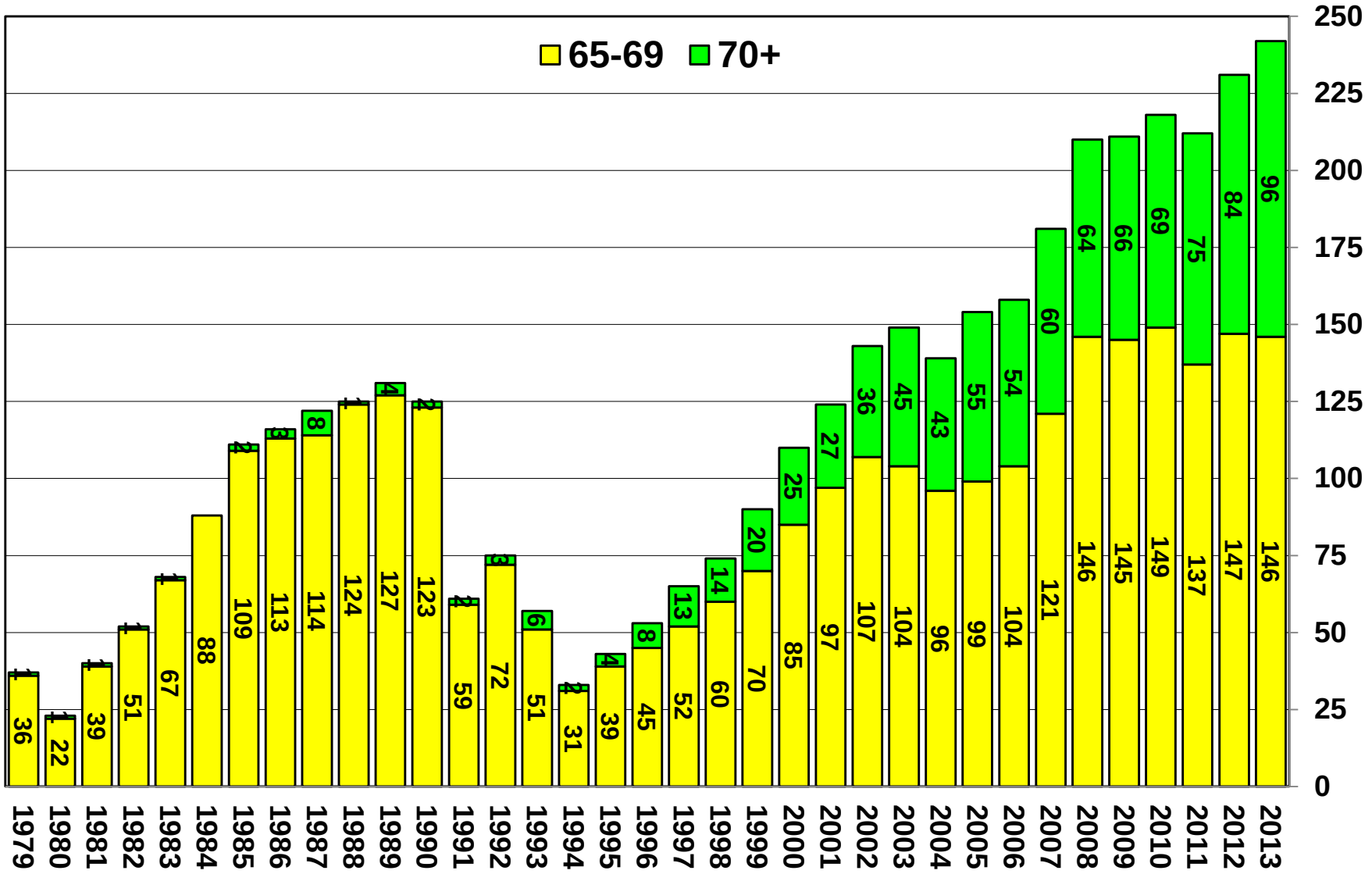

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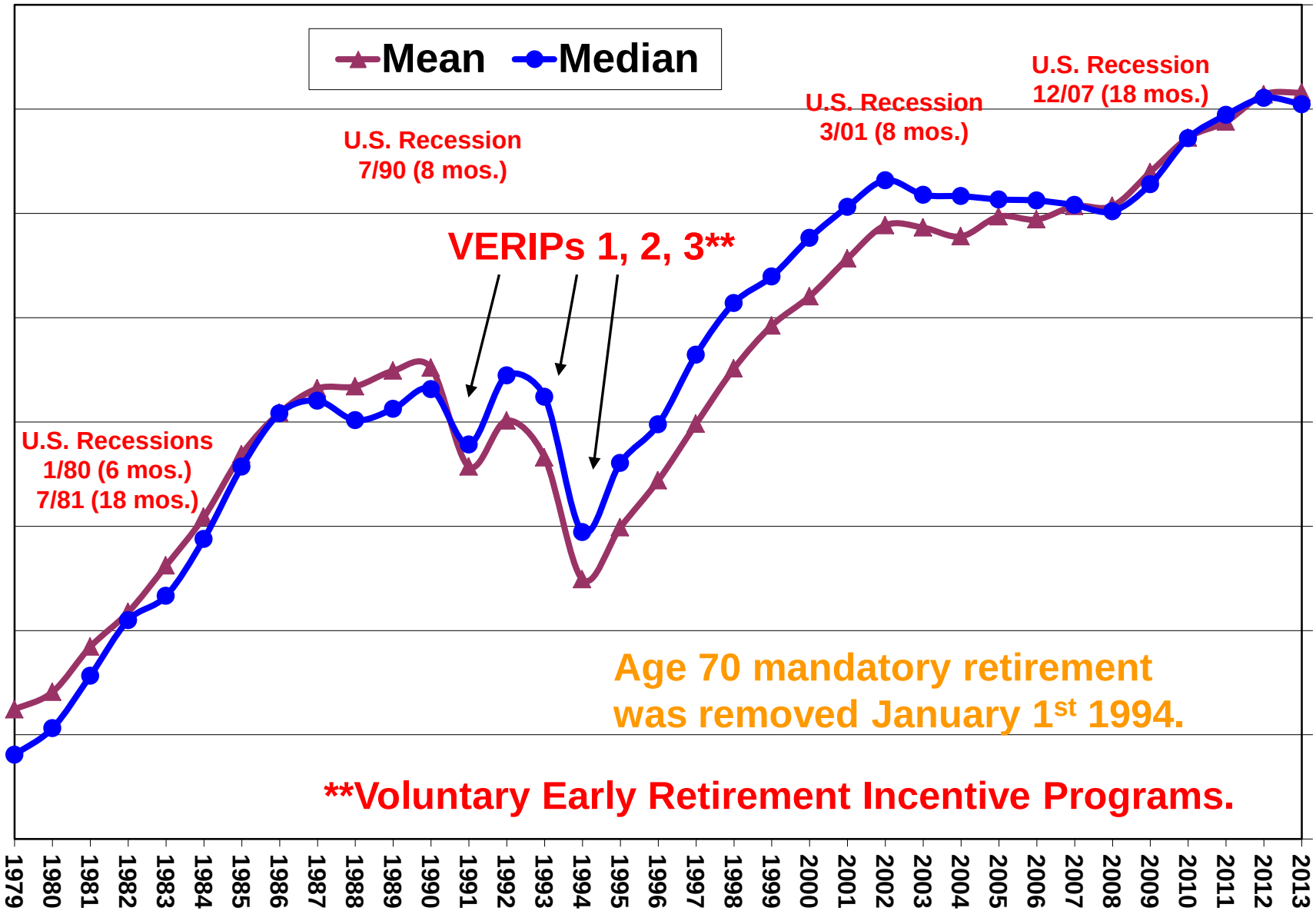
Mean and Median Age of UC Berkeley Faculty, AY 1979-80—2013-14*



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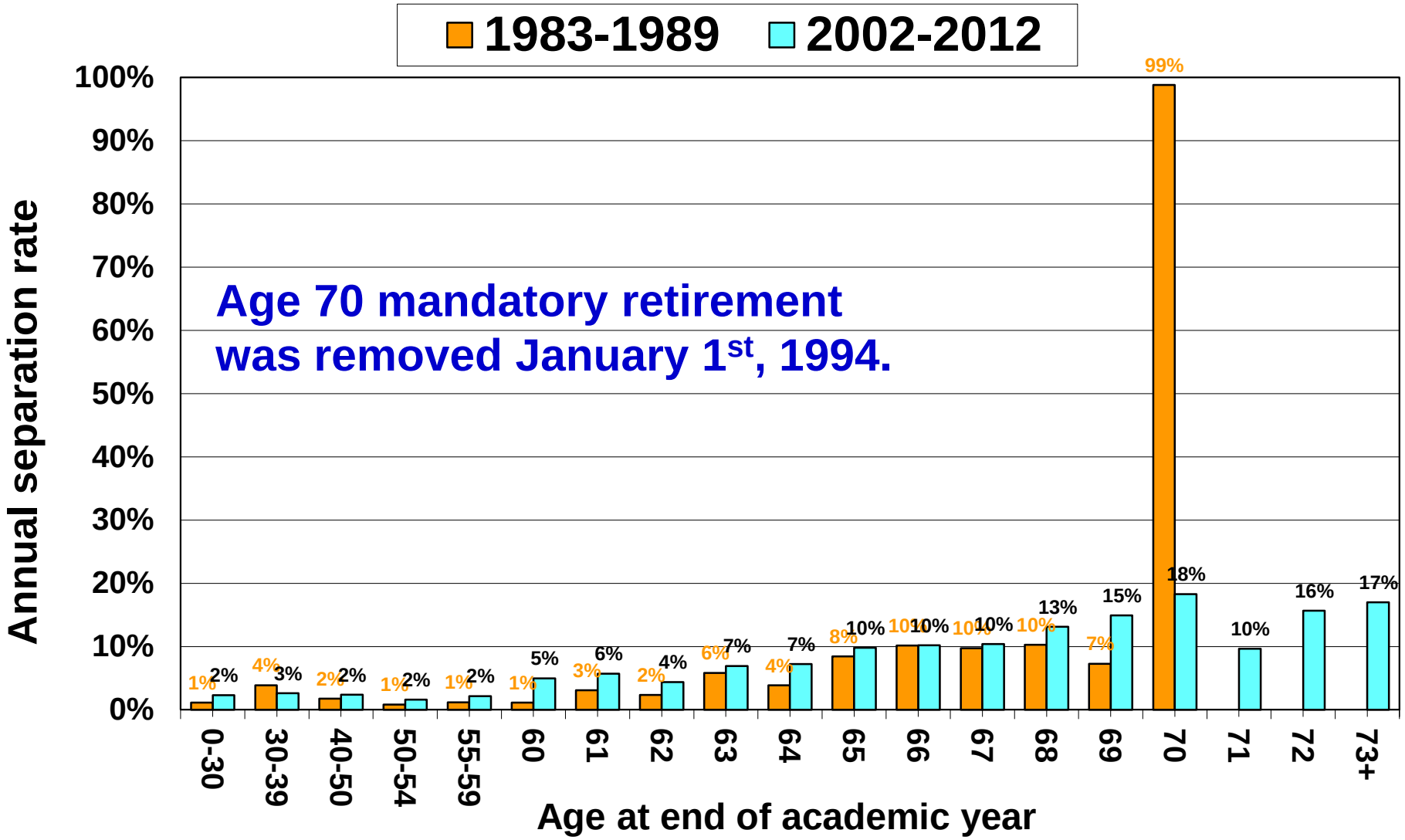
Source: UCB Faculty Personnel Records, AY1979-80—2013-14. Prepared by Marc Goulden, September 2013.

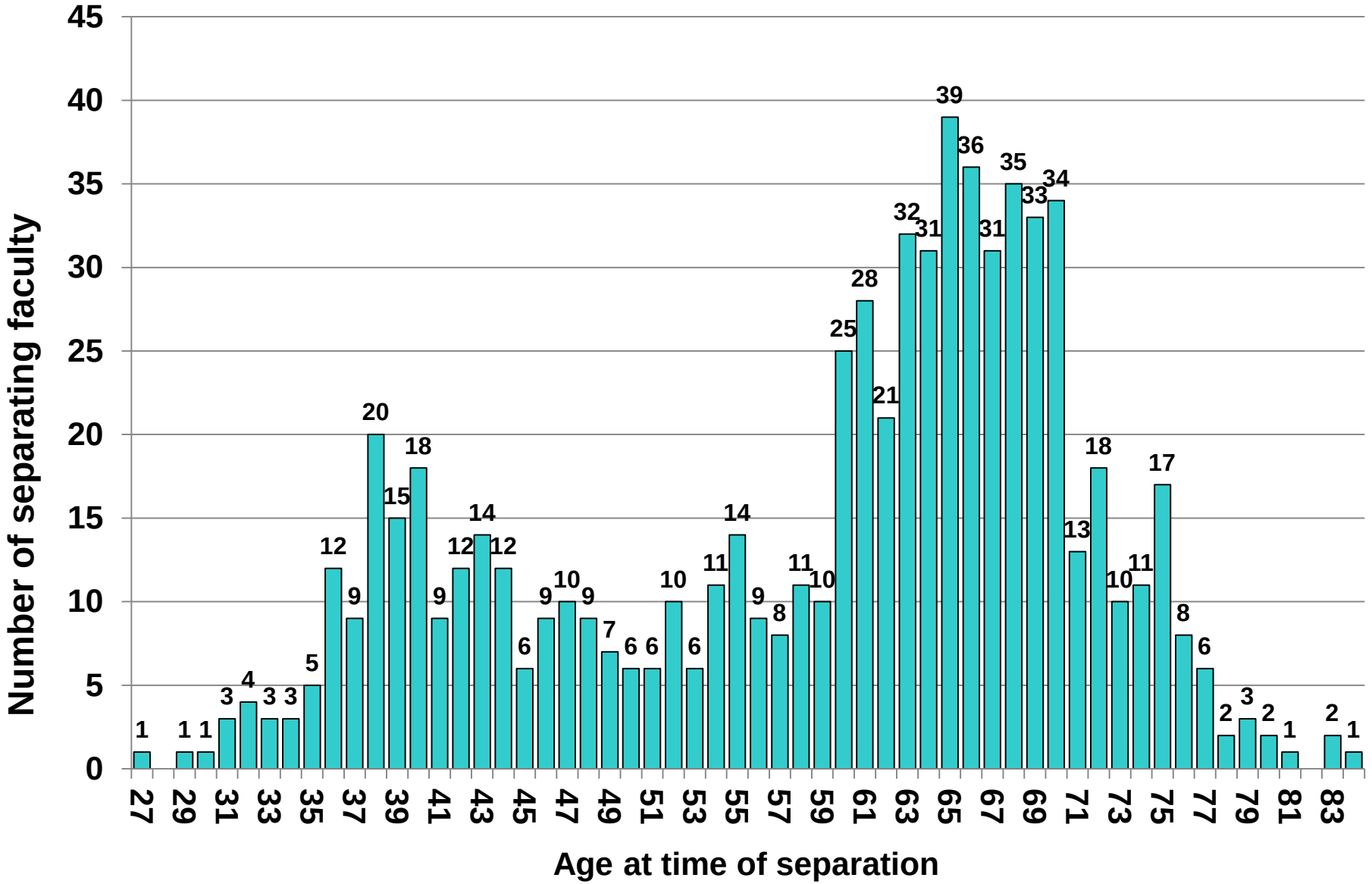
UC Berkeley Yearly Separation Rates at End of Year by Age and Cohorts, Pre- and Post- Removal of Age 70 Mandatory Retirement*



Source: UCB Faculty Personnel Records, AY1983-2012. Prepared by Marc Goulden, September 2013.

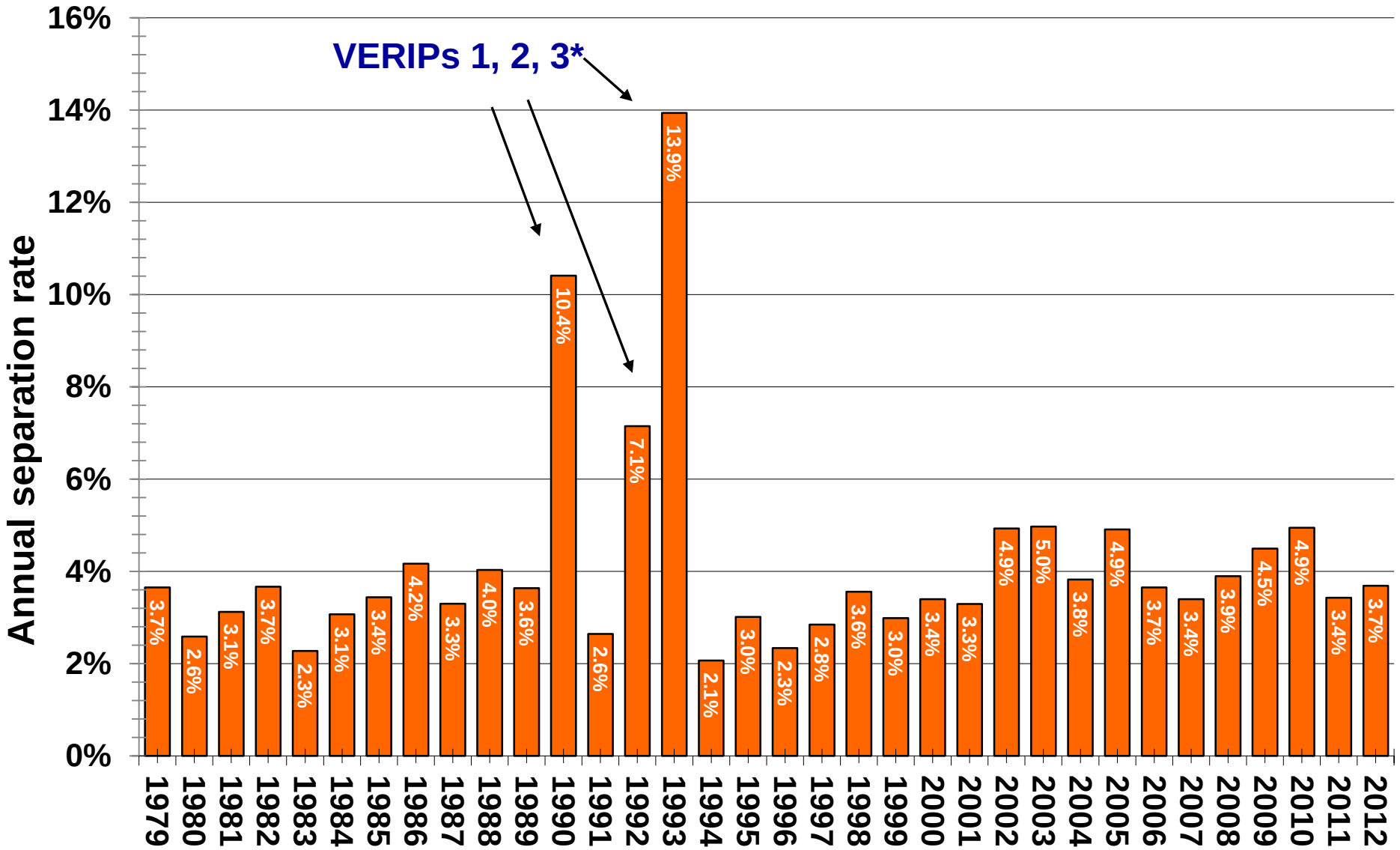
*Age 70 mandatory retirement was removed in January 1994. The data cohorts exclude the years around (1990-1993) and following (1994-2001) the VERIPs because of the dramatic impact they had on retirement behavior.

UCB Faculty Separations by Age, 2002-03—2012-13



Source: UCB Faculty Personnel Records, 2002-03—2012-13. Prepared by Marc Goulden, September, 2013.

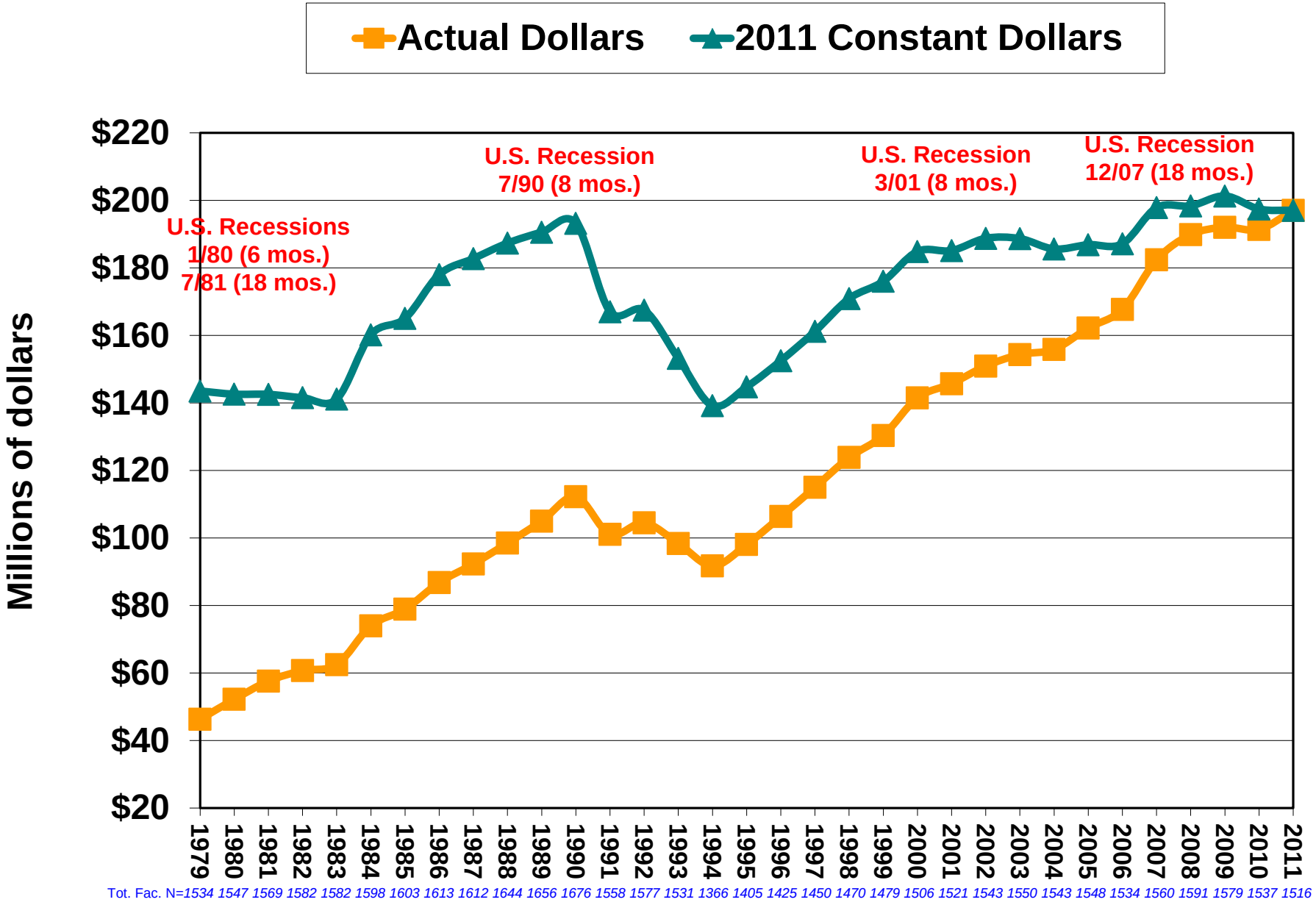
Annual UC Berkeley Faculty Separation Rates, AY 1979-80—2012-13



***UC Voluntary Early Retirement Incentive Programs.**

Source: UCB Faculty Personnel Records, AY1979-2012. Prepared by Marc Goulden, September 2013.

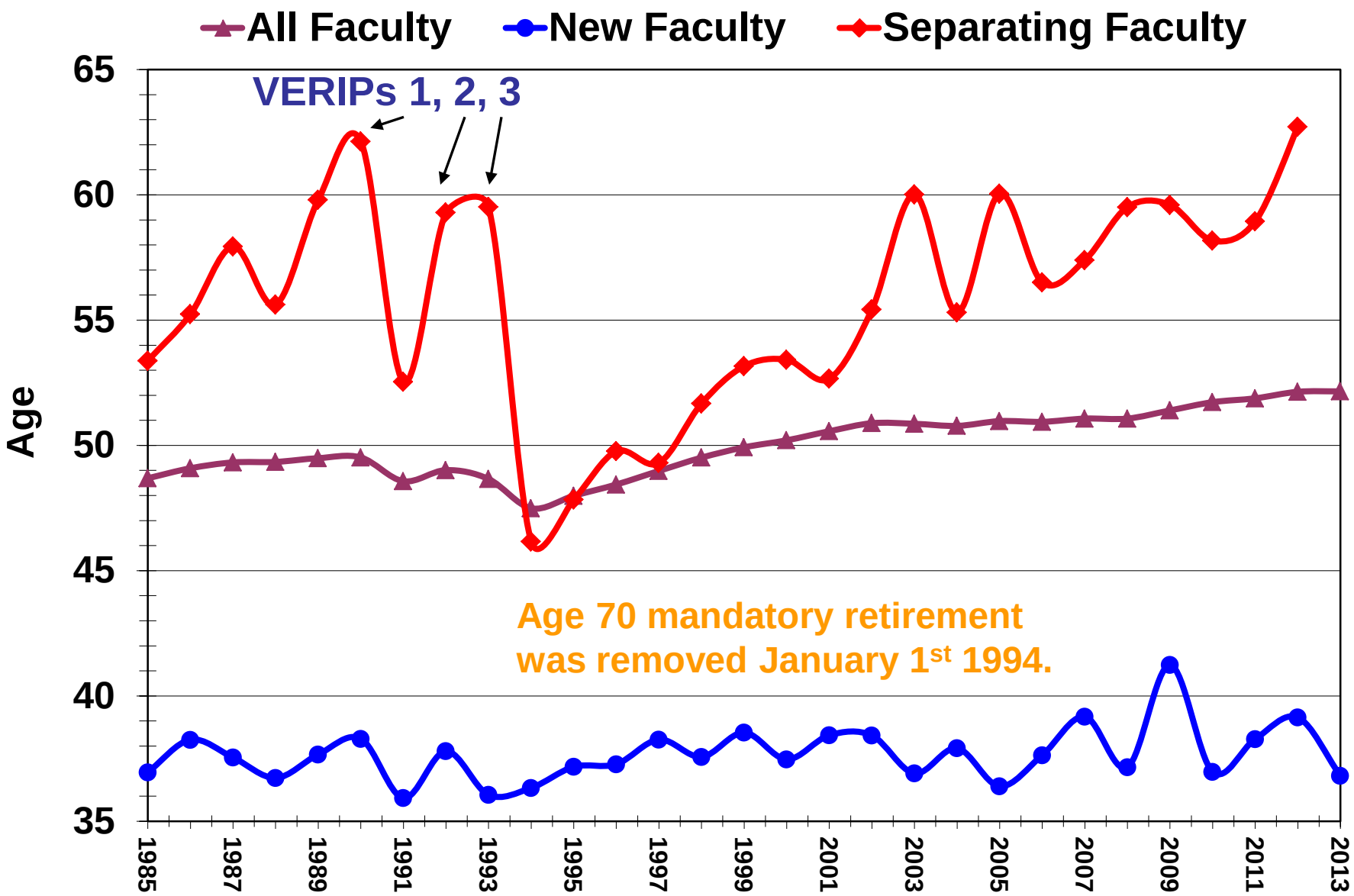
UC Berkeley Total Faculty Salary Cost, AY 1979-2011



Tot. Fac. N=*1534 1547 1569 1582 1582 1598 1603 1613 1612 1644 1656 1676 1558 1577 1531 1366 1405 1425 1450 1470 1479 1506 1521 1543 1550 1543 1548 1534 1560 1591 1579 1537 1516*

Sources: UCB Faculty Personnel Records, AY1979-2011; CPI deflator, 1979-2011. Prepared by Marc Goulden, June 2012.

Mean Age of UC Berkeley Faculty, 1985-86—2013-14*



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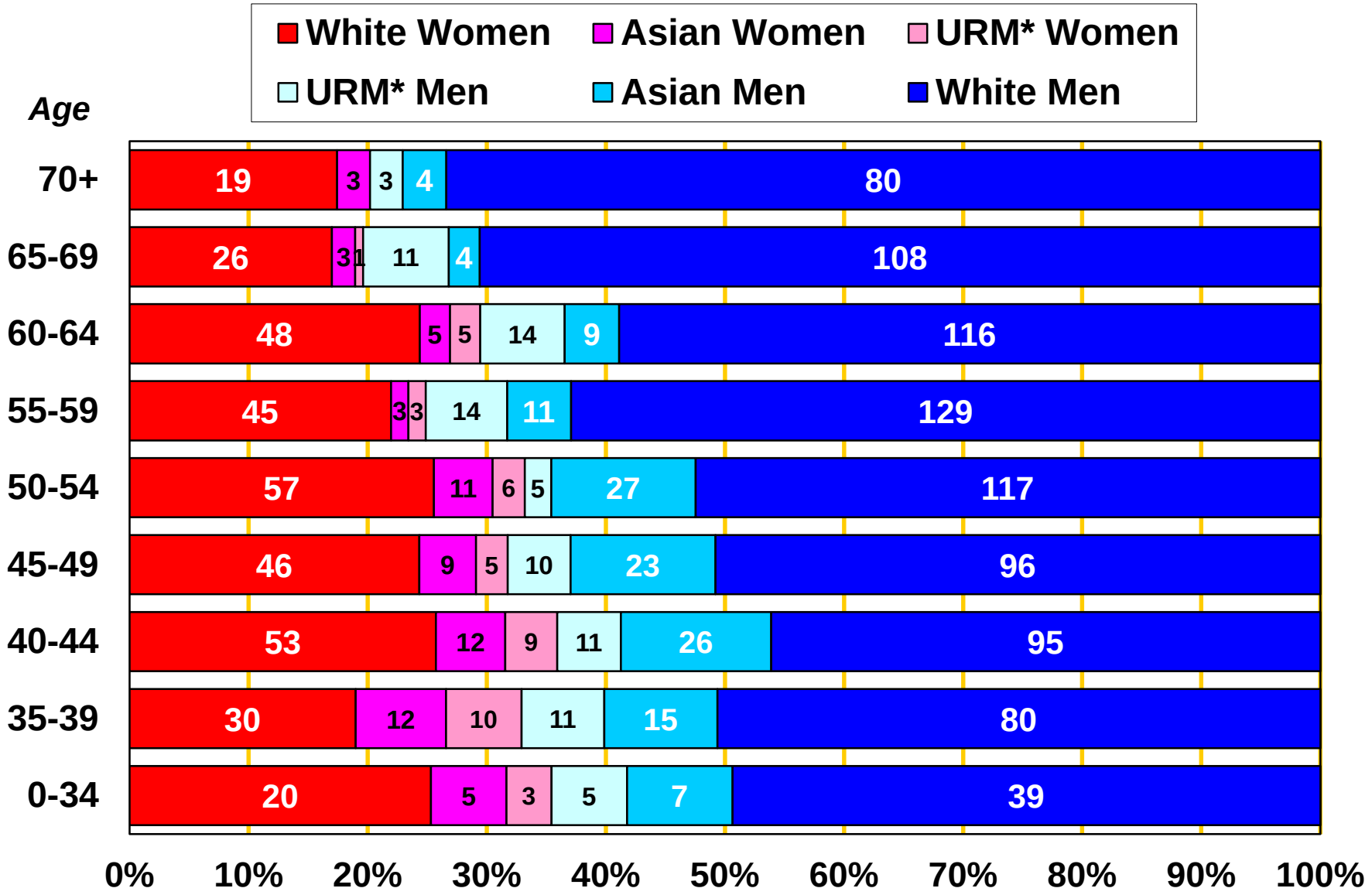
Source: UCB Faculty Personnel Records, AY1985-86—2013-14. Prepared by Marc Goulden, May 2012.

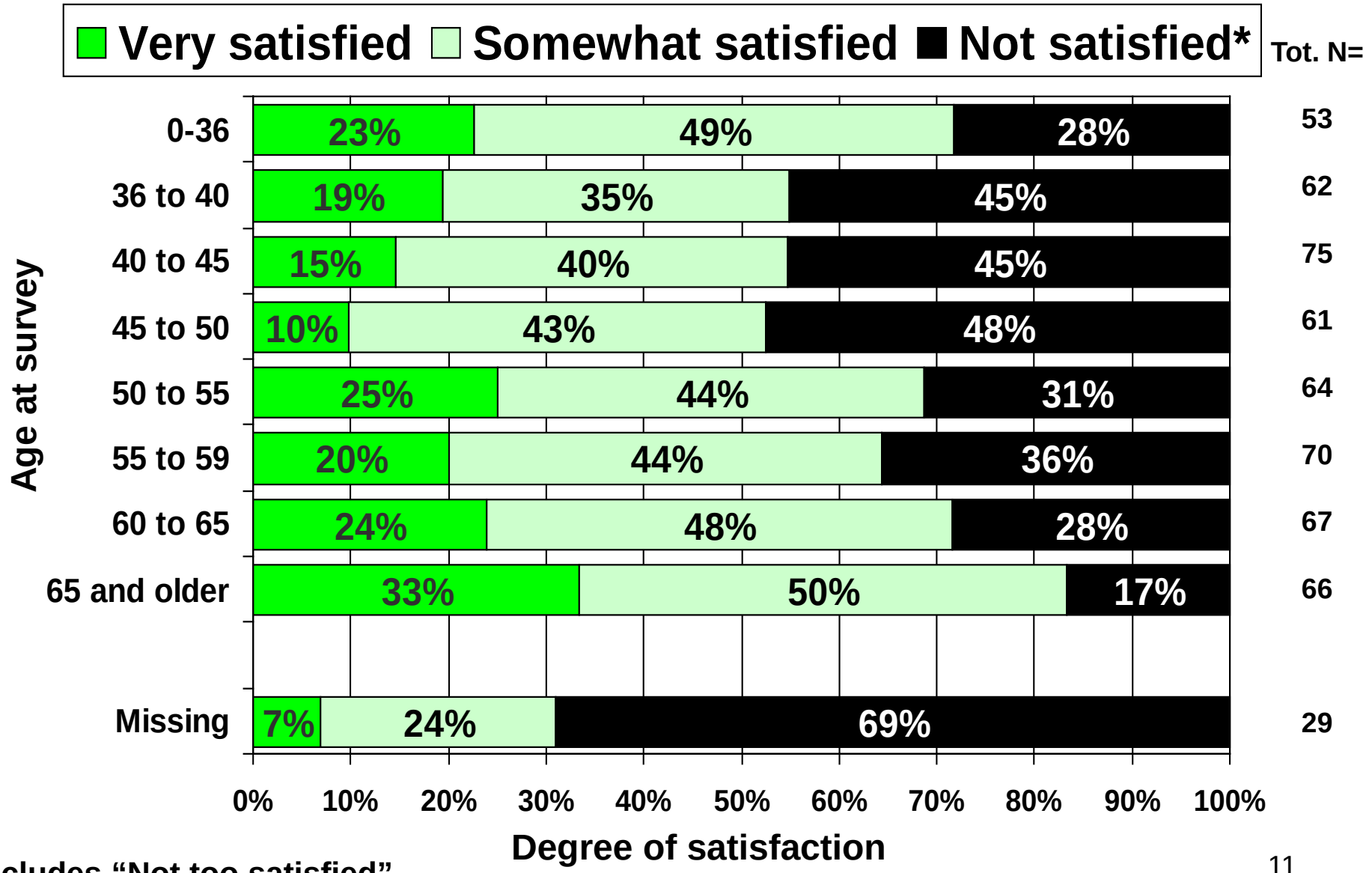
UC Berkeley Faculty: Gender/Ethnicity by Age Categories, June 2013



*URM includes African American/Black, Hispanic, and Native American.

Source: UCB Faculty Personnel Records, June 2013. Prepared by Marc Goulden, September 2013.

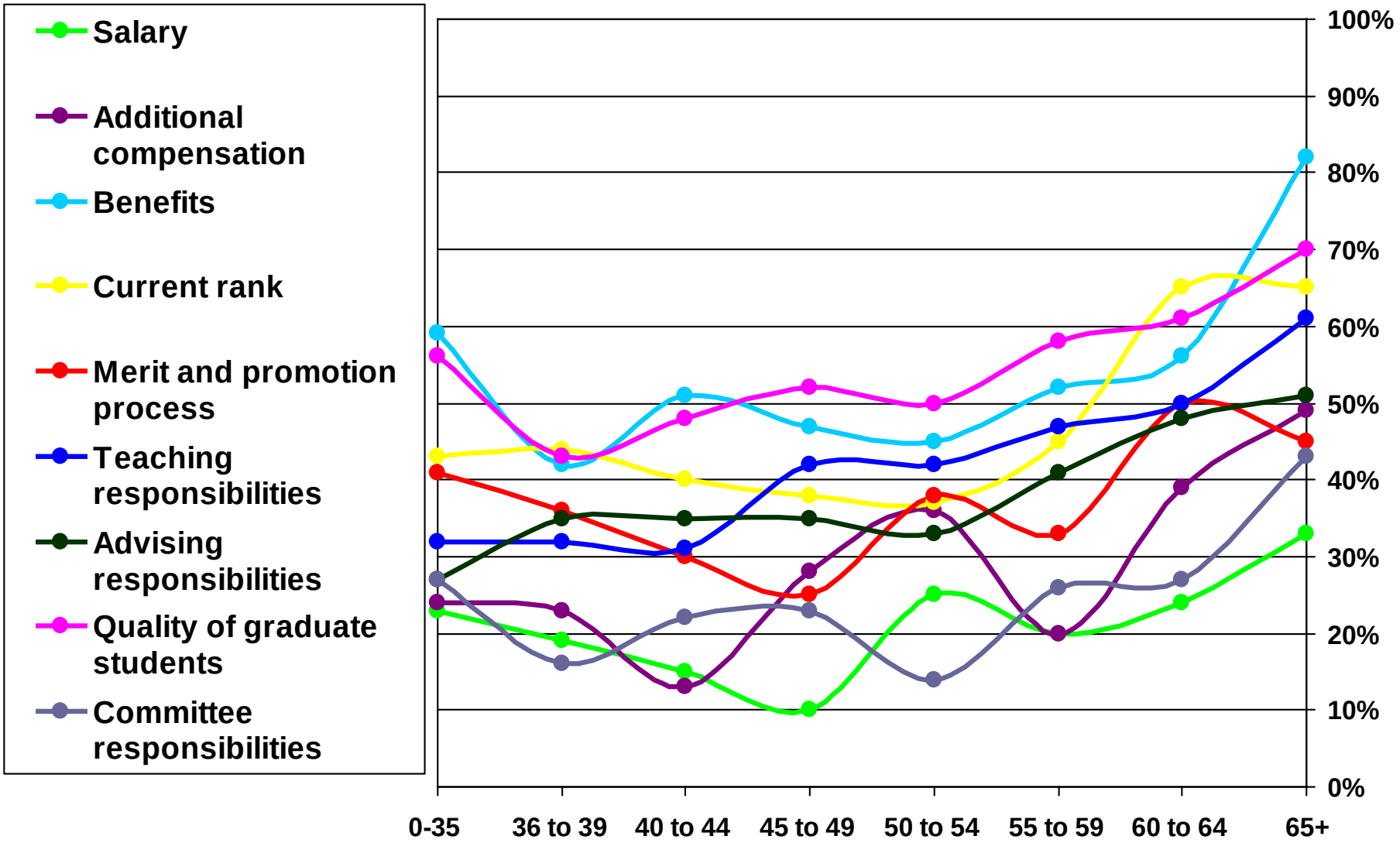
Degree of Satisfaction with *Salary*: UC Berkeley Faculty by Age at Survey



*Includes "Not too satisfied" and "Not at all satisfied."

Source: UC Berkeley, Faculty Climate Survey, 2009.
Prepared by Marc Goulden, April 2011.

UC Berkeley Faculty: Percent Very Satisfied* with the Particular Job Aspect by Age at Survey



*"Very satisfied" vs. "Somewhat satisfied," "Not too satisfied," and "Not at all satisfied."

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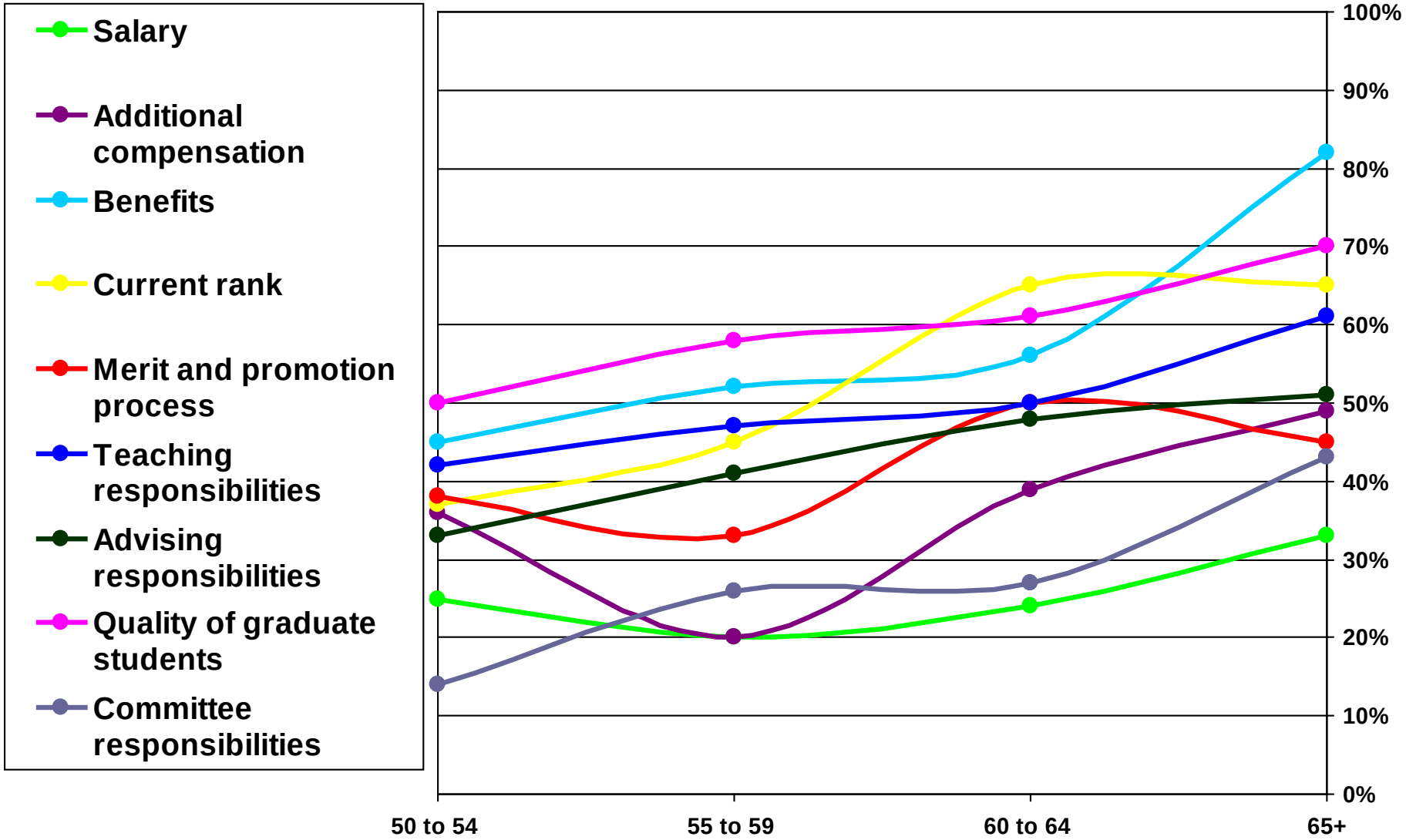

*"Very satisfied" vs. "Somewhat satisfied," "Not too satisfied," and "Not at all satisfied."

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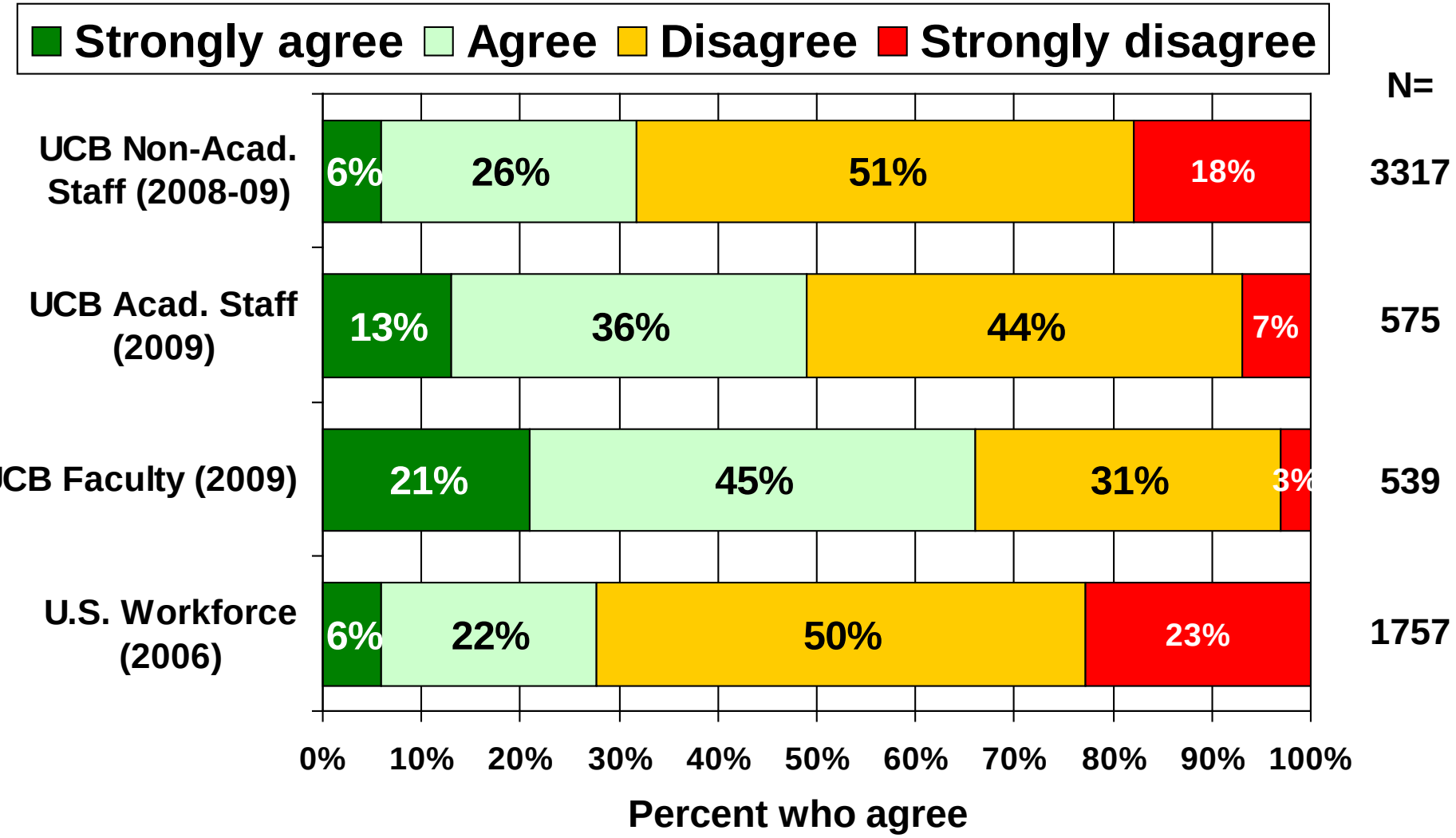
My main satisfaction in life comes from my work



Sources: UC Berkeley, Non-Acad. Staff Climate Survey, 2008-2009;
UC Berkeley, Academic Staff Climate Survey, Spring 2009;
UC Berkeley, Faculty Climate Survey, Spring 2009;
NORC, General Social Survey (GSS), NIOSH Module, 2006.

Prepared by Marc Goulden, February 2010.

UC Berkeley Faculty

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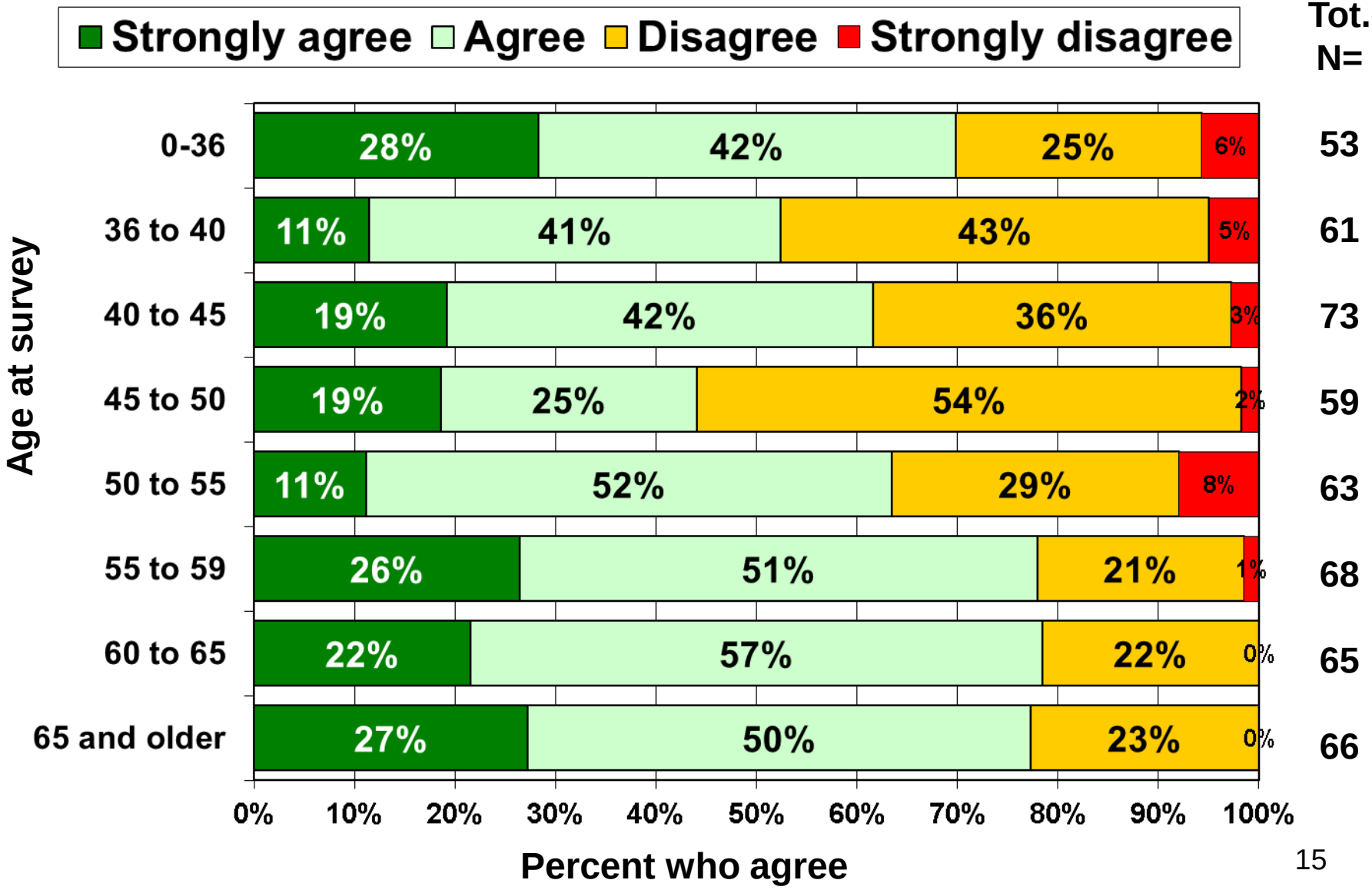
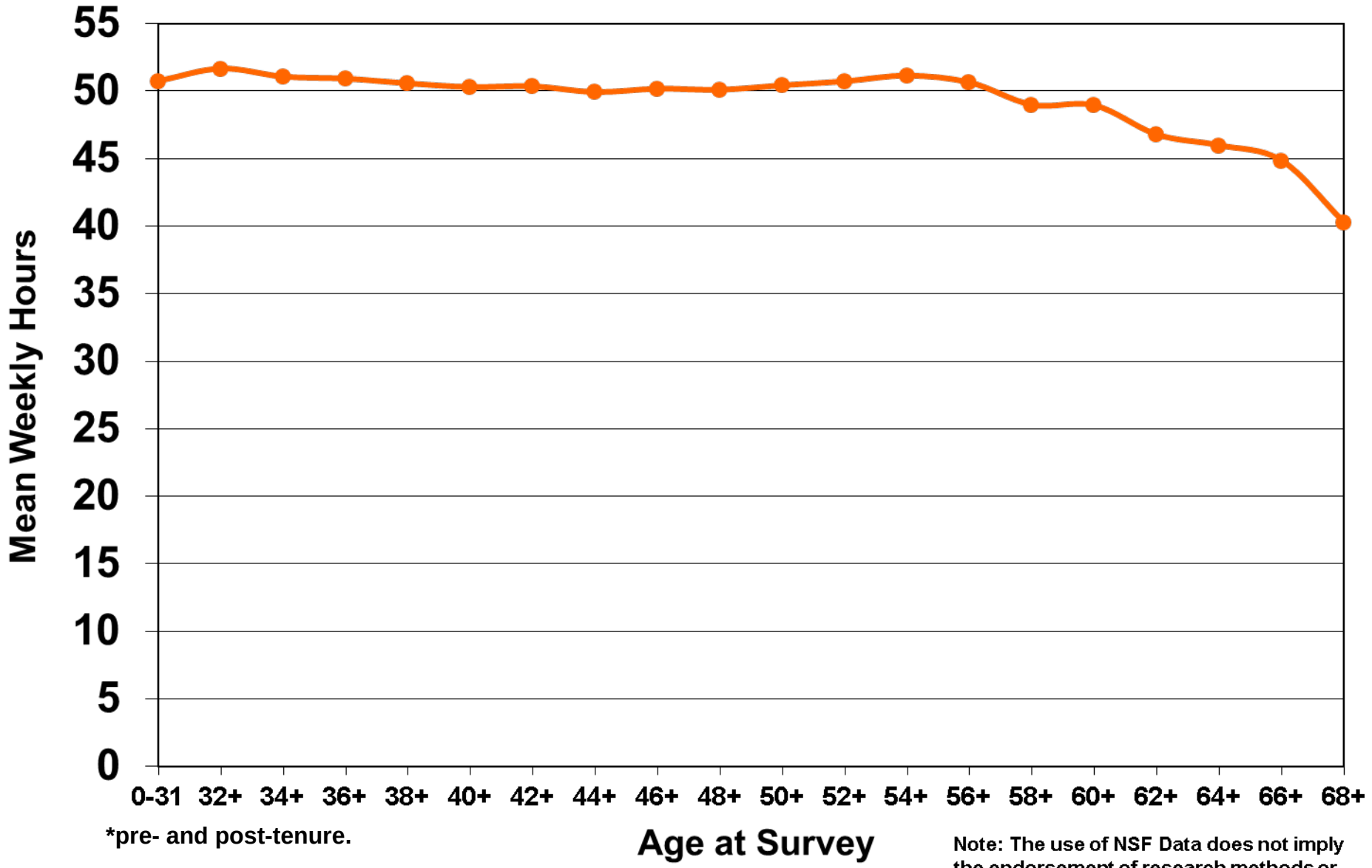


Source: UC Berkeley, Faculty Climate Survey, 2009. Prepared by Marc Goulden, July 2011.

Mean Weekly Hours Worked by Science and Social Science Tenure-Track Faculty* in the U.S. by Age, 2003

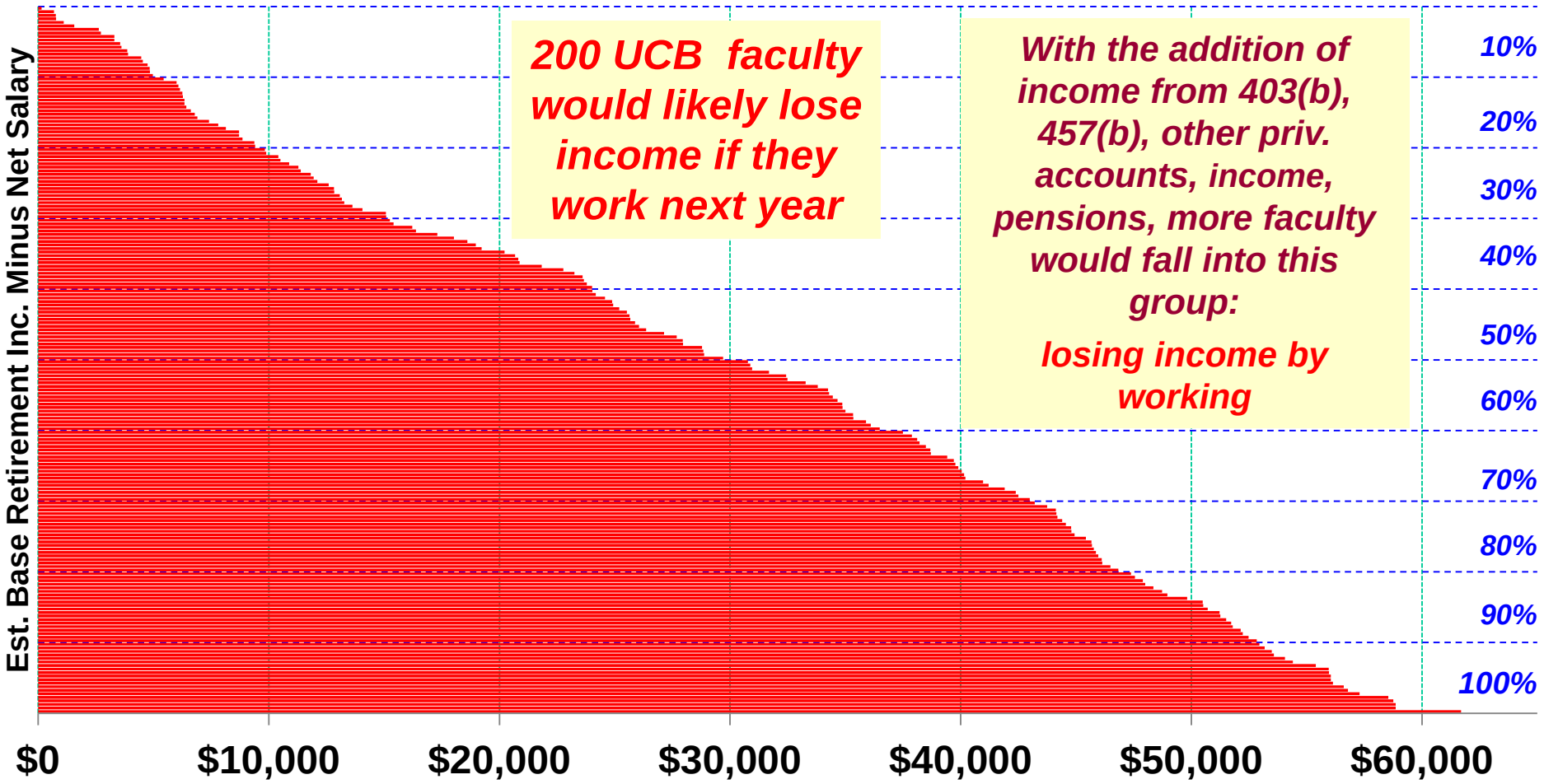


*pre- and post-tenure.

Source: Survey of Doctorate Recipients, Sciences, 2003.

Note: The use of NSF Data does not imply the endorsement of research methods or conclusions contained in this report.

UCB Faculty, Estimated Loss of Income in 2013-2014 by 200 Individual Faculty If They Continue to Work *(Estimated Base Retirement* - Net Salary**)*



*Estimated Base Retirement income includes estimated UC Pension (per age/start year), est. social security income (per age/salary). It does not include income from additional DC Plan, 403(b), 457(b), accounts, or private accounts.
**Net salary removes mandatory employee costs, including UC retirement payments (6.5%), FICA taxes, and some health care costs that would likely be covered for retired faculty 65 and older under Medicare (avg. yr. sal. incr. incl.).

Sources: UCB Faculty Personnel Records, 1979-80—2012-13; Social Security Quick Calculator. Prep. by MG, 3/18/2013.

Aging, Work, and Retirement among Late-Career Faculty at the University of California

- **Funded by the Alfred P. Sloan Foundation**
- **Project personnel: David Card, Karie Frasch, Marc Goulden, and Angelica Stacy**
- **Two main parts**
  - **An in-depth descriptive analysis of current faculty, Emeriti faculty, and administrators on a broad range of late-career faculty issues, including professional activities and productivity, career experiences, retirement, and family and life;**
  - **An examination of the UC Voluntary Early Retirement Incentive Programs ("verips") of the early 1990s that resulted in an unprecedented wave of faculty retirements to provide an understanding of the post-retirement outcomes of older faculty who either accepted one of the verip programs or did not, and to assess how the losses of older faculty during the verip period ultimately affected the "productivity" of academic departments at the University of California.**
- **Study design: Three surveys and a longitudinal dataset**
  - **Surveys: (1) Current UC faculty, ages 55 and older; (2) Former UC faculty, 1990 to the present; (3) UC faculty administrators focused on late career faculty policies and resources, pre- and post- retirement.**
  - **Longitudinal dataset: All UC faculty, late 1980s to present.**

Current Thoughts

- **Faculty behavior is hard to control ("it's like herding cats"). They have atypical values and concerns (relative to the broader U.S. workforce); and *fear-based decisions/inertia may be common.***
- **Even so, generous retirement incentives do work (e.g., the VERIPs).**
- **That said, the larger faculty renewal model seems to want to return to equilibrium after treatment effects (i.e. incentive programs).**
- **Accordingly, capture rates of accrued capital from soon-to-be retired faculty and faculty emeriti may be the area of greatest importance.**
  - **How much are institutions tapping resources from retired faculty?**
    - **Courses taught/lectures/seminars/guest lectures**
    - **Mentoring/advising of students/junior faculty/mid-career faculty/etc.**
    - **Research projects/contributions/grant funding/collaboration**
    - **Cross pollination of ideas/expertise**
    - **Collegial interaction, community building, institutional service**
    - **External and internal connections (degrees of separation), positive word-of-mouth, positive branding**
    - **Money/giving/scholarships, etc.**
  - **Perhaps this can be a win-win for institutions and faculty, current and former; one where retired faculty have more opp. to contribute.**

Questions? Contact: goulden@berkeley.edu