

Assisting Those Examining Life-after-Work Options:  
Are Financial Literacy Needs Important to this Group?

Names of the authors: Kathy Bonnar, EdD  
Barbara Scheidt, EdD

Department and Affiliation(s)

Bonnar: Counselor Education, Concordia University Chicago

Scheidt: College of Management and Business, National Louis University

Mailing Addresses:

Bonnar: c/o Concordia University Chicago, 7400 Augusta St., River Forest, IL  
60305

Scheidt; c/o National Louis University, 122 South Michigan, Chicago, IL 60603

E-mail Addresses

Bonnar: Kathy.Bonnar@cuchicago.edu

Scheidt: bscheidt@nl.edu

## INTRODUCTION

The two authors were colleagues in a doctoral cohort at National Louis University in Chicago. Bonnar's doctoral work focused on the meaning of work for older adults who were currently in paid employment. Based on her study results, she plans to provide what she calls worklife counseling for older adults continuing in paid employment and assist those in looking at life-after-work options.

Scheidt's doctoral work focused on identifying the financial literacy needs of those nearing retirement and developing a first workshop to begin addressing those needs. A longer term goal of her work was to develop an entire program or series of workshops that would address additional needs and issues that were identified in her doctoral work.

Over the course of their three-year program, Bonnar and Scheidt talked about how their areas of research might provide an opportunity of joint exploration after the completion of their doctoral program. As Bonnar plans to assist those examining life-after-work options, there seems to be a fit with Scheidt's work in financial literacy among older adults. Is financial literacy a concern within this group? Would being more financially literate increase one's comfort level as one ages, whether one is involved in paid or unpaid work?

### **BONNAR'S RESEARCH: *Integrity Versus Despair: A Phenomenological Study of the Meaning of Work for Older Adults Through Erik Erikson's Eight Stage of Development***

Bonnar's research began by exploring literature on the meaning of work for older workers and the workforce. Labor statistics showed that older adults plan to remain in the workforce. She found that there was not much information on older adults 70 years and older in the workforce and so she proceeded to do her research with this age group.

Of the themes identified in the research, Bonnar did not find much difference between older adult workers and all working adults. Enjoying work, having an opportunity to continue to learn and develop, working with good people, developing social contacts and servicing people, looking for opportunities and working through challenges and change and experiencing self-esteem as a result of interests and successes are not just those interests of the older adult worker, but are pretty much universal goals for the meaning of work for individuals of all ages in the work force. Although there is said to be a generation gap in work settings, this research showed that this gap is not as big as some believe it to be.

Erikson's Eighth Stage of Development, Integrity versus Despair, defined as an adult's last stage, was challenged in this study. This research illustrated that although these older adult workers did experience integrity in their lives, their work experiences illustrated that they were also very active in the previous stage of Generativity versus Stagnation as they were continuing to be productive in the workforce with an interest in learning and continuous development.

### **SCHIEDT'S RESEARCH: *Using Action Research to Explore the Financial Literacy Needs of those Nearing Retirement***

Scheidt's work first explored the literature in the area of financial literacy. Financial literacy has been found to be lacking in all age groups and most socioeconomic groups. (Lusardi and Mitchell, 2006) Women are just as likely to feel financially illiterate and/or ineffective in dealing with financial matters. This situation is further compounded by salary differences between men and women and the briefer time women tend to be in the workplace (due to childbearing, care giving and other reasons).

While there have been many efforts to begin reversing this situation, no long-term impact of those efforts has been tracked. So we are unable to conclude what efforts, if any, have been successful. However, efforts to improve financial literacy continue as recent economic downturns and volatility make it even more important for individuals of all ages to understand their financial actions and the impact of those actions.

Scheidt's research resulted in the development of an initial workshop that would begin the process of becoming financially literate. This workshop included elements such as an explanation of the differences between various retirement investment options and understanding the retirement plans that currently were held. Participants also worked through the impact of taking Social Security benefits at different ages. Participants also looked at various online resources and a no-cost retirement estimation tool.

### **POTENTIAL INTERACTIONS OF BONNAR AND SCHIEDT'S DOCTORAL WORK**

Bonnar's doctoral work focused on an age group that remained active after retirement or continued to pursue paid employment after most individuals retired. Scheidt's research focused on an age group that was of a more "traditional" retirement age; many in this group perceived they were not ready financially to retire and wondered if they ever would be able to retire to a life style they desired. While there was an age difference in the two groups studied, the two authors have brainstormed several areas of intersection that might afford research opportunities.

- Investigate the financial literacy status of the active elderly.

What is their situation? What needs might they have?

Has their level of financial literacy made a difference in their later years and perspective on life?

If needs are identified, what type of learning might be effective for this group?

- Explore the longer term retirement goals of people nearing retirement to examine how those goals might intersect with the goals and lifestyle of the individuals studied in Bonnar's study.

What might individuals do now to achieve the satisfaction and fulfillment others have found by staying active professionally as they aged?

- As Bonnar plans to assist those in examining life-after-work options, might the needs of those individuals also include financial literacy needs?

### **NEXT STEPS/CONCLUSIONS**

So as Bonnar and Scheidt move forward, they will be examining the interaction of positive aging and financial literacy as it relates to lifestyle and fulfillment. They will develop a research instrument to collect information; once the research is concluded, they will publish and present their results.

### **BIBLIOGRAPHY**

Lusardi, A. & Mitchell, O.S. (2006) *Financial literacy and planning: Implications for retirement well-being*. Working paper, Pension Research Council, Wharton School, University of Pennsylvania.