

## Age at First Job and Retirement Wealth in Later Years

Hyungsoo Kim, University of Kentucky<sup>1</sup>  
Serah Shin, University of Kentucky<sup>2</sup>  
Qun Zhang, University of Kentucky<sup>3</sup>  
Martie Gillen, University of Florida<sup>4</sup>

Starting early to save for retirement may require individuals to have a paid or career job as soon as possible. In the United States age at first job, however, has increased over time due to economic conditions and more education opportunities (Davis, Kimball, & Gould, 2015; Kamenov, 2016). This study examines how age at entering the labor market is related to retirement savings in later years. Two research questions are examined: Does age at first job affect retirement wealth in later years? If so, to what extent? Data from the 2012 Health and Retirement Study (HRS) is used in this study. The results show that as age at first job increases, accumulated retirement wealth decreases after controlling for demographics, number of working years, and occupation type. To be specific, delaying work start by one year resulted in a \$15,345 per year decrease in retirement savings. Our findings indicate that starting to work at a younger age can be channeled into starting to save for retirement at a younger age, leading to better retirement saving outcomes in later years. Implications for policy to improve individual retirement savings are discussed.

### References

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<sup>1</sup>Assistant Professor, Department of Family Sciences, 321 Funkhouser Building, University of Kentucky, Lexington, KY, 40506, USA. Phone: 859-257-7742. Email: hkim3@uky.edu.

<sup>2</sup>Postdoc Researcher, Department of Family Sciences, 323 Funkhouser Building, University of Kentucky, Lexington, KY, 40506, USA. Email: serah.shin@uky.edu.

<sup>3</sup>Ph.D. Candidate, Department of Family Sciences, 315 Funkhouser Building, University of Kentucky, Lexington, KY, 40506, USA. Email: qun.zhang@uky.edu.

<sup>4</sup>Assistant Professor, Department of Family, Youth, and Community Sciences, 3028A McCarty Hall D, University of Florida, Gainesville, FL, USA. Phone: 352-392-0404. Email: mgillen@ufl.edu.