

## **Self-Employed Near-Retirees and Financial Retirement Preparation**

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### **Abstract**

There were approximately 10.5 million self-employed business owners in 1996 and it is projected to increase to 11.6 million by 2006. This study explores how self-employed near-retirees aged 52-64 are different in their retirement preparation than near-retirees working for other employers. Using the 2000 Rand HRS data file, 694 self-employed near-retirees and 3,674 near-retirees working for other employers were analyzed to compare similarities and differences in financial portfolios. In the multivariate analysis, the dependent variable is retirement preparation, which is defined as having investment assets greater than 25% of the near-retiree's net worth. Results from the t-tests indicate that average levels of investment asset and net worth for the self-employed near-retirees were higher than were those working for other employers. The results of logistic regression analysis show that self-employed near-retirees were more likely to be prepared for retirement than were those working for other employers. The results further indicate that income, family size, education, marital status, health status, and occupation were statistically significant in predicting retirement preparation among the self-employed near-retirees.

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### Endnotes

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