

# **Discussing retirement: Insights from a qualitative research project**

Therese Jefferson

Women in Social & Economic Research (WiSER)

Graduate School of Business

Curtin University of Technology

[Therese.Jefferson@cbs.curtin.edu.au](mailto:Therese.Jefferson@cbs.curtin.edu.au)

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## **Abstract**

This paper describes a qualitative research project of thirty interviews with women in Western Australia and summarises the outcomes generated from subsequent data analysis. Three key areas of interest are discussed that add to the existing body of economic research on women's savings. Firstly, the project's conclusions emphasise women's own definitions of savings, their perceptions about their skill in making financial decisions and their ideas about risk and seeking financial advice. Secondly, the project contributes to a greater appreciation of the links between women's decision-making contexts, processes and outcomes and the ways these affect their future access to economic resources. Thirdly, the research method played an important role in identifying potentially relevant literatures that had not yet been applied to studies of women's savings. It is concluded that relatively small programs of qualitative research can generate valuable insights into economic research agendas.

## **Introduction**

This paper provides an example of extending the range of research methods applied to one particular area of economic research: women's decisions to save for retirement. It commences with a short review of previous economic research on the subject of women's approaches to saving for retirement and identifies the key theoretical approaches previously applied. These insights are then contrasted with a recently completed project conducted in Western Australia which used an inductive,

qualitative research method to investigate issues relevant to women's approaches to saving for later life.

The paper concludes that rather than being seen as competing accounts of women's approaches to savings, different research methods can generate complementary insights that give a more complete picture of the contextual features that have significant bearings on women's approaches to financial decision-making. Further, the issues that emerge from the analysis of qualitative data assist in the identification of a broader range of theoretical literature that has potential relevance to economic studies of women's approaches to saving for retirement.

### **Methods previously applied to studies of women's savings and retirement incomes**

Despite the increasing recognition that a diversity of research methods can contribute to our understanding of economic events, some particular areas of economic research demonstrate the application of a relatively narrow range of research methods. The example used in this paper is that of research into women's savings and their retirement incomes.

Prior to 1990 there was little economic research on the subject of women's savings and their retirement incomes. In his detailed 1990 survey of research on the elderly, Hurd notes that "the great majority of research on retirement has been the retirement of single men and husbands" (Hurd 1990:589-590) and that, at the time of his study, the relevance of the existing research to women, particularly married women, was limited. The limited body of literature dating prior to 1990 is reviewed by Meyer, who

identifies three structural features of retirement incomes systems in the United States and Britain that contribute to women's relatively disadvantaged position in retirement: (a) the linking of retirement incomes to waged labour; (b) the lack of recognition given to non-waged labour and; (c) an assumption that household structure or marital status is permanent rather than transient (Meyer 1990). However, since 1990 the body of literature examining women's retirement incomes has grown considerably and has centred on the adoption of three main approaches to examining the question of why women's access to resources in later life is relatively low.

The first approach has been to undertake a structural or gender analysis of the regulatory frameworks governing saving for retirement, or specific aspects of such a frameworks. Depending on data availability, researchers have either demonstrated actual gender differences in asset accumulation or used estimates of women's earnings to determine projected gender gaps in retirement savings. This approach can be generally systematised as using a "gender impact assessment" of public policy (Himmelweit, 2002) and has left little doubt that private, capital accumulation schemes are not gender neutral in their application (for a review of Australian literature see Jefferson, 2005).

A second approach has been to investigate gender differences in the risk profiles of investment portfolios. Much of this research is linked to analyses showing women are over-represented as holders of relatively low risk forms of investment. The common link in this area has been the testing, implicit or otherwise, for differences in relative risk aversion, a variable that derives its theoretical relevance and explanatory power from the life-cycle hypothesis of consumption and saving (see for example Bajtelsmit,

Bernasek and Jianakoplos, 1999; Bernasek and Schwiff, 2001; Jianakoplos and Bernasek, 1998). The results of this research program are ambiguous. While it is apparent that there are gender differences in the risk profiles of some investment portfolios, it has proven difficult to separate this finding from the institutional context in which savings decisions are made, for example, to control for the influence of household asset holdings on women's savings decisions. That is, individual's holdings might be influenced by the asset holdings of other household members and thus portfolio composition appears to be affected by factors that go beyond an innate gender difference in approaches to risk. Other relevant institutional factors might include the workplace and peer groups (Clark-Murphy and Gerrans, 2001; Duflo and Saez, 2002).

Applications of bargaining theory comprise a third, relatively small area of literature that considers the importance of the household context in which savings decisions are made. This literature is largely comprised of studies using empirical data to examine the savings and consumption decisions of men and women at different stages of the life course. These studies particularly focus on effects that different relative earnings between spouses may have on savings decisions, given that differences in average life expectancies might result in different motivations to save for retirement (for example Browning, 2000; Euwals, Eymann and Borsch-Supan, 2004; Lundberg, Startz and Stillman, 2003). Obtaining appropriate data for testing these propositions poses some challenges. While not conclusive, this approach has contributed to identification of the potential importance of the source of a household's income for way in which it is spent or saved.

The main conclusions that can be drawn from existing research are that, firstly, significant features of the retirement income frameworks of developed western economies may be unsuited to women's patterns of work, growing patterns of marital stability and women's accumulation of resources for retirement. Secondly, existing research suggests women's patterns of retirement saving and investment are influenced by a range of important institutional features of their economic context, including households. Relative earnings and decision-making within households appears to be particularly relevant in this respect. Thirdly, while risk aversion may be a relevant factor, research on gender differences in risk aversion appears to be inconclusive at this stage.

In total, there is broad recognition that retirement income frameworks based on private capital accumulation and workplace based entitlements have gender implications. However, the development of policy measures based on existing research is challenging. If savings are related only, or mainly, to income, then it appears that the only way to improve women's savings for retirement is to increase their incomes. This might be one solution but it poses clear challenges. Firstly, it is a slow process to improve women's life-time earnings. Secondly, it is uncertain whether incomes are the only relevant factor. Institutional factors such as households and workplaces appear to have a significant impact on women's patterns of savings, although the causes for this remain relatively under-investigated.

### **Utilising a qualitative research project**

One possible reason for the relative under-investigation of the effects of institutions such as households on women's savings is the tendency for traditional economic

methods to treat institutions as “given” or exogenous to their analysis. Typically, economic models examine interactions between agents within a given institutional context rather than interactions between agents and their context.

One way of adding to our knowledge of women’s approaches to savings, therefore, is to examine the context in which women making savings decisions. In order to add to the existing body of research on women’s savings and retirement incomes, a qualitative study was undertaken in Western Australia in 2003-04 to investigate the following broad research area:

*To extend our understanding of Australian women’s decisions about saving and retirement within the broad context of the experiences and institutions that inform and constrain those decisions.*

Defining a research question in this manner poses a range of challenges. Firstly, it is not readily addressed through the use of existing statistical data sets. Secondly, it is not a deductively derived hypothesis which can be tested against a specific form of data. As a result of defining the research project’s agenda in this way, two key aspects of the research design are the use of an inductive approach to the project and the collection and analysis of qualitative data about women’s financial decision-making.

The study was designed to give priority to women’s own perspectives and experiences of managing finances and saving for retirement and individual, semi-structured interviewing, with an emphasis on confidentiality, was adopted as the specific data collection method (Olsberg 1997; Singh 1997). In line with grounded theory, data was collected from a theoretical, rather than a statistical, sample. The specific type of

theoretical sample sought was that of maximum diversity. This process of selection facilitates the collection of two types of data: high quality case descriptions, which document uniqueness; and common experiences across participants (Morse 1994).

In the context of Western Australia, which is a large, culturally and geographically diverse state, some initial “areas of diversity” were identified which could possibly impact on women’s motivation and ability to save for retirement. Five areas of diversity were identified: socio-economic background; cultural background; age or stage in the life cycle; geographic location; and attachment to the labor market. Thirty participants took part in the study and with participants’ written consent the conversations were taped and transcribed. The resulting transcripts formed the primary data set, which was managed using N\*Vivo software, which has been purposely developed to facilitate qualitative data analysis. Analysis commenced with the generation of categories from the transcripts. This was done through a process of open coding which did not assign priority to specific categories, nor defines relationships between them (Glaser 1992; Miles & Huberman 1994).

### **Selected findings**

When the data were categorised and conceptualised into a relatively integrated framework, the stories that emerged about women’s savings were considerably more detailed than the stories typically told through orthodox approaches to economic modelling. This, of course, was not particularly surprising, given the contrast between the relevant research methods. As explained above, part of the rationale for this project was the wish to investigate the types of issues that might be omitted from

current analyses. A key area of interest, therefore, was to compare and contrast the findings from the project with existing models of savings decisions.

While it was clear that some of the transcript data were relevant to economics' frequently modelled intertemporal choice problem, one of the main contrasts between previous accounts of retirement savings decisions lay in the relative emphasis to given to individual decisions based on expected outcomes. The data collected in this project suggest that the social contexts in which women make decisions about retirement savings have important effects on the decision-making processes that are used and ultimately, on the types of decisions made. In many cases there was relatively little emphasis given to specific, planned outcomes for accessing income in later life.

This discussion focuses on findings relevant to the decision-making context and processes described by interview participants. It draws on three areas themes identified from transcript data. The first theme, decision making contexts, is comprised of data categories that define specific features that comprise constraints in interview participants' decision making contexts. The focus in this article is on three key issues: the difficulties associated with long time frames and changing social institutions; the complexities associated with joint decision-making in multi-person households; and participants' assessments of their decision-making skills and capacities. The second theme consists of discussions about participants approach to making decisions. These approaches included the assignment of different meanings to particular sources and uses of money, the breaking down of household financial management into relatively small, discrete tasks, the establishment of routines for determining and monitoring appropriate levels and types of expenditure. The third

theme is that of outcomes and considers why the previous contextual and decision-making issues discussed by participants may contribute to the retirement savings outcomes observed in this study and the broader literature. The first column of Table 1, below, lists the full range of data groupings developed in this study. The second column identifies the relevant areas selected for this discussion. As demonstrated in the table, this discussion focuses on issues relevant to the contextual and procedural aspects of financial decision-making rather than issues relevant to patterns of workforce participation and the provision of care to household members. Thus some categories which are important to the larger context of women's patterns of retirement saving are not included. A small number of transcript excerpts are included in the following discussion as illustrative of the data in these categories.

Insert Table 1

Long time frames and changing social institutions

Making decisions about working and saving for retirement was viewed by most participants as particularly difficult, although the reasons for this perception were varied. The long time frame involved meant that some participants had experienced unforeseeable events in their life that negated previous approaches to work and saving. Changing household structures, particularly events related to child care, marriage and divorce appeared particularly relevant and resulted in unexpected long term consequences on both working patterns and access to income and other economic resources:

*And then [my son] was born. And you know all I wanted to do was go back to work. And it just didn't happen... years down the track, when I was able to go*

*out to work, I guess, one, I didn't have the confidence and, two, I'm more than happy to be at home and do all the things at home that [my husband] never has the time to do.*

*After five years high school I went nursing... and I got married before I completed my nursing. Of course you weren't allowed to be married in my day, as a nurse... Then we went from there [overseas] for three years, where I couldn't work actually, I wasn't allowed to work...*

*I truly think a lot of women rely, and it came as a shock to me, rely too much on their husbands. ...but if you get divorced, and it happens, even though you think it's never going to happen, it can happen easily, and if you're like me, you've got nothing.*

The difficulties associated with long term savings plans extended beyond the unpredictability of household structure. In some cases, participants found it difficult to engage in long term planning because of the emotions involved with considering the implications their current health status, or that of a partner:

*I think I've deliberately tried not to think about that because [my husband's] always had such bad health...*

Another source of difficulty was found in the changing nature of social institutions. While some of the changes were quite broad, for example, the social acceptance of women working after having children, others related more specifically to policies and frameworks relevant to savings, investment and accessing an age pension:

*It's different for my daughter in law because she's paying super. ...[but for] a whole lot of women who are say, forty, fifty,... my concern is that they will be caught in a poverty trap of not being able to access the pension but not being able to live well enough either on their super. ...*

In short, the data illustrated wide ranging difficulties associated with long term planning that stemmed from the unpredictability of household and social change.

#### Joint decision-making

A second component of this area of data involved discussions of participants' capacity to be involved in financial decisions. In some cases participants described that their capacity to make financial decisions was limited to some extent by the need to negotiate decisions with a partner:

*So his [salary] would pay for the smoking, the booze, his booze, his petrol. He'd hand stuff over to me and that would go into a sort of a pot and I would juggle the other bills that we would have as best I could... we didn't ever sit down and say well this is how much you're getting, so you need to contribute this much to the household...*

*And he's a person who doesn't like people questioning him because he has so much confidence in what he's doing.... He decides you know. And I just tag along.... My attitude and his attitude is different. So the less confrontations the better.*

In many cases however, the difficulties associated with joint decision-making were less confrontational and relatively nuanced. For example, lack of decision-making authority was not always associated with conflict or dissatisfaction on the part of participants. There were some participants who were happy to leave financial decisions to their partner and there were others who would have welcomed more active decision-making input from their partner. Household decision-making authority did not, of itself, mean that participants would be satisfied with their decision-making roles. It was clear, however, that the need to make decisions jointly with a partner added considerably to the complexity of many participants' decision-making context. The complexities ranged from almost tacit agreements "not to talk about it" to very transparent arrangements about financial transactions within families.

*I buy the, like, the essentials.... and it's about seventy, eighty dollars for the week... so I know I cannot exceed. So he doesn't say but then I know I have to keep it to that...*

*... in the family... there's not a high level of [formal] education, but there's a high level of management and knowledge about money. And how you do it. And how you budget and things written down and people owe people things, and it's all clear about what's owed. And all those things are discharged and then there's generosity on top. But the bottom things must all be clear and discharged*

In addition to the widely varying strategies to either discuss, or avoid discussing, household financial arrangements, was the tendency for participants to describe some

sources of income as “separate” from the main pool of household resources. This was particularly relevant to discussions about “children’s money” which could range from special gifts from relatives to incorrect payments from government organisations. There was a strong tendency among some participants to quarantine this money from general household purposes and to allocate it specifically to the needs of their children:

*...[the rental property] it’s another loan, so it [the rent] will go into that loan... we don’t mix it.*

*... we also get family payments and they go into an account for [my son]. They just sit there. We only use that account for stuff for [my son] that we wouldn’t normally buy...*

*...now they have money from their relatives, Christmas, birthday and Chinese New Year, all the money goes to them and then every month we just give them a fixed amount.*

The quantity and variation of data about household decision-making makes it difficult to present a complete account within the confines of this article. At a general level however, there were three conclusions can be tentatively drawn. Firstly, household members appear to establish routine approaches to financial decision making, as discussed below. Secondly, in the absence of overt conflict, household financial routines may not be subject to frequent discussion or assessment unless a specific issue arises that needs to be addressed in the short term. Thirdly, household income is not necessarily fungible. The source of income can contribute to perceptions about the

uses to which it can be legitimately allocated. The implication of these issues is considered further in the discussion section of this article.

#### Decision-making skills and capacities

Throughout discussions it was apparent that money and finances are issues often discussed only between household or family members, rather than with wider social groups. This was particularly relevant when women discussed how they acquired their knowledge about managing finances, when it emerged that parents were a key source of financial education. In some cases the lessons learned were merely those learned from observation. In others cases, parents had made more overt efforts to provide an education in financial management.

However, several participants felt that their financial situation would be improved if they could access specific forms of information. A significant theme was the need for information about 'how to get started' in managing money and saving:

*...information about services that could help you or about packages that might help you start to think about how to start saving for your retirement.... Yeah, if there's some way to do it, to get started...*

*"I'd like to have a nest egg at the end but I don't know how to do it on the little money we have.*

When participants mentioned that they wanted a better knowledge of how to manage their finances, the discussion often turned to the issue of where to go for advice and the potential role of professional financial advisers. At a general level, comments

about financial advice were negative, although this was for a variety of relatively specific reasons. In some cases it related directly to experiences with advisers and perceptions of inadequate advice or returns on a particular investment. Of those who mentioned having direct dealings with a financial adviser, the comments were either negative or heavily qualified:

*... my current accountant had said before you do anything like that you really should get some more financial advice.... I went and spoke to him and he just wanted to sell me his product. Oh, the guy didn't have a brain.*

*I did have some managed funds but they're just pouring money into these... financial adviser's pockets.*

For several participants however, the most significant problem with seeking investment advice was determining an appropriate starting point.

*I have absolutely no idea [where to get advice from]. I mean every now and then I get these phone calls from these ... over the phone financial planners.... I tried going to the bank once but they weren't very much help.*

*So I saw an accountant to work out what my capital gains tax status was and I just had no idea how it all worked but they don't give advice. So I was a bit let down there.*

Several participants expressed a preference to seek advice from other, non professional, sources. In these cases, no one mentioned having reservations about

seeking advice or information from relatively unregulated or unqualified sources. Reasons for preferring these sources of information varied between trust, low cost and ease of access. The preferred sources of information included friends, print media and internet sites:

*Well she [a friend] was the one that really talked us into... buying an investment property. Because she knows all the ways of writing things off... she has done it for so many properties, she's sort of found the pitfalls...*

*I just read the papers. I get Investor magazine.*

*...you can get everything and anything off the web now. And all the information's there. If I have a specific question that is not in their frequently asked questions then I'll ring up the company...*

Decision-making processes – discrete tasks

Participants' descriptions of particular decision-making processes are comprised of two main groups of comments. The first group consists of descriptions about the way household financial management is broken into a number of discrete tasks. While a number of consumption-related tasks were identified by participants, such as “doing the spending” or “paying the bills”, it was the discussions of savings tasks that were of particular relevance. Specifically, two main savings tasks were identified. The first was “rainy day saving”, which consists of accumulating sufficient funds to cover unforeseen emergencies:

*... and then there's always something put aside... I think I always had two thousand minimum savings, that was there in the account.... Sort of rainy day, I think, the rainy day sort of concept.*

*We hardly save anything. Since we have a sick child we always have a little for a rainy day kept aside. Other than that we didn't have much savings.*

In contrast, with rainy day savings, “real savings” was seen as a longer term process that involved a longer term process involving the accumulation of assets. Steps towards home ownership were prominent in these discussions:

*Savings to me is: I would put any money extra that I had, which would be savings, into the house because that's my priority at this time, is to get that paid off. And we've got money in the house that we can redraw...*

There were considerable data relevant to the widely perceived linkages between home ownership and long term savings plans. In the context of this paper, the role of mortgage repayments in the establishment of household financial routines, discussed below, is of particular relevance.

#### Decision-making processes –routines

A second area of data was relevant to the types of “routine” processes or approaches to financial decision-making that participants discussed. These were interesting because they illustrated cases where particular financial outcomes were the result of

household financial processes rather than deliberative decisions associated with particular goals.

Firstly, several participants stated that they were not able to actively make decisions about saving because “what’s coming in is going out”. That is, these participants perception was that they had little discretionary income. Some participants described a set of expenses and bills, often including a mortgage, that needed to be met and managing the household finances consisted of facilitating payment for these items or determining in which order they should be paid.

*... managing the money is more prioritising what we need to, we never have enough to pay our bills but it's just prioritising which one that's necessary to pay and urgent.*

Of course, this does not mean that no decisions were being made about household finances. Rather, it appears to mean that the household’s customary standard of living was such that it used all available income and so it feels, to the participants involved, that they have little room for active financial decision-making. In these circumstances, changes to expenditure would, of necessity, involve significant, and possibly very difficult, changes to the household’s current standard or pattern of living. Saving was not seen as a realistic option in the financial management decisions of these participants.

Secondly, some participants discussed their decision to “decide later”. While a decision to postpone decision-making was rarely seen by participants themselves as

an active process, it does of course have a potential long-term impact on a household's finances. Generally, the approach to decide later was particularly relevant to discussions about long-term financial planning. It was closely linked with life events that were perceived as having a significant effect on participants' financial resources and participants described how they would more actively engage in long-term decision-making when particular milestones were reached. There was considerable variation in the types of milestones mentioned, including the conclusion of studies, after having children, children finishing school, when the mortgage was paid off and/or upon reaching a certain age.

*I don't know, I don't know what our plans are there. Get these kids through school and we'll think about it. That is actually how we've felt. I know it's not a good way to think.*

The above two categories show that some participants, while meeting a range of expenditures, did not feel that they were actively making financial decisions. These approaches contrast with the following categories which demonstrate more active processes for allocating household income to particular purposes.

A third approach discussed by some participants was to manage their spending and/or saving by using 'this' income for 'that' purpose. That is, participants described approaches in which their household matched different sources of income to specific expenditure or saving purposes. So, for example, equating day-to-day expenditure and bill paying with a particular source of income allowed households to define

acceptable levels of routine expenditure. Similarly, the level of one source of income may determine the rate at which mortgage repayments are made.

*...basically what we do, we try to live as much as possible off my husband's wage, pay all the bills and do all the things like that through his income. And mine is more for the nice things in life.*

A fourth approach was to 'save what you can and spend what you need'. The key to this approach, as described by participants, was to limit expenditure to those things that were needed and then save the remaining income. This approach does not necessarily involve a predetermined level of saving: the onus could be on the household members to restrict their spending so that saving can occur. The success of adopting this process for determining savings levels appeared to depend on the capacity of household members to voluntarily restrict their spending to what is 'needed'. As with monitoring expenditure by reference to a particular source of income, some participants recognised that this strategy accommodated the possibility that new habits of expenditure could become gradually incorporated into the household budget over time.

*As far as we're concerned I know that we're putting away as much as we can right now and I don't worry about it because I know that we have been fairly cautious and that it will be okay because we save what we can and we spend what we need.*

The success of adopting this process for determining savings levels appears to depend on the capacity of household members to voluntarily restrict their spending to what is 'needed':

*Well funnily, I find more and more that the more money we have the more we spend. But I guess that's like everybody else, you tend to find things...*

A fifth approach was to save a set amount, then spend. That is, some participants described how they budget in advance for a specific level of ongoing saving and then use their remaining money for discretionary expenditure. An important theme in these discussions is that undertaking savings requires a lifestyle that accommodates regular saving, which becomes part of the household's financial routines.

*But I put money away and what I have left I pretty much live on for entertainment and other stuff, you know shopping and I've always, always, put money away... ever since I started work, I've always saved. That's what I pretty much do.*

A sixth approach involved the use of targets, goals and special accounts. This approach was particularly relevant for participants who were aware that, while they wanted to save, their spending equalled or exceeded their income unless they actively took steps to ensure that saving occurred. For some participants, establishing a goal or target provided a routine which ensured saving. Other participants discussed processes that relied on the use of multiple bank accounts to facilitate household decisions and allocations.

*I've always been fairly good at saving, like, but saving for something. Like I know when I first started work, I saved for a trip to Europe and then I got back and I saved for a car... so if I have a goal then I'm actually better than if I just have to save.*

Finally, some participants described systems that made savings 'compulsory', through the use of devices such as automatic deductions and 'compulsory' payments, such as debt repayment. Some participants found it useful to implement a process that would make saving seem like a "compulsory" action, much like paying a bill. Establishing "automatic deductions" to specified accounts was one such method. Other participants described the compulsory aspect of debt repayment, particularly paying off a housing mortgage, or some other form of compulsion, such as contractual payments to an insurance policy, as the process that assisted with carrying out savings in their household:

*My little bit of saving that I do works because it's automatically deducted as soon as my pay comes out and is put in a separate account. So I just don't touch it until I need it...*

In summary, participants described a number of financial routines that had become established within their households and assisted with the ongoing need to allocate income to specific purposes. The routines ranged from processes which allowed little role for saving, to those which allowed for saving from residual income, to those that prioritised saving through the use of special accounts. Throughout the descriptions of

allocating income to expenditure or savings however, participants described their use of routines which prevented the need for overt, regular decision-making.

## Outcomes

One of the striking features of many participants' discussions was the lack of a link between current savings actions and identifiable, long term plans for accessing income in retirement. In most discussions there was little to suggest that eventual retirement income was estimated, that different investment vehicles were considered in detail or that varying outcomes for retirement were considered. Rather, most data appeared relevant to the establishment of routines that negated the need for regular, active decision-making. In this context, buying a house was seen as a particularly desirable strategy: regular payments are required, everyone else does it and it's familiar – most people know what a house is and what some of its benefits are. Housing was also viewed as a particularly safe investment, with one participant commenting: "they do say as safe as houses".

*...neither [my husband] nor I had super, but what we did was we put a lot into paying our house off early. I've always sort of seen real estate as the alternate to super.*

*... some day we can sell this house and move into a smaller house, that's the main reason that that this house doesn't have very many fancy things, but we built it so that then at least we can have something. This is our savings, sort of.*

One of the key findings from the study was, therefore, that many participants could describe in great detail the way in which they organised their household finances and how they allocated the money to different purposes but had difficulty articulating long term financial goals for retirement. Their access to resources in later life is likely to be an outcome of decision-making processes that reflect diverse constraints in their current context rather than a purposeful plan.

*I haven't consciously thought about it. Which is, I guess, why I haven't done anything about it.*

*I honestly haven't gone there. Not in recent years, not in the last few years I haven't. Not since my life has changed, since I've become single again, I haven't even gone there.*

The conclusion that retirement savings outcomes have little to do with a deliberate choice from a range of potential options is one that provides a contrast with major areas of economic theory. It is, however, consistent with literature from previous studies of the role of habits and rules in decision-making and household finances, as discussed below.

### **Discussion - Links with other studies**

The findings from this project were interesting for at least two reasons. Firstly, as outlined above, they indicated that some factors that are not directly related to women's relatively lower levels of earnings and higher life expectancies could be systematically relevant to their levels of retirement savings. For example, the

perceived lack of relevant information about “how to” save was both surprising and an area which lends itself to both further investigation and possible policy implementation. The importance of particular milestones in some women’s lives, for example, children starting and completing school, appear linked with both variations in workforce participation patterns and assessments of household financial strategies. Again, this may provide a direction for further fruitful research and policy development.

Secondly, the study provided a mechanism for the identification of a range of existing economic literature that could potentially provide further insights into women’s patterns of saving and relatively low access to resources in later life. For example, while these findings were developed directly from the data, they were consistent with existing literature, identified following the data collection and analysis processes, that link specific decision-making processes, particularly habits and rules, with contextual features such as uncertainty, complexity, extensiveness and emotions. The importance of these links is that, while not previously applied to studies of women’s savings, there is a large literature suggesting that a complex institutional or regulatory context encourages the use of decision-making “short cuts” or “habits” that may not necessarily allow for optimal outcomes (Davidson, 1987; Hodgson, 1997). The development of ‘mental accounts’ and the non-fungibility of household resources might be particularly relevant in this context and while these concept has been applied to various areas of financial decision-making they have rarely been used with respect to women’s savings decisions (some interesting examples of applying these concepts to economic research are provided by McGraw, Tetlock and Kristel, 2003; Winnett and Lewis, 1995). Further, in contexts where emotions are important, decisions will

be framed in such a way that particular options may not be considered (Elster, 1996, 1998; Nelson, 2003). This might be particularly relevant to the context of household decision-making although it as an area of economic theory remains largely undeveloped.

Perhaps not surprisingly, the findings were also consistent with a range of international studies that identify gender norms as significant in the management of household resources (Edwards, 1984; Pahl, 1989, 1995; Singh, 1997; Vogler, 1998; Vogler and Pahl, 1994). Similarly, there are diverse approaches to showing the difficulty of separating financial decisions from the relationships in which they take place (Ingham, 1999; Nelson, 1994; Zelizer, 1994a, 1994b, 2000). This suggests that while differences in income are one important cause of differences in women's and men's levels of savings, it is also possible that different gender expectations about the financial decisions and roles played by men and women could play an important role. This might be an avenue for investigation that sheds further light on apparent differences in risk aversion that have been noted in some literature from the United States, as discussed above.

The above list of potentially relevant studies and theoretical approaches not yet applied to women's approaches to saving for retirement could be extended. However, the main point is that a relatively small qualitative study can provide the impetus for identifying potentially relevant empirical and theoretical approaches that already exist within the large body of economic literature that is available to researchers. Such approaches can be compared against the small amount of data collected in the

qualitative approach and assessed for their potential application and explanatory power to specific questions that have been identified as particularly relevant.

### **Conclusions and directions for future research**

In summary, adopting a research method that contrasts with previous studies that address a particular economic question can have at least two types of benefit. The first relates to the wide range of data and explanation that can be used to gain insights into a particular research program. While the insights gained from different methods might vary considerably, they might do not, of necessity, need to be seen as competing accounts of different causes and effects of a particular event. Rather, it is possible that they represent complementary accounts or understandings of different aspects of the same phenomena. Indeed, when complex social and economic events are being investigated, this appears to be a likely outcome.

A second benefit is the capacity for “new” findings to be the source of identifying fruitful areas for further investigation and policy development. The findings from thirty interviews alone are unlikely to provide sufficient information for policy development. However, some of the issues raised by participants in this study suggest that more targeted research may yield productive insights. The finding that many women can not or do not find relevant information about retirement savings strategies may appear counterintuitive to those who live and work in environments where information about superannuation and retirement savings is readily accessible. However, it serves as a reminder that some forms of information are either not accessible or not perceived as relevant by particular sectors of the community. Another theme identified in participants discussions was their reliance on owner-

occupied housing as a form of retirement saving. The implications of substantial investments in home ownership remain to be fully investigated. It is likely to have policy relevance to issues of both access to economic resources and the delivery of services to older people in the community. These issues illustrate that the gender implications of employment based retirement savings schemes may extend beyond the nexus between life-time earnings and savings.

Finally, the findings provide a basis for identifying relevant links with theoretical and applied investigations in other areas of economics. In a discipline as varied and large as economics this can provide a relatively efficient way of identifying potentially relevant research methods and insights that might not have appeared immediately relevant to a specific research topic. Some of these issues, such as the significance of household decision-making processes are being addressed by a small but developing literature. This study suggests, however, that some of the nuances of household decision-making units are not yet captured by formal modelling methods. Similarly, the importance of non-fungibility of household income, the important role played by habits and rules of financial decision-making and the under theorised area of emotions and economic decision-making remain areas for potentially fruitful investigation in understanding long term processes such as saving for retirement.

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**Table 1: Context of selected of themes and findings included in this article**

<b>Organisation of transcript data</b>	<b>Selected themes and findings</b>
<b>Decision context - Constraints and catalysts</b>	
Life events and earning and income	Long time frames, changing social institutions
Planning ahead	Long time frames, changing social institutions
Developing and accessing financial skills	Decision making skills and capacities
Distributing decision-making authority	Joint decision-making context
Pooling and separating household resources	Joint decision-making context
Family networks and caring responsibilities	
Another thing is... the society we live in	
<b>Compromises</b>	
Adjusting patterns of workforce participation	
Simplifying household financial management	Decision making processes
Making decisions	Decision making processes
Finding easy information	Decision making processes
<b>Outcomes</b>	
Where to keep savings... and why	Outcomes
Thinking and planning for retirement	
In retirement I will live on	