



Retire to something – not from something

By Av Lieberman

A number of years ago, at age 50, I was “reorganized” out of my corporate job. It was a shock, as I had never been unemployed. I never realized how much of my self-worth and self-image were tied up in my job and title. Like most people, I had defined myself by my work.

If I met someone new at a social function, I would dread the inevitable question, “So, Av, what do you do?” I was stuck for a clear answer and usually mumbled something about management consulting.

I had no exit strategy and no vision of where I wanted to take my life. I spent almost two difficult years trying to figure out my future. It was out of this experience, however, that I realized that I was far from alone. Thousands of people struggle with the agony of a significant life change and how to transition to a new life. For me, this experience resulted in establishing a company that specializes in teaching a program to

people facing similar challenges. The program combines a unique lifestyle transition planning process with retirement education. I am proud to say that we have taught this program to almost 7,000 employees in a broad range of corporations and organizations.

THE OLD AND NEW RETIREMENT

Lifestyle transition planning and retirement education teaches the difference between the concepts of the “old” and the “new” retirement. The old retirement meant working to age 65 and often, retirement was the only choice. Most people didn’t have a pension plan and the reality was they might only live five to 10 years into retirement, so they didn’t worry about transition planning and retirement education. Most people kicked back and did nothing.

The new retirement is completely different. People are retiring earlier and living longer; it is conceivable that you could have 25 or more years ahead of you. That is a long time to do nothing. Today, there is a need to build a new life structure that will challenge, motivate, and provide a feeling of being useful and a sense of life satisfaction.



The OLD retirement was:

Work for over **40 years**

Retire at
age 65

Live until
age 70-75

The NEW retirement means:

Work to create a **lifestyle**

Live differently – Work part-time, volunteer, take up a new hobby, travel, establish a new career, further education, etc.

Live until
age 80+

A JOB IS CRUCIAL OVER AND ABOVE THE PAYCHEQUE

In his book, “The Third Wave,” Alvin Toffler said it very well: “Individuals need life structure... For many people, a job is crucial psychologically over and above the paycheck. By making clear demands on their time and energy, it provides an element of structure around which the rest of their lives can be organized.”¹ In retirement, the “job” that Toffler refers to may or may not be a traditional one. It may be for pay, or not (volunteering), but some form of work or activity (i.e. going back to school, starting a new business or hobby) is necessary to provide life structure.

EXAMPLES

Here is a true story that may help to illustrate this need. My friend David and I were having breakfast together and he announced that he had decided to retire. I asked him what he planned to do and he replied, “More golf, travel, more family time,” and to “generally enjoy life.” I then said to him, “And then what are you going to do?” He said, “That’s it. I’m going to enjoy life.” And he did – for about six months, after which time he began to realize that his life lacked meaning, purpose, challenge and motivation. He was bored. He did not have much of a reason to get out of bed in the morning.



¹ *The Third Wave*, by Alvin Toffler, Publisher: Mass Market Paperback Reissue edition (December 1991) Bantam Books; ISBN: 0553246984



Eventually, he decided to build a new life structure that combined part-time work consulting in his field of expertise, volunteering, a new hobby, as well as travel and family time. His spark returned and life became far more satisfying. He was now able to enjoy his life.

Another example took place several years ago. One of my clients made a generous, voluntary early retirement offer to about 200 employees. He was shocked at how few accepted the offer. In order to find out why the offer didn't appeal to most of the employees, a survey was conducted. The results indicated that these people were concerned about not having a life to retire to. They didn't perceive that they had alternatives for the future – and without alternatives, they did not want to leave. Hence, they wanted to retire to something, not from something.

QUESTIONS TO THINK ABOUT

To begin to figure out a new life structure for the future, there are a number of questions that you can think about:

- How will I spend my time?
- What do I really like to do?
- What will keep me motivated?
- Will my finances support my vision of retirement?

- Do I want a second career?
- What about working part-time?
- How will my family be affected?

Coming up with the answers can be hard work and it helps to be able to crystallize your thinking by periodically including your partner or a close friend in the discussion process. You may well find that he/she is struggling with the same issues. The process of getting different points of view is very helpful in drawing conclusions over time.

You should also make a list of the things you like to do in your current job, your favourite hobbies and activities. Building a new life structure that allows you to leverage your existing strengths and skills is far more motivating than developing new strengths and skills. If you find this difficult to articulate, try some online quizzes. For example, visit www.jobsetc.ca (click on Career Navigator), answer some general questions about your preferences and it will provide a list of occupations and activities.

Work provides a number of benefits: income, time management, a sense of being useful, socialization and a sense of status. Your new life structure should provide at least three of these benefits to give you a feeling of satisfaction.



STAGES OF RETIREMENT

We are also now aware that there are three stages of retirement²:

- The go-go stage,
- The slow-go stage, and
- The no-go stage.

The go-go stage is marked by energy and motivation. This period of time may last for many years, even into your 70s, depending on health and attitude. The slow-go stage is marked by less energy and possibly a need to adjust your life structure. For example, part-time work may no longer be a viable option. The no-go stage can be marked by issues related to declining health. During the later stages of life people are living longer, but not necessarily with a better quality of life.

LOOKING FORWARD

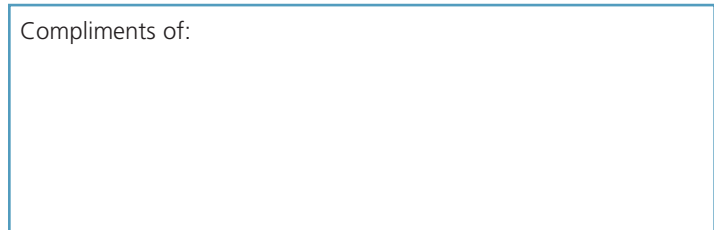
Now, obviously there are exceptions to this. I have an aunt who, at 93, walks her dog five kilometres every day, serves on the board of a charity, is totally independent and has a number of activities, which, when combined, keep her busy, active and motivated. She is quite amazing.

² These three stages of retirement are commonly referred to by a number of retirement planning consultants. This author first heard it from Gilles R. Marceau, CFP, RFP, CLU, P.R.P.

If you haven't already, start thinking about what the next phase of your life might look like. Include your partner, or someone you really respect, in your discussion and develop a plan to live life on your terms. The key is to get your head around the idea of retiring to something, not from something. In my line of work I see too many that have retired from something. Their lives are on hold and they are looking backward at what might have been. Don't be one of them.

Av Lieberman is the President of The Retirement Education Centre Inc. (RECI). Formed in 1996, RECI is an education, advocacy and research organization. It has developed a unique program that combines retirement education with transition planning. Under the sponsorship of companies' organizations and unions, this program is taught to employees and union members. RECI does not sell financial products and does not give financial advice. To learn more visit the website at www.iretire.org

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