



Life Planning and Retirement Coaching

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Working in Retirement

Recent surveys indicate that 76% of workers over the age of fifty plan to continue to work beyond retirement age. Some are opting for “phased retirement,” gradually shifting from full time employment to retirement while in the same job, with a new employer or by starting their own business. In a survey conducted by Harris Interactive & Ken Dychwald of Age Wave, Inc., 42% of baby boomers indicated that they would like to be able to cycle in and out of work as they age. This approach has also been referred to as “retirement rehearsals”.

Why do people of retirement age choose to work at all? According to an AARP study conducted in 2005, people opt to continue to work because they need the money (61%), desire to stay mentally active (54%), or need the health benefits (52%).

In 1900, the average life expectancy was 47 years. Today it is 77.5 years. Because we are living so much longer, we need to finance those extra years. For those who have adequate resources, working is a choice rather than a necessity. For those who discover that they may outlive their resources, continuing to work into retirement, whether full or part-time, will help to close the gap.

Older employees worry about loss of health care benefits when they retire as an increasing number of employers (44%) are either eliminating or reducing coverage for retired employees. Until retirees become eligible for health care coverage through Medicare, many seek entry-level employment or new careers that will allow them to work more flexible hours while retaining benefits. Once eligible for Medicare coverage, retirees often choose to return to work in order to have sufficient financial resources to pay for supplemental insurance and non-covered medical expenses.

Perhaps the most important reasons that retirees choose to continue or return to work is that they want to feel challenged and fulfilled, to have meaning and connection, and to operate within a social structure. Work in this context includes both paid and volunteer experiences. At ***Redesigning Retirement***[™] we ask our clients to define their values and then consider how they want to honor them in the next stage of life. This process often results in significant changes in how and where clients choose to work.

Financing retirement poses special challenges for women. Most have often earned less than their male counterparts, due in part to an income gap between men and women. Women often take time out of work, or work part-time, in order to care for children, aging parents, a spouse or other

relatives. As a result, they have less access to defined benefits and fewer financial resources to contribute to 401k plans. There is, therefore, a greater incentive for women to continue to work past traditional retirement age at least on a part-time basis in order to catch up on retirement resources or to maintain their standard of living in their later years.

Women who resume careers after a break to raise their children feel the need not only to catch up financially but professionally as well. Reentering the job market poses both challenges and opportunities. It may be time to reassess skills, interests and values in order to discover new options including transitioning to more satisfying career. ***Redesigning Retirement***[™] offers such career assessments. Although some women in their fifties work for financial reasons, most view this time of life as presenting exciting opportunities at the peak of their work years and want to continue to grow professionally.

Lois, age 54, had worked in the retail industry for the past 15 years, returning to work when her twin daughters entered middle school. Now that they are both in college, she decided it was time to focus on herself. Her long hours and erratic schedule had allowed little time with her husband, who worked from nine to five on Monday through Friday. Despite the stress this caused her, she had continued to work because of the financial burden of double college tuitions. Lois contacted ***Redesigning Retirement***[™] for help with career and life planning for the next stage of her life.

Through coaching, she discovered that she had significant organizational and managerial skills from her many years in community volunteer positions as well as from her paid experiences. When defining her values, she recognized that she had a strong commitment to, and concern for, her community. Lois decided to seek a position in a community organization with more regular hours which would allow her to spend more time with her husband, take an evening course in human services management and resume some of the leisure pursuits that she had abandoned due to time constraints. After a six-month search, Lois was hired as a mid-level manager in a not-for-profit organization. A year later, she reports enthusiastically that she loves her new job, feels that she is making a contribution to her community and is really enjoying her more balanced life. While working in retirement may be a financial necessity for some, Lois' experience shows that paid or volunteer work can also provide significant personal rewards as well.

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