

NORTHWEST

LIVING 50+ • February 26, 2009 • 11

RETIRE

The successful second act

MONEY AND MORE

By Chuck Schneider

More than 40 years ago the late anti-war activist Jerry Rubin warned his flock not to trust anyone over 30. It still stands as the baby boomers' most famous admonition other than perhaps Wavy Gravy's "Don't do the brown acid, man. The brown acid is bad." A lot of time has passed since Wavy was at Woodstock. So much time that anyone who was legally drinking alcohol at Max Yasgur's farm that weekend is today no more than four years away from collecting Social Security.

Unless the aging boomer agrees with The Who's Pete Townshend (singing "I hope I die before I get old" at Woodstock), that boomer had best be prepared right now for retirement. Though there have been a plethora of books on the topic recently, a recent one, authored by Massachusetts native Dr. Bill Roiter, takes a fresh and reasoned approach to the subject.

In "Beyond Work: How Accomplished People Retire Successfully," Roiter examines what happens as proficient folks move away from work and begin their time as New Adults. His research, which is somewhat contrary to conventional wisdom, reveals that confidence in one's ability to successfully retire is the leading indicator to that success while mere planning is but one factor contributing to that confidence. Planning requires knowledge.

"The more you know," Roiter says, "the more confident you become."

"Retirement is so much more than merely leaving a job," he explains. "It's an event, like a wedding or the birth of a child. It's definitely not a way of life."

New Adulthood, Roiter stresses, is marked by a re-shuffling of priorities into four organizing domains: 1) financial, 2) physical, 3) social and 4) personal. Each is essential to a successful "life without work."

Financial

Being confident in one's financial domain is a must, Roiter insists. It is the baseline. The amount of money one has at the time of retirement is, of course, relative to one's needs, wants and desires. "Some of the wealthiest people I interviewed for the book aren't totally com-

fortable with their finances. They have no real confidence in their financial decision making process."

Those who are the most confident are that way for two reasons. They've taken the time to gain some valuable monetary knowledge on their own, and more importantly, found an advisor they can trust. Roiter strongly recommends seeking the counsel of a Certified Financial Planner (CFP).

Gerry Robinson, a CFP and a partner at Capital Analysts in Quincy, agrees.

"You can't learn how to do what I do for my clients in an afternoon on the Internet," Robinson says. "We are subject to a three and a half hour exam in order to become a CFP and we have to retake the exam every three years. Plus there are on-going ethics reviews, as well."

Capital Analysts caters largely to clients with a high net worth, but Robinson's advice is applicable to all. He tells his customers, especially in these challenging times, to have at least two or even three years of liquid assets at hand to cover living expenses.

"That will help you to sleep," Robinson says.

Beyond that, he measures a client's needs through a questionnaire that covers financial aspects such as goals, objectives, time horizons and risk tolerance. Roiter notes that the financial assessment tool in "Beyond Work" is a great first step towards taking control of one's financial domain even before seeking out a trusted advisor.

Physical

If the financial domain of life without work is the baseline, the physical domain is the wild card or, in Roiter's words "the area of greatest uncertainty." That said, he insists that with the phenomenal advances in medicine today, it is much less uncertain than it was just a few years ago.

"Forty, or even 20, years ago the emphasis was on managing illness while today the focus is on preventing it," he says.

"The key component to having confidence in your physical domain is having an assessment done of your overall health and risk factors, then learning to manage that risk," Roiter asserts. Further, he claims, advances in medicine are allowing for more of what he calls "self care," or personal health maintenance. He urges those close to retirement age to become more conscious about their physical domain and have a more significant role in managing

that domain.

Social

Using a computer analogy, Roiter explains that if the financial and physical domains of life after work are the "hardware" then the social and personal domains are the "software."

Somewhat unexpectedly, the social domain perplexes the New Adults interviewed by Roiter in greater numbers than the other three.

"Work-focused people, especially men, have considerable concerns just who their non-work friends might be," he maintains. "Women seem to have a wider network."

In "Beyond Work," there is a map of what a good social network should look like. Roiter maintains that there are three categories of friends: "close," "good" and "acquaintances/associates." "Timewise, two or three close and/or good friends is a manageable number and really about all anyone can handle." He adds the number can include family members.

Suppose you're not overly fond of your dysfunctional family much beyond a holiday gathering and you want your associates and acquaintances to remain just that. Where, for the sake of your social domain, do you find good (let alone close) friends?

"Get involved," Roiter urges. "That could be in the community, at your church, or participating in any number of leisure activities. Get out and do something! Not only does social support increase life span, it makes New Adult life much more enjoyable."

Roiter's thoughts are echoed by Dav-enport Crocker Jr., senior vice president and general manager for the Coldwell Banker Real Estate offices in Scituate and Cohasset. Crocker manages a staff of 70-plus agents in his area and has seen the growth of "active adult lifestyle communities from a balloon at 30,000 feet."

"The clients who are looking to downsize and move to an active adult community want a lot more than just the list of amenities outlined in the brochure," Crocker explains. "They want to become a part of the community. They want to belong."

Personal

Of the four domains, the personal is perhaps the most difficult to wrap one's arms around. Roiter suggests starting with the words inscribed at the Temple of Apollo at Delphi in Greece — "Know thyself."



Photo courtesy of Dr. Bill Roiter

Psychologist Dr. Bill Roiter maintains a practice in the Boston area, coaching executives as they transition to their next challenge.

"You have to determine what's meaningful to you; what provides you with the most satisfaction and happiness," Roiter continues. "Our priorities change as we age. When we were younger much of what we did was prescribed, like our career or our family. As we get older, it's up to us to decide what really counts."

Roiter is philosophically aligned with Dr. Rich Warren's "Purpose Driven Life" and believes Warren has lessons for not only the true believer but the secular skeptic as well.

"It's more important to find personal satisfaction as you get older," Roiter explains. "And it's not all about just you."

The satisfaction can be as simple as coaching the best Little League team in your town or providing the best social services through your house of worship. Coldwell Banker's Crocker amplifies the point by adding, "There's a different perspective on life that comes only from experience. Most of our clients want to share that perspective with others who feel similarly."

Preparing to move beyond work is daunting. As Roiter makes clear, "It's just so much more than merely not working. It's a matter of changing focus." If you don't address each of these four domains to your personal satisfaction, you'll probably live well into your golden years but just how well will you live?

Those decisions, like most, are now entirely up to us. Jerry Rubin involuntarily took Pete Townshend's option in 1994 and was killed by a car while jaywalking. Rubin passed on before he had to make these choices.

Townsend will be 64 this May. Wavy Gravy is 75.

Published on 2/26/2009

This Living 50+ Northwest 1 Special Sections Page may contain time-sensitive information and offers. Please check with advertiser to confirm availability.