

Retirement Readiness Report

Helping older employees get ready to retire successfully

A free report for employers, unions, and pension funds, produced by RetirementWORKS®, Inc.

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Welcome to the twenty-ninth issue of the *Retirement Readiness Report*, offered as a free resource, to help you think about how your organization supports the transition into retirement.

We encourage you to contact us at any time if you have ideas, criticisms, or other comments about this publication, or wish to update your email address (or be added to or removed from the list).

If you missed issues #1 thru #28:

They're available at:

<http://www.retirementworks2.com/support.asp?id=newsletter>

Next month:

Keeping money and life in balance

Couples and retirement

[Our apologies for postponing until April our previously announced topic for March, "Keeping money and life in balance." We have just seen a pre-publication copy of a nifty new book relevant to that topic, and we want to wait until you can get the book, too.]

If you have thought about retirement issues at all, and certainly if you have discussed them with employees, you undoubtedly already are aware that retirement can be a source of stress for couples. Unfortunately, this happens in a rich variety of ways. To name a few of them:

- Partners can have highly incompatible ideas of what a "good" retirement means: one looks forward to spending more time together while another intends to engage in new activities with other people, or one wants to loll about the house while the other has all kinds of activities and chores in mind.
- A stay-at-home or maybe work-at-home spouse/partner is accustomed to being ruler of that domain all day; and having a newly retired spouse/partner at home is a huge, unexpected problem – maybe for both of them.
- They disagree about what should be done with their retirement savings: one preferring to live it up or invest in major home improvements, for example, while the other wants to be more careful and not touch any savings until absolutely necessary.
- Both parties are on the same page, but one of them becomes ill or disabled, and the other is thrown into a caregiving role, perhaps to the intense unhappiness of both of them.
- One wants to move – maybe just into a smaller place, or maybe to be near grandchildren, or for some other reason – and the other likes living right where they are.

Need we go on? There are as many potential sources of disagreement as there are opinions – or assumptions – about what should be what.

The *assumptions*, in fact, are usually at fault. One big problem with retiring (especially without the help of any kind of retirement readiness program) is that people do not fully imagine what retirement will be like. They drift into it with no plans, with only vague plans (“I’m just going to kick back and do what I like”), or with completely unrealistic plans (“I’m going to spend all my time traveling and playing golf”).

When the underlying, ill-thought-out assumptions crash into the reality of being retired, the retiree is disappointed, dismayed, and sometimes even depressed. And the spouse or partner has to cope with it.

It’s even harder, of course, when the spouse/partner has done the same thing – and his/her presumptions fail at the same time.

Furthermore, even if each spouse has thought a lot about retirement, and has done so in a care-

ful, realistic manner, if they have not fully *shared* their ideas with each other ahead of time, they are likely to be out of sync.

Those of us who have had spouses, partners, or roommates for a long time start to suppose we know what the other person is thinking. But in a situation that has not occurred before – like retirement, or one that involves really big changes – like retirement – we don’t know as much as we think we know.

“In a situation that has not occurred before – like retirement – or one that involves really big changes -- like retirement – we don’t know as much about our spouse or partner as we think.”

The way to prevent these problems therefore, or to solve them when they do occur, is frequent, thorough, and honest but sensitive communication.

If you offer, or are thinking of offering, a retirement readiness program for your older employees

(and/or retirees), you can help them focus on this lesson.

More than that, you can see that it happens.

If you are holding multiple sessions on different retirement topics, make sure that at least one of them involves relationships with spouses, partners, roommates, or other family members that one lives with. Better yet, actually invite these parties to that part of the program, and have them participate. (You will need alternative options for people who live alone, or whose living partners cannot attend, or you can just excuse them for all or part of that session.)

In addition, you can make communication with a spouse/partner part of the homework for other aspects of the retirement readiness program.

Although managing close or intimate relationships is by itself a key issue in retirement, it is also an aspect of almost every other aspect of retirement and decision about retirement. Thinking of retiring early, or postponing retirement? Better understand what

the effects on the spouse or partner will be, and how s/he feels about it. Thinking about spending more time with the kids or the extended family in retirement? Better think about whether you expect your spouse/partner to be part of that – it could be a problem either way. Thinking about starting up a new hobby? Better consider the impact on the household: noise, clutter, smells, other people around the house? Maybe being out of the house too much or at inconvenient times?

It's hard to think of a significant aspect of life in retirement that does not have a potential impact on the person you most care about and spend the most time with.

It is critical, therefore, when offering retirement readiness programs, whether in a classroom environment or not, that you encourage participants to make their spouses/partners part of the program, and to have lots of private discussions between themselves every step of the way.

Recommended Reading for Employees Getting Ready to Retire

The Couple's Retirement Puzzle: 10 Must-Have Conversations for Transitioning to the Second Half of Life, by Roberta K. Taylor, RNCS, M.Ed., and Dorian Mintzer, M.S.W., Ph.D.

\$15.00 (Lincoln Street Press, 2011)

Notice: We do not sell books, or have any financial stake in recommending them.

If you purchase this book, you will find inside of it a blurb from us that says:

"The Couple's Retirement Puzzle reveals that, in the context of married lives, the traditional issues related to retirement are far more complex and difficult than is generally recognized. But Roberta Taylor and Dorian Mintzer also show us that satisfactory resolutions are possible once the issues are properly understood. In five years, there will be a dozen books imitating *The Couple's Retirement Puzzle*, because it is such a critically important and highly useful guide. Although other books may appear,

this is the book we will surely want to use and recommend to others."

That review, written in the heat of our initial excitement about the manuscript of this volume, which we saw last year, has withstood the wait for the printed edition. Any member of a couple who is contemplating retirement would do well to buy this book, read it, have his/her spouse or partner read it, then try out the exercises provided at the end of each chapter.

Taylor and Mintzer cover in detail, and with highly illustrative examples, how problems arise, and how they can be resolved, in all the key areas: deciding if, when, and how to retire; finances; changes in roles and identities; spending time together (and apart); intimacy and sexuality; relationships with family; health and wellness; where and how to live; social life and community participation; purpose, meaning, and giving back.

They derive insight not just from study and theory, but from their own experiences, and from the many years that each of the au-

thors has spent in coaching and counseling clients.

The Couple's Retirement Puzzle manages to be both very easy to read and very revealing about the complexity of the issues retiring couples face either together (if they do it right) or apart.

This book will be available on Amazon shortly, but in the meantime, you can learn more and obtain copies at the authors' website, which also contains an interesting blog and other useful information:

www.couplesretirementpuzzle.com/

Recommended Reading #2

Retirement Readiness, by Mike Bonacorsi, CFP®.

\$14.95 (Peter E. Randall, 2008)

Rather than review a website this week, we are adding a second book review, because Mike Bonacorsi's excellent book, *Retirement Readiness*, arrived in our mail just a few weeks ago, and we wanted you to know about it (we love the title, too!).

Mike is a financial planner in

Nashua, New Hampshire, not far from us, and while much of his book relates to financial decisions, he does two things that you rarely see done, or done well, in retirement books by financial professionals.

First, he emphatically subordinates financial planning to life planning. Before even talking about money, he presents two chapters – “See Your Future” and “Create a Plan” – that emphasize the importance of starting out with a vision of what you want your life to be about, before focusing on the nuts and bolts of financial matters.

Second, when he does get around to money, he provides *education* rather than *advice*.

That is, he speaks about money matters relating to retirement in general terms, but without trying to tell you what decisions *you* should be making. This restraint is important, because no book, by itself, can correctly tell you what you should do, especially not with regard to your retirement, which involves many complexities.

So while we generally have to severely penalize most financial

books about retirement when evaluating them, because they fall into the advice-giving trap, Bonacorsi gets high marks in this regard.

His volume also has the merit of being quite slim, only 97 pages in all, including numerous helpful simple worksheets you can fill out to help you think through the process along which he is leading you. You can feel good about recommending it even to employees who would lack patience with bulkier texts.

About RetirementWORKS®, Inc.

We are the consumer subsidiary of Still River Retirement Planning Software, Inc., of Harvard, Mass., which has specialized in retirement plans and retirement planning since 1994.

Our philosophy is that retirement needs to be viewed from the retiree's point of view, in all of its complexity. So we offer the most powerful and useful financial software available anywhere for retirees and near-retirees, and advice concerning non-financial aspects of retirement. But we do not sell any financial products or services other than software, and have no financial stake in any advice that is offered.

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