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Perspectives from Anna Reboot, Rewire or Retire? Personal Perspectives on Phased Retirement and Managing Life Paths at Age 60 and Beyond

By Anna M. Rappaport

This “Perspectives” column was motivated by a combination of my own experience, conversations with many people about finding their next steps, and participating in some round tables. It updates my column published in 2013.

Many boomers in their 50s, 60s, and 70s are faced with making important decisions about their next steps, sometimes by choice and sometimes not. Some are seeking a new conventional job opportunity, some are seeking a new active life but with a different script, and some are seeking traditional retirement. My experience with professional and business people is that most of them are seeking a meaningful set of activities, but what that means is very different person by person.

Since retiring from Mercer at the end of 2004, I have been an active phased retiree. Over the last 20 years, I have given a lot of thought to phased retirement and making it work. Many people have focused on managing income and assets. This article focuses on a different aspect of managing retirement: managing life beyond money—it assumes that financial management is under control and that there are adequate financial resources. My personal path has included some contract work, writing and speaking, not-for-profit board service, and a lot of professional volunteer work, plus spending time trying to build my art and painting skills. I have also counseled a number of others about their own paths. This article is a combination of my own experience and what I have learned from others. It is an update and expansion of a “Perspectives” column first published in 2013. I have shared that column with many people and have had very good responses to it.

LIFE PATHS FOR PROFESSIONAL PEOPLE IN THEIR 50s AND 60s

I recently attended a roundtable of senior women who discussed the issues around rebooting and rewiring and another

roundtable of actuaries focused on how to transition to their next step. Based on these discussions, my experience, and Society of Actuaries’ research,¹ some observations jump out at me:

- While there are well-established ideas about career planning in general, the ideas about next steps for people at this life stage are much less developed. People feel like they are writing their own scripts without guidance.
- Some people reach traditional retirement ages unsure about when to retire and with no idea about what they will do when they retire.
- Some people decide to move to next steps without any well thought out financial analysis of the implications of entering retirement.
- One cannot be on vacation all of the time. Vacation is a break from what we normally do. People who retire with the idea of an endless vacation are likely to be disappointed or bored within a year or two, if not sooner.
- There is a huge variation in the financial situation of people at this point. Some have the resources to make choices without being concerned about how much money they will earn in the next few years, whereas others are concerned about continued income and need at least a defined level of earnings if they are to maintain their preferred lifestyle.

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A Diversity of Directions and Ideas

People have very different ideas of what they would like to do. New directions are often referred to as bridge jobs and encore careers. Ideas include:

- Most want to do some purposeful activity, and some get to the point of transition with a good idea of what to do, but others need to find their next steps after the transition. Those who transition to a purposeful activity after full-time work may then transition more easily to total retirement a few years later.
- Some would like to continue working at traditional jobs well into their 70s and some after age 80. Judges, members of congress, and entrepreneurs tend to work to high ages.



- Others would like to leave traditional full-time roles early, and build an independent new role. Corporate employees are much more likely to leave early (and this is often not entirely a voluntary decision).
- Some people are interested in volunteer and not-for-profit roles, working or volunteering in areas that are meaningful to them.
- Some senior people seek roles on boards, with a mix of corporate and not-for-profit organizations.
- Some people are interested in consulting, possibly at reduced levels of effort.
- Some are seriously interested in music or art, maybe in combination with some of the other roles.
- People in senior roles often want a period of professional activity of their choosing before totally leaving such roles. In a recent discussion with people who had switched roles a few years ago, some are ready for total retirement and others are thinking about timing. Others never totally leave their professional roots.

Building and Maintaining a Life Portfolio

From my perspective, each of us should have a “life portfolio” as well as a financial portfolio. Just as the financial portfolio requires focus, diversification and management, so does the life portfolio. However, the strategies that make sense for the life portfolio are very individual, and there are few established tracks

for defining and managing a life portfolio. Some observations about my own decisions regarding life portfolio are as follows:

- I view myself as a phased retiree. I have stayed very active professionally and hope to continue to do so.
- I seek consulting assignments consistent with my interests.
- Volunteering in areas that I view as important is a good way to give back while at the same time doing something that I enjoy.
- Research, writing and speaking are all a big part of what I do.
- I am also an artist and have worked to balance my actuarial and retirement system focus with my art.
- I place a high value on family commitments and do not get involved in projects that will create difficulty with other priorities. This is a choice that someone with a regular job often can't make.
- I work regularly to maintain and expand my contacts.
- I only do projects that are of interest to me, and which I can do mostly on my own without the need for additional staff. I may partner with others and have others help me.
- Advisory group roles can fit particularly well into what I want to do.
- I am creative, and seek to apply this creativity in both professional work and art. In my art, I have focused on several areas of innovation. My website describes what I have been doing and it has been important to me to have a website. I talk more about my website later in the article.
- I want to feel that what I do has value.

As we age, we may become limited in what we can do. Ideally, the life portfolio has some flexibility to adjust to limitations. I think it is important to include some elements in a life portfolio that can be continued even if one is physically limited or significantly involved in caring for others. That will mean that a physical limitation or care giving responsibilities will not require one to give up one's entire portfolio.

Some people will work on building a life portfolio long before they retire, and others will not start until after they have retired. My view is that it is better to start on this before retirement and to have some pieces of a life portfolio in place, or ready to be put in place quickly. A friend who is now doing significant volunteer

work for the Society of Actuaries observed that getting elected to the Pension Section Council two years before retirement opened up a new world to her, and helped her build her portfolio. While I strongly support thinking ahead and building a portfolio over time, it is also important to maintain flexibility and not get committed to too much.

Building a Brand and Using It

It is important to define what you want to do and to be selective. Think about what you want to be identified with and what you want people to ask you to do. Many people today are aware of the need to build a brand earlier in life, and to use it to manage a career. That need does not go away for a phased retiree. In fact, since there are no well-formed expectations about what a phased retiree might do and how such a person fits in, the need tends to intensify.

For people who have held senior or visible roles, there is a choice between being known as “me, today,” “me, former chief actuary of XYZ” or “me, former president of the Society of Actuaries.” In a recent discussion with senior women, preferences were different about wanting to be identified based on a prior role, or just based on yourself. I have chosen primarily to be “me, today,” but the former roles are in my bio, as they do help explain and lend credibility to my “me, today” brand.

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I participated in a panel on Women’s Leadership several years ago and I commented that it is also important to remember that appearance is a part of branding. Women particularly can be remembered because of what they know or because of how they look or both. My view is that it is desirable to dress and maintain an appearance that supports one’s professional goals, and is not a distraction. As a phased retiree, I feel I have more freedom to make personally appealing choices with regard to jewelry, colors, etc. However, if my goal was to get appointed to corporate boards—a goal held by many phased retirees—then it would be extremely important to dress that part and maintain an image that would make people comfortable with me in that role.

Part of using your brand is communicating it. After retiring from Mercer at the end of 2004, I established Anna Rappaport Consulting in 2005. Once I did this, I developed a brochure and shared it with many people to let them know what I was doing. Regardless of whether one has a paper brochure, I think it is important to have a focused and brief statement about who you are and what your goals are. I also developed a website and this is discussed below.

Use of Technology

Technology has been critical to my life portfolio choices. The professional work I do can be largely done from any location online and by telephone. Access to a good computer, printer and remote conferencing applications is key. One of the things I no longer have is tech support from my employer. I still need support and it has been invaluable to find a local person who can come to my house and help when I have a problem or need something set up. An early step in making retirement work can include upgrading technology, including telephones, internet service, computers, printers and software.

An important part of telling my story has been to have a website. My website was first developed in 2005 and it has been periodically updated. The development work also helped me to define my story better. For those interested, the website is www.annarappaport.com.

I have spoken to other phased retirees who do not have websites and who feel that they do not need them. I felt that I needed a website if I was to be a credible speaker, etc. Even if someone knows me, I feel that they need the website if they want to tell their boss about me with credibility. I do not believe the website attracts people to me, but it is a reference point for people who hear my name. The question of when one needs a personal website would be a worthwhile discussion topic.

There has been a great deal of discussion recently about the use of technology and social media. LinkedIn has been very valuable to me in locating people I have lost touch with. Overall, this is an area where I still have a lot to learn, and my use of social media is somewhat limited. I have tried posting ideas and questions to various group sites on LinkedIn to see if we could get discussions started, without much luck to date. I have to decide how much effort I will put into building new skills. However, I have spent a lot of effort building my website. Another good discussion topic would be the best balance of the use of resources between building websites and the ever expanding universe of social media.

Others thinking about this may be interested to know that I used professional help both in formulating the story and in implementing the website, and for me, that help was critical. This exercise forced me to think about what I want to do and what I do not want to do. It also encouraged me to identify good examples of my work and decide which to show to others. As the website evolved, I grouped all of the presentations into the three topic areas where I am most active. I selected a few slides to show how ideas are presented in the slides.

Securing Opportunities

Opportunities can be found in many areas—think about the life portfolio. One never knows what opportunities will come



along. Opportunities most often happen because of seeds that have been planted along the way. As a phased retiree, I have learned that there are many pro-bono roles available, that they can be very gratifying and that people appreciate good work. It is much more challenging to get paid consulting work, and more difficult than most people think it will be. For any individual, I believe there is also an issue of deciding what one is professionally qualified to do and can manage independently, compared to what one wants to do. This answer will differ for each individual. I encourage people to be realistic as they think about these opportunities, trade-offs and constraints.

My strategies for keeping my story in front of people include expanding and maintaining contacts, participating in committees, in-person meetings, updating my website, moderate use of social media, and update letters as described below. I keep up with people and when I am traveling, I try to connect with people beyond the meeting I am attending. On a number of occasions, I have organized a Dutch treat dinner with a small group. The dinners have been a great success. I also attend a few industry meetings.

My update letters help me remind people that I am still professionally active and what my interests are. Every year or two I have sent out a paper letter to more than 200 contacts updating them on what I have been doing. While this seems very old fashioned, I get many compliments on the letters. Because few people do this today, I think the letters stand out and help people to remember that I am available and professionally active.

Measuring Life Portfolio Success

As a phased retiree, my life is very focused on meeting my personal goals. A simple way of deciding if things are working out is

to periodically (at least once a year), think about what I've been doing. If you are doing things that you are happy about, and proud of, then I would call that a success. On the other hand, if you do not have a story about accomplishments that you feel are worthwhile, then it may be time to rethink your goals and strategies.

Sometimes we get derailed from doing what we want to do because of the care and support needs of family members. From my perspective, that is also important. Part of my life portfolio is the ability to change priorities when family and personal circumstances change.

Other Observations

I have tried to avoid overhead so that I am not under pressure to earn a minimum consulting income just to support basic overhead and my volunteer activities.

I do not have employees or an outside office. However, some support is essential to me. That includes a local tech support person who comes to the house, website support, someone who can help with editing and making Powerpoint presentations look nice, and peers who are available to review articles. Family members, friends and industry colleagues have been essential to my solutions to these challenges.

Time management is entirely different than while one is working, but remains very important. Time management during retirement requires new skills, discipline, the ability to set priorities, and insight into when it is best to say no. With regular employment, one usually has a defined structure to the week. As a retiree involved in different activities, every day may be

different, and there are still commitments that require adhering to schedules. One has many options about what to do and can get many requests for help—it is important to be able to prioritize. It is also important to be able to decide how much time to spend on a project before moving on to the next.

I balance my focus on actuarial and retirement issues with an interest in art. There are many areas where one can find a very different interest. One of my friends who is an animal lover balances her interest in retirement issues with volunteering for PAWS Chicago.² She has been able to use the skills from her working career in several ways. She does training, helps provide computer support, and helps match cats to families. The training uses her consulting and presentation skills, the computer support uses and builds on her technical and financial skills, and the matching builds on the skills she had in working with clients and in supervising employees. The skills that actuaries have through their working careers can be valuable in many different settings.

It is valuable to have flexibility in our schedules, so that as we meet new people and encounter different ideas that sound interesting, we have time to test them out and see if they appeal. One of the advantages of being retired is that we can experiment with going down different roads and seeing what we might find.

Retirement is a time of transition. At that point we move away from established long-time obligations to a period of new activities and new freedoms. We have many choices and challenges as we build our own portfolios.

We might need skills in order to work longer, pursue our passions, realize our goals and do the tasks in our life portfolio. If we are serious in pursuing passions and longer work, we should be realistic about building those skills and should be willing to invest time, effort and money in doing so.

I hope this article will be of interest to those who are trying to design their own life portfolio and make phased retirement work for them. This would be a good discussion topic for the Retirement Section LinkedIn site.

CONCLUDING ADVICE FROM ANNA

I have some tips to share that are drawn from my own experience, discussions with others, including the round tables with senior women and actuaries, and the Society of Actuaries' research.

- Start by understanding your financial situation, and make sure that you have the resources to pursue the path you are interested in. If you need more money before leaving conventional work, try to work longer. Don't forget about

replacing your health care benefits (especially if you are not yet eligible for Medicare).

- The right answers for you are personal. It is important to find your passions and choose activities that create value based on your personal sense of value. Take some time to find your direction, and be prepared to make adjustments over time.
- When you become independent, you can focus on pleasing yourself and not just others, and you have your own voice. For some people, having your own voice is very important.
- Keep your spending at a level that lets you make choices. Before spending significant amounts of money, ask the question: What value will this add to my life? A major expenditure may mean limiting your options to reboot or to move to a more interesting, but less lucrative role.
- If your long-term employer offers flexible work options, check them out. Some employers are willing to negotiate arrangements that work well for people, and some bring back retirees to do occasional work after retirement. Most people build their own paths—but you should not assume there are no options at a long-term employer without doing some checking first.
- Establish your brand and be prepared to communicate it. Do you prefer to be “me, now” or “me, former chief actuary of XYZ”? I chose “me, now.” People I have talked with go both ways, but more are in the “me, now” camp.
- Think longer term. You may live to 95 or 100, or more. Some activities are sustainable for a few years only, but others can last longer. I personally like the idea of having a “portfolio of activities,” some of which can be sustained even if you have limitations.
- It is challenging to learn to manage your time when leaving the structure of a job. Work on your time management skills.
- Pay attention to the details. You will need to function without the support structure you were formerly used to. If you are going to do paid consulting, there are practical issues to deal with including technology, how to get work peer reviewed, contracting, intellectual property rights, the possibility of professional liability if something goes wrong, and more.
- Some things require a lot of vitality. Do them now while you can. You never know when limitations are coming.

RESOURCES

Often rebooting means the individual is scaling down somewhat and choosing some form of phased retirement. Sadly, institutional support for new job options is scarce. The GAO did a new study in 2017, *Older Workers: Phased Retirement Programs, although Uncommon, Provide Flexibility for Workers and Employers*, Report-17-536.³ The GAO interviewed both employers and experts, and found little formal phased retirement. They present evidence that many people are working as part of retirement, creating their own phased retirement. In 2006, the Pension Protection Act enabled phased retirement but employers have not changed their approach much since then.

For people who are going to do paid consulting on their own, engagement letters and business management issues can be complex to deal with. The article *Engagement Letters to Help Run Your Practice Well*,⁴ authored by Lauren Bloom and Anna Rappaport, and published in the *Independent Consultant* newsletter from the Society of Actuaries in 2007 lays out some of the issues you may need to think about.

The SOA Committee on Post-Retirement Needs and Risks has resources to help people think about retirement. It recently developed two new publications, *Retirement Health and Happiness* and *Retirement Planning from Start to Finish*,⁵ which were jointly sponsored with Financial Finesse. These are the first two in a series of publications designed to help improve retirement literacy. They provide information for people nearing retirement and retirees on aspects of retirement planning that go beyond money.

The SOA supported the Stanford Center of Longevity Sightlines project.⁶ This project examines what is needed for a long and successful retirement. It focuses on three domains of importance: financial resources, health and social engagement. The ideas presented in this project support the need for adopting strategies similar to those in *Retirement Health and Happiness*.

The SOA Committee on Post-Retirement Needs and Risks also has developed a set of 12 decision briefs⁷ to help individuals make a range of decisions as they near and enter retirement. One of these briefs is about the timing of retirement.

There are a number of organizations specializing in helping retirees find or develop opportunities. RetirementJobs.com, Your Encore⁸ and Encore⁹ each offer different approaches to the challenges at hand. None of them target actuaries, but the ideas may be of interest.

In addition to existing contacts, you may wish to make new ones tailored to this life stage and your interests. There are a variety of organizations to help people find their next steps, connect to other seniors, or pursue a special interest. The Village Movement

is a set of organizations designed to connect seniors to resources and to each other in their own location. Skyline Village¹⁰ in Chicago is an example of such a group. The Transition Network¹¹ is a national group for women transitioning into their next steps. It has 14 chapters. I was also very happy to connect to the Chicago Urban Sketchers, an artist group with common interests.

There are a number of educational opportunities specifically designed for seniors. The Osher Lifelong Learning Institutes¹² (OLLI) are operated at more than 120 campuses in the United States. Skyline Village helped me realize that there were several good educational opportunities and other resources within a few miles of my Chicago home. There is an OLLI at a local university. The University of Chicago operates the Graham School. A large local church has a Center for Lifelong Learning.¹³ I came to realize that there were good nearby opportunities if I just looked around. Friends in Boston and Washington, D.C. have told me the same thing about their communities. In addition to the local classes, there are also many online classes. In-person classes are probably better for most people, but I found that often in-person classes don't fit my schedule and other obligations, so online classes have a place. With my interests in art, Sketchbook Skool¹⁴ is great for me. It has offered me some very interesting opportunities that were not available locally, and I can do them on my own time. ■



Anna Rappaport, FSA, serves as chairperson of the Committee on Post-Retirement Needs and Risks. She is a past President of the SOA and a globally recognized expert on both financial and non-financial aspects of retirement.

ENDNOTES

- 1 <https://www.soa.org/research-reports/2013/The-Decision-to-Retire-and-Post-Retirement-Financial-Strategies--A-Report-on-Eight-Focus-Groups/>
- 2 PAWS Chicago is a champion for animals—rehabilitating injured and orphaned cats and dogs, providing shelter and adoptions for them, and educating people to make a better world for animals and people.
- 3 <https://www.gao.gov/products/GAO-17-536>
- 4 <https://www.soa.org/library/newsletters/the-independent-consultant/2007/april/eng2007april.aspx>
- 5 <https://www.soa.org/research-reports/2017/2017-retirement-literacy/>
- 6 <http://longevity.stanford.edu/the-sightlines-project/>
- 7 <https://www.soa.org/research-reports/2012/research-managing-retirement-decisions/>
- 8 <https://www.yourencore.com/>
- 9 <https://encore.org/>
- 10 <http://www.skylinevillagechicago.org/>
- 11 <https://www.thetransitionnetwork.org/>
- 12 <https://www.osherfoundation.org/index.php?olli>
- 13 <http://www.fourthchurch.org/cll/>
- 14 <https://sketchbookskool.com/>