

money

WHO SAID ANYTHING ABOUT RETIRING?

Five experts weigh in on the changing landscape
of our golden years

by Amy ShouseTuesday, July 30, 2013



When Sharon Rogers, a high school teacher, was in her late 40s, she started to make a plan for a second career. She knew that she'd need to teach until she was 62 to get her pension but she couldn't imagine her life without the sense of purpose teaching kids gave her. So she went back to school in order to earn her marriage and family therapy license. And, just like clockwork, by the

time she was 62, she started a private practice that is as thriving as she is at age 71.

According to a [recent Gallup survey](#), Rogers is the retirement norm. 65 is no longer the age people expect to retire and, for the first time, in 2010, more people said that they expect to be working after age 65 than not.

So what do the experts have to say about this? We rounded up five financial gurus to get their take on the evolving face of retirement.

1. “The age 65 retirement bogie will be pushed out.”

Professional investor and principal Barnegat Bay Capital Management Mary Coughlin says she has many clients still working at age 77. “People are living longer and want to remain mentally engaged,” she says. She also adds that a lot of her older clients didn’t make good investment decisions and they don’t have as much money as they thought they’d have. Working is a choice but it’s also a necessity. Much of her work focuses on helping clients manage their investments long into their second careers. “When you have no money and you come to me, I tell you how to invest it in a way that produces the most yet has the least risk.”

2. **“The concept of retirement is undergoing a massive redefinition.”**

Founder and CEO of Money Zen Wealth Management Manisha Thakor believes that the concept of working until you're 65, retiring, living a couple more years and then kicking the can is an old one that applies to previous generations. She says that, as life spans have increased, that anchor of age 65 needs to grow. “In an ideal situation, we'll move into a world of encore careers; however, that's not always possible for everyone.” Things like health, physical demands and skill sets make Thakor reluctant to say the answer is simply to work longer. “What we need are more organizations that encourage and help older people to find their second acts.”

3. **“62 is really young.”**

When certified financial planner and president of Synergist Wealth Advisors Paula de Vos works with her clients, she plans up to age 95. “The last thing I want to say to a 90-year-old client is that we underestimated our projections and they need to go back to work.” An important issue that de Vos focuses on is that, regardless of what her client's goals are, they are able to meet their life goals throughout an extended life expectancy. “It's imperative that people plan adequately and understand what needs to happen.” Ms. De Vos likens the

importance of plotting out a financial plan to a pilot's flight plan. "You don't take off without a flight plan and once you're in the air, there are variables that might change that flight plan, but as long as you adjust as you go — that is what allows you to land the plane safely and get on with your life."

4. "Income security has never been worse."

Professor Teresa Ghilarducci, chair of the Economics at New School for Social Research, says that the most important reality facing people above 50 today is that their retirement income security has never been more unstable. "Not only did they suffer wealth decline in the last recession," says Ghilarducci. "The form of retirement savings over the last 30 years really set up people to not have enough savings. This has put this generation of older workers at a disadvantage as compared to others." Ghilarducci advises that if people can work, then by all means work, however, she admits that the labor market can be very difficult to count on when you're in your 70s. "I always recommend that older people put all their assets, if they have any, into very safe assets."

5. "Retirement is about supporting your lifestyle."

Financial advisor at Ameriprise Anthony Perez acknowledges that retirement has changed and that people are responsible for their needs for a much longer period of time than they were 80 years ago, 60 years ago. “Most people want to be able to support their lifestyle,” says Perez. “But not everybody can afford the lifestyle they’ve become accustomed to.” He adds that he typically tells clients that their situation might improve if they continue working. “What I like to stress is that when you’re 62 through 68, considering having a part-time job. It’s very important at that point that you’re doing something you enjoy and that fulfills you as a person.” Perez stresses that retirement is different for every person and when working with each person, he gets to know them as individuals by starting at the beginning and figuring out what they want to achieve.