Thoughts on Retirement and Retirement Planning

Bill Wachob

I. Retirement Defined

What, exactly, is "retirement"? In the full sense of the word, retirement is leaving work-for-pay usually becoming your own boss of how you spend your life's time and energy. If you leave your paying job for another paying job, whether full or part-time and whether in the same line of work you leave when you "retire," it might better be described as a career change or, if you like, as a partial retirement if you leave full-time work to pursue part-time work. In the best sense of the term, if you leave your paying job for a life in which you and not someone else determines how you spend your day, you have retired. (Though there may be a significant other who has some say and designs on what you do during your day!)

II. Funding Retirement

To achieve full retirement you will need resources on which to live: food, clothing, shelter, health care, transportation, and at least some disposable income for gifts, entertainment and unforeseen events. Here are some of the ways people have of funding living after full-time work-for-pay.

1. Social Security
2. Pensions
3. Savings
4. Life partner, other benefactor, or family
5. Family Trust Income and/or inheritance
6. Lottery or gambling winnings
7. Part-time paid employment
8. Join a convent, monastery, commune, or other shared living community

The Likelihood?

Social Security and Pensions may do the trick in giving you the resources to maintain a satisfactory lifestyle. Savings, however, are very important perhaps more often than not. While many will be able to share living expenses with a life partner or spouse, relatively fewer will have trust income or a sizeable inheritance. Almost no one will win any significant amount in a lottery or gambling casino; quite the contrary, odds are this will deplete your resources. Paid part-time employment will be the free choice and/or necessity of some. Few will be likely to join a convent, monastery, etc.
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III. How to Increase (or Begin) Building Resources for Retirement

A. What to Do?

SAVE. Whether you are 26 or 66 save money from your salary or other source of income.

A. Why Save?

Benefits of Saving

Unless your Social Security and a life-time pension or significant other provide sufficiently for your needs, you may want or need savings to augment your retirement income. Furthermore, all sorts of unforeseen life changes can affect either your ability to live independently after you leave work-for-pay or even to have the option of leaving paid employment. There are countless things that can happen. One of the more positive, for example, is that you may need to fund your life in retirement longer than you’d think. My uncle retired at age 55 when my 64 year old aunt retired so they could spend quality years together. They are now 89 and 98 years old and living independently thirty-four years later!

Learning to live on less than your full take-home pay will position you for sliding into retirement more gracefully. If you swing the maximum every year (app $23,000 currently), give to charity, perhaps tithe, you may find you can live reasonably on 55% - 75% of your gross salary and when you retire you may discover your disposable income including that from life savings is larger than when you were working.

Living more simply also can be a way of increasing your quality of life.

B. When Do I Begin Saving?

Start now.

C. How Much Do I Want to Save?

A good rule of thumb for the younger folks is to save 10% - 15% of gross income, 10 - 15 cents of every dollar, into a long-term investment of some kind. This is money you won’t touch for 30-50 years hence when you want to retire, and is separate from other savings, say, for a home, car, or emergency. If you did not start saving when younger, then save more from now on.
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III. How to Increase (or begin) Building Resources for Retirement (continued)

D. How in the World Do I Do That?

Saving Tips

1. Take some amount, say $30 - $100 per month, to budget and set it aside for long-term savings. Chances are you won’t miss it, or may give up a couple of café latte brews a month at first in order to fund it. Then increase this by some amount, say $10 - $25 per month every year.

2. When you get a raise, cost of living adjustment, bonus, or other increase in income have 50-100% of that amount go automatically into your savings investment, IRA, Roth IRA, etc. You still get a bit more (if you choose to keep some out) and won’t tend to miss what you move into your retirement savings.

IV. How to Adjust to and Live After Retirement

A. Do What You Love

Always find purpose for your life. You may have a better way, but at the risk of being presumptuous, I’ll tell you what I’ve advised my three daughters and determined to live by as well when I fully retired: do what you love, live what’s in your heart. This goes for any age, retired or not. When making career and life activity choices, live from the inside out. Norman Vincent Peale, author of Discovering The Power of Positive Thinking, wrote “What the mind can conceive and believe, and the heart desire, you can achieve.” Notice this is not living by what you or others say you should do, but what you decide you feel and want in your mind and heart to do. If you have to wait tables in order to write that novel, travel, or appear in that musical, then do it by choice; but write that novel, take that trip, or act in those plays as often as you can. If you are forced to leave your job, then use that as an opportunity to find employment or to engage in other activities most in line with your own abilities, interests, love, and heart.

B. Know Yourself

You are not what you do. Seek not to equate the two. You are a bundle of energy, unique spirit or however you choose to describe the essence of your being as a living entity on this earth. Deepak Chopra described one way of approaching the essence of who we are in a talk I attended years ago at the Chautauqua Institute in Western New York as follows (rough paraphrase): "When you’re listening to me, close your eyes and think of who or what is listening to me.” All the eons involved in our development to this point of
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IV. How to Adjust to and Live After Retirement

B. Know Yourself (continued)

consciousness has resulted in something other than your essence or being to be that of a CFO, or Associate Dean, or Secretary to the Dean. These are titles given to describe roles; justify salary levels; reward particular training, experience and effort; and stratify responsibilities and authority, not to describe your personal essence or being. If you can separate who you are from what you do, I suspect you’ll have an easier time adjusting to retirement, leaving your occupation and title, living as yourself, and living what you love.

C. Don’t Get Locked Into Thinking “Old”

"Death is a fact that you can do nothing about. Nothing at all. But youth is a quality, and if you have it, you never lose it." -- Frank Lloyd Wright

You can age unnecessarily by blaming things on "age". My advice is, don’t do it. Deal with what is without creating more problems for yourself through the creative power of your thoughts. There is a lot of truth to what Shakespeare wrote in Hamlet: "There is nothing either good or bad, but thinking makes it so."

Have you ever looked in a mirror and thought "that doesn’t look like me"? This, I believe, is a sign that who we are is something apart not just from what we do but also from our physical body. Whether you believe that or not, I advise staying away from self-limiting thoughts of how body age affects your life activities and interests. The Norman Vincent Peale quote, above, applies to people of all ages. This is not to deny that our desires and physical realities change over the years, but that we don’t need to think them less capable than they may actually be.

John H. McMurphy is his book Secrets from Great Minds, writes

"Great minds through the ages have discovered that the true 'Fountain of Youth' lies within. Through their relationship with the universe around them, and by devotion to their particular calling to express their visions of the universe, they achieved what [Ponce] de Leon sought in vain.

Many great minds have expressed that they received an actual physical rejuvenation produced by their dedication to life as a journey. Their commitment to developing their highest potential allowed them to be productive long past the demise of many of their less-inspired colleagues. They not only acquired physical well-being from devotion to their lifework, but many also expressed spiritual rejuvenation produced by listening to their inner
IV. How to Adjust to and Live After Retirement

C. Don't Get Locked Into Thinking "Old" (continued)

spiritual reality. Their discovery now stands confirmed by modern researchers who have documented the longevity generated by people who dedicate themselves to experiencing life as a journey toward self-realization. These great minds know that youth is a state of mind."

Reality check: This is not to ignore the effects of wear and tear on the body from normal living, how you’ve treated it over the years, and to some extent from "genetics," but that's not necessarily the result of age per se, but of how you eat, relax, exercise, your attitude toward life and yourself and others, whether you smoke (for example, among other practices shown to be contrary to bodily wellness), play extreme contact sports, and so on.

V. Resources for Retirement Planning

Print Resources: You probably know how to search for aids to help you think about and plan for retirement, including resources to assist you in such areas as self acceptance, self esteem, decision making, assertiveness, relaxation, and so on. One book I read years ago, Wealth Without Risk (revised and published as More Wealth Without Risk) by Charles Givens is a book about household budgeting and finance with sections on saving, annuities, and so on, that I found to be excellent: everyone would benefit by the opportunity to read this advice in high school, college, or later (my case).

Intuition and Openness to the World Around You: The phrase that comes to mind is "Seek and you shall find." If you stay aware and open to things around you, and listen to your intuition, heart, or inner guidance, I believe you'll find that answers and aids to your questions and needs come to you at opportune times. For example, after agreeing to give this BONUS breakout session and focus on the Retirement portion I was travelling to Brooklyn by train to visit my daughter and in the "Your money" section of the AMTRAK "Arrive" Magazine (Jan/Feb 2015, pp. 28-30) found a very informative, short article "Retirement Reality Check: Eight Myths About What It Truly Takes to Live Out Your Later Years" by Jodi Helmer. I’m attaching the article to this writing because for two pages it is extremely concise, well-sourced, basic information you might find helpful.

VI. Conclusion

It's your life and your opportunity to live and develop it to your fullest desire and potential. If you are doing this, keep it up and be happy whether employed or post-employed. If you’re not doing this, there’s no better time to begin planning and starting to do it than now.

Best wishes on your journey,

Bill