



COOPERATIVE EXTENSION SERVICE

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

MID-LIFE PLANNING FOR RETIREMENT

Blacksburg, Virginia 24061

Letter 5

Dear Retiree:

The last part of letter four asks, "If income is less than living expenses can you increase income?" The ways to increase income are through postponing retirement, increased returns from savings or investments, or employment.

Do You Plan on a Second Career?

You may think that retirement work is not for you, but doctors say that boredom and restlessness create more tension and consume more energy than most jobs. Are you one of those energetic persons who can't afford not to work? Probably everyone needs a second career for retirement. Retirement careers can be wrapped in various shapes of packages. Careers can include a pay check but it isn't a requirement. Careers can be full or part time. They can be a continuation of your pre-retirement career, an entirely different type of endeavor, or an old interest developed into a full bloom rose.

You may have many choices and more independence in selecting your second career. You may take a job just for the fun of it and yet it can provide a pay check. You may be able to take more chances on success because you are not dependant on this job for all your retirement income.

If you have several choices, you may be able to try out several of these choices in the last few years before retirement. Whether you have settled on one or you are considering several choices, you may need to do pre-preparation while still employed. During these years you can "make contacts," take short courses, attend night classes, take correspondence courses, study at a library and talk to successful people already employed in your selected field.

What skills and knowledge do you have?

Once a boy knocked on a front door. "Do you have any work that I can do?" he asked of the lady. This gave the impression he had very limited experience and on the spot she could think of no work that she needed. Doubtless had he known what he could do, he would have used a more descriptive approach. If he had said, "Good afternoon. I am John Jones. I can mow grass, wash windows and cars. Do you need someone to do any of these jobs?", she would have hired him in 30 seconds. Decide on a specific job or a few specific jobs. Find out what skills the job requires before the interview, if possible.

What skills and knowledge do you have? What experiences have you gained through your job and outside your job? Words on paper and in ink are more rewarding and clearer than ideas in your head. Make a list! Give yourself

MHM: 150

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5 points for each. Try to make 100 points. Don't overlook small jobs--yard work, organizing for committees, greeting people at church, all of these take special skills. Turn them into financial rewards. Greeting people at church - not for reward, but if you are friendly and like to work with people there are jobs that can be built around this asset.

The next move is to select the top 5 skills or knowledge that you enjoy the most--not necessarily the most highly developed. You can always increase those that aren't perfect. With one or two--or a combination or an offspring of these 5--how can you develop these into a career? What additional planning, skills, knowledge will you need?

Part-Time or Full-Time Job

Either your choice or job opportunity may result in part-time or full-time employment. Another factor to keep in mind is that you are limited in how much you can earn and still receive full social security benefits. These limits are subject to change. So check the specifics when your retirement is near.

There is often less competition for part-time jobs because younger people are seeking full-time jobs.

Finding Employment

Attitudes of employers are changing slowly but it isn't always easy for a person past 50 to get a new job. Many employers still cling to the ideas that older workers are less dependable, more likely to have accidents on the job, or get sick more often. These things are not true. In fact there is evidence that the reverse is true. Younger employees rate higher on all three of these characteristics.

Another situation that can affect you is the job market at the time a job is needed. The economy, the number of people seeking jobs, and the age of the population enter into the job market situations.

Some reports state that older workers have been more successful obtaining jobs if application is made while still employed rather than "after retirement."

In reality most jobs are obtained because you know "Joe." This doesn't mean politicking but asking friends, relatives, people you associate with through church, organizations, etc. to let you know about available jobs. Let them know specifically the type of job you are seeking. Other sources of jobs are the State Employment Service, located in the larger towns, and newspaper ads. Run your own ad. Check with business acquaintances and local retired people's organizations. Often there are groups interested in helping older people find employment.

Is It a Business of Your Own?

If a small business is your dream and you have defined your risk level for capital investment, what type of business will it be? The list of your

<p>The reference books were listed only for the purpose of information and the VPI & SU extension service does not recommend any one of the reference books to the exclusion of others which might be available.</p>
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skills and knowledge applies to your own business as well as hiring yourself to an employer.

One retiree stated, "I play at my hobby and people pay me money for what I make!" I guess this is as near as having your cake and eating it too, as one could ever get.

Maybe you enjoy carpentry--especially making picture frames. You may enjoy teaching. A shop for do-it-yourself picture frames is a great idea to combine carpentry and teaching but you know zero about going into business. You need to learn about local licenses, bookkeeping, taxes, etc. It looks as if your spare time before retirement will be full, searching for these answers. "Before retirement" is correct. Retire to something - not from something - is a song whose verses are all the same. And, the song was written by those already retired.

Recently this scene was observed:

Independent merchant or "independent" merchant

Scene at the 6 x 6 ft. road side with fresh vegetables, unwaxed, lying in the sun.

Customer - These cucumbers are wilted. When did you get these?

Independent merchant - This morning.

Customer - How much are your tomatoes?

"Independent" merchant. Too much; if you don't like the cucumbers, you wouldn't want the tomatoes.

- Retired - and maybe a little "independent" - you may even be fortunate enough to choose your customers. If you don't want to choose customers maybe you can be more choosy when selecting a boss.

Set a time schedule

Whether it's employment or a business of your own, do you have a time schedule as to when each step needs to be taken? More freedom to choose can mean more planning is needed. This is a time to dream and plan--but with your feet on the ground. For example, many small businesses fail because of lack of good management, not realistically assessing the situation, or lack of capital.

Where can you find some answers?

Sources of help include "those who have been there," and professionals. Experiences of friends and acquaintances may give you ideas on what and what not to do. Some of their advice may or may not work in your situation, but don't tune them out. Professional help can come from federal or state agencies, schools and your present employer. Look for your State Employment Office, schools, Chamber of Commerce, State Office on Aging. Your best source may be your present employer. The kinds of help available are general counseling, training, and placement.

Contact the Small Business Administration in Richmond, for valuable help in establishing a business. They will send you a list of publications available from the SBA. Most books on preparation for retirement have a chapter on second careers. Once you have a list of possibilities, there are sources of information for each specific one. Don't forget the valuable resource--your local library.

You can find help. The important thing is to start planning. Plans should include what you want to do and when. Will you begin a week after retirement? A month, 6 months, a year or two years? You may even begin on a limited basis before retirement. If the job adapts to part time its a good idea to try it out before retirement. If you have made some mistakes, you can still change your approach, or even try something entirely different. The beauty of retirement can be the flexibility of making changes.

If you are two years or less away from retirement, the following references should be helpful.

Job Finding Techniques for the Mature Woman and Continuing Education And

Programs and Services for Women, both available from the U.S. Government Printing Office, Washington, D.C. 20402.

Plan Now, Play Later, Consumer Survival Kit, Maryland Center for Public Broadcasting, Owings Mills, Maryland 21117.

U.S. News and World Report, Money Management Library, Plan Your Retirement Now, Simon and Schuster, Order number 21853. 1976.

Collins, Thomas, The Complete Guide to Retirement, Prentice Hall, 1970

Hunter, Woodrow W. Preparation for Retirement, Division of Gerontology, The University of Michigan, 1508 Rackham Building, Ann Arbor 48104, 1968 \$3.00 (Libraries may not wish to purchase paper backs). Highly recommended and inexpensive for individuals to purchase.

Dynamic Maturity - monthly publication to members of Action For Independent Maturity, a Division of the American Association of Retired Persons.

Summary

You may wish to relax, travel and do many kinds of activities during retirement or you may choose to seek a second career. The second career may have a pay check or not, full time or part time, a tie in to your present job or an entirely new endeavor. Most second careers will require time to plan and test your plans. They can require additional knowledge and skills. Whatever your plans, be sure that you are retiring to something older than a rocking chair and television.

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