

GETTING PERSONAL CANADA: Planning Key For "Unretired Life"

DOW JONES NEWSWIRES By Caroline Van Hasselt Of DOW JONES NEWSWIRES

TORONTO (Dow Jones)--The retirement-planning landscape is undergoing a "paradigm shift," just as the first wave of baby boomers turn 65 next year, retirement coach Eileen Chadnick says.

"Baby boomers are redefining the thing called 'retirement' and are foregoing retirement on the porch," says Chadnick, 46, the principal of Big Cheese Coaching and certified life, work and retirement options coach. She calls it "unretired life."

That change in psyche is reflected by the rebranding of boomers to so-called zoomers. Toronto media mogul and senior citizen Moses Znaimer coined the term, which means "boomers with zip." In that group, he includes boomers and those older than boomers. It's a huge demographic, accounting for 44% of Canada's population and controlling close to 80% of the country's wealth.

In the wake of the credit crisis, many boomers are postponing their retirement for financial reasons. According to a Watson Wyatt study last October, the upheaval in the markets derailed planned retirements, forcing older workers to make a difficult choice between accepting a lower standard of living, or working longer.

That said, Chadnick says boomers, encompassing ages 44 to 62, don't want the retired life of an old fuddy duddy. For a lot of people, but especially for executives, their identity is rooted to their work, and they haven't had time to think through what retired life will be like, she says. The "what does it look like" makes for better financial planning, and planning for your retirement should be central to your financial plan, whatever your age, she says.

Retiring without any forethought as to how you want to live your golden years leads to potential disillusionment, identity crisis, boredom, even depression. "They can't wait to stop getting up at 6 in the morning, or get rid of the politics, or get rid of the commute, get rid of this and get rid of that," Chadnick says.

"But, work does provide a lot of structure to your days. It provides you with social interaction. A lot of stuff that we get from work, we still need in retirement. So, even if you choose not to work, you can't fish all day long. The life-planning aspect of retirement is going to become much more salient," she says.

It's important to ask the standard question: "How much will you need in retirement?" But the answer depends on your life choices. The new retirement, she says, calls for new, and soul-searching, questions, such as:

1. What is your notion of retirement?
2. What new goals will inspire you in this next phase of your life?
3. If you choose not to work, how will you stay intellectually and/or socially engaged?
4. What will your life look like? What is going to give you meaning?
5. How might work/career factor into this life stage? Do you plan to work full time, part time, or not at all?

It's never too early to start the reflection and planning process, Chadnick says. Bear in mind, plans change. You may find yourself trying out various retirement life options before you find your own path, she says.

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