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The Retirement Dilemma

How to Live Long After You've Prospered

Howard J. Kass, CPA

We've *all* witnessed it. Someone you know - or know *of* - retires and, after a relatively short period of time, dies. *My* personal experience with this was a former partner of mine. He retired at the end of 1993 and died on April 16, 1994 - which, actually, *was* very considerate of him; waiting for tax season to finish.

However, his was not an isolated experience. We've all had personal experience with this and we've all observed this phenomenon among those in the public eye. While there have been some recent cases of quick death following retirement (Joe Paterno, Charles Schulz, and Andy Rooney), these were individuals who had health issues, external stress, or old age working against them. In contrast to these, the one case that jumps out in my mind is the case of Paul "Bear" Bryant.

Bryant was the head coach of the University of Alabama football team for 25 years, retiring after the 1982 season. While he is considered to have been the greatest coach in college football history, his final season was not up to his standards and he decided it was time to step aside. After his final game, Bryant was asked what he planned to do, now that he was retiring, to which he replied, "Probably croak in a week."

Four weeks after making that comment and one day after passing a physical, Bryant checked himself into the hospital with chest pain. A day later, while being prepared for some medical tests, he died after suffering a massive heart attack. *His* was a death that no one saw coming.

So, this begs the question, is there a pattern here, or is it just a matter of coincidence when someone dies so soon after retiring? To try answering this question, one can look to a number of studies that have examined such things as the life expectancies of people who retire at varying ages as well as the life expectancies of those who live life with some sense of purpose vs. those who have no sense of purpose.

One study, published in 2005, examined the relationship between life expectancy and early retirement and found that former Shell Oil workers who retired at age 55 had shorter life expectancies than those who retired at either age 60 or 65. Another study, in Greece, published in 2007, found that, when compared to those who were still working, retirees had a 51% higher rate of mortality.

More telling, however, was a 2009 study at the Rush Medical Center in Chicago that found a strong correlation between having a sense of purpose in life and a reduced risk of mortality. The study went on to conclude that it didn't matter how grand or small that sense of purpose was; as long as there *was* a sense of purpose, there was a lower risk of mortality.

29125 Chagrin Blvd. Cleveland, Ohio 44122
Phone 216-831-0733 • Fax 216-765-7118 | www.zinnerco.com

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So, why am I, a CPA, writing about life expectancy after retirement?

One of the roles that I play in my relationship with my clients is that of an advisor. While some business owners may perceive that a CPA's role is to advise solely on fiscal matters, we, at Zinner & Co. LLP, strongly believe that, in our role as our clients' most trusted advisor, it is our responsibility to look **beyond** the numbers and to take a holistic approach to business advisory services.

So, moving back to the life expectancy question, one of the goals we want to help our retiring clients to achieve is to have a long and successful retirement. The two keys here are long and successful. And those two keys are very much interrelated. The concept of long pretty much speaks for itself, so let's discuss what makes a successful retirement.

First, let me say that everyone will define a successful retirement a little differently, but, as you observe those living in retirement, some common themes emerge. First, it goes without saying, that one must have the appropriate financial resources and plan in place to fund a successful retirement. This article assumes that to be the case. If you are familiar with Maslow's Hierarchy of Needs, adequate financial resources will cover the first two steps on that hierarchy.

Other common threads to a successful retirement, which, by the way, track the other steps in Maslow's hierarchy, are:

- Strong relationships,
- Self-esteem and respect, and
- Self-actualization or sense of purpose.

So, every time I have a conversation with a client about their retirement plans, I always ask them, "What are you retiring *to*?" Unless you have a plan for how you are going to spend your time in retirement, you will have a miserable retirement, indeed. I had another partner who had a love for golf and was looking forward to retiring and playing **a lot** of golf. I had the opportunity to see him a few months into his retirement and asked him how he was enjoying it. His response to me was, "You know? You can only play so much golf . . ." Fortunately for him, he had strong family relationships and took pleasure in his children and grandchildren, which allowed him to enjoy a long and happy retirement.

Another example that comes to mind is a client who sold a very successful business back in the mid 1990's. He has since filled his time with family, physical activity, and a significant amount of volunteer work. He volunteers for a government agency counseling small and start-up business owners on how to be successful in *their* businesses as just *one* of his many activities.

The bottom line here is simply this. When you retire - or if you are already retired - it is critically important for you to find **some** purpose that keeps you engaged and active. *That* is what will help you to have a long and successful retirement.