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## Retirement not decision to be made lightly

"I've had it. I'm going to confront him! He's done it for about the fifth time this year. Hasn't anyone told him he's retired?" Mark said.

"Take it easy, Mark," said Dave, his brother. "I'm frustrated, too, but you can't tell him to just go away. He started the business; it's been his life."

My clients, Dave and Mark, were struggling with an all-too-familiar scenario. Their dad, the family business founder, was retiring but not retiring. He was coming to the plant several days a week, participating in meetings, and behaving mostly as if he hadn't retired.

"I think it is time to have a family meeting and put all the cards on the table," I said. Unfortunately the emotional cards had never been put on the table. The family had worked hard with their attorneys and financial advisers on a succession plan, which was clearly documented but presently not useful.

Their underestimation of the emotional aspects of their dad's retirement had already resulted in potentially serious consequences for the business.

Webster defines retirement as "withdrawal from active engagement in one's occupation or profession." It is, in fact, much more. Retirement is an identity shift for many people; it is also a process, not an event. It has a beginning, a middle and an end.

### VIEWPOINT



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Retirement, like any transition in a person's life cycle, has emotional rewards and emotional hazards. Often the emotional significance is subordinated to concerns about the more concrete aspect of retirement, such as the retirement package, the dream vacation or the lake house.

It is only later that the retiree and the family get blindsided by the lack of emotional planning for the retirement process.

Like every transition in the human life cycle, retirement affects not just the retiree. There is a ripple effect throughout the family.

If the retiree is a CEO, the ripple effect may be a tidal wave for the business, with a serious impact on the bottom line. In fact, a significant number of family businesses begin to fail as the founder approaches the life transition of retirement. Hanging on too long is a common phenomenon. This is the very issue I was addressing with Mark and Dave and their father.

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# TEST: Ask yourself some key questions before deciding now's the time to retire

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## P.R.E.P. TEST

It is related to the profound identity shift that occurs when a person retires. Over time, work and self become intertwined.

The abrupt separation of the two can be traumatic. There is a lot of emotional velcro that holds the two together, and successful retirement requires carefully pulling the two apart over time.

This means viewing retirement for what it is — a transition. It is a transition that begins a long time before the person leaves work and ends a long time after he or she is gone.

Typically, the process takes from two to five years for a successful emotional transition. This is not excessive when you consider that other life transitions require similar amounts of time.

The adjustment to a marriage, the adjustment to entry into the work world, the adjustment to the mourning over the loss of a parent or a sibling — all of these require years of emotional work.

What is most significant about retirement is that it is the last major life transition. Moving into this transition brings one face-to-face with one's own mortality.

Preparing for retirement from an emotional standpoint is not only a good idea, it might make the difference in whether the retiree will get to enjoy all of those 401(k) funds or not.

In my work with True North Advisors, I have devised a simple test to guide prospective retirees, whether they are CEOs, senior management, or anyone moving into this transition. This is an unscientific test based on my clinical and business consultation experience.

Remember, in addition to your score on the P.R.E.P. test, how well you managed your most recent life transition can be a good indicator of how well you will manage the retirement transition emotionally.

You might disagree with the P.R.E.P. test, you might question its validity as it applies to you in your unique situation, but whatever you think about it you might find it useful to talk about it with your family.

### Pre-Retirement Emotional Preparedness Test

Circle the most accurate answer.

1. How much do you love your present work?
  - A. Not at all (1 point)
  - B. Somewhat (2 points)
  - C. Quite a lot (3 points)
  - D. Completely (4 points)
2. How much do you value the people you work with?
  - A. Not at all. (1 point)
  - B. I respect them as coworkers only. (2 points)
  - C. Some are coworkers; only some are friends. (3 points)
  - D. They are like a family to me. (4 points)
3. What is your relationship network outside of work?
  - A. No friends, no family (1 point)
  - B. No friends, some family (2 points)
  - C. Some friends, some family (3 points)
  - D. Many friends, many family (4 points)
4. How many interests/hobbies are you presently engaged in outside of work?
  - A. None (1 point)
  - B. Few (2 points)
  - C. Several (3 points)
  - D. Many (4 points)
5. When you retire will you continue to work elsewhere?
  - A. Not at all (1 point)
  - B. Occasionally, maybe some volunteer work (2 points)
  - C. Part-time employment (3 points)
  - D. A new full-time career (4 points)

Scoring key: Add up the points from the five questions.

1-5 points: High risk for emotional problems post-retirement.

6-10 points: Moderate risk for emotional problems post-retirement.

11-15 points: Low risk for emotional problems post-retirement.

16-20 points: Minimal risk for emotional problems post-retirement.

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ing this transition time. For example, people who retire and move to another state might wind up suffering two major losses: the loss of their work-related identity and the loss of their relationship network.

Finally I think we need a new word to describe folks who complete this life transition.

"Retiree" in some ways seems like such a lame term. "Senior" is worse. How about "life graduate?" Off the mark? Better yet, why not come up with a term that fits your own uniqueness?