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Biz Basics

How Not To Retire

Tara Weiss, 11.01.08, 6:00 PM ET

After working as a general contractor for 25 years, Michael Spark has spent the last two years of retirement doing exactly what he loves: teaching kids how to sail near his home on the Jersey shore and being town council president.

Then the subprime mortgage crisis hit, and the stock market plunged. Spark's retirement account declined 25 to 30%.

Time to go back to work!

Lots of baby boomers are in the same boat. But just because you have to keep working doesn't mean you have to keep doing the same thing. At 63, the idea of returning to heavy physical work as a contractor didn't really appeal to Spark. So he opted for an "encore career" in a completely different field.

In Pictures: How Not To Retire

Spark recently took a two-week course and a state exam to earn a real estate license. He's joining his wife at HCH Sotheby's International Realty in Harvey Cedars, N.J., as an independent contractor.

It's not a great time to go into real estate, but Spark likes the flexible hours and has been through enough downturns in his resort community to know a rental market still exists. "There's always enough going on to put food on the table," he says. Meanwhile, until their son graduates from college this year, the Sparks' retirement dream of living on the family boat off South Florida or in the Caribbean is on hold.

If you want to stay on with your current employer, consider asking your boss for reduced hours, less responsibility or cyclical work that would still bring in some money but give you more flexibility, a sort of virtual retirement.

Sometimes it's liberating to get rid of the headaches of managing people, wrestling with budgets, enduring long, unproductive meetings and arguing with top management. Recommend a younger employee who has the potential to take your place--offer to mentor the person while he or she is learning the new role. That should win points from the boss, because not only are you helping to bring up the next generation of leaders, you're also sticking around to offer the proper guidance.

But wait a minute. Aren't baby boomers notorious for their egos and competitive natures? How easy is it to move down the ladder after being higher up? "Remind yourself that you're getting back to doing what you enjoy," says Tamara Erickson, author of *Retire Retirement: Career Strategies for the Boomer Generation*.

Offer to be a floater and fill in for employees on maternity leave or other long-term absences. Or you can work on a project basis--a few months on, a few months off.

IBM does this through what it calls its "phased retirement" program. It's tailored to each employee, but the concept is the same. Employees looking to dabble in retirement can "ramp down" by working less hours and serving as mentors to younger leaders in the organization. They also have a program for soon-to-retire workers that allows them to retire for up to one year unpaid and then return to work for a few more years.

Or, this could be an ideal time to parlay volunteer work or interest in a nonprofit into a full-time job. "There's a real shift in people's priorities as they move into this phase in life," says Marc Freedman, author of *Encore: Finding Work that Matters in the Second Half of Life*. "The people I talk to say they're doing the most important work of their careers. Not their most lucrative, but work that is deeply satisfying. They want to leave the world in a better way than they found it."

When deciding on an encore career, "look at the peak experiences in your personal life or career and think about the elements

that made them special," says Joan Strewler-Carter, who co-authored the book *What's Next in Your Life? How to Find Meaning Beyond the Money--A Boomer's Guide to a New Retirement* with her husband Stephen Carter. Your next career should allow you to do more of those things that you identified as feeling passionate about.

Leo Peoples is taking that to heart. At 59, he's taking advantage of an IBM program that offers \$15,000 toward training and time off to become a math teacher, a profession that's experiencing a significant shortage. He'll be done with his online courses and student teaching in 2010 and expects to make just a portion of his IBM salary. But he's not in it for the money--not entirely, at least.

"Traditional retirement isn't appealing, and, frankly, it's not financially realistic," says Peoples, who anticipates working another eight to 10 years once he starts teaching. "I'm looking for more gratification out of life."

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