

# THE WALL STREET JOURNAL.

## THE EXPERTS



September 9, 2013

### THE EXPERTS: RETIREMENT

#### Three Things Couples Need to Talk About Before Retiring

*What are the biggest mistakes couples make in preparing for retirement?*



**KEN DYCHTWALD:** That's an easy question to answer – it would be failing to discuss and negotiate a mutually acceptable game plan for retirement living.

The psychological, social and financial shift from a life of work to a life of leisure is perhaps one of the most complex transitions that couples will ever encounter, yet one for which few couples sufficiently plan. Many wrongly assume that if they have a financial plan, everything else will naturally fall into place. Not true. Roles and purpose, which were largely shaped by work status and careers, are immediately redefined. Active income may diminish as one or both spouses stop earning a paycheck. And, freed from the fixed schedules and demands of work, couples can find themselves with the greatest amount of free time that they've ever had!

Successfully navigating through these changes with your spouse holds the potential of strengthening and enriching your relationship and causing your life to blossom in wonderful ways. However, it can also create surprising new tests and challenges. Here are three topics couples would be wise to discuss before they retire (and then again and again while retired):

- Your retirement lifestyle vision. What do you most want to experience and achieve during your retirement years? Who's going to do what and when? How will family and friends be related to? How much traveling, learning, volunteering and even working would you enjoy? Where would you ideally like to live? Discussing—and compromising—on your joint retirement lifestyle vision is an important and sometimes forgotten step in retirement preparation.
- Time together, time apart. A recently retired friend of mine related how he had expected to spend all his newfound free time with his wife. However, his wife had other ideas as she had no intention of slowing down with her work and volunteering. Balancing time together with independent pursuits can be a tricky negotiation that will take some trial and error (and patience), but can ultimately lead to a richer and more fulfilling relationship in this new chapter of your life.

- Smart financial teamwork. Transitioning from regular income to managing savings and assets to go the distance requires a sound investment strategy, ongoing budgetary decisions – and some good luck. And the days when the husband made the major investment decisions and the wife complied are long gone. In a study of 6,000 pre and post-retirees that my firm Age Wave recently completed with Merrill Lynch, three-quarters of spouses said they want equal decision-making on all retirement financial matters (You can download the entire report at <http://www.ml.com/2013retirementstudy>). In today's retirement, couples must learn to become an effective team to both remove what could otherwise be a source of ongoing friction while managing their money wisely throughout the ups and downs of their retirement years.

Retirement today can last for 10 or 20 years or more. With thorough preparation and open communication—starting well before the day you retire—this next stage in your life can be an opportunity to rejuvenate, grow, and deepen your relationship.

*Ken Dychtwald is a psychologist, gerontologist, author and CEO of think tank/consultancy Age Wave.*

~

Source: <http://blogs.wsj.com/experts/2013/09/09/three-things-couples-need-to-talk-about-before-retiring/>