

# Act Two



## Making what you love into your work has never been easier for millions of baby boomers who leave corporate America for second careers

“There are no second acts in American lives,” lamented F. Scott Fitzgerald late in his literary career.

That was before Michael Bloomberg, Tom Bloch, John Wood and the millions of baby boomers who have reinvented their careers in midlife today.

Media mogul-turned-mayor Michael Bloomberg is probably the highest profile business figure to make an abrupt role reversal. The 61-year-old billionaire left the global wire service he founded to run one of the world’s toughest cities. Getting elected Mayor of New York City was certainly not economically driven.

More than 10 years ago, H&R Block CEO Tom Bloch walked away from the prestige, salary and perks for riches of another kind — helping kids prepare for the real world by teaching mathematics to middle school students in Kansas City, MO.

Microsoft executive John Wood didn’t just dream of using his managerial talents to make the world a better place. The former director of business development for China created Room to Read, an organization providing books, scholarships and educational opportunities to poor countries.

### Gone shopping

Corporate CEOs and executives who leave to pursue their out-of-office dreams are becoming as common as P&L statements.

Three quarters of retirees work after retirement because they want to, not because they need to, according to an AARP study.

In a recent *Newsweek* article, Richard Fein, author of *The Baby Boomer’s Guide to the New Workplace*, says there are tens of millions of middle-aged adults ready to look at a second career.

So, if you’ve dreamed of becoming a teacher, writer, chef or winemaker, you’re not alone. While the second careers that motivate you to leave the boardroom may vary, the preparation you’ll need will likely be much the same.

### Set the stage

Before turning in your notice, you should assess your readiness to change direction.

Dr. Parker suggests that you first answer some questions about yourself:

- Will you have major regrets at the end of your life if you have not done this?
- Where did this idea come from? Is it the result of years of dreaming or a few weeks of job frustration?

‘You may start wondering, ‘Is this all there is?’ And, when you ask that question, you often discover there is more.’

— Dr. Carole Parker, Ph.D., a psychologist and career-transition expert

“In midlife, people realize this isn’t a dress rehearsal anymore,” says Carole Parker, Ph.D., a psychologist in Chicago who helps executives make career transitions. “You may start wondering, ‘Is this all there is?’ And, when you ask that question, you often discover there is more.”

- What are your skill sets? If you’ve never baked a cake before, becoming a pastry chef probably isn’t realistic.
- What does it take to feel secure and successful? Money? Prestige? Affiliation? Intellectual stimulation from peers? Freedom? Define success before you leap.

- What kind of support will you get from family and friends? A lack of support shouldn't derail your plans, but you should have a strategy for dealing with it.
- What kind of resources will you need? You should know how changes in your fortune will affect your lifestyle.
- What's your risk tolerance? "People may be good at physical risk, but not good at financial risk," Dr. Parker says. "They may be willing to take financial risks, but not career risks."
- Is this the right time financially to make the leap? Have you determined how you will support yourself?

### Develop your financial plot

Your second career is likely to have a dramatic impact on your finances.

So, if you're choosing a new career, especially in more artistic or creative areas, or starting a new business, consider that your income may be nonexistent or greatly diminished at least for the first few years, if not permanently.

"Unless you have unlimited resources, your second career may require a good plan of transition," says Matt Myre, vice president and regional manager for Northern Trust Securities, Inc. "Before you leave your current job, make a budget and determine what you will need to live on. Find areas where you can cut back."

To lower debt load and increase your chances for success:

- Pay off your mortgage.
- Reduce credit card debt.
- Wind down car payments.
- Seek affordable health care, either through a high-deductible health plan or through associations that offer group discounts.

"Americans are living longer, which means those who change careers in their 40s or 50s could reasonably expect to spend 20 or 30 years in a second career," says Myre. "So, this is definitely not the ideal time to start delving into your retirement nest egg, which you will need later on."

## Before you leap

Considering a second career? Carole Parker, Ph.D., is a Chicago-based psychologist and career-transition expert. Here are suggestions she offers during her workshops (CEOJourney.com and JourneywithIntent.com):

- Test the waters before you dive. Try working or volunteering in your new field for a year to be sure you enjoy it. For example, work in a coffee shop before you buy one.
- Train first. Take courses to prepare you for your new field.
- Network with others in your new profession. Ask them about the pros and cons of the business. Then plan for how you will deal with the cons.
- Evaluate whether you have what it takes to venture into new territory and give up the old. Dr. Parker recalls one executive who opened a food franchise and became disillusioned when his staff didn't have the motivation and dedication of his former corporate employees.

Finally, make sure your current dissatisfaction can't be addressed by other means. "Sometimes people are just trying to get away from something, so they create movement," Dr. Parker says. "Others are moving toward something. That is what you are trying to differentiate."

So, if you are just burnt out or exhausted with your current job, you might try a vacation before you buy that bed and breakfast.

Instead, try to use liquid assets for new endeavors, Myre suggests. Also, continue to invest aggressively in your retirement portfolio.

And seek advice from your accountants and financial planners as early as possible in the transition process.

### The grand finale

Midlife maturity may offer you an edge to embark on a second career.

You may know yourself at a deeper level than a youngster. You're less likely to fear failure and may have more patience for life's frustrations. Besides, the college tuition checks for your kids may have already cleared, thus lightening your financial burdens.

All this bodes well for acting out your dreams.

"And, the best predictor of future behavior is past behavior," Dr. Parker concludes. "Those who were successful in the first phase of their careers will more than likely be a success in the second."



Resources abound to help you make the transition. Here are books and organizations with helpful information:

- *Whistle While You Work: Heeding Your Life's Calling* and *Claiming Your Place at the Fire: Living the Second Half of Your Life on Purpose*, two books by Richard Leider and David Shapiro.
- *Second Acts: Creating the Life You Really Want, Building the Career You Truly Desire* by Stephen M. Pollan and Mark Levine.
- *Too Young to Retire: An Off-The-Road Map to the Rest of Your Life* by Marika and Howard Stone
- *The Inventurers: Excursions in Life and Career Renewal* by Janet Hagberg and Richard Leider
- North Carolina Center for Creative Retirement: [www.unca.edu/ncccr](http://www.unca.edu/ncccr)
- Hudson Institute of Santa Barbara: [www.hudsoninstitute.com](http://www.hudsoninstitute.com)
- Vocation Vacations: [www.vocationvacations.com](http://www.vocationvacations.com)