

## **HOW LIFE CYCLES AFFECT YOUR CAREER AND IMPACT YOUR RETIREMENT PLANNING**

**By Carol Yip**

### **What Causes One to Want to Change Career Path?**

How many times have you changed your job or career path? Each time you change, are you financially and emotionally better off?

Most of us have been faced with having to make decisions in life about our career – to remain in our current career, to move on to a more exciting and rewarding role, to try something totally different, or to embrace the challenge of starting a new business.

Job transition and career changes are increasingly common due to:

- The uncertainties of the economic environment, such as downsizing, shutdown or mergers and acquisitions, which can lead to retrenchment or early retirement
- Technological changes leading to computerization of work processes and subsequent reduction in work load or requiring new skills
- Advancement in research and development rendering certain jobs obsolete
- World globalization shifting jobs to another country
- Changes in personal life such as marriage, divorce, break-up of a relationship, extra-marital affair, death of a spouse or single parent - where one is confronted with unexpected singlehood (loneliness), etc.

Other reasons that people seek change include:

- Their initial career was not their own choice
- Their original aspirations were not met
- There is insufficient time for other life roles
- The present career is incongruent with changed life values or personal interests
- They lose interest in their job, boredom sets in prompts fantasizing about a new career
- They are feeling lost in their current position - boss or colleagues are making life difficult. This could be due to office politics, back-stabbing, favoritism, racial or gender discrimination, unfair treatment or work competition or being put into “cold storage” by the boss, stagnation in career promotion, etc.

The more drastic transitions of changing careers are often linked to the developmental stage of mid-life (mid-life crisis).

However, such career changes are not limited to that age group. Mid-life and career crisis may happen to anyone in their thirties, forties or fifties. Research suggests that adult behavior and career change are determined by transitions, not age.

### **New Millennium Age of Career Change**

Bearing in mind that some career changes or transitions require change in environment, we must be adaptable to such changes.

Opportunities to work overseas are abundant due to globalization. A change of this nature would involve coping with different cultures, languages and a new way of life. Taking up a regional post may require you to travel extensively spending most of the year away from home.

In response to rapid advances in technology, the workplace itself is changing. The ability to do business via notebook computer, internet, and PDA has created greater flexibility whereby the conventional work station or office can sometimes be replaced by a "mobile office" where business can be done in any location at any time of day.

### **What is Midlife Crisis?**

Midlife crisis can be described as an emotional cross road in our lives – a personal struggle of seeking to move forward with an ideal career choice that holds the promise of greater job satisfaction, financial success and of giving more meaning to our lives.

Many people feel they are caught in a web of frustration and boredom with life and feel "stagnant" in terms of their self development, their achievements, or their purpose in life.

The midlife crisis frustration is often compounded with the realization of having lived half of our life span, with only ten, fifteen or twenty years remaining in the workforce to achieve success and financial security for retirement. Many of us feel we are going nowhere, especially if we have not yet achieved the success or recognition we desire in our careers and our lives. Feelings of insecurity about the future are common.

Combined with the biological and physical affects of ageing and related issues of health and well being, there are many factors that influence mood, self esteem, self worth and self motivation. In turn, our work productivity and ability to cope with work demand can also be affected.

Concurrently, there are often family challenges; our children have become young adults themselves facing the pressures of study, work or marriage; our own parents (or parents-in-law) are aged with demands on our time and sometimes our financial support.

### **How is Midlife Crisis Affecting Your Career?**

Our careers will be affected when there are changes in our personal life roles such as becoming a husband, wife or parent; changes triggered by anticipated factors (e.g. marriage, empty nest); unanticipated factors (e.g. illness, divorce, layoff, unplanned pregnancy) and "nonevents" (e.g. a marriage, pregnancy or promotion that did not eventuate).

Often we are torn between personal commitment to current job and family and a desire to make a change in our lives that we believe will break the cycle of monotony.

Ideally, we seek a career that meets our life goals and provides personal satisfaction. However, we must also consider the increasing cost of living and our desire as consumers to constantly increase our personal possessions and upgrade our lifestyles. Therefore, we may find that we are forced to focus instead on a higher paying job at the expense of one that better fulfills our requirements on a personal level.

## Your Readiness and Mindset for Career Change

Nowadays, career change has become more socially acceptable as personal fulfillment is more highly valued. Career decision making is seen as a series of continuous choices across the life span, not a once-and-for-all event.

On a personal level, a continual need to make career transitions may result from a need to belong, control, master, renew, and take stock of own lives. However, our decisions about career change can also be affected by external factors such as:

- a) Environment – the impact of economic and business sentiment on the job market/supply and demand;
- b) Family commitment where spouse and/or children are not prepared to accept a career change that involves a change of environment such as re-locating;  
  
Those who are single may be affected by responsibilities to parents or siblings;
- c) Financial readiness – the job you want may involve a reduction in pay (even temporarily). You must consider whether this will be financially sustainable;
- d) New skills, knowledge and experiences that the new career requires.

A job transition may result in increased emotional stress, depression and feelings of regret from the impact of one or more of these factors. We must have the right mindset to prepare for the transition.

Personal reactions to transition vary. Whether the career change is voluntary or involuntary, we may experience a variety of emotions such as fear, anxiety, or a sense of loss.

Phases of transition may include immobilization, denial, self-doubt, letting go, testing options, searching for meaning, and integration and renewal of career with life.

If the decision to make a career change is made for the wrong reasons, there is a danger you may end up “job hopping” to a second and perhaps third job. You may reason this is because your boss or colleagues are not working well with you or the new corporate culture does not meet your personal values.

However, job hopping does little to enhance your reputation and career credentials in the eyes of the employer. On the contrary, it may demonstrate a lack of conflict resolution skills and an inability to confront and work through issues.

The close relationship between career and self identify may necessitate reformulating our self-concept when making a career change.

Each of us is gifted in one way or another. If our potential is not discovered and developed, feelings of frustration and low self esteem can result. Once we find the light and purpose of being what we are we can let go of our burden, accept our limitations and re-evaluate our expectations. Willingness to take a calculated risk when contemplating change can be very daunting if an individual is not confident in the likely outcome of the change - due perhaps to a lack of planning.

## How to Plan Financially for Your Career Move

Not all career moves will provide better financial opportunities even if they do provide a higher income.

You may end up spending more money because of the change!

For example, a career change that requires you to move to another country or another town, may involve expenses for basic set up costs such as housing, transport and education. Additionally, you may be tempted to spend extra money to establish yourself socially within your new setting; e.g. on eating out, entertainment and meeting new friends.

Therefore, it's important to have sufficient financial means to cover your living expense and financial commitments for at least one year while making the job transition.

Working out your monthly cash flow and budgeting for the next 12 months will help determine the amount of money you will need. If you are married, your financial preparation must also include your family's financial needs.

Why budget for 12 months of reserve funds? The 1 year period allow you to concentrate on your new job, and have time to assess if the job is suitable for you, without financial worries.

If your financial back-up from savings or investments is insufficient you must decide whether the career move is worth the gamble of financial insecurity and whether your current financial situation will improve over time.

One strategy to create short term cash flow may be to liquidate some of your assets.

Once you have commenced your new career, it may be prudent to remain within your current lifestyle until you are sure that your expectations have been fulfilled and you are satisfied that the change has been a positive and permanent one.

## The Transition Process of Career Change

A well-planned transition process is vital if you are contemplating a career change.

According to researchers, your readiness for change depends upon four factors:

1. Self - personal responses to change including attitude, aptitude and mindset
2. Situation - changes in roles, duties, and responsibilities, relationships with people, routines of work and activities, assumptions of what can be better or worse off for new career
3. Support – from family and friends, networking connections to broaden career opportunities
4. Strategies - taking action to change the situation, change the meaning of career, or change your attitude and expectation to fit the new career.

Planning for a new career involves not only matching your personal strengths and weaknesses, skills, ability, aptitude, knowledge and experiences to the new job, but it is also about fitting your "occupational career path" into a "life plan" that will bring more meaning to your life and to your retirement.

A holistic approach to career transition management includes the following components:

1. Receiving psychological, marital, and family coaching and counseling
2. Assessing personal interests, values, aptitudes, attitudes and skills using psychometric and non-psychometric approaches
3. Obtaining information about careers opportunities from career magazines and journals, internet, newspaper, and by talking to people in the industry
4. Staying informed about educational and training opportunities, continuous learning to keep up-to-date with the current market trends and advancements
5. Identifying and overcoming resource barriers such as work knowledge, work experiences, social and business networking and financial need.

### **Plan and Prepare for the Transition**

The length of time required for satisfactory resolution of a career transition depends on a number of mediating factors, including:

1. The meaning and purpose of career transition for you
2. The extent to which you are aware of, express and openly discuss your feelings about the career transition
3. Previous experiences with career change - learning from past mistakes
4. The availability of support systems through family and friends including the availability of financial support
5. Your willingness to listen to the opinions of other sources who may offer a more objective point of view
6. Your willingness to seek professional career coaching and counseling services that will provide a professional framework upon which to evaluate your job transition
7. Your personal coping skills such as:
  - Building and utilizing support networks
  - Mindset change - cognitive restructuring, or reframing of your career that meets your life purpose
  - Confronting the current problems that are causing you to consider a career change in a rational, intuitive, and compromising mode; rather than using career change as an "excuse to escape" from confronting a problem
  - Learning to manage emotional stresses/practicing stress-reducing methods.

All of these factors are "teachable" skills that will enable the individual to conceptualize the nature of career transitions and to understand the potential impact and repercussions of the transitional process.

### **IN A NUTSHELL – A Career Transition Program is Vital**

A Career Transition Program will provide invaluable coaching to help the individual make effective and meaningful decisions that reflect their needs, life goals and expectations, and to achieve financial security.

The focus of the Career Transition Program is to empower the individual and to encourage self-management of career transitions by providing the life-long skills, knowledge and strategies needed to plan effectively and take control.

The program will create awareness of the potential consequences of career transition such as depression, hopelessness, chronic grief and self pity that may result due to unfulfilled expectations and deterioration in financial security.

The Career Transition program aims to provide each individual with specific coping skills and methods to affect changes in attitude; to enhance knowledge about the nature of the transitional process; and to develop individual empowerment and control through engagement in the practice of self-inquiry.