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A PERSONALITY TEST FOR PLANNING RETIREMENT

My Next Phase believes that finding an appropriate retirement is much like finding a good career

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Personality tests can help you find the career that's right for you—or even your next date. Now there's an assessment that promises to help baby boomers tailor a retirement that suits their personality.

It's called My Next Phase. The two-year-old website offers an online personality assessment ($39.95), teleclasses ($139), and your own personal retirement coach ($695). Its services have been made part of the benefits packages of two corporations—Methodist Healthcare and Pitney Bowes—to help employees make a smooth transition to retirement. My Next Phase cofounder Eric Sundstrom, an organizational psychologist at the University of Tennessee-Knoxville, spoke with U.S. News about how your personality can affect your retirement plans. Excerpts:

How should someone decide what to do in retirement?

Begin by understanding yourself and your personality. What are your social needs, which will tell you a great deal about what kind of retirement life you might like? [What are] your planning style, your information style, your stress style? How you deal with change? The other question to ask is, "What are you getting out of work that you really enjoy and find fulfilling that you are going to lose if you go somewhere else?" Explore your options and find out what the possibilities are. Figure out some kind of a plan that works for you and your circumstances to get you what you need.

How do specific personality traits influence what makes you happy in retirement?

We picked seven traits on purpose because they all relate either to what will make you happy or how you can best plan. You've got to take personality into account. The ideal planning sequence really depends on who you are and how you approach this.

What works great for an outgoing person might not for an introverted person. Social style ranges between outgoing and introverted or contemplative. If you are more introverted or contemplative, you are going to interact more comfortably one on one. You won't have as much need to interact with people during the day, and it will be harder to make new friends. If you are contemplative, you need to think harder about moving away from existing relationships because it will be harder to make new ones.

The big one for a lot of people is stress styles, because if you are a resilient individual, that means you are fairly likely to overload yourself, and what will make you happy is a pace that is a little slower. If you are more responsive, you will need buffers and controls to make you feel comfortable. These traits determine how you need to plan, what you need to plan for, or both, which is why we picked the traits that we picked.

How is this survey different from the ones used by career assessment tests and dating compatibility websites?

Personality inventories tend to have a lot in common with one another. Our claim to fame is the personality-based approach to retirement planning. It's focused on the specific traits that we decided were important for retirement. A career test would focus on ability. We focus specifically on traits that directly connect to the life transition for retirement. It took us a long time to develop the survey and test it out because we had to write new feedback that is specific to retirement in particular and life transition in general.

What are the hardest parts about transitioning into retirement?

One of the hardest parts could be understanding what you're losing from your work. You might not be aware of the things that you find the most important and the most satisfying. A lot of people don't know how much they'll miss the social interaction and the conversation over the day.

I teach and I have a whole room full of people who have to sit there and listen to me, so I would miss the audiences, and I kind of enjoy learning new things and sharing them with other people. I'm not going to do traditional retirement. I'm going to do things slower. Once you understand what you get out of work, then you can plan accordingly. If you are not consciously aware, then you have to go to the trouble of becoming aware.

What do couples need to do to transition smoothly into retirement?

If you have two different personalities and if they are getting ready to retire together, they need to understand what's changing as they go forward, and that really takes some care. One thing we have run into is couples who plan without really fully talking to one another. One guy was getting ready to sell his practice and thought they had an understanding that she was going to quit her job at the same time and travel. But she wasn't ready to quit at the same time and wanted to stay on part time.

Sit down and say what's going to be different and what are our new rules going to be at home. You have to redecide who does the chores, your regular routines, little things like paying the bills, and how the money flows. Just having a conversation about the new house rules is a huge step for couples to do. Conversation becomes really important.

My wife and I are similar in a lot of ways, but we are different on structured versus flexible [personalities], and people need to be aware of those differences.

Are companies going to begin offering life-planning services in addition to financial-planning resources for retirement?

We are going to see that more and more. The folks will have a chance as an employee benefit to use the nonfiscal style that we have available. As the baby boomer generation continues to move toward retirement, companies are going to have a brain drain. I can't imagine that we're not going to offer support for nonfinancial planning. It's really important if you do financial planning to understand what you want to do [with your money].

What does the survey say you are supposed to do in retirement?

It doesn't give advice. It gives a process for finding your way. We have a range of experiences that go from one or two gems of insight for some people versus some people who go through exactly the steps we laid out for them step by step, following all the guidelines and taking all the coaching.

The critical thing for me is it told me what I find fulfilling at work. What I learned early was if I want to find fulfillment at what I do next, I'd better keep at least doing the parts of my work that I like the most. I'm one of those people who would really benefit from a downshift rather than complete retirement. Others will find that they get practically no fulfillment from work that they couldn't find from somewhere else.

Our grandparents didn't have retirement coaching. Why do we need it now?

I'm not sure everyone does. It's a subset of those who are leaving work who would benefit from coaching in much the same way that a subset of those changing careers would want to talk to a career counselor. Who would benefit most from coaching? Somebody who really values expert advice.