



The Retiring Advisor

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When will you retire? Do you buy into traditional retirement? Does it really matter to your clients if you do or don't? Let me put it to you another way: Would you consult with a personal trainer who lacked conviction on the issues of diet and exercise and just advised you on an exercise regimen? I'm guessing you'd prefer to receive corporeal guidance from someone who had an opinion on such matters—along with good reasons for advising and motivating others.

I pose the question because of the demographic reality looming over the industry: The average age of a financial advisor is now 58. Our society (and this industry is no exception) is programmed to begin steering into the retirement harbor as one approaches 60. As I've stated so often before—and have elaborated on at length in the book *The New Retirementality*—it is ridiculous to assume that a number should define what we are doing with our lives.

But I sense with many advisors that the reality is beginning to squeeze them. Whether it be from cultural or corporate expectations, advisors need to answer the question about their own view of retirement for their own lives—not just the lives of their clients.

A short time ago, a firm that consults in the financial services industry conducted a “study” looking at the “ideal age for an advisor to retire” and came up with the age of 59 (just one year from now for the average professional). I place the word “study” in quotation marks because I am always amused by what passes for “research” in this industry.

The first question one should ask about any such study is, “Who paid for it?” The answer will, without fail, foretell the conclusions before anyone is even polled. And the firm conducting this retirement study is in the business of helping advisors prepare to sell their practices. So we should not be surprised that their “study” concludes that advisors should get out sooner rather than later.

I've conducted my own grassroots “study” and concluded that an advisor should never fully retire—he or she should continue to work at least eight hours a week (the assumption being that 5% of one's time—eight hours out of 168 in a week—should be allocated to meaningful activity).

But alas, anachronistic ideas (that full retirement should begin at 65) cling like barnacles to our modern reality (the fact that it's not going to happen for most people).

I want to talk about you, not your clients. You have a decision to make, and I want to persuade you to

make that decision on the merits of your own wiring and situation—not cultural expectations about when you should find an exit.

A couple of years ago, I had an eye-opening experience in New York City at an advisor convention where I was speaking. I spoke about the cultural assumptions about retirement and how each advisor should make the decision that is most meaningful for his or her life. At the end of the day, the facilitator did something I don't often see: He asked people to stand up and talk about what they heard at this one-day meeting that had affected them.

The first man to take the microphone was clearly struggling with his emotions to speak. As he choked back tears, he told his peers, "I'm 71 years old, and I just want everyone in this room to know that everything Mitch just told you is true. I elected to start receiving my XYZ Company retirement income, but I've continued to work—and it's the best decision I've ever made. I really love these conversations with clients, and last month I received the biggest paycheck of my career. I've never enjoyed what I do as much as I do now."

Another time, I had a conference call with a group of advisors who had all just turned 65 and were wrestling with the "retire or not" decision. Remember, the only reason we wrestle with this is that we are told to do so by society at large. There is no other real or relevant existential purpose for doing so. One of the people on the call said, "I'm sorry, I don't get it. I've reached a place in my relationships with clients where they know and trust me. When we talk, it's really about catching up on life more than it is about markets. I make more money than I ever thought I would, and it's easier than it has ever been. Now they're telling me that it's time to leave. I'm sorry fellas—I don't buy it."

Neither should you.

To quote Billy Joel, "This is my life—leave me alone." Firms can produce all the studies they wish about ideal retirement ages, the best times to leave and optimal exit timing, but the bottom line is not a financial line: It's your state of soul. Your energy, your curiosity, your passion and your purpose have more to say on this decision than your age does. Do what's best for you. Your clients will benefit from your example as well as your advice.

Mitch Anthony is the author of The New Retirementality (Wiley), now in its fourth edition.