

Strut the sunset stage

As you approach your 50s, your career moves into its 'third act', and that means taking care to learn the lines properly for a very different stage in a working life

With the population ageing in nearly every country in the world, Big Four firm PwC has published the results of a study into how well countries are adapting to older workforces. The firm's Golden Age Index weighs up a number of indicators that reflect the labour market impact of workers aged over 55 in 34 OECD countries.

For 2013, Ireland was ranked 25th in the index, falling from 18th a decade before. The UK was ranked 19, down three places on its 2003 ranking of 16th. The highest-ranked country was Iceland, followed by New Zealand and Sweden.

From these rankings, PwC outlines how harnessing the potential of older workers can boost a country's GDP, citing Sweden as a glowing example.

But what about older workers themselves? If there is a golden age approaching for those who might otherwise be heading towards retirement, how can they land a key role in what is becoming known as their 'third act'?

The curtain goes up
There is an important distinction to be made here between the third act of a person's career, and their third age. 'The third act is about expansion, not your pension,' says Edward Kelly, a Dublin-based researcher and entrepreneur who runs conferences to help those heading towards this stage in their lives. 'When the curtain goes down on their second act, it is not the end; there can be big changes behind the scenes, and then the curtain goes up again.'

For Kelly, third-actors are casting aside retirement both to work longer and to redefine what work actually is. 'It is like coming out of college again,' Kelly

explains. 'It can be exciting and terrifying at the same time.' But the one big advantage a third-actor has over those in the first or second stages of their careers, is that they have a wealth of experience they can draw on.

The first act is all about learning and dependency. The second is about being independent while assuming responsibility for others – typically children or ageing parents. The third act can combine the positives of the first two, creating a situation of interdependency.

'I've noticed that people in their 40s are very bullish about wanting to retire early but when they get closer to their 50s their attitude changes hugely,' says Geraldine Gallacher, founder of the Executive Coaching Consultancy in London. 'As people get into their 50s, the family pressures calm down a bit and the tightrope you felt that you were on begins to be closer to the ground. This gives people the chance to figure out what motivates them and often they realise that work in itself is rewarding and is a huge part of what motivates them.'

Kelly advises people approaching this time in their lives to ask themselves three straightforward questions: where am I now, how did I get here, and where do I want to go? 'The best time to ask these questions is before you need to,' he says.

Ireland: Population estimates

Age group	2014	2015
Both sexes	(000s)	(000s)
0-14 years	1,015.9	1,029.4
15-24 years	523.4	516.7
25-44 years	1,397.8	1,377.6
45-64 years	1,086.2	1,105.9
65 and over	586.6	606.0
All ages	4,609.6	4,635.4
Male	(000s)	(000s)
0-14 years	518.0	525.0
15-24 years	268.7	265.6
25-44 years	681.6	669.6
45-64 years	540.4	548.9
65 and over	271.1	280.6
All ages	2,279.7	2,289.5
Female	(000s)	(000s)
0-14 years	497.7	504.4
15-24 years	254.7	251.1
25-44 years	716.1	707.9
45-64 years	545.8	556.9
65 and over	315.6	325.4
All ages	2,329.9	2,345.8

Source: Central Statistics Office, Ireland

Gallacher agrees. 'The biggest challenge for people on the brink of their third act is to prepare in advance and not go from full-on full-time focus on one job to a blank diary,' she says. 'It's vital that they signal their pending shift to their network and ask for help and connections.'

Quite often, this can lead to a portfolio of opportunities. Some might be with current or former employers, others could be in the form of non-executive directorships, while working pro bono in the voluntary sector opens up more possibilities. Gallacher says: 'Often my experience of coaching through this transition is that people struggle to focus. It is more coherent when everything feeds off each other and that's about working out your personal brand first. You need to identify your "spike" – the thing you're known for – and ensure you only do things where this gets maximised.'

Shock to the system

Ciaran McGettrick is one such third-actor. A former president of ACCA Ireland, McGettrick is currently president of Insurance Ireland, which represents local and international Irish-based insurance companies. He admits he fell into his third act by accident, having suddenly been made redundant in his 40s after a progressively successful career. 'This huge shock to my system made me realise I had done very little advance planning in either the second or third acts of my life,' he says.

As a result of the abrupt change in his circumstances, McGettrick employed a career coach, who helped him make significant changes. He built a network outside his core employment and gained further skills as an Institute of Directors chartered director that enhanced his FCCA qualification. He now has a day job that takes up a third of his time managing outsourced closed-book life and pension

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businesses, combined with non-executive directorships at four regulated entities, a voluntary board position at Airfield (a 40-acre inner city farm in Dublin) and his duties at Insurance Ireland.

He recognises that lack of permanence in the jobs market means that third-actors need to keep fresh at selling their skills, and that as life expectancy rises and access to defined pension benefits falls, income will have to be earned for a longer period. Part of this means getting the balance right between paid and non-paid work. 'Otherwise running out of money can restrict the potential to do the things we want to do,' he says.

Alan Grace, portfolio manager at Davy Private Clients, based in Dublin, emphasises the need for a financial plan. He says: 'When a client first comes in through the door, we aim to get as much information as possible. We will

ask questions, listen to what they are saying about their lifestyle, their circumstances, their needs and goals. From this we can develop a financial plan, looking at lifestyle spending, income protection needs and how best to prepare for the passing of the assets to the next generation.'

And it can be the case that accountants are, ironically, the least prepared for their transition. As Grace's colleague Colm Power says: 'We frequently meet accountants that are time-poor, and many of them will have made one-off decisions at the end of the tax year for their pension contributions. They might only look at their assets for one week every year. As such, they can end up with quite a disparate portfolio of investments, with multiple pools of investment management pots and no real overarching strategy. It is important to step back and take a helicopter view of the strategy.'

McGettrick points out that the third act affects employers too: 'Employers are acting too near retirement on this transition. By planning with staff earlier they can transition key staff to continue to add value to their organisations on a part-time basis.'

McGettrick adds: 'We need to mix the energy and enthusiasm of younger people with the knowledge and wisdom of more experienced people, so we achieve results that leave a positive longer-term legacy, not only in business but in society in general.'

And if Irish and UK businesses can grasp that, then they may see their countries moving up the Golden Age Index, with third-actors having a serious impact on GDP. ■

Philip Smith, journalist

Life expectancy

	Ireland	UK	EU
1990	74.8		
2000	76.6	78.0	
2010	80.8	80.6	79.9
2011	80.9	81.0	80.3
2012	80.9	81.0	80.3
2013	81.1	81.1	80.6

Source: Eurostat

For more information:

PwC's Golden Age Index report is at bit.ly/GA-index

