

What is successful retirement to me?

Planning for a long, fulfilling retirement beyond the financials

Lifestyle planning outlines a plan of action for people approaching retirement, extending beyond the money – “do I have enough to last the next 20 years?” As with any significant program of change, there are a number of significant stressors. For all of us, it is essential that we create a new sense of purpose, without meaning our retirement becomes an exercise in watching the grass grow and our life expectancy drops from 15 to 20 years to less than 5.

The new retirement

Today, men and women are living longer and most retirees are looking at retirement meaning living another 30 years - that's a lot of time to potter around the garden! Expectations are also vastly different today, there's greater social pressure on retirees to live the good life and be more adventurous in experiencing everything that life has to offer.

The new retirement era means thinking about not just finances and basic needs like housing, food and shelter, but more vital life-fulfilling issues such as purposeful contribution to the community, part-time or voluntary work, social networking, personal interests and family. Retirement is an opportunity for many people to fulfill interests they have been unable to experience during their “paid” working life. Think of these as your “areas of happiness”.

Lifestyle planning gives you focus

Typically, people focus on the financial aspects of their retirement. Sure, having peace of mind that your nest egg will support you when you stop full time work is important, but what happens when retirement day comes and you have to decide how to spend that nest egg? How do you live a fulfilling life? Most people would struggle to say they have really thought sufficiently to create a lifestyle plan or vision.

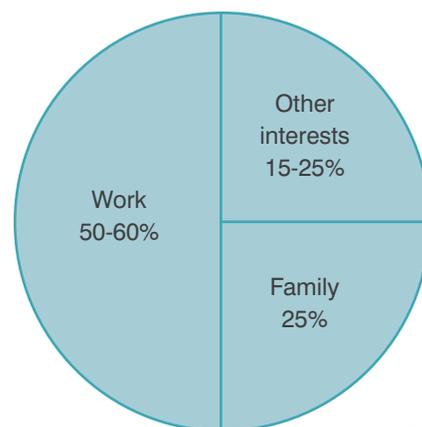
It has been proven in numerous studies that by having a clear focus and vision for the future gives you a sense of purpose, direction and meaning, which reduces stress in life. Olympic athletes who have a clear vision for their future after sport perform better athletically than those athletes that don't.

Research suggests that only 27% of retirees feel they have planned properly for retirement. And most of the planning for

that 27% has been financial planning. But have you thought about what are your life priorities will be in retirement? Like sound financial planning, lifestyle planning is all about diversity and balance.

Your Life Portfolio

We can feel that during our working lives our lifestyle is quite narrow and restricted, and find it is difficult to find time for the wide variety of interests we developed in their early life before the pressures of work and family started escalating.



Narrow Portfolio

The opportunities on offer for the 55+ year old who is completing the full-time employment phase of life, and moving into the “portfolio” years and assuming that health is not a restricting factor in the next 10 years, and the majority of pressing financial burdens are behind, rather than in front, it may be necessary to earn some income, but will not be necessary to continue the stresses and strains of full-time employment, and there are partner/family/friends with whom the individual wishes to share their future life.

As you begin to plan retirement, your Life Portfolio should begin to represent an acceleration of personal growth, with each segment of the pie-chart developing further diversity to include a far more attractive range of options.

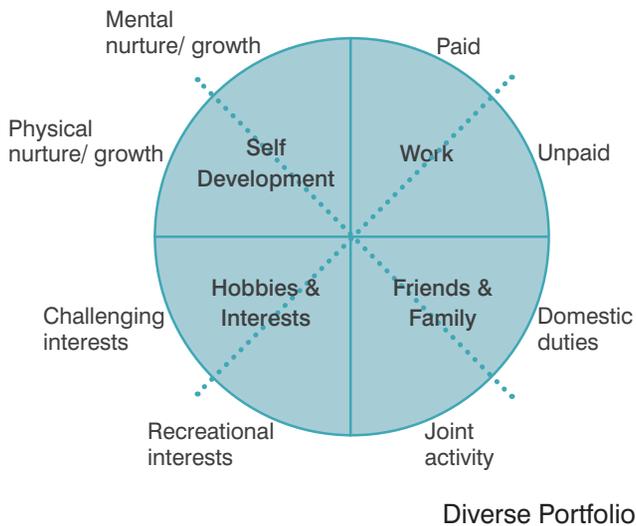
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Work: this may be reduced, with time shared with paid and voluntary work

Family: involvement with children may lessen, then escalate with grandchildren in later years

Hobbies and interests: this segment is increased, and the opportunity has been taken to realise the interests and dreams of earlier years.

Self-development: This should represent a respectable percentage of the portfolio. It is a sound strategy to include some new learning opportunities, and to introduce change more frequently, as this keeps you your mind alert and interested.

A further significant feature of the portfolio is that the planned diversification may include:

- A paid work segment (to capitalise on well honed skills without the stress)
- A voluntary work segment (to give something back to the community)
- More discretionary leisure time with the family and friends (often difficult to achieve in mid-life)

A further significant side-benefit is that although the quantity of sleep/dozing does not vary, and quality of sleep frequently increases as stress and time-pressures ease in later life.

Here are what I believe are the key areas to consider in planning your future life:

- **Health** – Looking after ourselves continues to be a priority for people in retirement. Part of any lifestyle plan should be a clear strategy for staying active and healthy. Think about what type of regular exercise activity you can plan to keep you in good shape.
- **Purposeful work** – Half of all retirees expect to do some sort of work, if only on a part-time or voluntary basis. This can be great for mental stimulation, social interaction, purpose

and giving people a sense of belonging. But make sure the work fits your values, skills, interest and personality type. Work gives us a sense of structure, identity and status in life, which can be lost when we finish working full time – if we lose this security, our motivation to live can subside dramatically.

- **Family** – 75% of Australians rated “being able to spend more time with family and friends” as very important to increasing quality of life. Family support can assist emotionally, financially and practically – and these things can be lost or undervalued. Try allocating a regular day per month or more often to spend time with the grandchildren as part of your plan.
- **Love relationship** – Many couples find that retirement can mean re-discovering their relationship, without the pressures of work. But gradual adjustments are needed. Try planning some weekends away together early in the retirement period or buying season tickets to the theatre.
- **Social** – Men often find maintenance of relationships outside of the workplace difficult, so in retirement, cultivating new friends is often a challenge. A proactive strategy is to start developing some personal relationships outside of work now to ensure in retirement you have some established relationships to rely on.
- **Spiritual** – Retirement can provide the time to discover new meaning in life, as we have greater time to think more deeply about the world. Even the most ardent workaholics will benefit from a spiritual activity in retirement. This isn't necessarily religious, it can simply be a time for personal space, like meditation or tai chi.
- **Contribution to society** – For many people, retirement is a time to give something back to society. The experience and wisdom built up in the lives of retirees has enormous benefit for society. Develop a target list of causes and the skills you could offer worthy organisations.
- **Hobbies, interests and creativity** – Developing interests or hobbies are a real growth area for retirement. Identify your full range of potential interests and build a plan that allows you to experience many different activities without necessarily locking in to one.
- **Intellectual growth & learning** – It is not true that in retirement our brains go soft. There are many ways of remaining intellectually stimulated and contributing to intellectual life.
- **Financial** – Every lifestyle plan needs to be based on a sound cash flow to ensure that your expectations can be met. This is where your financial planner should be proactive and specific in helping you define your lifestyle goals and relative costs. 75% of retirees are concerned about funding their retirement.

Ask yourself “what is successful retirement to me?” The answer will be vastly different for most people if they've thought through their lifestyle priorities and interests. Finally, enjoy your freedom.