



**August 2021
Blog**

**August Holidays -
A Taste of what Retirement
will be like?
Not Quite!**



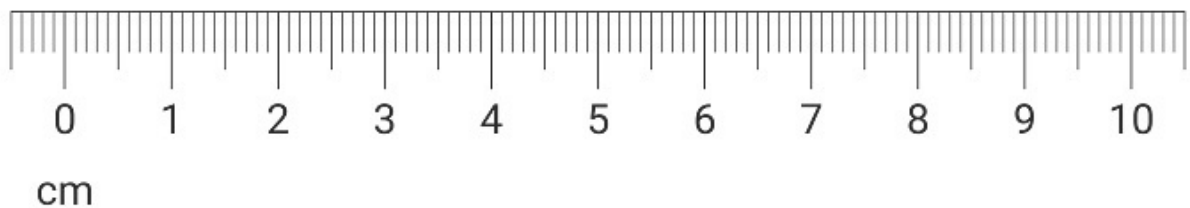
August holidays – a taste of what retirement will be like? Not quite!

The images used in retirement marketing often show deck chairs on sunset beaches, golf courses and cruises. It is often portrayed as ‘the longest holiday of your life.’ However, behavioural research continues to challenge that reality:

- 52% of people surveyed, expected to continue working after ‘retirement’*. This so called ‘Working Retired’ will become a sizeable socio-economic group of people who choose that way of life
- 20% of people who retired in the last five years have admitted to finding it difficult adjusting to their new life**. Having a clear purpose of your retirement phase improves the chances of a ‘successful retirement’
- No matter how much we earn in our lifetime, we will all retire on the same amount of time – 168 hours a week.

The picture of retirement is changing dramatically. The concept of gradual retirement, rather than stopping work suddenly, the ‘Working Retired’, is attractive to many people. This attraction increases with age. This supports a raft of other research that shows fewer and fewer people are looking forward to doing nothing but relaxing. For those people that still see that as their retirement, a warning from other research...

The measurement of a successful retirement is not solely in financial terms. Successful retirees retire ‘to something’, balancing vocation and vacation, staying plugged into meaningful pursuits, and focus on growth and wellbeing.



Failed retirees tend to be those who have retired ‘from something’ – a decision made while they are still working, so it’s perhaps understandable that some people look forward to an ‘endless holiday’ after a lifetime of work. But in reality, this can mean going from bingeing on work, to bingeing on leisure. This often devolves into aimlessness and boredom, which can lead to a higher probability of faster physical and mental health decline.

A survey carried out by YouGov with more than 1,000 people across the UK who had retired in the last five years, showed that 20% of people admitted to finding it difficult. Surprisingly, the same survey revealed that 56% of people didn’t seek any advice or help to prepare for this major life change.

Retirement is now more likely to be a time when you ‘don’t work so hard’ rather than a ‘big- bang, hard stop event’ of the recent past. Many financial plans focus on figures alone, regarding what level of income you need and want. That is not the only factor however, as we are all going to retire on the same 168 hours a week. How will you spend it?



Individuals will need to become more responsible for the success or failure of their retirement. Will it be the longest holiday of your life? It can be if you wish it to be, and you have the financial resources to do it. The challenge is to make it the most fulfilling phase of your life it can be.

Good financial planning can help with a long and fruitful retirement phase – if you want reassurance about what yours might look like; you know where we are!

Sources: * Fidelity International in Nov 2019 **Supporting people through the transition into retirement - Calouste Gulbenkian Foundation UK Branch & Centre for Ageing Better

