

Even with lots of money – you can still ‘fail’ at retirement!

Managing Your Money

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Deciding to retire is a BIG deal. Making the right decision at the right time is crucial because it will affect the next twenty to thirty years of your life. There are many reasons why a person can ‘fail’ at retirement, and it’s not all about money. Don’t get me wrong, money is my area of expertise, and it’s definitely critical! But as we’ll see, there’s a lot more to consider.

Over my 30-year career, I have walked alongside countless clients as they retire. I have been there with the successful ones... and the not-so-successful ones. And again, I’m not talking about money. While there have been the occasional renegades who don’t bother to follow their financial plan, I’m talking about the ones who stuck to a solid financial plan for retirement but had no *life* plan.

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Retirement brings us to a new chapter in life, or even better, a new ‘part’ in the book. If you want those retirement chapters to be the best part of your book, solid thought and preparation may need to be put into the planning. I say “may” because some people already live lives that prioritize all the things they need, outside of their job or career. But I have seen too many who don’t.

A great example of this can be found in the Jack Nicholson comedy-drama, “About Schmidt”, where Nicholson plays a character who retires. Throughout his career, he was more dedicated to his work than to the important relationships and activities in life. His job consumed much of his time and energy, contributing to a sense of emptiness and dissatisfaction in his personal life, which he only recognized once he retired.

According to the book *Longevity Lifestyle by Design* by Mike Drak, to have a successful retirement we must satisfy seven fundamental needs. While every retiree has the same seven fundamental needs, some will be stronger than others and may be satisfied differently depending on each individual. Failure to meet these fun-

damental needs will result in unhappiness, illness, and possibly even death.

The Need for Survival, Safety, and Certainty – Every person has essential needs for survival like food, water, air, shelter, rest, and sleep. But that’s not all; we also all have a shared need for safety, which includes living in a secure neighborhood, having financial stability, and accessing adequate healthcare.

The Need for Love and Connection – Whether through marriage, family, friends, activity groups, or volunteering, retirees need connection. All retirees - introverts and extroverts alike - desire social connections and meaningful relationships with others. Missing out on such experiences can quickly lead to feelings of loneliness, depression, or even more serious consequences.

The Need for Growth – The journey of growth paves the way for self-actualization, the inherent pursuit to reach one’s complete potential and evolve into the best version of oneself. Many retirees will satisfy this need by learning and experiencing new things, diving into a hobby, being creative, or volunteering.

The Need for Significance, Identity, and Meaning – Retirees need to feel that their lives have meaning and purpose. This need can be harder to achieve in retirement as it was often fulfilled by work. Retirees often find this significance by helping others, being good at things, being a great friend or partner, or achieving a goal that’s meaningful to them.

The Need for Contribution – Retirees need to feel that they are contributing to something bigger than themselves. They often achieve this by helping others, teaching or mentoring, supporting an important cause, or even simply contributing to family in some way. The feelings of happiness and well-being that one gets from helping others are unmeasurable, and satisfies the need for connection, growth, and significance at the same time.

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The Need for Autonomy and Freedom – Every retiree shares a need for autonomy, the freedom to shape their own lives. The ability to make choices and determine our own course instills a sense of safety and reduces stress, as it puts us in control of our own destiny. Achieving financial independence and maintaining good health are two of the important ways that retirees can feel control over their lives.

The Need for Variety – Variety may come in different forms such as travel, group activities, or simply reading different books. As they say: variety is the



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spice of life! An absence of variety in your life might feel okay to you, but it will eventually lead to boredom which is unhealthy and leads to other issues.

In our working years, our job or career frequently acts as the primary source fulfilling our needs. However, upon retirement, we lose this source of fulfillment. Those who struggle to discover alternative ways to meet their fundamental needs are the ones who may face challenges, often end up “failing” at retirement, which in turn can lead to anxiety, depression, and other health issues.

For those who think that money solves these issues, I can tell you from experience that it doesn’t. I have witnessed clients who have plenty of money, and although they have financial security, they are miserable because they lack connection, meaning, purpose, fulfillment, or all of the above.

Not everyone aims for the traditional full-stop retirement; some prefer to keep engaged and active and avoid slowing down. They seek engagement, growth, and new experiences. For some, these goals are easier to achieve through working, and they may continue to work in retirement. There’s no “right” way to retire!

According to Mike Drak in *Longevity Lifestyle by Design* the ideal time to start working on your longevity lifestyle design is at least three to five years before you actually retire. Start asking yourself:

Are the people you’re connected to in your life also connected to your job or career? If so, it’s time to make new friends as you plan for your retirement life.

Are most of your time and energy consumed by your job or career, or do you have interests, hobbies, or sports that you engage in? Don’t wait until the first day of retirement to start investing in the things you enjoy.

As with anything else you may be going at for the first time, consider getting some guidance, a retirement coach, or reading some books on the subject. *Longevity Lifestyle by Design* is available as an E-book download. Visit our website under Useful Tools for the link.



Note: For more tips and insights on managing your wealth, follow me on my Facebook page **Richardson Wealth - Ephtimios MacNeil Wealth Management**.

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