

Strategies For Financial Security And Fulfilment—Business Blueprint Interview



TheExitStrategyGroup.com.au/Media

Intro

Interviewer: So Kerry, as we saw in that earlier clip, all of us would love to walk out the door without a care in the world, but that's very dangerous, isn't it?

Kerry: Why it's extremely dangerous? I think one of the first reasons, in particular, is that after a little while you're going to get fairly bored. You know? The days will start to drag a little bit once you're over the euphoria, which is fantastic. Yes, you don't have to get up in the morning and you don't have to be working for the man, so to speak. But you have something to do with your day. So, playing golf three days a week might be just fantastic for a while, but after a little while, there's more to life than just simply waiting for someone to actually interact with you.

Interviewer: So what then is the number one thing to do before you retire?

Kerry: The best thing to do is to give it some thought, quite frankly, and figure out what it is that you really want to do with the rest of your life. We are a long time retired these days, you know, with the average age of retirement still being around 65, and our life expectancy now is well into the 80s and could be into the 90s. So, we've got a lot of life to fill. Taking time to think about how you're going to continue your social interaction, the people that you know who are in your network that you can continue to engage with and keep yourself active and busy over the course of that period of time, is really, really important.

Interviewer: Most of the reports I've read suggest that if you finish work and just do nothing, you could face problems, including health problems. You know, it's not all good for your brain to do nothing, correct?

Kerry: Absolutely, and really what happens is our brain shrinks. So just as physical exercise is really important, so is mental exercise. Mental exercise through social engagement, especially, is really, really important. You could be doing something that is a volunteer role, or you could decide to use the talents and skills that you had during your working years and apply those in other areas, perhaps in the local community, as an example.

Interviewer: Often, it is the case—and I think with men in particular—they think retirement sounds great, as you say, golf three times a week sounds great. And then they lose their identity that's often tied up in their work. They're not as good at maintaining friendships as women, who are better at maintaining those networks, so they end up being lonely. Should we be working longer, as Joe Hockey said? Should we be working until we're 157 years old? And should we find ways, as you said, to continue some kind of work, volunteer work, or something with those skills if we do retire?

Kerry: Whatever you can do to organise your life around being meaningful and having a purpose is absolutely the best way to go. So, if you have skills, for instance, maybe in the financial area, local clubs like the life-saving club, the football club, or netball clubs are always looking for people to help out and volunteer, perhaps as a treasurer. There's a great opportunity to be able to do something like that. I don't think we necessarily need to work until we're 150, as Joe suggested, but it really is a case of keeping yourself occupied, keeping your brain active, and doing something that you enjoy—not just for the sake of doing it.

Also, it's unfortunate that studies globally have shown that men really do suffer more than women because their identity is very much tied up in what they do. If they're in business, their identity is

their business, no matter what size the business. Then, when you come across a social situation and someone says, “Oh, well, what do you do now?” you’re lost for words. It’s just a simple question, but you’re totally lost for words exactly. It’s very, very important to create a new life for life after work and life after business.

Interviewer: Kerry, it’s also very important, I think, to be financially well-prepared when you retire. And often, especially with superannuation, we need to be onto it much better and at a much earlier age. What are your key tips that can prepare us to be financially well-prepared for retirement?

Kerry: One of the things I find is that a lot of people don’t do this, especially those who run their own businesses. They look after their employees but don’t look after themselves as well. Figuring out how much money you need to live on is crucial. You wouldn’t want to be relying on the age pension if you don’t have to. It’s essential to figure out how much money you need to create the lifestyle you’d like to continue to enjoy so that you don’t run out of money before you run out of life. That’s the most important thing.

A lot of people don’t take the time to budget or think about what they’re spending now and how much they will need in the future. Especially when you’re active and working, say in your mid-50s, looking at another 10 years down the track can seem distant, but that time flies by. Writing down your spending habits, how you want to live, and ensuring you can generate the necessary income for future years is key.

Interviewer: And if you’re a business owner who needs an exit strategy, you can head to exitstrategygroup.com.au. Kerry, thanks so much for your great advice this morning.

Kerry: My absolute pleasure. Thank you.