



Redefining Retirement Planning

with Carol Yip

We cannot ignore the biological fact of aging. The aging process sometimes prevents us from doing more compared to our younger days. The mind is willing to work but the body is not. Income earning capability will be affected. How can a retiree sustain the lifestyle he is used to throughout his twilight years? There may come a point where there is no more income but expenses have to be paid. I will now challenge your views about retirement planning on a different perspective.

For some time now, I have been advising retirees about shifting interests and reinventing careers, and I cannot emphasise enough that there is a need for those between 40s and 60s to re-look at their retirement for many reasons. Some have opportunities to work and make more money; some will keep working to keep busy. Others simply cannot afford to quit. Does retirement planning sounds like an individualistic approach? For those who are single, I would presume so. For married couples, it could be a joint-effort planning, depending on the relationship. How about couples who have children or even single parents?

What will the retirement planning structure be? Will it be a collective view where the children participate in the retirement planning for parents and have constant discussion? How much should each sibling contribute to their parents' retirement fund? If this collective retirement fund provides more than parents' financial needs, will this fund help siblings who are retiring and need financial support later on? In Singapore, The Maintenance of

- to financial disagreements.
- Different parenting style towards different children in terms of financial expression.
- Each family member's personality, behaviour and attitude being influenced by external environment like friends, spouse, in-law. In some situations, money become more important than family.
- Communication or lack of it – verbal and unspoken and

rivalry. This creates alienation and the family is fragmented. There is a lack of family ownership among all members. When this happens, taking care of aging parents will become a serious issue. What will be the last resort for aging parents? Will they end up in the old folks' home? Just like an organisation of people in a company, a family organisation requires team work, a sense of responsibility, motivation, support and complementary roles among siblings to balance the weaknesses and strengths of a family structure. Strong family support will be transcended to provide financial support to parents or even siblings who need help in their retirement years. Isn't this an important element that we need to consider in our retirement planning? Since I have expressed the important variable of family with children in the retirement planning process, how about singles or married couples without children? Where is the support system for them? Can friends and relatives be part of this retirement planning? Why not? After all, friendship and relationship are "commodities" that money cannot buy. Some would agree that friends are better than family when help is needed. [iy1](#)

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Parents Act came into force in 1995 to give parents above 60 years old who could not support themselves the legal means to claim maintenance from their children. What does this legal act tell us?

I have been advocating family involvement as the fundamental methodology of retirement planning. When family relationship structure is stable, with a sense of belonging, togetherness, love and support, we find financial peace and help from the family. Financial contribution towards parents' retirement will be a happy discussion at home. Each family has its unique characters that make the family dynamics complicated. It can be passed down from one generation to another. Family structure can become fragmented because of many reasons – from sibling rivalry, favoritism, jealousy, extended family influences to generation gap. There are several issues that may lead

- behaviour – could lead to financial misunderstanding.
 - Different perception and expectation of parental and siblings' roles and responsibilities in supporting each other during happy and difficult times.
- A power struggle, a lack of understanding and collaboration between parents and children or between siblings can result in children going against parents and sibling

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