

SAVING FOR RETIREMENT

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Make goals 'lumpy and meaningful', says lifestyle coach Cohen

» Glacier by Sanlam offered three people a chance to live their perfect lives and all refused. After getting an idea of what these people really wanted from life, a life coach showed them their perfect life on a big screen and presented them with a figure, which unbeknown to them turned out to be their retirement salary. This amount was calculated using Glacier's retirement salary calculator, which also took account of inflation. How would you have reacted if you had been part of the #FutureFWD project?

Business reporter

Civil engineer Deon Koch has learned to roll with the punches in his path to retirement and he's now taking in his stride the lessons learned as a participant in Glacier by Sanlam's #FutureFWD journey.

He speaks from Perth where he's helping out on the tendering side of a marine development. He's divorced and really misses his two kids, who live in Cape Town with their mom.

Like the two women – Josephine Mbire (customer support manager) and Karin Henriques (communications manager) – who also participated in the #Fu-



Deon Koch as he speaks to Justin Cohen about his projection in FutureFWD presents: *The Perfect Life*. ▶ Watch the video online at www.citizen.co.za/sanlam or www.glacier.co.za

tureFWD journey, Deon now has a clearer idea of where he's going and how to get there.

By connecting them to their ideal future and showing them the inadequacy of their savings, the participants were motivated to take action in the present.

It hasn't turned him into a super saver or a religious investor; his pension fund was torn in two during the divorce, so he's found himself "back at square one, I have to build all that up again".

Primarily, he's learned to curb his expectations and to look for little, every-day joys. "Look for the little things that give you joy. Look at things that are familiar in a new way. A lot of change is possible in South Africa. You can spend a lifetime there and learn new things every day," he says.

That's something lifestyle coach Justin Cohen – who took the three subjects through their re-

tirement journeys – emphasised during the project. "Break your dreams down into doable goals, like stepping stones in a river, but don't micro-analyse or manage; make your goals lumpy and meaningful," he advises.

Deon says the experience was valuable and honest. "When I think about the experience, I think in terms of 'I have to provide something, to put money into that', but it's not something I think about all the time."

Like most South Africans, he's had his fair share of setbacks. Because retirement is edging closer he needs to ensure he does all he can to catch up.

National Treasury statistics say it's a common approach – only a very small percentage of people saving for a pension will have enough to retire on comfortably.

Cohen says that when planning for your financial wellbeing

it's best to visualise yourself in the future. He suggests thinking about your "future self," and not the person you see in the mirror.

In Deon's profession, his work projects are irregular, which means he's had to learn to make his earnings stretch through the lean periods.

"You have to be realistic, but you also have to live now. When I spend my money, I have to be careful about buying treats.

"I have a couple of investment funds that I put money into. It's not a retirement fund, but I have channelled money into that. I'm trying to make monthly contributions and then I try to put it out of sight."

He's cognisant of the fact that retirement realities are changing; he's not anticipating a long rest and expects to "keep myself busy" on several projects during his "golden years". Longevity is fast

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Civil engineer

becoming one of the biggest risks facing retirees. StatsSA figures put the national life expectancy of women at 65 years and men at 60.

Participating in the #FutureFWD journey clarified several issues for Deon. The future paycheck, in today's terms, that he's currently working for was a bit of a shock. The perfect life he envisioned entailed learning to make shoes in Italy or to play the sitar in India – activities he needs to factor into his overall savings plan.

The retirement salary reflected on the calculator helped put into focus a grey area in his life: "It is helpful to put things into context, to put a value on it. But people should be careful what they do with it. It's just a tool to give you an indication of what your future retirement income could be, so you shouldn't go into a panic.

"We need to reassess our needs. Maybe I can still find my perfect life, but on a more modest scale."

▶ Next week: A wrap-up of how to save for retirement.