



# The Retirement Game

## Managing Risk versus Living with Regret

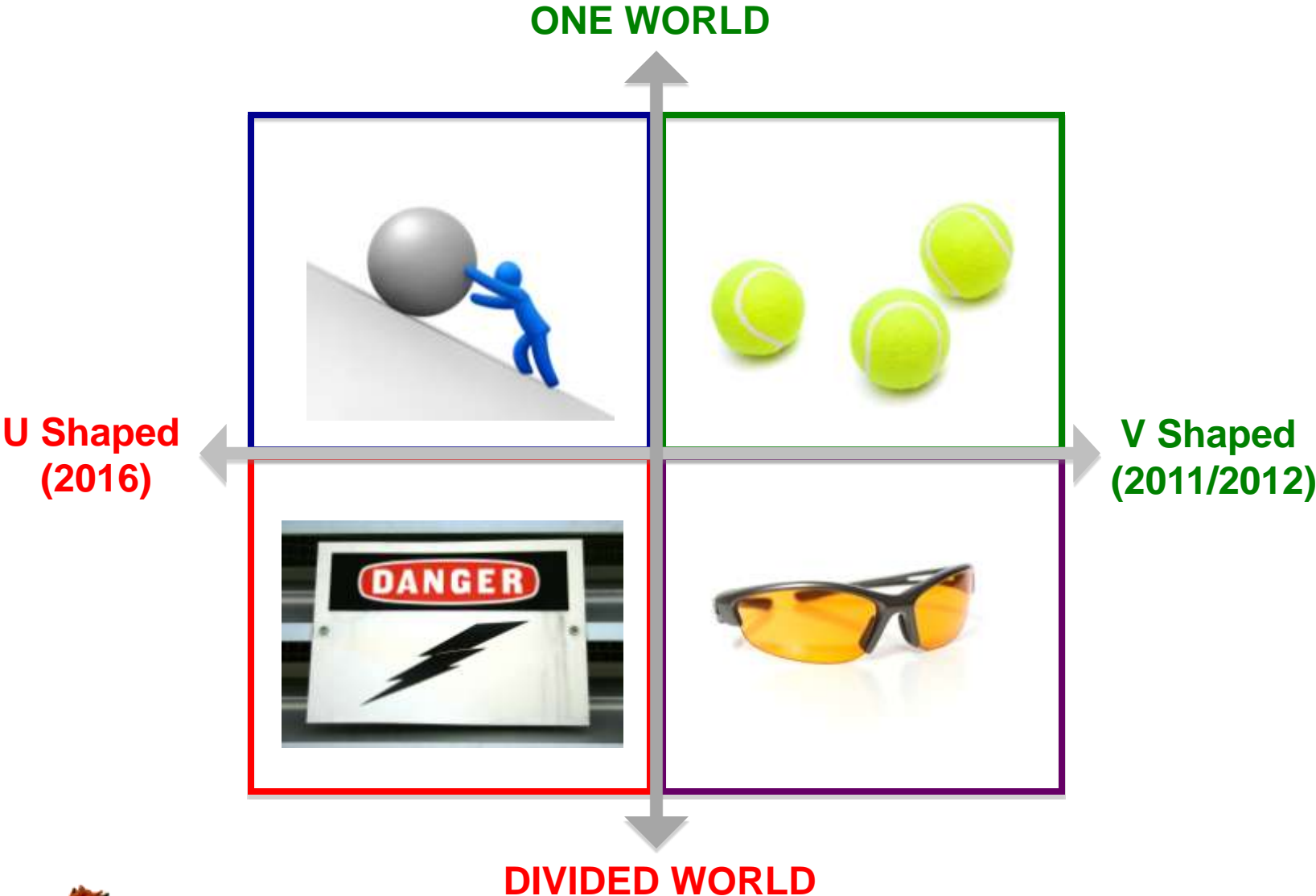
**Chantell Ilbury**

Independent Scenario Strategist and Facilitator

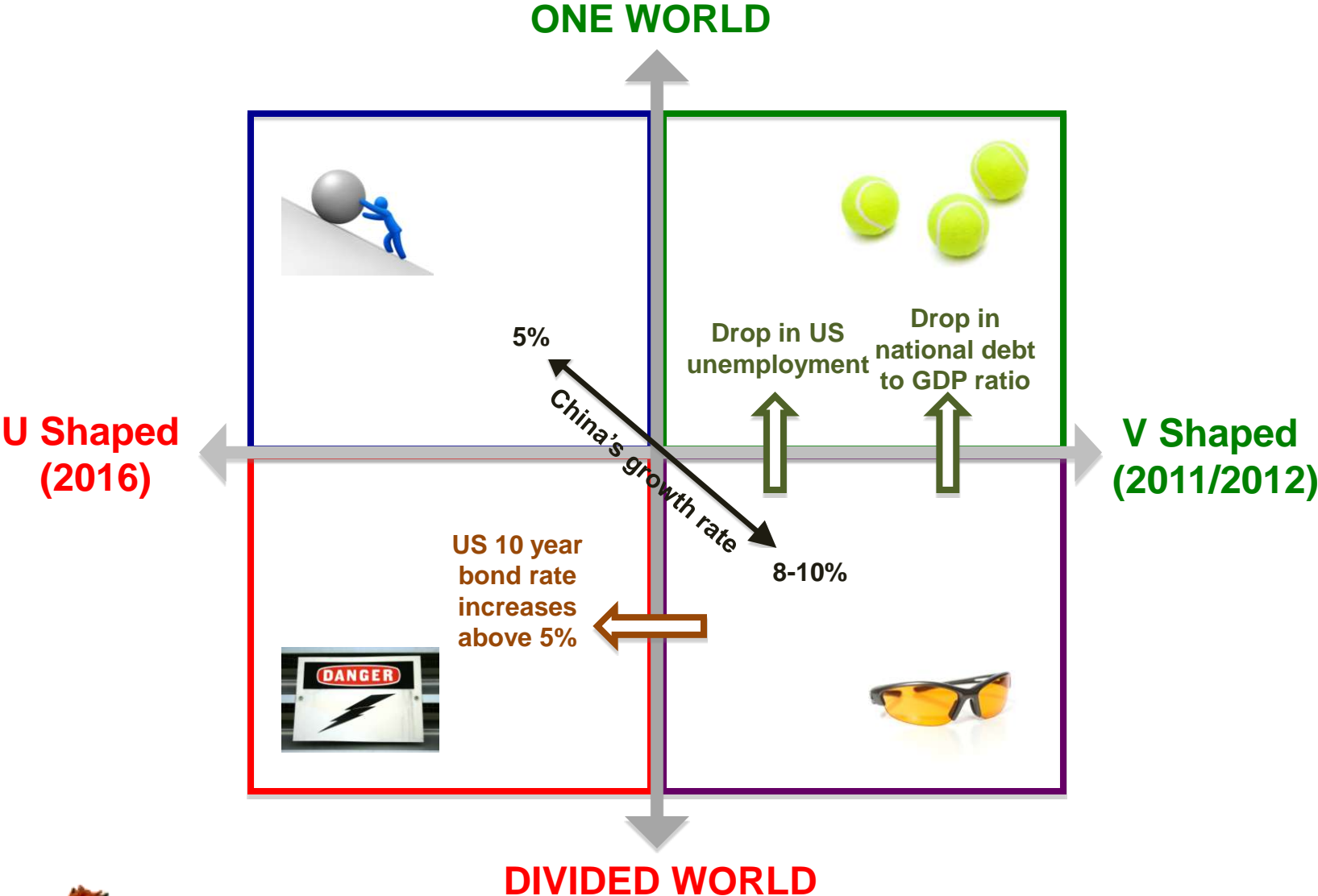


[mindofafox.com](http://mindofafox.com)

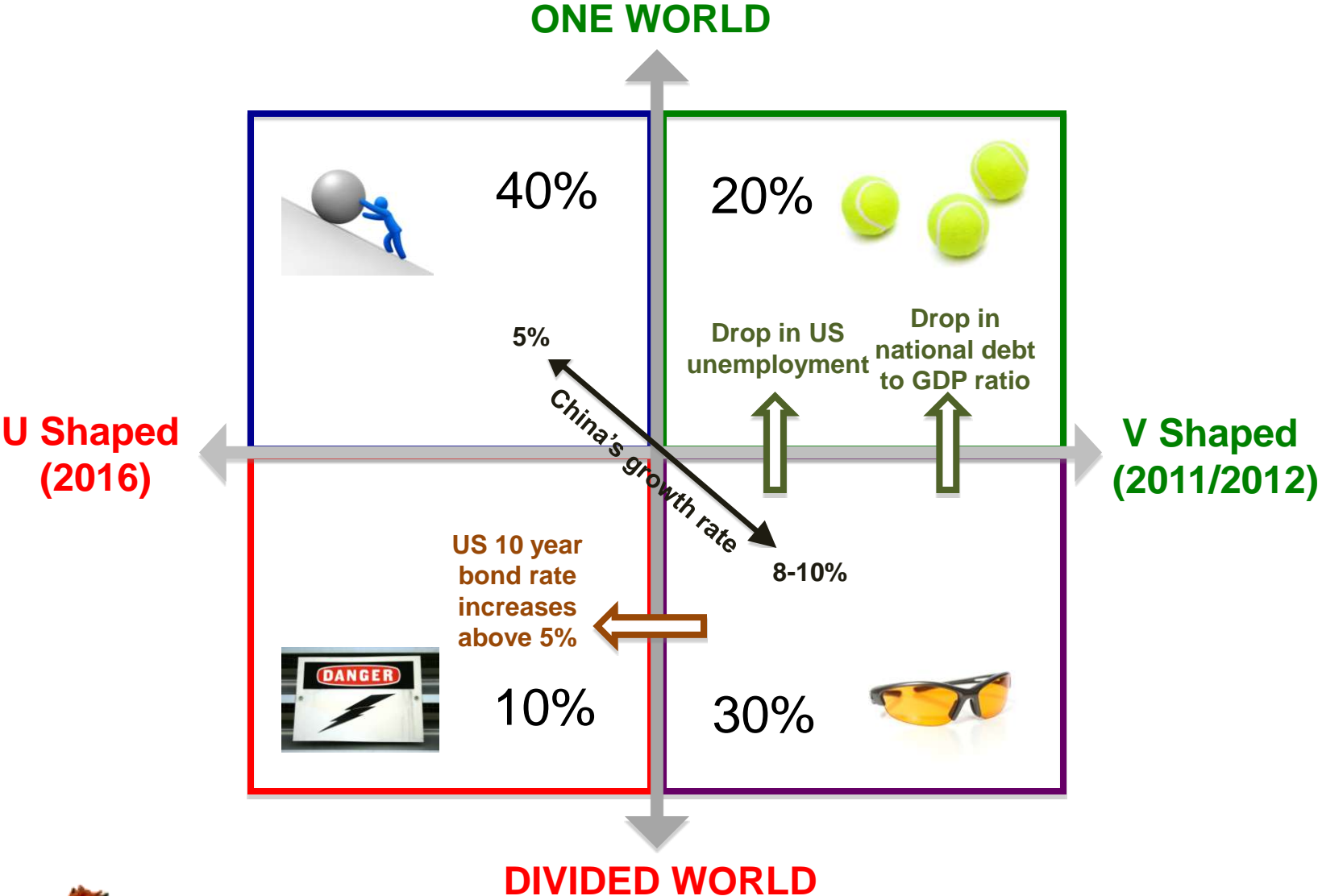
# Global Scenarios



# Global Scenarios - Flags



# Global Scenarios - Probabilities



# Be flexible in your retirement planning

**“The fox knows many things -  
the hedgehog one big one”**

Archilocus c.650 BC



# Context – Shifts affecting retirement

- The global economy shifting towards freelance and contract work roles that do not provide built-in long-term benefits – different options required for retirement
- Slowing economy is forcing retirement age up – a large percentage of workers are being forced into early retirement
- Globally, up to 80% of people don't start retirement
- South Africans have a poor mentality, with a further downward shift in saving over the last 6 years
- Polarised view – live for now versus start to save
- Sandwich generation
- Growing consumer demand for financial information

**RISK SHIFT TO THE INDIVIDUAL**

**How does this help you?**

**“Your attitude must determine your  
game....Do not let your game  
determine your attitude”**

Darren Clarke

2011 British Open Champion

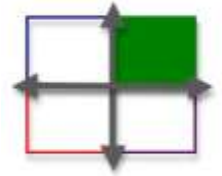


# Typical Behavior and Mindset



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## Ballroom Dancing



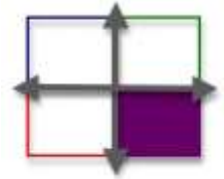
A calm and smooth flowing Waltz: Co-operation & Partnership

- Clear investment & retirement strategies with built-in flexibility
- The client understands the portfolio mix pre- and post-retirement
- Focus on Long Term
- People start early
- Mindset of saving - Ability and Willingness



# Typical Behavior and Mindset

## Foxtrot



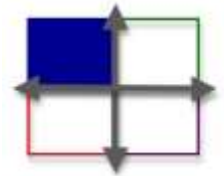
Quick dance with nimble, confident footing: Danger if a step goes wrong

- Constant, quick evaluation of situation - expert guidance necessary
- Understanding of the environment is critical
- Extra flexibility required in retirement portfolio
- Strong partnership and, especially, trust, is required
- Portfolio shifts



# Typical Behavior and Mindset

## Dances with Wolves



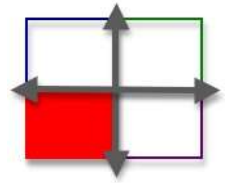
Client is moving unguarded and unguided: Dangers & Opportunities

- Lifestyle assets are more important than lifetime assets
- Instant gratification – not willing to invest
- High spending, low saving - no thought to the long-term
- No sound advice from advisor
- Target is not understood or articulated
- Products sold do not meet the needs of the client



# Typical Behavior and Mindset

## Broke Dancing



Client is operating alone: No discipline to function safely

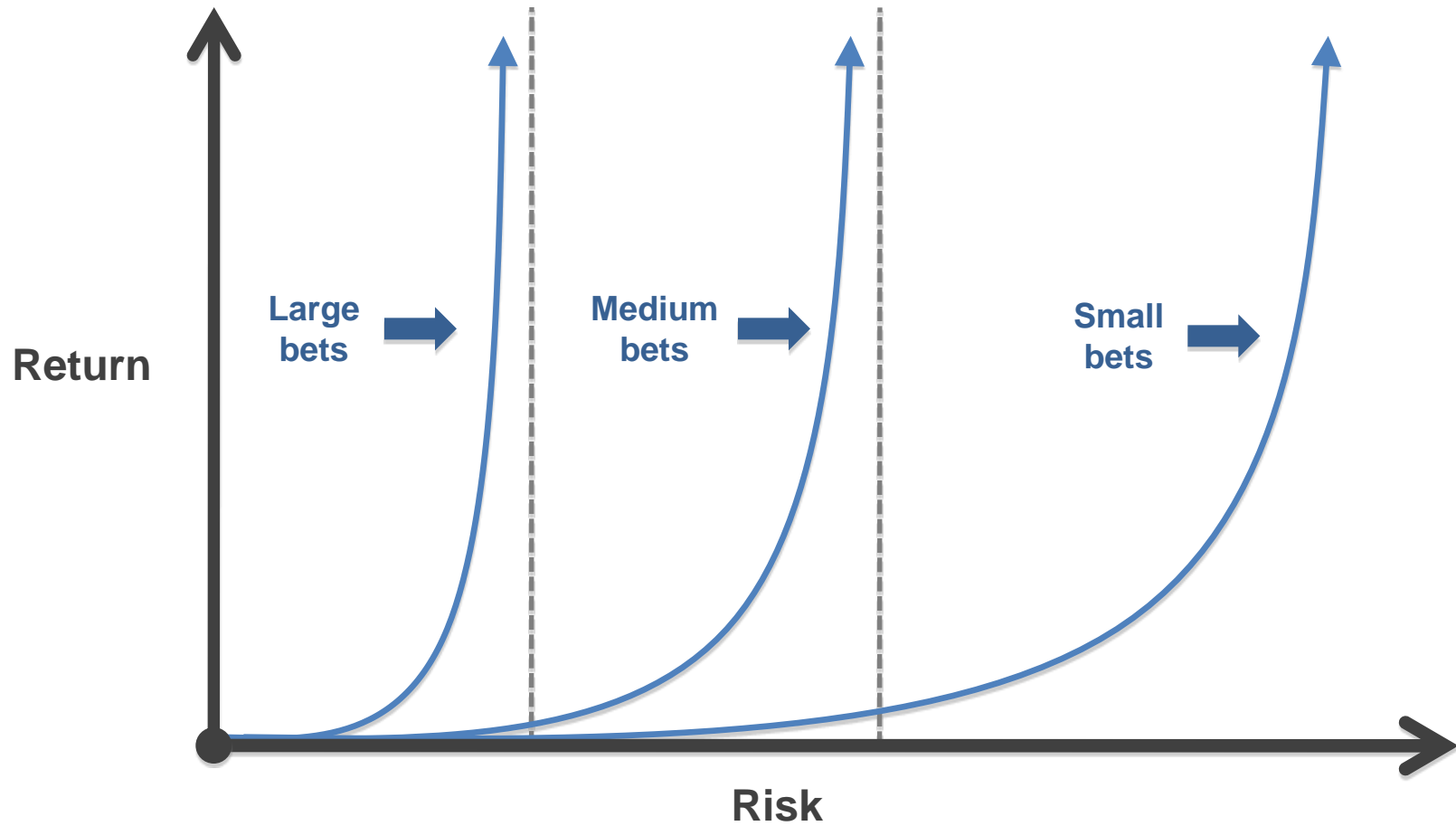
- Dire long-term implications
- Debt is increasing - reduction or termination of policies
- Reduction of lifestyle assets, and lifestyle in general
- No ability to invest in retirement
- Target becomes unreadable, and short-term thinking
- Knee-jerk reactions - Panic



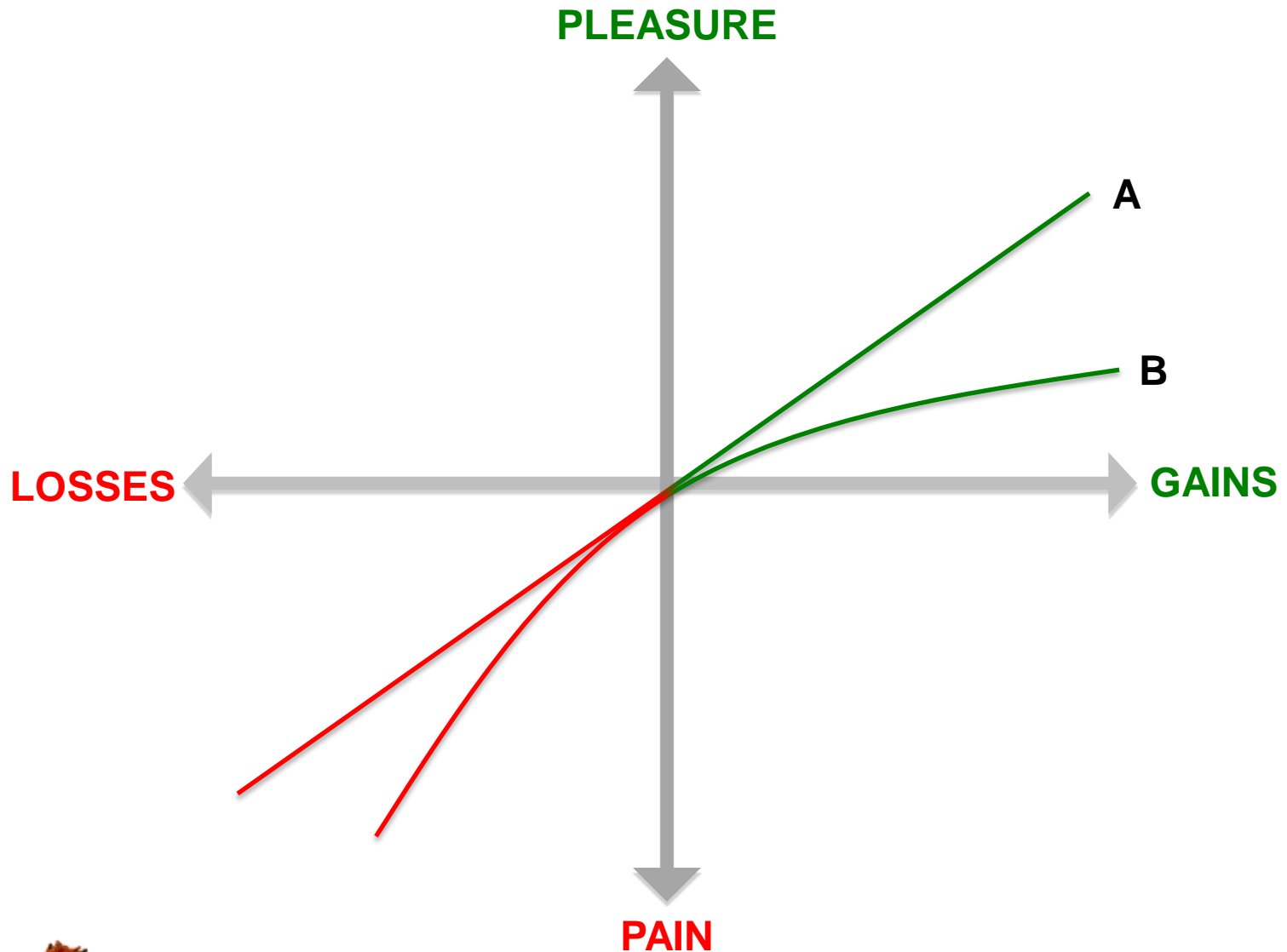
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# Spread your Risk



# Muted potential for Losses and Gains



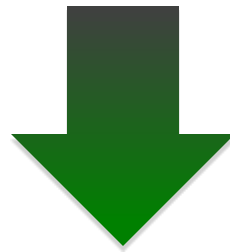
# Options - Balance

- Lifestyle, lifetime assets
- Portfolio mix – when to top up & where to play
- Partnership & Trust
- Flexible Solutions
- Time/Value of money – age
- Sound Advice



# Measurable Outcomes

- Trust
- Partnership
- Building a nation of savers



**Protecting and Enriching Lifestyle**

# Thank you

## Chantell Ilbury

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