

## What If Your Retirement Gets “Stolen”?

How to respond if tragedy changes your well-laid plans

By Robert Laura, Retirement Activist

“She worked three jobs to help put her spouse through medical school. Then, when she was just one year away from what she thought would be the ideal retirement, she was served divorce paperwork unexpectedly. “I sacrificed so much early on in our relationship, and now it’s all being ripped away,” this client recalled.

The plans were in place. All her hard work, dedication, and sacrifice were about to pay off. Retirement was finally within her grasp. Then tragedy struck. It can happen to anyone—the loss of a loved one, a life-changing medical condition, divorce, financial fraud, a spendthrift adult child, or having to care for an aging parent. There are a variety of factors that can cause us to feel robbed of our retirement.

### What We’ll Cover

- It can feel like a shipwreck
- Focus on the next peak
- Make key decisions by the inch



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### **First, It Can Feel Like a Shipwreck**

If our retirement gets stolen, we can feel shattered, ashamed, fearful, and completely lost. Words may not describe the hurt and pain that we feel as our hopes, dreams, finances, and family are decimated. It's a sensitive, vulnerable time where our thoughts and emotions can hold us hostage.

This experience has been likened to a shipwreck—the big, beautiful ship you've been sailing on is suddenly torn apart in a violent storm and you're dumped in the middle of the ocean. At first, you can barely catch your breath and you desperately hold onto whatever you can find around you as waves relentlessly crash over you. Everything floating around you reminds you of that magnificent ship.

You may be left feeling battered and bruised by the shipwreck. But be encouraged knowing that you'll learn how to stay afloat. It's been said that you don't drown by falling in the water, you drown by staying there. While this is a distressing time, it's not the end of the journey but rather a time to pick up the pieces and start on your next voyage.

### **Second, Focus On the Next Peak**

Throughout life, you've always had to climb a hill or mountain to move ahead. Every time you reached a new peak, there was another one on the horizon, across a deep valley. It meant you had to descend or go down before you could start moving back up. It's a natural process for any stage of life, including retirement. But difficult situations that occur near retirement can be complicated by the idea that retirement seems like the last big hill you need to climb.

But nothing could be further from the truth. Retirement is not a final climb or last destination. It's an ongoing journey. There will continue to be ups and downs that you'll have to navigate. In other words, a successful retirement isn't one without problems but rather one in which you learn to overcome them.

I'm reminded of a client who was a mid-level manager for a large corporation. He would often complain about the company's leadership and direction, hoping to retire earlier than his target of age 65. Then, just a couple of years short of his retirement date, he was offered a buy-out from the company—and let's just say he was strongly advised to accept.

On paper, the offer was great and would keep him on target to meet his financial goals. But he was distraught. He felt as though the company slighted him and didn't value his years of dedication and service. While his financial plan for retirement wasn't derailed, his timetable was. He wasn't prepared for this abrupt change and didn't know how to cope with losing his professional identity, fill his time, or replace the social relationships that work provided.

The situation put him in a funk for several months—until he began to look up at the next peak. Fortunately, he'd acquired a specialized skill set and had several industry connections. He had the opportunity to start doing some part-time consulting gigs for other companies. Furthermore, once word got out that he was available, several nonprofit boards reached out to him and asked if he'd join them in their missions. By simply shifting his attention from what he lost on the last hill to concentrating on what he still had in his tool belt, he was able to apply his expertise in new ways that were both financially and personally rewarding.

### **Third, Make Key Decisions by the Inch**

Whether it's the loss of income, a spouse, marriage, health, or something else, it's easy to let the uncertainty get the best of you and feel overwhelmed by the unknowns. Will I have enough? Can I afford my bills and survive on my own? Do I need to delay retirement? Will I need to sell the house? Who will take care of me? So, how do you make important decisions when you feel like you're disillusioned and feeling desperate?

Time and time again, I've had people in this situation come to me, and one of their biggest challenges is that they feel there's so much to do that they don't know where to start. They are just so overwhelmed by the change and added responsibilities, not to mention a wide array of advice from different people, that they can get paralyzed.

I had a client who lost her husband, and in short order, she was warned by a friend to get things changed over to her name immediately or she could lose it all. While the friend may have had good intentions, horror stories that involved an odd case or exceptional circumstances can create unnecessary panic, or cause people to make rash decisions with unforeseen consequences. This is one of the reasons it's vitally important to have a relationship with a knowledgeable and experienced financial professional.

A knowledgeable professional can help you understand and prioritize all the things you need to do. Sometimes the best skill a financial professional can have is simply listening, especially while you're emotional. Your financial professional can hear all your concerns, put them in writing, and outline steps to address each one. One step will gradually lead to another, building both confidence and a new foundation to stand on.

In your current state, it's better to focus on what's in front of you rather than what things might look like 10 or 20 years from now. In cases where you need to make some near-term financial decisions, ask your financial professional to have your options categorized based on flexibility and liquidity. Knowing which options provide the most or least amount of flexibility, and/or the quickest access to your money (liquidity) can allow you to move forward without feeling as though you're locking things up for five or ten years—until you're in a better place with more time and direction under your belt.

### **If Your Retirement Is Stolen, Remember Three Things**

First, no matter if it's a small piece or major aspects of your retirement hopes and dreams that are stolen, it's not always easy to emerge from what can feel like a shipwreck and set sail on a new course. Second, you've always had to climb a hill or mountain to move ahead. Shift your perspective beyond the valley and onto the next peak. Third, by taking small, simple steps toward building a new future, you can still enjoy your retirement. It may not be what you envisioned, but all is not lost.

### **Her Retirement Was Stolen, But She Recreated It**

The client who was served with divorce papers a couple of years before retiring struggled at first. She not only lost part of her dream but also a portion of her family. The situation wasn't good for her high blood pressure either. She appeared fragile and listless. Her most common responses were, "I don't know" or "I'm not sure."

The difficult situation prompted her to do a lot of self-reflection, shining a light on what was truly important to her. We explored and evaluated different options for roughly a year. Ultimately she made changes and, in her opinion, created a more authentic and meaningful retirement. And you can too.

### Next Steps:

1. **Acknowledge Your Feelings:** It's okay to feel robbed, angry, afraid, and more. Ignoring your feelings or pretending you're okay isn't healthy. It'll take time, but the waves of emotions will abate over time and allow you to move on.
2. **Ask For Help:** You don't have to do this on your own. People with different skills, knowledge, and experience can help you begin to pick up the pieces and re-assemble your new life going forward.
3. **Turn the Mess Into A Message:** Over time, you'll be able to look back on your experience and identify people, places, and things that helped you through it. This positions you to help others who need similar support. When the time is right, consider finding ways to share your story, whether it's to someone you know, with a care group, or in a guest blog post on a related website. Turning a mess into a message can be therapeutic and give your experience purpose.



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Robert Laura is a pioneer in the psychology and social science of retirement planning. He's a three-time best-selling author, nationally syndicated columnist for Forbes and Financial Advisor Magazine and recognized presenter at retirement conferences across the country. As a former social worker turned money manager, author, and speaker, his work has reached millions of people through seven books, twelve guides, and over 800 articles. He frequently appears in major business media outlets such as the Wall Street Journal, USA Today, CNBC, MarketWatch, The New York Times, and more.

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