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## dimensions of retirement readiness

Working in HR you have an important role in supporting employees' retirement readiness. By actively engaging with employees throughout their careers, you can help individuals navigate the complexities of retirement planning and ensure they are well-prepared for a financially secure and fulfilling retirement. By leveraging your knowledge and expertise, you can make a significant impact on every dimension of employees' retirement readiness.

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### 1. Financial readiness

Financial readiness refers to an individual's preparedness to meet their financial needs during retirement. It involves having sufficient savings, investments and income sources to maintain a desired standard of living.

#### How can HR help?

- Organize workshops or webinars on retirement planning, investment strategies and budgeting. Provide resources such as online calculators or retirement planning tools to help employees assess their financial readiness.
- Consider designing retirement plans with automatic enrollment features, ensuring that employees are enrolled by default unless they opt out.
- For multinational organizations, consider how local retirement policies and practices will impact employees' financial planning and readiness.
- Emphasize the importance of financially preparing for retirement to all age demographics in your workforce. Planning for retirement is a long process and the sooner an employee begins, the better equipped they will be when they reach retirement age.

### 2. Health readiness

Health readiness focuses on maintaining good physical and mental health to enjoy an active and fulfilling retirement. It involves adopting healthy lifestyle habits, managing chronic conditions and having access to quality healthcare.

#### How can HR help?

- Develop wellness initiatives that promote healthy lifestyles, such as fitness challenges, nutrition workshops or mental health resources. These programs can help employees maintain good physical and mental health, leading to a healthier retirement.
- Provide information on healthcare options, including retirement healthcare plans, public healthcare options or health savings accounts (HSAs). Educate employees on their healthcare options during retirement so they can prepare.

### 3. Social readiness

Social readiness refers to an individual's ability to maintain social connections and engage in meaningful activities during retirement. It involves building a strong support network, pursuing hobbies and staying socially active.

#### How can HR help?

- Encourage team-building activities, social events or employee resource groups to cultivate community and connection among employees. This can help individuals build social networks that extend into retirement.
- Organize retirement networking events or social gatherings specifically designed for employees who are approaching retirement. These events provide an opportunity for employees to connect with their peers who are also preparing for retirement, fostering a sense of community and camaraderie.

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### 4. Emotional readiness

Emotional readiness involves preparing for the emotional and psychological aspects of retirement. It includes developing coping mechanisms, managing life transitions and finding purpose and fulfillment in retirement.

#### How can HR help?

- Offer pre-retirement counseling services to help employees navigate the emotional aspects of retirement. This can include discussions on identity, purpose and managing life transitions. Be aware of cultural attitudes and expectations surrounding retirement and provide support that aligns with the local context.
- Develop programs that allow retired employees to stay connected with the organization, such as alumni networks, volunteer opportunities or part-time consulting roles.

## 5. Knowledge readiness

Knowledge readiness refers to an individual's understanding of retirement planning, benefits and resources available to them. It involves staying informed about retirement-related topics, understanding legal and financial implications and accessing relevant resources.

### How can HR help?

- Provide comprehensive retirement planning guides, FAQs and online resources that cover various retirement topics. This can help employees access the information they need to make informed decisions about their retirement.
- Organize workshops led by retirement planning experts to educate employees on topics such as estate planning and investment strategies. These workshops can enhance employees' knowledge and confidence in retirement planning.

## 6. Workforce transition readiness

Workforce transition readiness focuses on preparing for the transition from full-time work to retirement. It involves considering options such as phased retirement, exploring post-retirement employment opportunities and developing new skills or interests.

### How can HR help?

- Design programs that allow employees to gradually transition into retirement by reducing their work hours or taking on flexible roles. This can help employees adjust to retirement while still contributing their skills and knowledge.
- Offer career coaching, resume writing assistance or job placement services to employees who are considering post-retirement employment or exploring new career paths. This can help employees navigate the transition from full-time work to retirement.
- For multinational organizations, consider the labor market dynamics and retirement policies when providing career transition support. This may involve understanding local retirement age requirements, pension systems and opportunities for post-retirement employment or entrepreneurship.



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