



Canara HSBC Life Insurance

Media Coverage Report

**“Ritesh Rathod Explores the Concept of
Hybrid Retirement”**

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Ritesh Rathod explores the concept of hybrid retirement

Will my investments help me achieve my life goals? This is a golden question that people have in mind and while there is no correct answer to the same, a good financial planning can definitely help.

With so many avenues available to plan one's investments depending upon risk appetite, the most important step is to understand the different financial needs at various junctures in one's life, including but not limiting to lifestyle, investment options selected, number of dependants and place of retirement.

Gone are the days when one would just look forward to the simple retirement corpus such as a provident fund and retire peacefully while living in a joint family.

There is now an increasing segment of people wanting to take early retirement or a break to pursue a hobby, to up-skill themselves for a significant career boost or simply take a sabbatical.

Planning to take a break?

Hybrid retirement planning is a concept where one charts out and plans to take a break from routine work in the form of a sabbatical or reduced work to pursue a life goal while ensuring financial commitments are met.

While the concept of hybrid retirement is gaining momentum, it remains relatively new and not widely known to everyone.

People are increasingly looking for customised retirement solutions that provide greater flexibility, allowing them to create a bouquet of investment plans with other income sources while pursuing their interests, travel, learn new skills, or even start their passion project.

This specific approach allows professionals to gradually transit from their full-time work to hybrid retirement by reducing their work hours/

days based on their income proposition and the second income generation avenues.

Individuals who want a hybrid retirement should look beyond conventional approaches and start looking at options of regular income plans that can supplement as a regular income while he pursues his interests or goes on short/long holidays or longer sabbaticals.

How can life insurance help?

Along with financial security, some life insurance plans also offer long term and short term saving options.

With options such as regular income plans, deferred annuities and immediate annuities, individuals can tailor their life insurance plans to their hybrid retirement. Some of the features/plan options that can be used are:

■ **Regular income plan:** Regular income plans may be seen as steady anchors in a hybrid retirement situation, offering stability and predictability to some extent. These plans provide a reliable stream of income for the shorter or longer term, shielding retirees from market volatility with guaranteed minimum payments.

These plans are quite flexible, letting the policyholders tailor their payouts to fit their lifestyle. Plus, they come with benefits such as death benefits, tax advantages, and even coverage for long-term care.

By blending life insurance with a steady income flow, regular income plans can help the policyholder pursue his interests while keeping his finances safe.

■ **Deferred annuities:** Deferred annuities are financial instruments that allow individuals to set aside funds during their working years, with the promise of a steady income stream in the future.

This deferred nature aligns seam-

lessly with the concept of hybrid retirement, where individuals can strategically plan for the income they need to support their passions and interests during planned breaks.

■ **Immediate annuities:** These annuities offer an instant solution for those looking to embark on their dreams right away.

With immediate annuities, individuals can convert a lump sum of money into a guaranteed stream of income, which starts almost immediately.

This can be particularly helpful for individuals who plan to take a short break, travel, or explore new opportunities without delay.

Ensuring stability

While adequate planning brings newfound freedom, life is all about handling uncertainties. Life insurance plans act as a stabilising force by offering protection against unforeseen events.

A term life insurance can provide a safety net by covering outstanding debts and providing financial support to dependants in case of an untimely demise. This risk mitigation ensures that individuals pursuing hybrid retirement have a solid financial foundation.

Beyond the traditional boundaries of retirement strategies, this hybrid approach reflects resilience and a result-oriented mindset.

Moreover, the ability to tailor life insurance plans through options such as deferred and immediate annuities adds a layer of customisation.

Individuals can navigate the complexities of financial independence with confidence, ensuring a harmonious balance between their aspirations and a stable, secure future.

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