

UNDERSTANDING THE EMOTIONAL JOURNEY OF RETIREMENT

Retirement is often seen as the reward at the top of the mountain: the long-awaited goal after years of climbing the work ladder, saving and planning. But what many people don't realise is that once you've reached the summit, there's still the journey down the other side. That journey comes with its own shifts in mindset, routine and identity.



In fact, retirement rarely unfolds in a single moment. It's a series of transitions, and like any big life change, it can take time to adjust emotionally, not just financially. Questions about purpose, routine and connection often sit in the background until work actually stops. Understanding the emotional patterns many people experience ahead of time can make the transition feel less daunting and help you prepare in a more rounded way.

In this article, we'll look at the typical psychological transition into retirement so you know what to expect – and how you can support yourself through it.

The Exhale

After years of structure and responsibility, the first days or weeks of retirement often bring a sense of release: a deep breath out. For some, this phase is full of excitement and freedom. For others, particularly those emerging from demanding careers or periods of stress, it can feel like hitting the wall.

There may be no energy for celebration, just a need to rest and recover. That's perfectly normal. This is a time to decompress and

ease into a new rhythm without the pressure to achieve or perform.

For some people who have spent decades measuring progress through deadlines, outputs or responsibilities, this pause can feel uncomfortable. It's common to feel an urge to "do something useful" straight away. But giving yourself permission to slow down can help you reset physically and emotionally, creating space to work out what you want this next chapter to look like, rather than rushing to fill it.

Many people find that the sudden freedom of retirement can feel unfamiliar at first. Planning to start small, with light structure such as a morning walk, a coffee catch-up or an afternoon read, can help give your days a sense of shape without feeling demanding.

It may help to consider who you'd like to lean on during the early stages of retirement, and to let those close to you know you're open to their support. Writing down your reflections can also be a helpful way to clarify what you might need.

You might start by asking yourself:

- ▶ How do I imagine I'll feel once I step away from work?
- ▶ What might I need to recover physically, mentally or emotionally?
- ▶ Will I be comfortable giving myself permission to rest without guilt, and if not, what could help?

The Drift

Once the novelty fades or the recovery time has passed, a different feeling can set in. With no set schedule and fewer built-in responsibilities, the days can start to feel a little aimless.

This sense of drift is common and can catch people off guard. Without the clear direction that work once provided, it's easy to feel a little unmoored. It's also the stage where emotional strain can quietly build. According to a major Australian study, loneliness now ranks alongside financial hardship and poor health as one of the top contributors to psychological distress in later life. This helps explain why the loss of routine and built-in social contact after work can feel more unsettling than many people expect.¹

But this phase is also full of possibility. It can be helpful to reflect ahead of time on what you might want from this next chapter and begin thinking about what's likely to give you energy and satisfaction.

It's often a matter of trial and error. To get the ball rolling, you could start by jotting down ideas for what an ideal week might look like in retirement. Talking to friends or family who've already retired can also help give you a clearer sense of how this transition may unfold.

If you're feeling financially uncertain, a conversation with a qualified financial planner can help clarify your position and free up headspace for bigger picture thinking². The goal here isn't to plan every hour in advance, it's to think about how you might stay connected to what matters to you and build the social networks that can support you through retirement.

After all, one study found that Australian retirees with high levels of social support experienced improvements in mental health and wellbeing during retirement.³

Key questions to ask yourself:

- ▶ What does work give me, and what do I want to replace or reimagine?
- ▶ What makes me feel useful, energised or connected?
- ▶ What would make me look forward to a week without work in the picture?



The Reorientation

This is when things begin to click. You're no longer reacting to the absence of work; you're starting to shape your retirement on your own terms. It might not be one big passion project or reinvention, but a patchwork of meaningful routines, relationships and interests.

Research shows that retirees who maintain some form of structured activity, such as volunteering, casual work or caregiving, report higher overall life satisfaction and lower levels of psychological distress.⁴ Structure doesn't have to mean being busy or productive in the traditional sense. It can be as simple as having regular commitments, people who rely on you, or activities that give your days a sense of purpose.

Thinking about these possibilities before you retire can make this phase easier to navigate. Some people begin trialling new routines, volunteering roles or creative interests while still working, so the transition feels less abrupt. Others simply start conversations about how they'd like to spend their time, or what kind of balance they want, which can help ideas take shape gradually.

In fact, according to one study, the single biggest driver of happiness in retirement comes from activities and hobbies.⁵ Whether it's caring for grandkids, tending a veggie garden, mentoring others or simply savouring a slower pace, the important thing is that it feels right for you.

¹ Household, Income and Labour Dynamics in Australia (HILDA) Survey, 2025.

² Advice provided by Aware Financial Services Australia Limited (ABN 86 003 742 756, AFSL 238430), wholly owned by Aware Super.

³ European Journal of Health Economics, Retirement, Social Support and mental wellbeing: a couple level analysis.

⁴ Household, Income and Labour Dynamics in Australia (HILDA) Survey, 2025.

⁵ Challenger, Retirement Happiness Index 2025.

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This can be a good time to check in on your goals – financial, health and lifestyle – and make sure they align with how you want to live. Talking with those around you about what you hope this phase might look like can help surface shared routines or highlight opportunities to give back to your community.

Staying active, connected and purposeful doesn't mean being busy all the time. It's about thinking ahead to the kinds of activities and relationships that are likely to help you feel grounded, challenged and well over time.

Key questions to ask yourself:

- ▶ What do I expect will give me a sense of meaning, and how might I build more of it into my life?
- ▶ What new or old interests would I like to explore as I move into retirement?
- ▶ How can I support my mental, physical and social wellbeing in the years ahead?

The Renewal

This phase is where many people find their stride. You've had time to rest, reflect and reshape your life and now you're living retirement with a renewed sense of self.

It may not look like what you first imagined, but it feels right. There's often a growing confidence in how you spend your time, manage your energy and stay connected to the people and causes that matter to you. Your sense of purpose may evolve too, becoming less about productivity and more about presence and enjoyment.

Connection continues to play a powerful role at this stage. Research shows that people who see friends and family weekly have a significantly lower probability of experiencing psychological distress than those who only connect every few months.⁵ It's a reminder that staying socially connected doesn't need to be complex or demanding: regular, meaningful contact can make a real difference.



In essence, this phase is about enjoying what you've built, staying flexible and continuing to nurture the habits and relationships that support your wellbeing. It can be a good time to revisit long-term plans, whether that means updating an estate plan, looking at retirement income streams or simply refining routines to suit evolving needs.

Retirement isn't just about having enough money to stop working, it's about building a life that continues to support your wellbeing as things evolve. By paying attention to your routines, relationships and sense of purpose, you can create a retirement that feels not just secure but deeply satisfying.

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