

The Mini-Retirement Phenomenon: Between Financial Freedom and the Meaning of Life

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As the year draws to a close, many of us become preoccupied with setting financial resolutions. For most people, “financial freedom” is the ultimate aspiration—an ideal state in which one has sufficient wealth and therefore no longer needs to work (retire) to fulfil all personal needs and desires.

The growing trend of mini-retirement is reshaping this traditional concept of retirement. Despite ongoing economic volatility in Indonesia and globally, the mini-retirement trend continues to gain traction, as retirement is no longer perceived as the definitive end of one’s working life.

HSBC’s latest *Quality of Life Report 2025* identifies mini-retirement as a planned career break. The survey reveals that 44% of affluent investors in Indonesia—particularly those from Generation Z and the Millennial cohort—plan to undertake a series of mini-retirements.

The survey further finds that the top three objectives of mini-retirement are starting a business (37%), spending more time with family (35%), and testing one’s financial independence (31%). These aspirations closely mirror the findings of HSBC’s global survey, which also places family and entrepreneurship or career reinvention as the primary motivations for mini-retirement.

A significant majority—87% of global investors—believe that undertaking a series of mini-retirements can enhance overall quality of life. The trend initially emerged in Western countries, where work-related stress and professional demands are high. Mini-retirement has proven especially appealing to Gen Z and Millennials, who prefer taking breaks during their working years rather than waiting until their 60s to retire.

Today, this phenomenon has spread across Asia’s Gen Z and Millennial populations. A recent Skyscanner survey in Singapore shows that 66% of respondents plan to take a mini-retirement by travelling or pursuing freelance projects aligned with their passions.

In Singapore, 23% of individuals aged 25 to 34 have already taken a mini-retirement in the form of extended holidays. This age group demonstrates the strongest inclination towards mini-retirement, as many have accumulated sufficient savings after several years in the workforce.

Gen Z and Millennials increasingly view mini-retirement as a solution to mental exhaustion. In China, many young professionals are stepping away from work to pursue hobbies, citing a mismatch between workload and compensation. A recent SideHustles.com survey of 1,000 American workers found that 54% believe mini-retirement helps prevent burnout and improves overall wellbeing.

The Search for Meaning in Work

The mini-retirement trend aligns with the concept of a “multi-stage life” popularised by Lynda Gratton and Andrew Scott in *The 100-Year Life*. They argue that the traditional three-stage life model—education, work, retirement—is no longer relevant. Instead, individuals will

experience multiple career transitions, periods of re-skilling, and intentional breaks from work for self-exploration.

Gen Z and Millennials are redefining the relationship between financial freedom, career, and life purpose. HSBC's findings are consistent with the *Deloitte 2025 Gen Z and Millennial Survey*, which identifies money, purpose, and wellbeing as the three core drivers of career decisions for these generations.

A similar philosophy is championed by Bill Perkins in his book *Die With Zero*, which challenges the notion of wealth accumulation solely for inheritance. Perkins encourages individuals to deploy their financial assets to maximise meaningful life experiences. This resonates with the ideas of renowned psychologist Viktor Frankl, who argued that humanity's most fundamental motivation is the search for meaning (*logos*).

Funding a Mini-Retirement

In essence, true financial freedom is not merely about accumulating sufficient assets to live passively. Rather, it is about possessing the resources and peace of mind to declare: "I have the freedom to take a career break in order to pursue something new and meaningful."

A purposeful mini-retirement can be realised through flexible and comprehensive financial planning. The primary objective of modern financial planning is to create flexibility—enabling individuals to step away from work without compromising long-term financial security.

It is important to recognise that taking a career break does not equate to abandoning income altogether. Financial planning should ensure that essential cash flows remain intact during a mini-retirement, or that the impact on income is minimised.

Careful calculation of adequate emergency funds is also critical to mitigate unforeseen risks. HSBC's survey shows that 82% of Indonesian investors are confident they can realise a series of mini-retirements with appropriate financial planning—higher than the global investor confidence level of 74%.

Despite this confidence, Indonesian investors face three main challenges when considering mini-retirement: family responsibilities (42%), concerns over financial security (41%), and worries about healthcare benefits (30%).

To address these concerns, Indonesian investors identify savings (48%), dividends, interest or capital gains (39%), and new business ventures (35%) as their top sources of income during mini-retirement. Required funding naturally depends on the intended duration of each break.

The survey also reveals that Indonesian investors consider the ideal age to begin mini-retirement to be 46. Most plan to undertake two to three mini-retirements, each lasting between six and twelve months, or roughly every seven years of work until reaching their 60s. Around 21% of respondents aspire to take mini-retirements lasting more than 12 months, followed by 13% who envision breaks exceeding two years.

Consequently, the mini-retirement trend calls for proactive engagement with trusted financial advisors who can design investment portfolios aligned with a multi-stage lifestyle. Financial sufficiency is a prerequisite for this flexibility, allowing individuals to sustain productivity across the various life phases they choose.

Amid today's economic and social dynamics, the objectives of modern financial management have fundamentally evolved. Financial freedom is no longer merely freedom from the pursuit of wealth accumulation, but the freedom to choose the most meaningful work or contribution—including the freedom to take a mini-retirement. Happy financial resolution planning.
