

5 tips for long-term retirement planning

62 percent of working Americans are expecting to delay retirement, citing insufficient savings as a top reason.*

Having an emergency fund is a crucial first step in your mission to save, and once you're well on your way to building one, it's time to start thinking long term.

Get started now:

1. Set a long-term financial goal.

You need to know what your goal is in order to save for it—whether it's retirement, paying down debt or maybe taking a tropical cruise. When setting your financial goal, be sure to avoid the mindset that things are "too big" or "out of reach." Set the goal and make it official. Only then can you plan accordingly for how to get there.

2. Determine future savings needs.

You have the goal, now you have to set the price. If it's retirement, for instance, then you might have to think through many scenarios, such as "which account is best for me?" or "at what age do I plan on retiring?" If it's a vacation, then those prices are a bit simpler to figure out. Either way, the price tag has to be in place as the finish line before you can establish a way of reaching it.

3. Set up a meeting with a personal banker to establish or review your long-term plan.

Financially navigating your way toward a goal can be tricky, especially when there are many unexpected expenses and hurdles to meet or avoid. Having the guidance of someone who knows the ropes is the best way to ensure you are in the driver's seat.

4. Set up the right accounts to support your long-term plan.

Some types of accounts are better designed for long-term financial growth than others. Do your future self a big favor by taking advantage of your employer-sponsored retirement plan. If your company doesn't offer a 401(k) program, then contributing to an IRA is a smart investment in your future.

5. Automate savings into long-term goal accounts.

It's a wise move to automate your savings because then you won't only be contributing what's left at the end of the month after other expenses. Paying yourself first makes it easier to take control of your financial future.

*"Planning and Progress Study 2015," January 2015, Northwestern Mutual

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