

Retirement Planning at any Age

Ask any financial advisor when you should start saving for retirement, and you can expect to hear the same answer: yesterday. No matter what your age, you should be saving and investing money to meet your needs during your retirement years. However, your strategies should change over the years to match your changing needs.

During your 20s, retirement may seem too far away, but saving now will give you a tremendous advantage. If your employer offers a 401(k) plan, contribute as much as you can to it. Try to set aside at least 10 percent of your income, too. Your investments should focus on growth.

By your 30s, you're probably focused on your home and kids, but retirement is creeping closer. Keep saving as much as you can, and try to keep your debt to a minimum (debt is the enemy of savings). Your retirement investments should continue to focus on growth.

In your 40s, retirement is drawing closer, and you're probably looking at college costs – but don't sacrifice your own future for your child's education. With retirement just two decades away, start taking steps to build up your nest egg. Fortunately, you still have enough time to focus on growth investments.

During your 50s, retirement is right around the corner. It's time to put as much of your money into retirement savings as you can, and to begin to shift part of your retirement savings into less-aggressive investments.

It's your 60s, and retirement is nearly here! It's time to start determining how much you'll need each month to meet the lifestyle you desire, and ensuring that you've saved enough to provide that. While you'll want much of your savings in safe, predictable investments, keep at least part of it in more aggressive investments to ensure you won't outlive your savings.