



The Best Way to Save for Retirement

The Motley Foll

By Elizabeth Brokamp

A fellow parent recently posted the question, “How do you stay focused on your retirement goals?” on a message board that I frequent about raising children. While it may seem a bit off-topic, it’s a highly relevant question — one that more people need to keep in the forefront of their minds. Whether each of us saves adequately for retirement can have ramifications, not only for ourselves, but for our kids and grandkids, too.

The truth is that there isn’t one surefire method for getting someone to save. The key is finding out what works for you and sticking with it. Retirement is, after all, about the long haul. It’s a promise your younger self makes to an aging you: *I will take care of you.*

But that promise can sometimes feel a little ... well, unreal. After all, retirement may be decades off and who knows what will happen by then? There are a multitude of excuses we use not to save - I will have gotten my inheritance by then, who knows if I’ll even live that long, I simply have too many bills right now, and so forth. Sometimes it’s as simple as admitting that it’s not fun. Buying shares in your far-off future can hardly stack up to a trip to Rio.

Your job is to figure out what will motivate you and your spouse to save. Read on for our top tips.

The fear factor

Some folks (the same people who own a copy of *Night of the Living Dead*, I’m sure) respond best to headlines like “[Prepare for a Gruesome Retirement](#)” or “[How to Ruin Your Retirement](#)”. Want some spine-tingling statistics to support that pessimism? According to the 2006 Retirement Confidence Survey conducted by the Employee Benefit Research Institute and Matthew Greenwald and Associates (a survey research firm):

If you’re someone who responds best to doom and gloom, try:

[retirement calculators](#) (based on real numbers, not guessing!) to determine the actual amount you will need to save. Checking [A.G. Edwards’ Nest Egg Score](#). The company offers a “quarterly gauge of the nation’s wealth-building activities,” as well as an indicator of how the current economic environment has affected Americans’ ability to save. You can also see how your personal wealth-building efforts stack up. Learning from your elders. You’re sure to have a relative or acquaintance who failed to save adequately for retirement. Such folks must struggle to make ends meet, rely on their children, or work much longer than they anticipated. Don’t let that be you!



A ray of hope

Lots of people are motivated by my personal favorite: hope. I love to imagine traveling with my husband to exotic destinations in our retirement. (After all, “exotic” with three small children is bread with the crusts kept on and getting the babysitter to come on Saturday night. Woo hoo!) For you, the dream may be buying a vacation home or relocating to your favorite Florida beach.

If this sounds like you, try motivating yourself by:

[like this one](#) about how folks achieved the retirement of their dreams. Search out articles (like “[Hot Retirement Tips](#)” and “[Extreme Retirement Makeover](#)”) that make you feel jazzed to save for retirement.

As long as it's easy

Many of us like the idea of saving for retirement, but if it's at all difficult - involving too many decisions or action steps - we won't follow through. We're the ones (“hope” may be my *favorite* motivational technique but anything easy trumps all) who are drawn toward articles like “[The Easiest Retirement Plan Ever](#)” and “[60-Second Retirement Plan](#)”.

If ease is your No. 1 consideration in saving for retirement:

[IRA](#) could help you line your nest egg with a few more feathers. Quick, get the money out of sight. Have money automatically transferred from your bank account to your retirement account and make sure you are participating in your company's 401(k) plan, especially if your employer offers a match.

So, no more excuses. Scare yourself with gruesome retirement facts, inspire yourself with the good life, or do whatever it takes to get you saving. Your 65-year-old self will be most grateful.

This article is adapted from the [Motley Fool Green Light “Money Answers” archive](#), which features more than 100 articles on personal finance topics ranging from taxes to credit to beginning investing, organized by subject and life stage. For access to this content plus the current newsletter, back issues, members-only discussion boards, and advisor blogs, take a [free 30-day trial](#) today!

*Fool contributor [Elizabeth Brokamp](#) is a licensed professional counselor with a special interest in Robert Brokamp, editor of *The Motley Fool's Rule Your Retirement* newsletter. The Fool has a [disclosure policy](#).*

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