

## Financial Planning Tips by Age Group

Only six in ten (62 percent) Americans have a financial plan, according to the *Psychology of Financial Planning Survey* by Genworth<sup>1</sup>. For the 38 percent of Americans without a financial plan, Dr. Barbara Nusbaum, a New York-based psychologist and money coach, urges people to really spend some time identifying what can get them close to their own personal 'hope-for's' in life, meaning their ultimate goals - financial or otherwise.

Dr. Nusbaum suggests the following tips for consumers to psychologically overcome common financial planning pitfalls at various life stages to reach their personal hope-for state:

### Young Adulthood (Ages 18-39)

- Even though retirement couldn't seem further away, it is important to recognize this phase of life as essential to building your financial planning foundation. Build your foundation by saving, investing and/or learning about financial planning.
- Practice the habit of saving and consider making automatic deposits directly into your savings to stay regimented.

### Middle Adulthood (Ages 40-59)

- This is a meaning-seeking stage of life; therefore using your hope-for's (goals) as guides to your financial planning will be a powerful motivator.
- Use your awareness of aging as a trigger to get a handle on your current spending and get specific about your future retirement needs.

### Older Adulthood (Ages 60 and older)

- Discover ways to feel pleasure/satisfaction in this new phase, and coordinate it with your financial plan so you are covered now and later.
- Reconsider what you view as necessities and re-define your enjoyment to simplify your life.

<sup>1</sup> *Psychology of Financial Planning Survey* is a national survey conducted by Toluna and J&K Solutions on behalf of Genworth. The survey was administered online from December 7-11, 2012. 1023 adults ages 25+ with a household income in excess of \$50,000 were surveyed. The survey holds a 95% confidence with 3% margin of error.