

YOUR FIVE-STEP RETIREMENT PLANNING GUIDE



Retirement can be a complicated process that requires significant planning. Near-retirees are often still unsure whether they'll have the funds to sustain their lifestyle in retirement. Perhaps you are considering retiring soon, or earlier. If you're young, however, you're already ahead of most people since you can still take action to improve your chances of retiring well. Regardless of your situation, the five steps to retirement in this article should help.

Focus on your retirement plan

Everything starts with a plan. If you are willing to retire even a year early, how much effort will it take to spend a few days looking at your finances to develop a sophisticated plan to reach your goal?



It would be best to start by deciding how much money you need to retire. You can do this by illustrating your retirement. Planning your retirement budget includes questions like how you would like to live and where you would like to live, along with many more factors to consider. The first step should always be to work towards a clear goal.

You should monitor your finances and progress

Every month, take some time to assess whether you're on track with your budget and financial situation. Setting monthly goals for yourself that can be quickly evaluated at the end of the month can be extremely helpful. Assessing your goals will allow you to see what you like splurging on and where it is easier to save money. Tracking spending also creates helpful insights on what you will need in retirement.



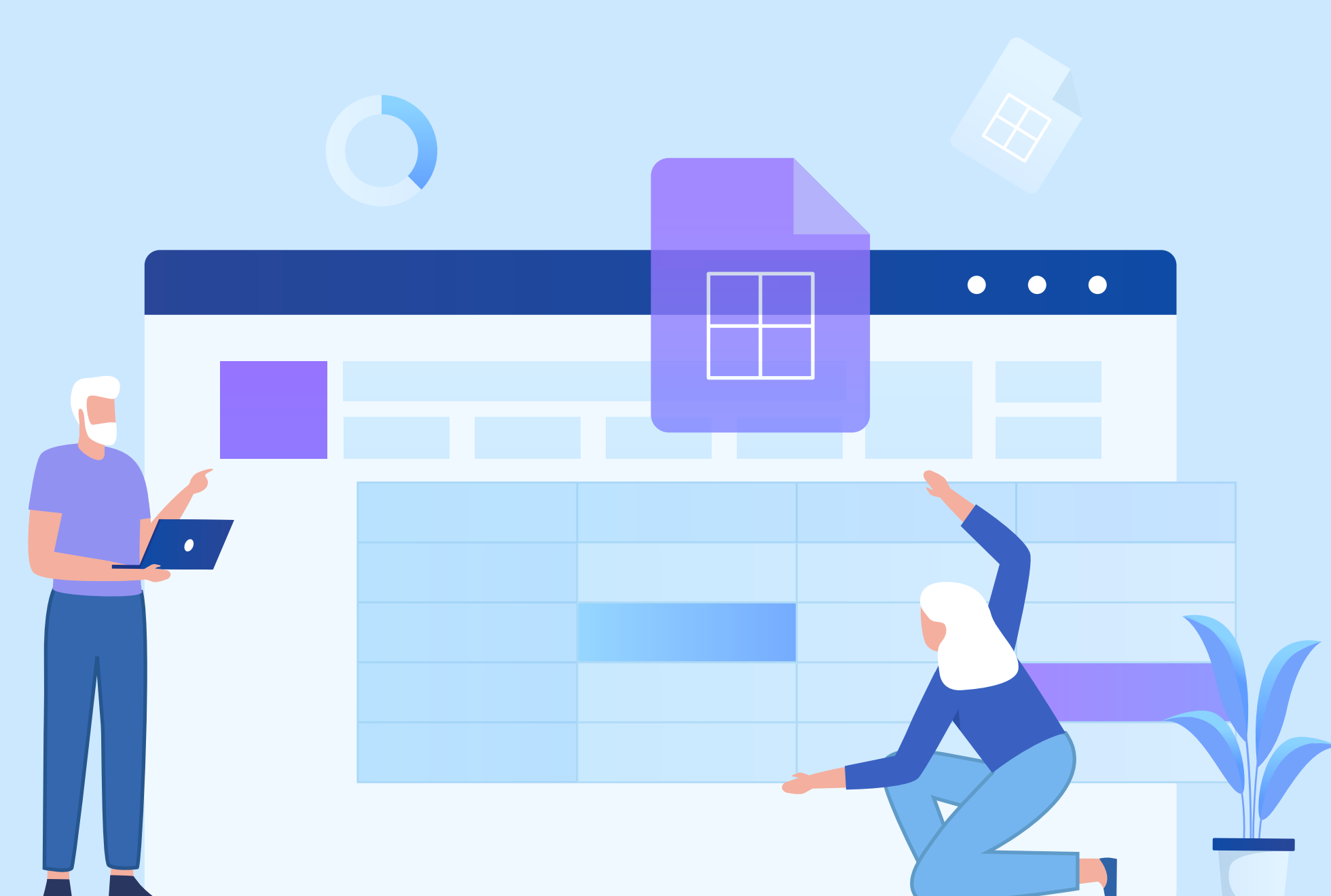
Build your wealth

To retire quicker, you need to make your money work for you. Compound interest is critical here and makes planning for retirement easier when you start younger. But if you're a bit older, don't panic just yet.



Building wealth is not complex, but it requires discipline. The money you can save should be put away towards either active or passive investments to make a dent in your retirement requirements.

Determine if you're ready and how you can make retirement work



It can help to keep track of all your pensions, investments and whatever you might have in an Excel sheet. If you've kept track of everything and rely on statistical averages, you should have a good idea of whether you can retire in a certain number of years. Or you might already be there.

Implement your retirement plan

The 'hard' part is the implementation, where you'll most likely find challenges and pitfalls that you had not anticipated beforehand. It will be highly likely you'll still be invested in the stock market when you retire



You can always rely on your retirement fund when things aren't working out. You should always test your budget to determine your retirement plan's probability of success and failure.