

Turbocharge Your Retirement Plan

An overview of several easy-to-implement strategies that investors can use to maximize their retirement savings.

If you've been letting your retirement account idle on the side of the road, it's time to take the wheel and get going.

Here are four simple strategies to power up your plan:

1 Set a contribution goal. Even if you can't do it all at once, aim to increase your contribution level gradually over time. For example, you might consider raising your contribution rate by one percentage point a year until you hit your goal.

2 Capture the match. Check to see whether your plan offers employer matching contributions (not all plans do). If it does, find out how much you need to contribute to take full advantage of the match. Matching contributions are like "free money" that can give your savings an extra boost.

3 Catch up. Many plans allow participants to make additional "catch-up" contributions to their plan accounts starting in the year they reach age 50. If your plan includes this feature, it can be a good opportunity to put more money aside for your retirement.

4 Stay invested. Your plan may let you borrow from your account during your working years or withdraw money if you experience a financial hardship. While it's nice to know the money is there if you need it, remember that you're saving for retirement. If at all possible, avoid taking money out of your account for other reasons.

How Do You Compare?

Your retirement savings goal should be based on your personal financial situation and needs. Still, you may be interested in comparing the amount you have saved so far with the median retirement savings balance of other people in your age group. Here's a look at some recent (2019) data:

Median 401(k)/IRA Balances

Age	Individual	Household
35-44	\$51,000	\$63,500
45-54	\$90,000	\$105,800
55-64	\$120,000	\$144,000

Source: Center for Retirement Research at Boston College, calculated using data from the Federal Reserve's 2019 Survey of Consumer Finances