

Tips for Better Savings Behavior



Spend one minute each day to check in on your finances. A good way to do this is with an account aggregation app, which pulls together your credit card and bank accounts and lets you scroll through all your recent transactions. You could also use individual bank or credit card apps on your phone or even scan cash and receipts in your wallet each morning. The key is to see if you are spending money faster than you want.

If you are inclined to duck financial tasks, use visual cues to make avoidance harder. On your phone, for instance, you could place your financial app next to your most used social media app. You can also use post-its as reminders and goal reinforcement. For example, if you plan to redo a kitchen or bathroom or buy a new car, write that on a note and stick it to your mirror or someplace you see every morning to remind you of your savings goal to keep you from making small, unnecessary purchases.

Set up recurring alerts on your smart phone's calendar for all your financial tasks, whether it is paying bills, organizing tax documents, bumping up 401(k) contributions, or checking to see if your portfolio needs rebalancing.

If you are one of the many people who spends what they need each month and whatever is left you put into a savings account, a better technique is to fund a "new car" account or a "new kitchen" account just as you would pay a mortgage or utility bill. Determine how much you can realistically put aside each month and then put that money into the savings account before you spend any cash.