4 Ways to Automate Your Finances – Video Script

Simple financial automations could help you save time and money.

Here are four ideas.

One: your everyday savings. On the day your paycheck lands in your account (or a day or two later), you could set up automatic transfers to a linked savings or investment account.

Start with whatever you can afford; then try to increase the amount over time. By scheduling the transfer close to when your paycheck comes in, you'll have fewer chances to spend the money.

To go one step further, you might set up more than one automatic transfer and earmark each for a different purpose, for example, a vacation fund and a car fund.

Two: your everyday purchases. Consider using a round-up app to help you turn everyday purchases into savings.

Round-up apps let you save small amounts of money by automatically rounding up your purchases to the nearest dollar and setting aside the spare change. This process could make it easier to build savings without feeling a financial pinch.

Three: your retirement contributions. You can automate your retirement contributions by earmarking a percentage or dollar amount of every paycheck to flow automatically to your workplace retirement plan and/or individual retirement account.

If you set up contributions to your workplace plan, funds are withheld from your paycheck and transferred directly to your retirement account by your employer.

Four: your bills. No one likes to pay bills. So why not make it as easy on yourself as possible? Utilities, credit cards, mortgages or rent, car payments, student loans, gym memberships — whatever the case may be — if you set up automatic payments for some or all of your bills, you won’t need to carve out time each month to pay them. And you won’t risk owing late fees.

Automating your finances in small ways can help you save time and money — two very worthy goals.

All investing involves risk, including the possible loss of principal, and there is no guarantee that any investment strategy will be successful.