

What Can Golf Teach You About Retirement Planning?

If you're a golfer, you know the joys (and occasional frustrations) of the game. But you might not realize that some of the lessons you learn on the links can carry over to other areas of your life – such as retirement planning.

So whether you're already retired or are planning to retire in the next few years, consider the following suggestions:

- **Try to overcome the “yips.”** When you miss those short puts – the ones you know you should be making – you might be in the grip of your old friend, the “yips.” As you know, it's not always easy to shake this problem, but many golfers have benefited by working to improve their concentration, especially by adhering to a strict pre-shot and in-shot step-by-step routine. When investing for retirement, or managing their portfolios during retirement, many people can get the investment version of the yips – that is, they get nervous during market downturns, and then they make mistakes, such as selling quality investments when their price has dropped. (Remember the first rule of investing: Buy low and sell high.) To overcome this type of yips, the solution is the same as for golf: Maintain your focus and concentrate on making appropriate moves, such as building and maintaining a diversified portfolio that's suitable for your needs, goals and risk tolerance.

- **Forget about that hole-in-one.** It's every golfer's dream: a hole-in-one. When you tee up on that tempting par 3, and you're feeling good, you might just want to go for it – but when you do, you could end up overshooting the green or plunking into the water. Many investors also try for a “hole-in-one,” in the form of pursuing that one “hot” stock that's going to make

them rich. However, by the time they hear about such a stock (if it even exists), it may have already cooled off – and, in any case, it might not be right for their needs. Instead of looking for that ultimate, one-time winner, look for solid investments that you'd be comfortable holding for the long term.

- **Study the course.** The more you know about a course you're going to play, the better off you will be. You can plan the approaches you'll take on various holes and think about how to avoid the sand, water and rough. When planning for your retirement, or even when you're living it, you also need a strategy, one that addresses questions such as these: *How can I structure my investment mix to provide me with a long-term income stream? How much should I withdraw from my portfolio each year? When should I start taking Social Security? Am I doing all I can to control investment-related taxes?*

- **Visualize.** Consider these words from World Golf Hall of Famer Nick Faldo: *“Visualization is the most powerful thing we have.”* If you can visualize what you want to do on each hole you play, you are well on your way toward a successful round. The same idea holds true for retirement planning: If you can envision the type of retirement lifestyle you want, you'll be more likely to achieve it by sticking with appropriate financial and investment strategies.

So, there you have them – some ideas that play well on the golf course and in the retirement arena. Put them to work soon.

This article was written by Edward Jones for use by your local Edward Jones Financial Advisor.