

IBANKING

I'm a Financial Pro: You Really Can Make New Year's Money Resolutions That Stick (and Just Smile as Quitter's Day Goes By)

The secret to actually keeping your New Year's financial resolutions? Ditch the willpower and just make your savings and retirement contributions 100% automatic — you won't be able to easily quit.



"You've got to be kidding me — we can't afford that."

That was my future mother-in-law's response when I suggested some 30 years ago that she start an IRA and set up automatic monthly contributions .

My future in-laws were blue-collar workers juggling multiple jobs to make ends meet, with two kids in college and two in high school. They lived within their means but weren't familiar with investing, and my mother-in-law didn't have a workplace retirement plan.

I said, "Just give it a try for six months — if you can't afford it, you can always stop. And if it comes out of your checking account automatically, you won't miss it."

After months of pleasant but persistent persuasion, she decided to give it a go.

Creating this habit and making it automatic helped my mother-in-law achieve this important savings resolution.

Financial resolutions for the New Year

As the calendar turns to a new year, it's a great time to think about your resolutions — especially those related to personal finance.

Vanguard's recent consumer survey found that 84% of Americans have a financial resolution for 2026.

While 82% feel somewhat or very confident in their ability to achieve it, sticking with it for the year — let alone beyond the second Friday in January, known as Quitter's Day — can be tough.

Vanguard has four principles for investing success: goals, balance, cost and discipline — and in my opinion, discipline is by far the hardest to follow. But there's a secret for making healthy savings habits stick: Make them automatic.

Saving for your current self: Short-term goals

The survey's top two savings resolutions were to build an emergency fund and leverage a high-yielding account for short-term savings goals.

Where to begin?

First, make sure you're using a high-yielding savings vehicle so you can earn stronger returns. If you're one of the millions keeping cash in a traditional bank savings account, you're probably earning next to nothing.

If your annual percentage yield (APY) is less than 3%, it's probably time to reconsider where you're saving.

For example, as of December 12, 2025, Vanguard's Cash Plus Account offers an APY of 3.10%, although the APY will vary.

Once you've identified a high-yielding savings vehicle with a strong APY, consider automating a portion of your paycheck to that account.

Here's an idea to get you started: I bet you have at least one subscription to a streaming service you don't watch or a membership you don't use. Cancel it and redirect that money with a recurring contribution toward your savings.

Saving even \$20 per month can add up quickly, thanks to the power of compounding.

Saving for your future self: Retirement

Start by checking out your workplace retirement savings plan, if you have one. Chances are, you're already set up for success.

According to Vanguard's How America Saves report, most plans will automatically enroll participants, set a contribution rate, match contributions up to a certain percentage and invest in a diversified portfolio.

Now is a good time to confirm if your contribution rate aligns with your intentions — especially if you've recently switched companies and might have been defaulted to a lower rate than your prior plan.

If you don't have a workplace plan, consider opening a traditional or Roth IRA and setting up automatic contributions.

Saving for your loved ones' education

College, secondary school and vocational training can all boost your potential earning power — but they can get expensive. A 529 savings account is a great way to save for education-related expenses.

You can set up automatic contributions to your 529 plan, too.

Make the habit automatic

My mother-in-law contributed faithfully to her IRA for more than 20 years until she retired — and today, it provides her with income.

Her unwavering discipline through bull and bear markets came down to one crucial decision: She made her monthly contributions automatic.

As you enter the new year, automating your contributions can go a long way toward helping you keep your financial resolutions in 2026 and beyond.

It might even earn you some brownie points with your mother-in-law.

NYSUT NOTE: When it comes to saving money, every little bit makes a difference. With the NYSUT Member Benefits Corporation–endorsed [Synchrony Bank Savings Program](#) you get special member's access to a savings rate of .05% higher than advertised, along with competitive rates on CDs, money market accounts, and high-yield savings accounts.

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James Martielli, CFA[®], CAIA[®], heads Investment Product, Personal Investor, which is responsible for designing and enhancing Vanguard's brokerage and investment product offer, amplifying distribution efforts and shaping the investment methodology that fuels unmatched investment and savings outcomes for our clients. Previously, James led Investment & Trading Services (ITS), which educates individual investors about Vanguard's products and provides trade execution for the securities and products on Vanguard's retail brokerage platform.

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