

# Financial planning tips for young professionals

**Whether you have been in the workforce for the last three years or are a recent graduate, here are some quick financial planning tips to jumpstart your wealth accumulation journey.**

## **Pay yourself first**

A good rule of thumb for savings and budgeting is the 50/30/20 rule. 50% of income is spent on needs, 30% of your income is spent on wants and 20% of your income is saved. However, if you would like to save aggressively, we would recommend a 50/20/30 rule: 50% spent on needs, 20% spent on wants and 30% saved.

## **Set up your accounts**

Over the course of your career strive to have four core accounts that are regularly funded:

- Checking
- Savings
- 401(k) or 403(b)
- Discretionary IRA or Roth IRA

## **Live beneath your means**

Set yourself up early by creating healthy habits around how much you spend on larger expenses such as rent, a car, and trips. Rather than utilizing 100% of what you need to spend on these expenses, aim to use 70-80% of your monthly budget.

## **Create a monthly budget with short- and long- term goals**

Getting into the habit of budgeting will allow you to truly analyze how much money you are spending rather than just taking an estimation. We recommend saving at least 50% of your bonus annually.

## **Understand your company's benefits**

Many people, no matter what age, don't take the time to learn their company's benefits. Knowledge is power— understanding what is available to you right from the start will help guide your financial planning decisions. We recommend reviewing for the below benefits before you start or take on a new job:

- 401(k) or 403(b) Plans

- Health Savings Account (HSA)
- Flexible Spending Account (FSA)
- Commuter and/or work from home stipend
- Health Insurance plan

## Learn investing basics

Taking the time to learn the basics of investing will set you up in the long run. Below are a few facts we believe can help shape a good investing strategy at an early age:

- The S&P 500 Index average rate of return is 10%<sup>1</sup>
- Know the Rule of 72: The rule of 72 tells you how long it will take an investment to double based on the rate of return (as an integer)

## Max out your 401(k) plan

The limit on employee elective deferrals for a traditional and safe harbor plan is \$24,500 in 2026. Know the 401(k) matching policy at your company and take full advantage of it. If you can't max out, add a percentage of each raise received up until the matching point is reached.

## Next steps

While all of this may seem like a lot to do now, it is just the tip of the iceberg when it comes to saving and investing. The biggest take away we want you to have is this: Simply to diligently put small amounts of dollars away to fund your lifestyle once you have retired.

1. The Standard and Poor's 500, or simply the S&P 500, is a stock market index tracking the stock performance of 500 large companies listed on stock exchanges in the United States. Mesirow Wealth Management is a division of Mesirow Financial Investment Management, Inc., an SEC-registered investment advisor.

Published January 2026

**Mesirow does not provide legal or tax advice.** Past performance is not indicative of future results. The views expressed above are as of the date given, may change as market or other conditions change, and may differ from views expressed by other Mesirow associates. This is not a solicitation to buy or sell the securities mentioned. Do not use this information as the sole basis for investment decisions, it is not intended as advice designed to meet the particular needs of an individual investor. Information herein has been obtained from sources which Mesirow believes to be reliable, we do not guarantee its accuracy and such information may be incomplete and/or condensed. All opinions and estimates included herein are subject to change without notice. This communication may contain privileged and/or confidential

information. It is intended solely for the use of the addressee. If you are not the intended recipient, you are strictly prohibited from disclosing, copying, distributing or using any of the information. If you receive this communication in error, please contact the sender immediately and destroy the material in its entirety, whether electronic or hard copy. This material is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security.

Mesirow refers to Mesirow Financial Holdings, Inc. and its divisions, subsidiaries and affiliates. The Mesirow name and logo are registered service marks of Mesirow Financial Holdings, Inc. ©2026, Mesirow Financial Holdings, Inc. All rights reserved. Any opinions expressed are subject to change without notice. Past performance is not indicative of future results. Advisory Fees are described in Mesirow Financial Investment Management, Inc.'s Form ADV Part 2A. Advisory services offered through Mesirow Financial Investment Management, Inc. an SEC registered investment advisor. Securities offered by Mesirow Financial, Inc. member FINRA and SIPC.