EDITOR'S NOTE

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Editor-in-Chief—Robert J. Powell III, CFP®, RMA®

Investments & Wealth Institute Executive Director/Chief Executive Officer—Sean R. Walters, CAE®

Publisher—Sean R. Walters, CAE®, swalters@i-w.org

Editorial Director—Debbie Nochlin, dnochlin@i-w.org

Production—
Erin Farrell / Factor E Creative, Layout Design
Nancy Lively, Writer
Mary George, Copy Editor
Kim McSheridan, Copy Editor
Royle Printing Company, Printer

Reprints—RMJ@i-w.org

Robert J. Powell III, CFP®, RMA®

Bill Sharpe won the Nobel Memorial Prize in Economic Sciences for his research leading to the capital asset pricing model, which helps managers decide when potential return is worth the risk—an essential task when managing a retirement distribution portfolio.

Sharpe, now an emeritus professor of finance at Stanford, is the first of our two Visionaries Series interviews in this issue of the *Retirement Management Journal*. With us, he discussed what he has called "the hardest problem in finance"—retirement planning. He also talked about the importance of nudging people to contribute more to their defined contribution plans, the role that annuities and reverse mortgages can play in a retirement-income plan, and the need for financial advisors to incorporate the life-cycle hypothesis into their practices.

In our second Visionaries interview, we spoke with Phyllis Borzi, former assistant secretary of the Employee Benefits Security Administration (EBSA) and an expert in the law that governs workplace benefits, the Employee Retirement Income Security Act of 1974 (ERISA). Borzi highlighted the Department of Labor's work on the conflict-of-interest rule, the work she did on the Affordable Care Act, and her leadership, diversity, and inclusion development efforts at the EBSA. She also disclosed the one thing she would have liked to have accomplished at the Labor Department but wasn't able to do: "I wish we had been able to finish our project on lifetime income because I think retired people shouldn't receive a pile of money that they then have to manage."

Our issue also features new research, starting with a paper from David Blanchett, managing director and head of retirement research for PGIM DC Solutions. Blanchett examined whether defined contribution plan participants who delegate portfolio management to an investment professional, e.g., a target-date fund, are more or less likely than self-directed participants to trade—and jeopardize their outcomes—during periods of market volatility.

Alicia Munnell and Gal Wettstein, of the Center for Retirement Research at Boston College, present intriguing research advancing one possible solution to the annuity puzzle. They experimentally test whether 401(k) participants are likely to use some of their assets to support themselves while delaying claiming Social Security—essentially buying themselves a larger monthly Social Security payment.

Jim Sandidge, a principal of The Sandidge Group, explains the essence of successful retirement-income management: managing the negative momentum created by market losses and withdrawals. Ever the pragmatist, Sandidge introduces us to vital signs for a distribution portfolio and includes a checklist for monitoring negative momentum. He uses examples that show how these tools can focus advisors' annual review process on pointed items that retirees can easily grasp as the basis for cash-flow recommendations.

This issue also features reviews of books and research papers that we believe expand the body of retirement-income knowledge. As always, Editorial Director Debbie Nochlin and I thank all who contributed to this issue. We expect you'll find the data and other information collected here useful in your daily practice.

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