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# *The Integrative Adviser*

## *The Association for Integrative Financial and Life Planning*

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The Association's primary purpose is to help bridge the gap between financial and life planning specialists, by supporting the development of methods and tools to further integrate them, and by supporting the establishment of viable ways for individual practitioners to work together. *The Integrative Adviser* advances this goal by providing education and publicity concerning holistic planning and advice concepts to our primary constituencies: the financial industry (financial companies and advisers), the life planning movement (individual practitioners and organizations that support them), other supporting organizations (such as employers and voluntary associations), and the broader community (including journalists, academics, and the general public).

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# *Positioning: The Transition from Thought to Action*

by Michael F. Kay, CFP®

*From the Editor: This article constitutes Chapter 8 of Kay's new book, The Business of Life: An "Inside-Out" Approach to Building a More Successful Practice (Sunnyvale, CA: AdvisorPress, 2010). In chapters 1 thru 7, he explains what "Financial Life Planning" is (a concept that is not foreign to readers of this journal), and makes a strong case that this approach is far superior to traditional financial planning. He also describes a process individual advisers can follow to further understand Financial Life Planning, understand themselves, determine if there is a match, and then envision what succeeding at it would be like.*

***"One important key to success is self-confidence. An important key to self-confidence is preparation."***

~ Arthur Ashe

My hope is that right now your brain is crackling and sizzling with the vivid vision of your life, your practice and your dreams. You've gone through all the thought exercises; you've assessed, decided and created your vision. Now it's time to move from thought to action. This next step is called Positioning because it puts you in the *position* to actually change your life, your business and your relationships with clients.

There are three main categories of positioning: positioning yourself, your business and your clients. The order in which we will discuss these points, and the order in which you approach them, is important. I believe that one needs to work internally first, making whatever personal modifications or changes are necessary. This prepares you to work on your business and then ultimately with, and for, your clients. Therefore, we will begin with a discussion of personal needs in posi-

tioning, then discuss aspects of your business that require review and perhaps alterations. Finally, we'll focus on positioning with clients, both existing and new, for the purpose of introducing them to your new business model.

## **Positioning Yourself**

As Arthur Ashe said, it takes confidence and preparation to experience success. Preparation includes the acquisition of necessary competencies, which in turn increase your confidence. What are the competencies that you must acquire? Dick Zalack, entrepreneur, coach and founder of Focus Four®, called the essential competencies KASH: Knowledge, Attitude, Skills and Habits. Does your current level of KASH match the requirements of your new practice? In most cases your level of KASH may be appropriate for what you are doing, but as you grow and change there will be gaps between where you are and where you want to be. It's important to know what you know, and even more important to know what you *don't* know. Therefore, an assessment and learning process is required.

The idea of KASH can be applied to all

areas of one's life. For example, let's say you wish to learn to play tennis. Perhaps in your younger days, you batted the ball around the court with reckless, sweaty abandon. Here you are, a few years older, having put the racquet in the closet for all these years. What will it take to be a decent player today? What knowledge, attitude, skills and habits must you adopt?

- Take tennis lessons. (Knowledge)
- Remain open to learning new skills. (Attitude)
- Practice what you learn during lessons, such as becoming proficient at serving consistently. (Skills)
- Begin and end with lots of stretching. (Habits)

The same is true for shifting into your new model. What Knowledge, Attitudes, Skills or Habits do you need to change or acquire in order to be positioned to offer Financial Life Planning to your clients? What personal habits, skills and knowledge do you need to make your vision a reality? Is your attitude appropriate to fulfill your vision? Let's look at these KASH categories and how they relate to the changes you want to make in your personal life, your business and your work as a financial advisor.

### **Knowledge**

Acquiring knowledge provides the first level in building confidence. How do you feel when you *know* you know something? You feel powerful and capable! That's exactly where I want you to be. I recall the many questions that swirled through my mind as I was in the positioning process. What don't I know? What attitude will help me get where I need to go? How do I get

there? Where do I get this information? As part of my own positioning process, I realized that I needed to understand the principles and tools of Financial Life Planning and how to apply them consistently and meaningfully. I needed to learn how to integrate Life Planning with traditional Financial Planning to turn the process into a synergistic whole. I wanted to learn about the community of Life Planners and what they were doing; I needed to find the knowledge sources. Who created Financial Life Planning? Who is teaching it? Who has a platform most appropriate for my style and my needs? While unearthing these missing chunks of knowledge, I realized that I also needed to be familiar with the abundance of resources out there, such as books and workshops. Ultimately, I would need to experience these tools first hand in order to get a taste of what my clients would be experiencing.

To obtain this knowledge, I had to be willing to invest the time and financial resources necessary to experience Life Planning and be educated about how to practice it. I spoke with other advisors and listened to what they were doing. I soon discovered many pathways to the same goal; the key was to pinpoint the methodologies that resonated most deeply with my spirit and mind. After a great deal of research, I selected Money Quotient<sup>®</sup>, a non-profit organization responsible for many effective tools used by successful Life Planners. My research culminated with attending the three-day Money Quotient training, which gave me a full experience of the life-changing power of this methodology. In addition to taking the M.Q. Fundamentals of Financial Life Planning training, I attended George Kinder's two-Day Seven Stages of Money Ma-

turity® workshop. The experience was incredibly rich and meaningful for me on a personal level and gave me additional insight into the power of Financial Life Planning.

As I hoped, these training sessions opened my mind to the myriad thoughts, feelings and opportunities that can result from participating in Life Planning exercises. Furthermore, my participation in these workshops enhanced my sensitivity and receptivity towards those who are apprehensive about delving into their money and life issues. I learned a great deal during my journey through this phase. One fact that remains clear is that gaining knowledge doesn't end; there's always more, and that is wonderful!

You may want to pause at this point and make a list of the knowledge you want to gain and how you could go about acquiring it.

### **Attitude**

Attitude is all about your mental approach. Your attitude directly influences how you see your personal and professional self, and how you view and relate to your clients, colleagues, employees and business. Breaking it down a bit further, attitude consists of four basic elements: integrity, clarity, consistency and a positive mental approach.

As a life planner, your own integrity is vital to your personal, business and clients' success. This commitment is so important that in our firm, our attitude about Financial Life Planning is, "It's not what we do, it's who we are." Life Planning initiates with who you are and expands into every aspect of your life and business. For example, one of the fundamental goals of Fi-

ancial Life Planning is living a life of balance. Therefore, in order to have integrity as a planner, you must be actively pursuing your own goals of life balance. How would you advise a client to find life balance if you are working eighty hour weeks, out of shape and a personal mess? It's important that, as a planner, you are not saying one thing and doing another.

Like integrity, clarity means knowing beyond a doubt that you are moving along your path with purpose. There's an end in mind. It's not fuzzy, it's defined: you know what you're doing and why you're doing it. Clarity regarding your goals, vision, and purpose assists you in staying focused on these goals and therefore able to make good decisions. Clarity is like walking into a dark room and turning on the lights; it minimizes the chance of tripping over the furniture!

Consistency is another aspect of attitude that supports your integrity and success. When you decide to be a Financial Life Planner, it cannot be part time. In order to be successful, you and your staff must be consistent. This means that everyone understands what is expected, what their roles are, and how they fit into the bigger picture. This consistency assures that your clients will have positive interactions with everyone on your team. It allows clients to feel at ease as you are building your relationship. Bottom line: in order to generate consistency with your staff and clients, you must display it yourself.

Personally I found this to be a surprising challenge, even with the full understanding of its positive impact. When I looked at my own behavior, I found that the one thing I had a hard time doing consistently was staying organized and focused. Each day be-

gan with the mini crisis of facing my desk and the chaotic mess that invariably covered it. I was great at being consistently disorganized; I needed to make a shift in the other direction. Every evening before leaving the office, I began clearing off my desk. I put a sticky note on my computer screen, reminding me to clean the desk at the end of each day. After two weeks, the note was unnecessary as I greatly enjoyed the clarity that came with a well-organized space first thing in the morning. This small shift, done consistently, made a great difference in my productivity and attitude.

The last aspect of attitude concerns having a positive mental approach. Let's face it, without this, the rest falls apart under its own weight. When you maintain a positive mental approach, you are better able to bring the best of yourself everyday with energy and enthusiasm. You are able to concretize your ability to improve your own life and the lives of your co-workers and clients. A great positive mental attitude is like fuel. It's also infectious, motivating not only you but also clients and staff. This attitude helps your colleagues and staff feel important, that they have purpose and are part of something great. It keeps the bar high with expectation for continued success. So much can be accomplished by maintaining this great attitude; tasks seem easier and obstacles less daunting. You can recognize the success around you and show gratitude in a meaningful and open way, resulting in increased confidence within yourself and in those around you. How could one possibly succeed without it? Like everyone else, in order to become an effective advisor, I too needed to examine my own life to see where I could improve my atti-

tude. There couldn't be any disconnect between what I teach and how I live. I scrutinized the areas of my life — financial, personal, health, spirituality, community, and so on — to make sure I was living according to my values and integrity. I was happy to see that in most areas I was right on track. There was, however, one glaring exception. What screamed at me was the fact that I was totally out of shape and overweight from a lifetime of sedentary living, lack of exercise, too much work, and lack of balance and self-respect. This had to stop!

My first step was to envision a healthy, active, balanced life. Then I researched the many resources out there and created a plan that most resonated for me. It wasn't always easy to stick to, but I had made my decision. Remaining overweight and out of shape was not an option. I found the support I needed but most of all, my attitude was the glue that kept it all together. The results were a total change in my life, which resulted in losing over eighty pounds. While not perfect, my health and body are vastly improved, my stamina and energy are supercharged and my self-vision is reborn. Exercise and healthy eating are now habits that create more balance in my life. Even though these changes were very personal, my staff, partners and clients have all benefited from the increase in energy and self-confidence brought about by my ongoing health regime. It wasn't easy, but it's definitely worth it. Let's face it—we are all works in progress. Right attitude is the fuel that will support your efforts every step of the way.

## **Skills**

Financial Life Planning requires a vari-

ety of skill sets that might seem obvious but still warrant discussion. A few of the skills especially helpful in the positioning process are:

1. Being an empathetic and engaged listener
2. Helping clients work with, and through, the appropriate exercises and tools
3. Helping clients overcome obstacles by offering options and providing advice or referrals to those in a better position to help
4. Seeing the big picture and absorbing the details while remaining focused on the essential issues
  - a. One needs to be able to ferret out the items that are not essential and focus on those that will aid the client in attaining their goals and dreams.
  - b. Being a good planner means to be able to understand the numbers and the impact of what they mean, framed by the client's unique goals.
5. Remaining objective and non-judgmental
6. Communicating effectively
  - a. Saying it like it is, not necessarily how the client would like to see it
  - b. Knowing when and how to announce the elephant in the room
  - c. Knowing what is needed at the right time: sometimes, it is silence; sometimes it is not

## 7. Delegating

- a. Knowing the outcome you desire, deciding who is best to handle the function, and that ensuring it gets done

## 8. Managing time effectively

We will discuss many of these items in future chapters. For now, ask yourself which of these or other skills you would benefit from enhancing.

## Habits

A tourist walks up to a guy on the streets of New York City and asks, "How do I get to Carnegie Hall?" Without batting an eye, the New Yorker says, "Practice!" Well folks, that's what building a skill is all about: practice with the intent of creating great habits. We all have habits—some good, some perhaps a little frayed around the edges—but we all have them, from brushing our teeth in the morning to our bedtime rituals. The goal is to take the knowledge, skills and attitudes we've been talking about and turn them into habits—behavior patterns that are performed regularly. Some habits that are particularly important for Financial Life Planning are:

1. Your ability to maintain your focus on the task at hand
  - a. For example, by delineating the steps necessary to be fully engaged in client meetings.
2. Maintaining consistency and clarity in your processes
  - a. For example, in preparing for client meetings, I consistently review the client's file before meetings. I also make sure to spend a few

minutes in silence to clear my head and become mentally prepared to bring the best of myself to each meeting.

3. Being open and non-judgmental
4. Listening empathetically and objectively
5. Returning client phone calls within twenty-four hours
6. Acknowledging jobs well done by colleagues, staff and clients
7. Taking care of your staff
  - a. For example, through meetings, activities, holiday parties, trainings; by allowing each individual to express themselves fully; and by providing a consistent framework for them to work within.
8. Staying vigilant
  - a. We all need to be constantly aware of opportunities, new knowledge, potential changes, or better methodologies or processes.
9. Constantly learning and raising the bar for yourself and others in your practice
  - a. Yesterday's knowledge is not enough. Keep learning! We need to continue to "bring it" to our lives, businesses and clients every day.
10. Maintaining gratitude and respect for oneself and others
11. Self care: maintaining health and balance

Positioning yourself is a big task, but

one that should be joyful and meaningful in many ways. After reading this section of the book, do you have an idea of what your current level of KASH is, and what you would like it to be? Address these points before moving on. This will bring you the confidence you need to position your business.

### **Positioning Your Business**

Now that you have positioned yourself in terms of your KASH, it is time to think about what changes need to occur in your business to allow you to bring Financial Life Planning to your clients. Considering all you have done already, this is a relatively simple step. It's not like you are transitioning from being financial planner to becoming a florist. This is the time to ensure that the foundation of your business is strong and sound.

Once again, clarity and consistency play an important role in the positioning process. For example, are your office processes and procedures documented and accurate? While this task might feel mundane, the benefits of having your structure, processes, and "how-to's" well thought out and in place will greatly add to your confidence and effectiveness.

In addition to increasing efficiency, clarity and consistency are vital in establishing and maintaining client relationships. For one thing, they help to build trust. Clients want and deserve a safe and stable environment in which to work with their advisors—after all, we are talking about nothing less than their money, their dreams and their future. You can demonstrate consistency in many ways, both large and small.

I remember several years ago, sitting

in a car dealership waiting for service on my car. The guy next to me growled, "They used to serve coffee here in nice mugs and have nice pastries. Now they give you these lousy Styrofoam cups and crappy stale cookies. No wonder, their service has gone downhill, too!" I took his comments to heart. Any change that clients perceive as negative—regarding either your coffee or your financial acumen—can have a carryover effect on their confidence in you and your practice. Such changes can be upsetting, confusing and distracting.

Through consistent behavior, you can give your clients what they expect and even exceed their expectations. Instead of putting out fires, you can revel in their delight.

The easiest way to achieve consistency is to clarify your processes. This means taking each process and detailing each step, sharing the process with your team, and then making sure it is followed rigorously. In my practice, we've standardized and documented the processes for everything from how our phones are answered to walking the client to the door at the end of a meeting. Consistency cuts down on unwanted surprises and system failures and creates an atmosphere of comfort and stability for the client.

This clarity and consistency also benefits your staff. Staff members thrive when they understand what they are expected to do. Furthermore, it allows them to address unexpected situations, which invariably will happen, with grace and wisdom, in a consistent and reliable manner. Finally, training new staff is simpler when your procedures are thoroughly and clearly codified. Standardizing and documenting your office procedures is

one way to position your business in order to integrate your new Financial Life Planning business model. In addition, you may also want to review these aspects of your business to see if they need modification:

- Articulate your mission statement in alignment with your philosophy.
- Redesign your website and marketing materials to reflect what you do and who you are.
- Meet with employees, colleagues and any other stakeholders. Be sure that they are on-board with the changes. When your entire team is following the same game plan, your operation will be cohesive and consistent, and you'll have created a platform for excellent communication, discussion and growth.
- Review the level of training and preparation necessary for each member of your staff. Ensure that everyone on your team is in the appropriate role and has the required training and skills. (For example, all advisors on our staff have attended the M.Q. Training, and many have attended the Kinder Training as well.)
- Establish a process for determining if new and existing clients are a good fit for your practice (see next chapter for more details).
- Ensure that your office environment reflects your vision.
- Incorporate life-planning elements into your meeting agendas.

Once you have addressed these points, I predict you will feel much more confident in your business model. You will know that your sys-

tems are sound, appropriate and well thought out. Of course, there will be more adjustments to make as you navigate these changes, but you will be much better prepared to deal with them.

Having prepared yourself and your business, you are now ready to open the doors and welcome your clients into your new and improved practice.

### **Positioning Your Clients**

“Do you just bring Life Planning to new clients and leave existing clients under the old method?” This is one of the most common questions I am asked when speaking to planners about incorporating Life Planning into their practice. My response is always the same: “Why would I offer these opportunities only to new clients? Don’t existing clients deserve my best services, too?”

I understand my colleagues’ concern. They don’t want their current clients to feel that they are moving in different directions. They’re afraid they will undermine their clients’ confidence in them. Basically, they’re afraid it will look like they did a less than perfect job getting to know their clients from the beginning. I get it. I’ve been there. It’s true that some clients may not be interested in changing the relationship. The point of positioning your clients is to determine which clients, both existing and new, are a good fit for your new business model and what you’ll do if they aren’t.

Before meeting with any clients, take some time to envision your target or ideal client. You may be surprised at how your target client is different now that you are incorporating Financial Life Planning. Consider the following:

1. Picture the clients you wish to

work with and those you do not.

2. Determine the ideal characteristics of clients who fit into your new model.
3. Think of clients who might not react well to your change.
4. Can you understand why they might not react well? Can you imagine that some people will be resistant to opening themselves up to you?
5. If your answer to item 4 is “Yes,” what actions you can take to help them make the transition to your new model—or how can you make the “letting go” process easier for them and for you?

The truth is, not everyone will embrace your ideas with your level of excitement. Some people are more open to change than others, and that’s just the way it is. Every business is different, so determining your ideal client will help you begin to understand which of your current clients are a good fit and how to deal with the ones who are not.

Another aspect of client positioning is to consider the financial ramifications. Implementing life-planning means spending additional time with clients and in the planning process. Some of our clients with the financial resources to pay for our services didn’t have the time or interest necessary to invest in this process. Other clients who were very excited about the process would have a harder time affording our fees. We had always included a certain percentage of *pro bono* cases in our firm, and we adapted our business plan to these realities.

There is no blueprint for every situation. You will have to figure out for yourself what will work for you on a

case-by-case method. You may imagine how clients will react to the change. You may feel some fear of losing clients or revenue. The key, once again, is clarity. If you're clear, you can more easily accept where your clients are coming from and deal with them honestly, kindly and respectfully. If you know why you are doing what you are doing, it makes it easier to accept that some clients just will not be right for your process or your practice.

When I made the shift in my own business, I was keenly aware that not all of my clients would be a good fit for Life Planning. Still, I was very attached to some of these clients, for emotional and financial reasons. Some were people I'd had relationships with for many years whom I knew wouldn't engage with the Life Planning exercises. A few clients looked at the Kinder questions and wouldn't even answer them. Some of them were in survival mode, some were cynical and others just wouldn't engage. My associates and I all dealt with clients who said things like "Don't talk to me about this stuff; just manage my investments." We tried to introduce them gently and remain non-judgmental to their responses. Over time, we gained clarity about how to deal with each case. We decided to remain flexible. Even now, I don't have life plans for every single one of my clients, and I'm still able to offer them excellent financial planning advice. For other clients, it made more sense to help them transfer to an affiliated firm that was more than grateful for the business. In the same way that some clients were obviously a great fit for our new model, other clients very obviously were not. The shift in our practice actually gave us the opportunity to do some much

needed house cleaning.

In assessing our new business model, my colleagues and I agreed that mutual respect was an essential component of a healthy working relationship. Therefore, if a client displayed behaviors that were inconsistent with that base line, we would release them from our practice. Here are some of the behaviors we decided we would no longer accept from clients:

- Abusive behavior: any client who is verbally abusive to an advisor or a staff person
- Disrespect for time: any client who frequently cancels appointments at the last minute without a reasonable excuse, or does not return phone calls or emails
- Disrespect for advice: any client who seeks our advice and consistently disregards that advice, even after realizing poor results
- Disregard for professional services: any client who provides poor information without regard for our time and effort and is unwilling to pay a reasonable fee for extra work

Making the necessary decisions about whom you will serve is not always easy. That being said, it is essential for your success, as well as your clients'. It is perfectly acceptable to acknowledge that you have a limited amount of time and resources available and you have the right and obligation to work with those who fit best with your practice, staff and values. I don't want you to panic that on the day you decide to change your practice, you are going to immediately dismiss this group of non-aligning clients. It's a process and it takes time, consideration and proper positioning. It may sound scary, but as you move

into the process you will find ease and confidence because you are conducting your practice the right way, for the right reasons.

Now that you have prepared yourself, it's time to present your existing clients with the changes in your practice. Here is a checklist to guide you through the process.

1. Send an announcement of the changes you're making to the practice. Invite clients to come in for a meeting.
2. If the client does not respond to the announcement, call them directly. Be prepared to explain why you have made changes and how excited you are to share this information with them.
3. Set up the meeting. At the meeting, introduce the reasons behind the changes.
4. Discuss any fee changes if you have decided to change your fee structure.
5. Introduce a Life Planning exercise and have clients practice it.
6. After they have experienced an exercise (or two), prepare to listen empathetically. Ask questions that clarify their comments, without judgment. For example, the question we typically ask after an exercise is, "How was that for you?" Be prepared to learn more about your client than you thought possible.
7. During the meeting, be mindful of your clients' body language. What are they telling you with their posture, their arm and body position? Are they positive and open or distant and reserved?

8. Notice and observe your own body language.
9. Notice how your clients respond to the questions. Are they defensive or are they forthcoming? How well do they engage in conversation? Are they trusting, or do they seem secretive and closed? If you are seeing, feeling and hearing resistance, I suggest you "announce the elephant" by simply asking, "It seems you are experiencing some resistance or difficulty. Would you care to talk about it?" If the client is shut down and refuses to go forward, then you must determine how much effort you wish to devote, or if other options are more appropriate, such as trying to re-engage at another time.

Observe your own responses. There needs to be mindfulness on all sides. Are your responses well thought out? Is the focus remaining on the client? Are you asking more than telling, and listening more than talking? As you begin to meet with your existing clients and present your new process, you will find that typically your clients will fall into two broad categories: those who love it immediately and those who are resistant. The resistant ones seem to fit into two sub-categories: those who just need more time to adjust and feel comfortable, and those who will never be able or willing to change their level of openness with you. If you meet with resistance initially, ask questions that allow them to talk about their experience. For example, we ask, "How was that for you? What did you get from that exercise?" Reiterate your reasons for change, and explain why this process is in their best interest. Then try again

at your next meeting. If the resistance continues, you may need to communicate your beliefs more clearly and offer the choice to migrate to another planner and firm.

When both advisor and client are committed to the process, Life Planning is a hugely enjoyable, energizing, and fulfilling experience for both parties. However, those clients who kick and scream through the whole process will only be an energy and resource drain for you and your staff. The point of incorporating Financial Life Planning into your practice is to know your clients so well that you can build a plan that truly resonates with their values, dreams and goals. If the client is not willing to divulge enough information to allow you to know them, then how can you do effective and meaningful planning?

The question then becomes: should you be working with those who are not aligned or who are unwilling to provide that access? In my business, we have determined that we generally will not. This was a difficult leap of faith at first. The fear arose, What if *everyone* is resistant? There will be no business! We soon discovered that, although understandable, we were just feeling the irrational fear of the unknown. We took the plunge with the confidence and excitement generated from proper positioning, and the transition for both our staff and clients was therefore surprisingly smooth.

In the next chapter, I will discuss the process for bringing new clients into your practice. Now, let's recap for a

moment. At this point, you have envisioned your preferred future and created action steps to move yourself and your practice from thought to action. You have examined your skill sets and weaknesses and assessed the knowledge and skills that you need to acquire. You have examined your personal integrity to ensure that you are moving in a direction that is harmonious with your values. You have spoken with associates and colleagues about the shift in your business. You have ensured that your staff training, foundational systems and infrastructure are effective and in alignment with your new practices. Your website and marketing materials reflect who you are and what you do with clarity. You have made wonderful and meaningful progress!

Here you are, confident and in position to change your approach to financial planning in ways that benefit you, your team, and your clients. You have looked inside and prepared yourself and your business for change. Now it is time to manifest these changes and share your new improved practice with the world. Success, as defined by you, awaits. Allow me to reframe. Success is certainly here, right now! You have made enormous progress and have done a vast amount of great work to get here. Can you take a moment or two to celebrate your many wonderful successes in navigating the trail thus far? Please do! I highly recommend a whole lot of savoring and celebrating; you deserve it.

Michael Kay, CFP<sup>®</sup>, is President of Financial Focus, LLC, a Registered Investment Advisory firm based in Livingston, NJ. A financial professional for over twenty-five years, Michael began his career as an accountant with a focus on tax, audit, financial accounting and forensic accounting. In 1985, he shifted his attention to personal financial planning, tax planning, investment strategy and wealth management as a Registered Representative of Securian Financial Services, Inc., until forming his own RIA in 2010.

Through the years, Michael has returned to academia as both student and teacher. In 2001, he earned a certificate of financial planning at New York University then returned in 2003 as an adjunct professor, teaching taxation in their CFP<sup>®</sup> Certification program.

Michael also studied with life planning pioneers Carol Anderson (Money Quotient) and George Kinder (The Kinder Institute of Life Planning). Inspired by what he learned, he explored and tested new methodologies, adopted those he considered to be the best and created a paradigm shift in his own practice.

Michael is a frequent presenter at Money Quotient trainings and retreats and is in demand as a speaker at industry events and public forums on financial planning. He is frequently quoted by the consumer media on issues related to personal finance, and serves as a resource for journalists who write for the financial planning industry. He is a regular blogger for both PsychologyToday.com and Forbes.com, and also writes a monthly column for Advisorbiz.com. In addition, Michael is a member of the Loring Ward Advisory Board and serves as the president of the Money Quotient Advisory Board.

You can learn more about Michael and Financial Focus at [www.financial-focus.net](http://www.financial-focus.net), and more about his book, *The Business of Life*, at [www.thebusinessoflife.net](http://www.thebusinessoflife.net).

# *The Legacy Process: Finding Connection, Voice, Purpose and Vision*

by Barbara A. Culver, CFP<sup>®</sup>, ChFC<sup>®</sup>, CLU, AEP<sup>®</sup>

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There are two types of legacy: the one we live everyday (our Living Legacy) and the one we will eventually leave (our Leaving Legacy.) Therefore, everyone is constantly in the process of creating his or her legacy. With skilled guidance and facilitation, it is my experience that the Individual and/or Family Legacy process unfolds in an orderly fashion which assures congruence with the Living and Leaving Legacies.

I call this process the Pathway of Awareness. It represents the journey people follow in the Legacy Creation Process.

Here are the components of the Pathway of Awareness:

The journey begins at a place called **Connection**.

Connection is a basic need of **all** people – men and women, younger and older. In the book, *From Effectiveness to Greatness*, Stephen Covey cites a study conducted at the Dartmouth Medical School in which neuroscientists actually prove that the human brain is hard-wired for connection. In other words, rather than simply a matter of choice, it is a physiological function or need for each of us to connect with other people. The choice we are given is how open or vulnerable we are willing to be compared to how closed or withdrawn we are.

For people to create meaningful lega-

cies, they must first choose to connect :

- Within ourselves so that we are “comfortable in our own skin”;
- Then with our core life values and beliefs;
- With our life purpose and passion;
- With others.

How is this done? How do we identify core life values and beliefs; how do we find our purpose and our passion?

While there may be others, the Purposeful Planning System (with which I am most familiar) offers a process to do just that. Through a series of carefully chosen exercises and questions, this interactive process is designed for individuals, couples and families to discover who we are, what is most important about life to us and how it is we want to make a positive difference in this world.

It is intentionally designed to lead to a deeper connection within ourselves and then naturally extends the opportunity to connect with others most important in our lives. (These can be individuals or groups of people and may include our family of origin through the family of humankind.)

Once people are grounded through Connection, we find our Voice and the courage to speak it. We feel where our energy naturally flows and are excited to act on what is clearly most important

in our lives. We begin to live a more authentic life instead of “trying to please Mom” or “saying what I know Dad wants to hear”.

As we discover more about “who we are” and separate our “net worth from our self worth”, we begin to think about Life Purpose. Why are we here? What are we to do with the gift of our lives? How do we integrate the purpose of our lives with the purpose of our wealth? We begin to author the chapter of “My Life Purpose and Passion” and sign it with love and gratitude as we step into the person we were meant to be and live our life accordingly.

It is this newfound passion and energy that allows us to begin to experience the world differently. “Doors begin to open” and “opportunities suddenly appear” which are aligned with our newly discovered sense of significance resulting from living our authentic life and aligning our financial decisions accordingly.

Purpose and Passion become more clear as we begin to experience first one opportunity and then another. Our creative mind begins to imagine what difference we might actually make with focused, continuous attention to what matters most to us in life. That is when our Vision becomes clear – which represents our highest calling or maximum potential.

Now there is no stopping us . . . we are connected internally and grounded emotionally, psychologically and spiritually. With just a little more guidance we are ready to connect the purpose of our life with the purpose of our financial wealth and to also share this same experience intergenerationally with those we love most in this world.

We connect with family and loved ones more deeply than ever as we find shared values and beliefs, commit to living life by a certain set of guiding principles and enthusiastically embrace a high family vision.

The Pathway to Awareness - Connection-Voice-Purpose-Vision – all possible with Purposeful Planning!

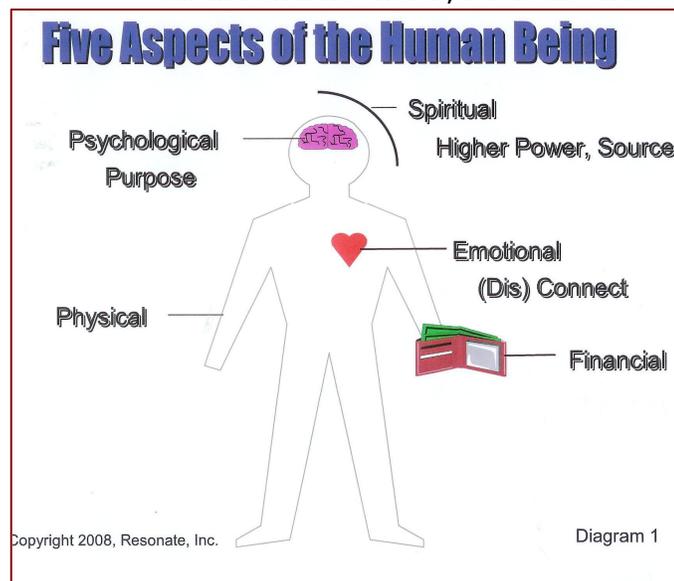
Here are the specifics we use to actually get clients to agree to proceed with us using this process.

There are a number of tools we offer which serve as the basis for “**conversation starters**”. The one I have most success with is the “Five Aspects of People and Their Money”.

### The Connection Between the Five Aspects of People and Money

First, we all obviously have the physical aspect to our lives. In addition to being the “shell” that we present to the world, this also encompasses how we treat our bodies and how we use them for good or ill.

Secondly, we have a financial aspect of our lives. This not only has to do with our material net worth, but it also has to



do with how we use our money.

There are just five things we can do with our money. They are Save, Spend, Share, Earn and Invest it.

Thirdly, there is an emotional aspect to all of our lives. The emotional aspect is the need that we all have to be connected one to the other.

The psychological aspect of our lives has to do with our purpose. What is the purpose of your life? Why are we here? What are we to be doing with the gifts we have been given?

And finally, the spiritual aspect of our lives has to do with our need to have a connection with God, Source or a Higher Power.

The interesting thing about money, is that it too has the same five dimensions and aspects to it that we do as people.

For example, there is a physical and a financial dimension to money. This is what it looks like, feels like, and how far it does or does not stretch today.

The emotional aspect of money has to

do with how the decisions we make regarding the saving, spending, sharing, earning or investing of our money causes either a connection or disconnection with ourselves and other people.

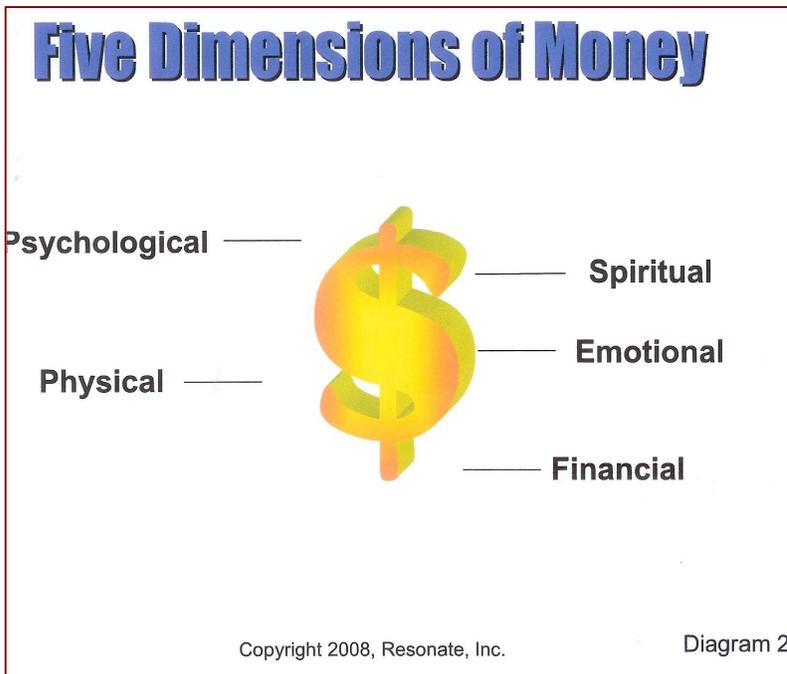
Again, can you remember a time when you made a decision to spend some money that caused a disconnect, either within yourself or between you and someone else?

By the same token, can you remember a time when you chose to either save, spend or share some money which caused a deeper connection within yourself or between you and someone else?

The psychological aspect of money has to do with its purpose. What is money for? Please take me beyond the Economics 101 answer of "Money is a medium of exchange". What is your money for really? Why do you have it? How are you to align the purpose of your life with the purpose of your wealth?

And finally, the spiritual aspect of money, has to do with its highest and best use. What is the highest and best use for your money? Please understand, that I fully believe sometimes spending money can represent its highest and best use. For example, if you helped your grandchild with a college education, could that not represent the highest and best use? If you needed to relax and paid for a pedicure, massage or round of golf – could that not represent the highest and best use?

I find that clients readily



agree with the five named aspects of who we are and also that they are fascinated with the idea that money, too, has these same five dimensions or aspects. However, they really get excited when we take them from explanation to practical application with the ***Three Miracle Questions***.

The Three Miracle Questions should be asked by oneself before making any decision regarding the saving, spending, sharing, earning or investing of your money or wealth. If you and/or your family will simply take the time to ask these three questions and answer them honestly, you may never again make any money decision that is regrettable. In fact, it will lead to money decisions that are personally satisfying, connect you with yourself and others, further your shared purpose, and represent the highest and best use of your money/wealth.

Before you make any decision regarding the savings, spending or sharing of your money/wealth ask:

1. **Will this decision connect or disconnect me from myself and others?**

If the decision you're about to make causes a disconnect, either within yourself or between you and another person, then make a different decision.

However, if this decision is going to connect you more deeply with yourself and/or other people, then move on to question number two.

2. **Is this decision I'm about to make with my money, aligned with our shared purpose?**

Again, if you get a "no" answer to this question, make a different decision.

However, if you get a "yes", then move on to question number three.

3. **Does this decision I'm about to make represent the highest and best use of my/our money/wealth?**

Once again, if you get a "no" answer to this question, make a different decision. But if your answer is "yes" then proceed.

These three simple, yet profound, questions will result in the following:

1. No one will make impulsive buying decisions.
2. No one will be trapped by psychological messages contained within our society's masterful marketing techniques which connect spending with a happy life or achieving positive self-esteem.
3. No one will feel fear, regret or guilt over any money decisions.
4. No one will ever again make a money decision from a place of anger, jealousy or revenge.
5. Everyone will only make money decisions which are aligned with your shared and most important life values, guiding life principles and beliefs.
6. Everyone will only make money decisions which more deeply connect with yourself and/or other people.
7. Everyone will only make money decisions which lead you to your ideal life.

Clients absolutely love the "Three Miracle Questions" and begin to use them immediately to create their ideal relationship with money.

***A second conversation starter*** with

which we've also had great success is to have a discussion regarding the Six Universal Human Needs.

Here is the description of the needs:

There are six such needs and the first of them is the Need for Certainty.

(Credit to Anthony Robbins.)

***Certainty is connected to feelings of survival and security.***

For some people, this may include getting married or having a specific amount of savings in a "contingency fund". For someone else, it may mean a commitment to faith or creating as much job security as possible.

The second human ***Need is for Uncertainty***. If life were totally predictable, if it came with a guarantee, people would soon be bored, stop creating, learning, growing, have less faith... or some combination of the above.

***So the Need for Uncertainty includes variety, surprise and excitement.***

***Significance*** is the third human need. ***Significance is a sense of being needed, having a sense of purpose or meaning, importance and/or uniqueness.***

Next all people have a ***Need for Connection*** or love.

***Growth*** is the fifth human need. This includes professional growth, personal growth, spiritual growth and growth within families - which is called intergenerational growth.

And finally all people ***Need to Contribute*** - to make a difference, to give something back, to leave the world a better place than we found it.

Once we have established that these needs exist in all people, we link the purpose of our planning to help people

lead a more fulfilled life by checking to see if we are, in fact, fulfilling their basic human needs in the work that we do together. We talk about closing the gap between "where they are and living their ideal life" and explain that this only happens when we can work together on both a tangible and an intangible basis.

Here's a **third conversation starter** which we have also found to be quite effective:

In addition to being designed to meet human needs, the Purposeful Planning System was also created because of the grim truth about the 70% failure rate of traditional estate planning. Tragically, this statistic is true in America and around the world - even though the expressions may change from "Shirt-sleeves to Shirtsleeves in Three Generations" to "Rice Paddy to Rice Paddy in Three Generations" to "Clogs to Clogs in Three Generations" as all describe the same result.

What these phrases mean is that, when intergenerational planning is solely driven by numbers, taxes, technicians and products, when the emphasis is only placed on the efficient transfer of one asset class limited to one's "stuff", then 70% of the time the family wealth is wasted and families fracture each time the wealth transfers. This means that by the time the wealth reaches the wealth-creators' grandchildren, the failure rate stands at 91%! (Credit to Williams and Preisser, *Philanthropy Heirs and Values*.)

Thankfully, we have discovered that once people learn about this "**70-30 Rule**", they quickly commit to creating better results and a more loving legacy for their family.

Let's return for a moment to the six human needs as contained within the Purposeful Planning System.

If you are going to meet these six needs, we also need to recognize that there are actually six asset classes for which we need to plan. (Please note that most planning is limited to planning for only one asset class – our material wealth or “stuff”.)

As just mentioned, the first and most obvious asset class which is part of life is the **Physical**. It’s our stuff. It is this one-dimensional planning that results in the 70% failure position of “*The 70-30 Rule*.”

Next we have the **Human Asset** class – which is the value of relationships with ourselves, with our families, our business associates and within community.

The **Intellectual Asset** class represents our ability to think, dream, imagine and create.

These first three asset classes are the ones that are usually addressed. However today’s thought leaders would suggest that there are three more. They name **Physical Health, Emotional Health and Spiritual Health** as essential Asset classes to also include in the planning process. (Credit to Jay Hughes and Kristen Wehner.)

Studies conducted with the High Net Worth families who have managed to not only keep and grow the physical and financial assets but also to keep the family close and connected for more than 100 years indicate that they understand and actively plan around these six asset classes as opposed to merely the physical/financial asset class. These families make up the 30% of the 70-30 Rule. By following the sage advice of Stephen Covey “Begin with the end in mind” we ask this question, “When we envision our family 50 years from now, what do we want to see, hear and feel?”

Interestingly, when considering the same question, while the details of their

stories naturally differ, these “30% Families” who have learned how to keep both the family wealth and the family harmony intact, share three key activities in common which include the six asset classes. We believe that people at all levels of financial wealth can learn from this special group as we share “**The Key Activities of Successful, Healthy, Wealthy Families**”.

First of all, these families **Communicate** – they have meaningful conversations on purpose. They prioritize time to talk about what matters most about these asset classes.

For example, “When Mom and Dad are no longer here, which family traditions and rituals do we want to continue?”

“All the kids and grandkids gather at Mom and Dad’s each year for the Fourth of July. Will we keep meeting when they are gone? Where will we go?”

“Who will be the keeper of the family history and stories?”

“How often and how will we stay connected?”

“What is going to happen to the family members who are in the family business and what will happen to those family members who are not actively engaged in our business?”

Additionally, they have learned how to hold sensitive conversations on difficult topics and come through them more connected than ever before.

“What do we do about Sue’s husband who no one really likes?”

Secondly, every family legacy plan that has lasted for more than 100 years includes **Sustainable Philanthropy**. As opposed to a bequest in a will or a charitable gift annuity, sustainable philanthropic strategies last inter-generationally and into perpetuity.

For example, this might be a donor advised fund, a supporting organization or a family foundation. Please note how each of these planning tools is designed to connect the generations through a shared family vision fueled by natural passion for a cause and to make a positive difference in life.

And finally, each of these families has a process for **Preparing the Next Generation of Heirs** to become the new leaders of the family. They have a process to teach and activate the **“Three R’s”... Rights, Roles and Responsibilities** of successful heirs.

Now we’re ready to actually explore the Purposeful Planning System shown in the Pyramid [Diagram 3] and to discover how it helps clients and client families meet their levels of six human needs because it imbeds the three key activities of healthy, wealthy families.

The Purposeful Planning System begins

with **Awareness or Awakening**. This awareness is about the **“Three Great American Money Myths”**. (Credit to Lynn Twist, *The Soul of Money*.)

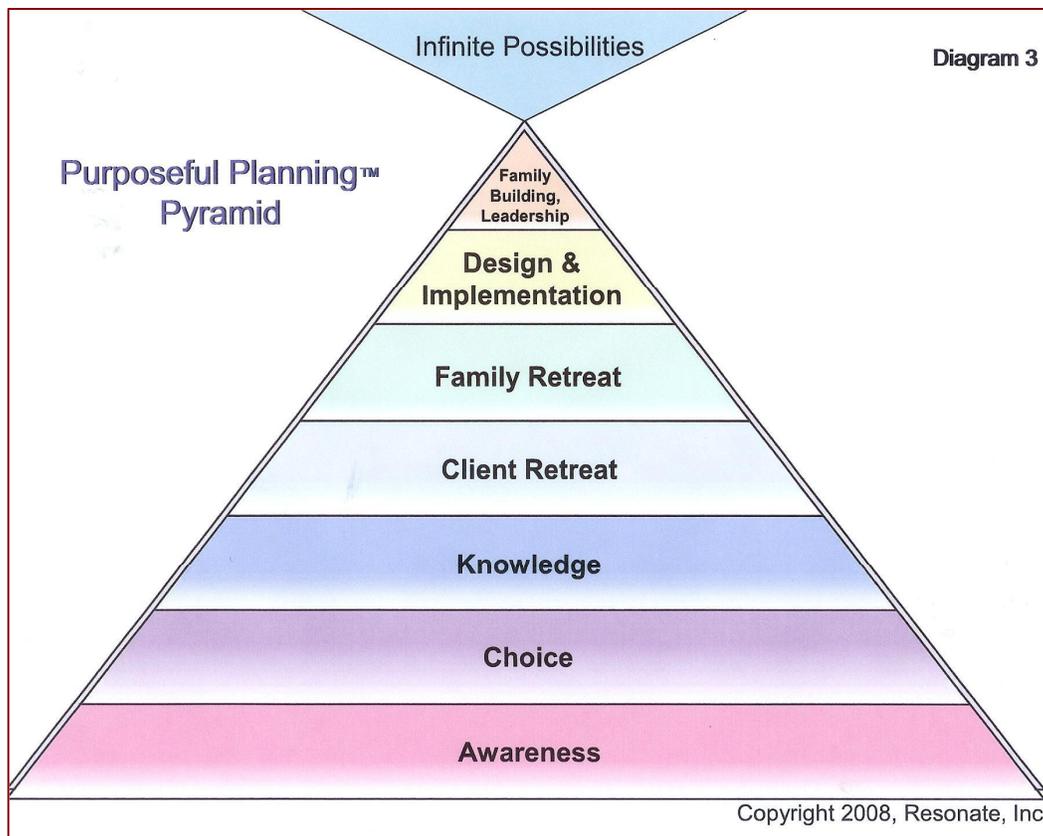
These three money myths (or outright lies) germane to the American Culture are:

- “There’s Not Enough to Go Around;”
- “More is Better”; and
- “That’s Just the Way It Is”.

Let’s explore each of these briefly.

**“There’s Not Enough to Go Around.”** This myth stems from and continues to breed fear, scarcity and lack in the world’s most prosperous nation. It fosters competition rather than collaboration.

**“More is Better”**. An insidious myth which means that we can never have enough (or perhaps never be enough);



this myth breeds greed and corruption and fosters a "Me or You" world rather than a "Me and You" world.

The third myth is **"That's Just the Way It Is."** The "have's and the have not's" have always been around and always will be. I'm just lucky enough to be a "have"...it's really too bad about the plight of the "have not's"... but there's not much I can do about it so I won't try to do anything.

Once we are aware about these myths and the destructive role they play within our lives, our businesses, our families, communities and country, then we have reached **Level Two of the Pyramid which is about Choice.**

We now can either choose to continue to believe and live our lives from the limiting perspective of the Three Money Myths or we can choose instead to embrace abundance thinking which leads to cooperation and collaboration through a knowing that **"there is enough and that we are enough"**.

The pathway to Abundance begins with the first step of Gratitude in which we acknowledge and **give thanks for what we do have** as opposed to staying focused on what we do not have.

(Use the Six Asset Classes as a way to identify what we have. For example, excellent physical health, trusted friends, a meaningful faith and material comfort.)

While a seemingly simple step, this shift in consciousness and energy **from what is missing** in our lives, in our portfolios, in our stuff, in our families to what we **do have** cannot be overstated.

As we begin to implement Abundance Thinking, we reach a new level of **Knowledge – the third level of the Pyramid.** This Knowledge helps us understand that we have received gifts of

various types throughout our lives. As we express thanks for what we have been given, we discover that this reflects the six asset classes mentioned earlier... Human, Intellectual, Physical/Financial, Physical/Health, Emotional Health and Spiritual Health. Therefore, if we now recognize the existence and importance of these six assets classes, doesn't it make sense to include each of them in the legacy planning process?

This then takes us to the **Pyramid's fourth level which is the Client Retreat.** It is here that we implement the Key of Meaningful Communication as the wealth creators initially identify, clarify and prioritize their values, core life beliefs and passions which are used to create drafts of the **Family Mission and Vision Statements and the Family Money Tree.**

**Mission Statements** describe the family's purpose, who this family is, what it believes in and stands for.

An example of a Family Mission Statement is:

*"To Keep the Family Together."*

**Vision Statements** are the action plans that will help the family fulfill its mission.

The sample Family Vision Statement goes on to say:

*"We keep the family close and connected through the creation of social, business, investment and philanthropic opportunities."*

We also create the **Family Money Tree** which is the family's guidelines for the saving, spending, sharing and investing of the family money/wealth which is aligned with mission and vision. Note that the sharing portion of the Family Money Tree is one way that we address the needs for significance and contribution and also create the sustain-

able philanthropy.

Next the Communication continues at **Level Five... the Family Retreat.** This sacred time offers family members to each have a voice and a vote in the legacy planning process as they share their values, beliefs, passion and vision for the family and the family's future. The wealth creators listen to their loved ones and then incorporate additional values and ideas resulting in the family's Shared Family Mission, Vision and Family Money Tree.

All six Levels of Human Need (Connection, Certainty, Uncertainty, Significance, Growth and Contribution) are met during the Client and Family Retreat and continue to be met throughout the ongoing process.

The Money Myths are a part of the Money Tree discussions.

Now that the family has clarity and a shared Family Mission, Vision and Financial Philosophy contained within the Money Tree, we can then draft legal and financial documents, run income and estate tax projections, re-title existing assets and purchase new products as needed. This is the **sixth level of the Pyramid and is called Design and Implementation.**

After the agreed upon strategies, documents and products are in place, the ongoing **Family Meetings begin at Level Seven.** This now provides the opportunity for the Family to create their own ongoing conversation and agreements. These meetings often revolve around a preferred structure and system of family governance - which may include writing a family constitution.

**Level Seven is also about Family Building and Leadership.** Agendas

are created for these ongoing meetings around The Three R's. They may cover everything from the family finances to family fun or from the successful transition of a family owned business transition through shared worship.

Please notice that Level Seven is the peak but not the end of the pyramid. This is because this process is actually open-ended as it leads to infinite possibilities along the Purposeful Planning Pathway. These possibilities include meeting all six human needs at a consistently higher level, continuing to embrace and employ abundant thinking, and an ever-growing sense of gratitude for who the family is and what the family has as they continue to strive for the high family vision.

Obviously this process is a journey as opposed to a series of a few meetings. Because the possibilities are so expansive, Purposeful Planning is a collaboration of many professionals. The key connector for these professionals is that they recognize the six essential asset classes to include in the process, have learned from those families now into their fifth and sixth generations of successful transition, understand the significance that human relationships play in the succession and legacy planning process and bring a willingness to "step into the client's model of the world" rather than insisting the client adapt to their ways. This willingness to step into the clients' model of the world, is the "Servant part" of Servant Leadership to which we also subscribe. When you find those professionals to facilitate the process from this perspective, be ready to experience break-through legacy planning resulting in families that are transformed!

**Barbara A. Culver CFP®**, **ChFC®**, **CLU**, **AEP®**, a principal of [Resonate, Inc.](#), is nationally known by her peers as a financial and legacy planner, speaker, consultant, and author. Barb has co-authored the books: *Getting to the Heart of the Matter, For Women By Women: Financial Passages*, and *Giving: Philanthropy for Everyone*. Unlike most professional advisors who bring only a tax or transactional approach to planning, Barb distinguishes her company with Purposeful Planning. This process integrates all aspects of the clients' lives – financial, emotional, social and spiritual into the planning process. Barb then aligns "who people are" with "what they have" through state-of-the-art technical plan design. Barb is honored to be one of Cincinnati's distinguished Five Star Wealth Managers. Recognized as a thought-leader in the financial services profession, Barb's ideas were featured in the March 2009 issue of *Financial Planning* magazine. Barb is a much sought after industry speaker, previously served as Editor-in-Chief of the Commerce Clearing House *Journal of Practical Estate Planning*, has appeared on CBS "This Morning", CNBC "Money Talk" and National Public Radio. She has given interviews to *Money Magazine*, the *Wall Street Journal*, *On Wall Street*, *New York Times*, *Town & Country Magazine* and *Private Wealth*.

Her recent accomplishments and awards include:

- Advisors in Philanthropy Fithian Leadership Award – 2009
- MDRT Court of the Table – 1994-1997, 2001-2006
- MDRT Top of the Table – 1998-2000, 2007-2010
- Life Qualifying Member, MDRT – 2001-2010
- Leading Women 2000, Woman of the Year in Finance & Banking – 2000
- Five Star Wealth Manager, Best in Client Satisfaction – 2008-2009

## Research Notes

Please contribute to this column by sending us notices or links for research related to aging, advising, demographics, financial decision-making, retiree attitudes or lifestyles, death and dying, or any of the numerous other topics of broad interest to financial and life planners.

### Advising

In *Age and Ageing* (May 2011, Vol. 40, No. 3), Paul Clarkson *et al* write about "Integrating Assessments of Older People: Examining Evidence and Impact from a Randomised Controlled Trial." Conducting their research in England, the authors found benefits in integrating medical assessments with those from social service agencies, but they raise the question of whether these benefits are worth the additional cost. For an extract of this article, visit:

<http://ageing.oxfordjournals.org/content/40/3/388.extract>

Kathy Gurchiek's May 7 article, "Retirement Coaching Gives Employees a Handle on Future," emphasizes the value of personal retirement coaching in helping employees make the transition into retirement. For the full article, on the Society for Human Resource Management website, go to:

<http://www.shrm.org/hrdisciplines/benefits/Articles/Pages/RetirementCoaching.aspx>

In the April 2011 issue of *The Atlantic* (Vol. 307, No. 3), Graeme Wood provides a preliminary look at research at Boston College on the very wealthy. His article, "The Fortunate Ones," identifies key ways in which the financial, family, psychological, and other issues of the wealthy are different from and often more severe than those of their less wealthy counterparts.

Joseph P. Forgas reports in "Affective Influences on Self-disclosure: Mood Effects on the Intimacy and Reciprocity of Disclosing Personal Information," *The Journal of Personality and Social Psychology* (Vol. 100, No. 3, March 2011), that people in a good mood are more likely to open up, while those in a bad mood tend to disclose information only to the extent that their conversational partners do so. The abstract can be viewed at:

<http://psycnet.apa.org/journals/psp/100/3/>

### Aging

*The Longevity Project: Surprising Discoveries for Health and Long Life from the Landmark Eight-Decade Study*, by Howard S. Friedman and Leslie R. Martin (\$25.95, from Hudson Street Press, March 2011), contains analysis from a study of 1500 people, identifying factors that did (and didn't) contribute to longevity, and suggesting changes we can make even if certain risk factors are against us. For Amazon's listing go to:

[http://www.amazon.com/Longevity-Project-Surprising-Discoveries-Eight-Decade/dp/1594630755/ref=sr\\_1\\_1?s=books&ie=UTF8&qid=1304639550&sr=1-1](http://www.amazon.com/Longevity-Project-Surprising-Discoveries-Eight-Decade/dp/1594630755/ref=sr_1_1?s=books&ie=UTF8&qid=1304639550&sr=1-1)

The U.S. Administration on Aging has put out *A Profile of Older Americans: 2010* (undated, but released in March). The complete report, containing both narrative and summary information on demographics, housing, employment,

education, and health-related issues is available at:

[http://www.aoa.gov/AoARoot/Aging\\_Statistics/Profile/2010/docs/2010profile.pdf](http://www.aoa.gov/AoARoot/Aging_Statistics/Profile/2010/docs/2010profile.pdf)

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In "Emotional Experience Improves with Age: Evidence Based on Over 10 years of Experience Sampling," *Psychology and Aging* (March 2011, Vol. 26, No. 1), Laura L. Carstensen *et al* find evidence not only that emotional well-being improves from early adulthood to old age, but that it also leads to longer life. The abstract can be found at:

<http://psycnet.apa.org/index.cfm?fa=browsePA.volumes&jcode=pag>

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In the same issue, David Richter and Ute Kunzmann report that older adults generally are better at experiencing empathy than younger ones, and perform worse only when the subject matter has to do with issues that have little relevance to the older adult. The abstract of "Age Differences in Three Facets of Empathy: Performance-based Evidence" can be found at:

<http://psycnet.apa.org/index.cfm?fa=browsePA.volumes&jcode=pag>

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Novelist, memoirist and biographer Doris Grumbach isn't buying into the glories of aging. In "The View from 90," in the Spring 2011 issue of *The American Scholar* (Vol. 80, No. 2), she says that even those of her generation who are doing well are hardly in their "golden years." For more information, go to:

<http://www.theamericanscholar.org/the-view-from-90/>

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The U.S. General Accounting Office has released a February 28, 2011 report titled *Older Americans Act: More Should Be Done to Measure the Extent of Un-*

*met Need for Services*. The GAO reveals that inconsistent and incomplete record keeping and measurement procedures at the state level tell us how many elderly people receive services like free meals, but do not tell us how many people needing these services are not receiving them. For the complete report, visit:

<http://www.gao.gov/new.items/d11237.pdf>

### *Psychology and Neuroscience*

Robert D. Hill offers "A Positive Aging Framework for Guiding Geropsychology Interventions," in the March 2011 issue of *Behavior Therapy* (Vol. 42, No. 1). Hill defines positive aging from a psychological point of view, then prescribes employing gratitude, forgiveness, and altruism to help achieve it. For more, consult the abstract, at:

[http://www.sciencedirect.com/science?\\_ob=PublicationURL&tockey=%23TOC%2329681%232011%23999579998%232886841%23FLA%23&cdi=29681&pubType=J&auth=y&acct=C000050221&version=1&urlVersion=0&userid=10&md5=cf2a04ec140b814628e645a30906dc06](http://www.sciencedirect.com/science?_ob=PublicationURL&tockey=%23TOC%2329681%232011%23999579998%232886841%23FLA%23&cdi=29681&pubType=J&auth=y&acct=C000050221&version=1&urlVersion=0&userid=10&md5=cf2a04ec140b814628e645a30906dc06)

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A team of Mexican neurobiologists has found that experiences that tend to invoke compassion light up different areas of the brain in women and men, suggesting that compassion and its moral elements emerge from differently evolved neural mechanisms and socially learned features, possibly related to nurturing skills. The abstract of "Perception of Suffering and Compassion Experience: Brain Gender Disparities," in the June 2011 issue of *Brain and Cognition* (Vol. 76, No. 1), by Roberto E. Mercadillo *et al*, is available at:

<http://www.sciencedirect.com/science/article/pii/S0278262611000662>

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Iris B. Mauss *et al* report in "Don't Hide

Your Happiness! Positive Emotion Dissociation, Social Connectedness, and Psychological Functioning," *The Journal of Personality and Social Psychology* (Vol. 100, No. 4, April 2011), that positive emotional behavior that accurately signals to others the individual's internal state will enhance social connectedness, which further enhances happiness. The abstract can be viewed at:  
<http://psycnet.apa.org/journals/psp/100/4/>

In the same issue, Patricia Frazier *et al* document the ways in which perceptions of control over events improve our ability to cope with stressful situations. The abstract of "Perceived Past, Present, and Future Control and Adjustment to Stressful Life Events" can be viewed at:  
<http://psycnet.apa.org/journals/psp/100/4/>

### *Sociology and Demographics*

*The Changing Demographic Profile of the United States*, a report compiled by Laura B. Shrestha and Elayne J. Heisler of the Congressional Research Service, examines U.S. demographic trends going back to 1950 and projected into the future. The complete 36-page analysis is available at:  
[http://assets.opencrs.com/rpts/RL32701\\_20110331.pdf](http://assets.opencrs.com/rpts/RL32701_20110331.pdf)

For the latest U.S. population projections, see *The Next Four Decades: The Older Population in the United States, 2010 to 2050*, issued by the U.S. Census Bureau in May. It provides population projections using detailed demographic categories shown at 10-year intervals, and can be found at:  
<http://www.census.gov/prod/2010pubs/p25-1138.pdf>

The AARP Public Policy Institute has assembled a "State Data Center" where you can readily get hold of study data pertaining to any particular U.S. state. Check it out at:  
[http://www.aarp.org/research/ppi/state\\_data/](http://www.aarp.org/research/ppi/state_data/)

The AARP Public Policy Institute also reported, in May, on *Family Income Sources for Older Persons, 2009*. This study, by Ke Bin Wu, illustrates a variety of trends in household income over the past 20 years in the U.S. It's available in full at:  
<http://assets.aarp.org/rgcenter/ppi/econ-sec/fs224-economic.pdf>

### *Investment and Personal Finances*

The National Council on Aging's "Benefits CheckUp" website helps people find and enroll in federal, state, local and private programs that help pay for prescription drugs, utility bills, meals, health care and other needs. You can reach it at:  
<http://www.benefitscheckup.org/>

*The MetLife Study of Elder Financial Abuse: Crimes of Occasion, Desperation, and Predation Against America's Elders* (June 2011) provides a striking and fairly detailed summary of this growing problem, and what is being done about it. For the full text, refer to:  
<http://www.metlife.com/assets/cao/mmi/publications/studies/2011/mmi-elder-financial-abuse.pdf>

What the title of the press release from PricewaterhouseCooper doesn't tell you ("Cash and Debt Management Issues Prevent Employees from Saving for Retirement"), the subtitle does ("Nearly half of working US Adults find it difficult to pay household expenses on time").

But this unusually meaty press report, released April 20, 2011 and based on a survey of 1,610 adults making at least \$30,000 annually, does provide additional data and analysis, if you need it. View the full release at:

<http://www.pwc.com/us/en/press-releases/2011/cash-and-debt-management-issues.jhtml>

In "Safe Savings Rates: A New Approach to Retirement Planning over the Life Cycle" (*Journal of Financial Planning*, Vol. 24, No. 5, May 2011), Wade D. Pfau concludes that consistent rates of retirement saving during employment are much more important than consistent rates of withdrawal during retirement, though he observes that there is no one rate that is right for everyone.

In their March 2011 paper for the Center for Economic Studies, *Does the Retirement Consumption Puzzle Differ across the Distribution?*, Jonathan D. Fisher and Joseph T. Marchand document that the drop in consumer spending that occurs at retirement is greatest for people who spend the most, and disappears in the bottom fifth of the economic distribution. (The data is useful, but perhaps the real puzzle is why anyone would consider these findings surprising.) For access to the complete report, go to:

[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1786433##](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1786433##)

In *Why Aren't More Families Buying Life Insurance?*, a March 2011 working paper for the Boston College Center for Retirement Research, Matthew S. Chambers *et al* use complex mathematical analysis to show that people generally purchase much less life insurance than their actual risks would justify.

For the complete text, including all the math, go to:

[http://crr.bc.edu/images/stories/Working\\_Papers/wp\\_2011-7.pdf](http://crr.bc.edu/images/stories/Working_Papers/wp_2011-7.pdf)

In "Motivating and Helping the Overspending Client: A Stages-of-Change Model" (*Journal of Financial Planning*, Vol. 24, No. 3, March 2011), James Grubman *et al* provide guidance for assessing the overspending client's readiness to change, and describe techniques for moving clients toward lasting success in changing their habits.

"Trends in the Fees and Expenses of Mutual Funds, 2010" are documented in the March 2011 issue of *ICI Research Perspective* (Vol. 17, No. 2). Average fees on stock funds fell slightly, to 95 basis points and on bond funds to 72 bp; average sales loads were only 1%, but that was because of institutional discounts (individuals pay more). See all the details at:

<http://www.ici.org/pdf/per17-02.pdf>

In a rather elaborate study of the link between income and life satisfaction, Jörn-Steffen Pischke finds evidence of a truly causal link between the two. For an abstract of *Money and Happiness: Evidence from the Industry Wage Structure*, a May 2011 working paper from the National Bureau of Economic Research, visit:

<http://www.nber.org/papers/w17056>

In "Introducing the 'Debt Policy Statement'" (*Journal of Financial Planning*, Vol. 24, No. 4, April 2011), Shawn Brayman outlines how the debt side of the personal balance sheet should and can be managed in much the same way as the assets side, taking into account

financial goals, risk tolerance, and diversification among “debt classes.”

### *Pensions, Annuities, and Social Security*

*Who Will Build Your Future? The New Employee Relationship* is a report by the Harvard Business Review Analytic Services for Unum insurance released in March 2011. It finds that companies that have continued to focus on the well-being of their employees, and who offer benefits out of a sense of responsibility to their employees, experienced fewer cutbacks in recent years. For the full report see:

[http://forms.unum.com/StreamPDF.aspx?strURL=/FMS\\_112705-1.pdf&strAudience=StreamByNumber](http://forms.unum.com/StreamPDF.aspx?strURL=/FMS_112705-1.pdf&strAudience=StreamByNumber)

Not surprisingly, given the recent economy, *The 2011 Annual Report of the Social Security Trust Funds* released in May by the U.S. Treasury Department shows that the trust funds are now projected to run out of money a bit earlier than previous projections had shown. For all the gory details, go to:

<http://www.ssa.gov/oact/tr/2011/tr2011.pdf>

The U.S. General Accounting Office concludes in a March 30, 2011 report that “for those in a pension plan, there is concern that [tax] incentives accrue primarily to higher income employees and do relatively little to help lower income workers save for retirement.” You can get a full copy of their extensive analysis and recommendations, titled *Private Pensions: Some Key Features Lead to an Uneven Distribution of Benefits*, at:

<http://www.gao.gov/new.items/d11333.pdf>

Brian Perlman *et al* produced a report in March 2011 titled *Pensions and Retirement Security: A Roadmap for Policy*

*Makers*, for the National Institute on Retirement Security. This survey and analysis report high anxiety and low confidence about retirement in the U.S., which is a reflection of serious problems with the retirement system. For the complete report, go to:

[http://www.nirsonline.org/storage/nirs/documents/Public%20Opinion/final\\_report.pdf](http://www.nirsonline.org/storage/nirs/documents/Public%20Opinion/final_report.pdf)

The Investment Company Institute reveals “Who Gets Retirement Plans and Why,” in the March 2011 issue of *ICI Research Perspective* (Vol. 17, No. 3). Among the findings of this lengthy, detailed report on plan availability and participation: employees at firms that offer plans are more likely to be older, have higher earnings, and work full time. The full report is available at:

<http://www.ici.org/pdf/per17-03.pdf>

The March 2011 issue of the U.S. Bureau of Labor Statistics *Program Perspectives* focuses on “Defined Contribution Plans: Six Ways to Save for Retirement.” Their report discusses savings and thrift, deferred profit sharing, money purchase pension, savings incentive match plan, employee stock ownership, and simplified employee pension plans — the rate of worker participation in each type of plan, and the method of contribution to the plans. For the full text, go to:

[http://www.bls.gov/opub/perspectives/program/perspectives\\_vol3\\_issue3.pdf](http://www.bls.gov/opub/perspectives/program/perspectives_vol3_issue3.pdf)

*Social Security and Black Women* is a May 2011 report from the Institute for Women’s Policy Research. This study shows that while Social Security is an extremely important source of income for black women, the program does not do as good a job meeting their needs as it could. For access to the complete

report, go to:

<http://www.iwpr.org/publications/pubs/social-security-and-black-women>

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Mendel A. Melzer and Julie Leinenbach of The Newport Group have produced an *Evaluation Scorecard for Retirement Income Products*, on behalf of the Institutional Retirement Income Council (May 2011). They propose a set of five criteria for evaluating products intended to provide lifetime retirement income to plan members. The complete text of this paper can be viewed at:

<http://iricouncil.org/docs/Evaluation%20Scorecard%20for%20Retirement%20Income%20Products.pdf>

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In *Retirement Income Adequacy With Immediate and Longevity Annuities*, a May 2011 issue brief for the Employee Benefits Research Institute, Youngkyun Park finds benefits to high levels of annuitization, especially for lower income individuals. The full text is located at:

[http://www.ebri.org/pdf/briefspdf/EBRI\\_IB\\_05-2011\\_No357\\_Annuities.pdf](http://www.ebri.org/pdf/briefspdf/EBRI_IB_05-2011_No357_Annuities.pdf)

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The OECD has published a 325-page book titled *Pensions at a Glance 2011: Retirement-Income Systems in OECD and G20 Countries*. It includes special chapters on pension ages, retirement behavior, pension incentives to retire, the demand for older workers and linking pensions to life expectancy. For more information, visit:

[http://www.oecd.org/document/20/0,3746,en\\_2825\\_497118\\_42992113\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/20/0,3746,en_2825_497118_42992113_1_1_1_1,00.html)

### *Work and Retirement*

The *12<sup>th</sup> Annual Transamerica Retirement Survey: Full-Time and Part-Time Workers* is a massive, 222-page document focusing on the U.S. workforce (broken down in great detail), with spe-

cial emphasis on retirement plans and retirement preparedness. This segment was released in May, with the Employer Survey results still forthcoming. It's available in full at:

<http://www.transamericacenter.org/resources/TCRS%2012th%20Annual%20Survey%20-%20Worker%20Full%20Report%205-2011%20FINAL.pdf>

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In the first of four articles on retirement in the April 2011 issue of *American Psychologist* (Vol. 66, No. 3), Kenneth S. Schultz and Mo Wang discuss "Psychological Perspectives on the Changing Nature of Retirement". Their emphasis is on how psychologists understand and research retirement, more than on how to help clients cope with it. For the abstract, go to:

<http://psycnet.apa.org/journals/amp/66/3/170/>

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In the second of the four articles in the *American Psychologist*, Gary A. Adams and Barbara L. Rau conclude that although psychology has begun to play a role in understanding and addressing retirement preparation, there are considerable opportunities for psychologists to engage with this issue in their research and applied work. The abstract of "Putting Off Tomorrow to Do What You Want Today: Planning for Retirement" can be found at:

<http://psycnet.apa.org/journals/amp/66/3/180/>

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The third of the four *American Psychologist* retirement articles is "A Three-phase Model of Retirement Decision Making" by Daniel C. Feldman and Terry A. Beehr. Their article organizes prominent theories about retirement decision making around three different types of thinking about retirement: imagining the possibility of retirement, assessing when it is time to let go of

long-held jobs, and putting concrete plans for retirement into action at present. They also make suggestions for further research. View the abstract at: <http://psycnet.apa.org/journals/amp/66/3/193/>

The last of the four *American Psychologist* articles on retirement is "A Review of Theoretical and Empirical Advancements" by Mo Wang *et al.* They review empirical findings that are associated with the key research questions in the psychological literature: (a) What is the general impact of retirement on the individual? and (b) What are the factors that influence retirement adjustment quality? The abstract is available at: <http://psycnet.apa.org/journals/amp/66/3/204/>

In "Indicators of Job Strain at Midlife and Cognitive Functioning in Advanced Old Age" (*Journals of Gerontology Series B: Psychological Sciences*, Vol. 66B, No. 3, May 2011), Ross Andel *et al* report results from a Swedish study showing that job control at midlife, by itself and in combination with job demands, may influence cognitive functioning later above and beyond demographic variables and other occupational characteristics. For the abstract, go to: <http://psychsocgerontology.oxfordjournals.org/content/66B/3/287.abstract>

The Bankers Life and Casualty Company Center for a Secure Retirement has released another study of the middle-income market: *Middle-Income Boomers, Financial Security and the New Retirement* (May 2011). Their findings are not surprising, but the details may be of interest. Older middle-income workers mostly look forward to retirement, but realize that retirement will be different for them than it was for their elders, they are behind in their saving (which

was aggravated by the recession), and they plan to delay retirement in response. The full study is available at: [http://www.centerforsecureretirement.com/media/77155/18249\\_middle\\_income\\_boomers\\_may\\_2011.pdf](http://www.centerforsecureretirement.com/media/77155/18249_middle_income_boomers_may_2011.pdf)

In *Who Retires Early?*, Henry J. Aaron and Jean Marie Callan examine differences in personal circumstances between those who retire and those who remain at work for pay at various ages. In this May 2011 working paper for the Boston College Center for Retirement Research, the authors find that differences between the two groups are actually small, and they discuss the implications of proposed increases in the Social Security retirement age. For the complete text, including detailed statistical analyses, go to:

[http://crr.bc.edu/images/stories/Working\\_Papers/wp\\_2011-10\\_508.pdf](http://crr.bc.edu/images/stories/Working_Papers/wp_2011-10_508.pdf)

In a separate May 2011 paper for the Boston group, *The Potential Impact of the Great Recession on Future Retirement Incomes*, Barbara Butrica *et al* show that the recession will reduce average annual incomes at age 70 by 4.3 percent, or \$2,300 per person. They also provide details on which groups are expected to be hurt more, and which less. For the full report, see:

[http://crr.bc.edu/images/stories/Working\\_Papers/wp\\_2011-9\\_508.pdf](http://crr.bc.edu/images/stories/Working_Papers/wp_2011-9_508.pdf)

See also *How Will the Great Recession Affect Future Retirement Incomes?* by the same authors, for the Urban Institute. They find significant negative effects for many working families, including those that did not lose their jobs. The entire report is can be found at: <http://www.urban.org/uploadedpdf/412339-Future-Retirement-Incomes.pdf>

In *The 2011 Retirement Confidence Survey: Confidence Drops to Record Lows, Reflecting "the New Normal"*, a March 2011 issue brief for the Employee Benefits Research Institute, Ruth Helman *et al* find that existing retirees are holding steady, but people still working are concerned about lower savings, delayed retirement, and having to continue to need some earnings during retirement. The full text is located at: [http://www.ebri.org/pdf/briefspdf/EBRI\\_03-2011\\_No355\\_RCS-2011.pdf](http://www.ebri.org/pdf/briefspdf/EBRI_03-2011_No355_RCS-2011.pdf)

In an April 2011 video for the Urban Institute, Richard W. Johnson discusses "Women's Retirement Risks." He explains the financial and health challenges women commonly face with age, what retirement looks like for women in the 21st century, and policy recommendations to help women in their golden years. For more, see: <http://www.urban.org/publications/500224.html>

### *Health, Medicine, and Elder Care*

The *Genworth 2011 Cost of Care Survey* was released on April 28 by the Genworth Financial, Inc.. This annual update shows U.S. national average and state-by-state costs for home health care, adult day care, assisted living, and nursing homes. For all the details, go to: [http://www.genworth.com/content/etc/medialib/genworth\\_v2/pdf/lrc\\_cost\\_of\\_care.Par.14625.File.dat/2010\\_Cost\\_of\\_Care\\_Survey\\_Full\\_Report.pdf](http://www.genworth.com/content/etc/medialib/genworth_v2/pdf/lrc_cost_of_care.Par.14625.File.dat/2010_Cost_of_Care_Survey_Full_Report.pdf)

The U.S. Centers for Disease Control has released preliminary data from 1997 thru 2010 on U.S. adult health, detailing access to health insurance and care facilities, vaccination, the prevalence of smoking, obesity, and alcohol use, levels of physical activity, and incidence of certain specific diseases. *The*

*Early Release of Selected Estimates Based on Data From the January–September 2010 National Health Interview Survey* (March 23, 2011) is available at:

<http://www.cdc.gov/nchs/data/nhis/earlyrelease/earlyrelease201103.pdf>

Marie Y. Savundranayagam *et al* report on "A Dimensional Analysis of Caregiver Burden Among Spouses and Adult Children" in the June 2011 issue of *The Gerontologist* (Vol. 51, No. 3). Caregiver burden is a multidimensional construct, addressing tension and anxiety (stress burden), changes in dyadic relationships (relationship burden), and time infringements (objective burden) resulting from caregiving. The abstract is online at:

<http://gerontologist.oxfordjournals.org/content/51/3/321.abstract>

In the same issue, Grant M. Harris *et al* appraise "Exemplary Care as a Mediator of the Effects of Caregiver Subjective Appraisal and Emotional Outcomes." "Exemplary care" is a new construct encompassing care behaviors that the authors study within stress process models of dementia caregiving. For the abstract, see:

<http://gerontologist.oxfordjournals.org/content/51/3/332.abstract>

AHIP (the U.S. health insurance industry consortium) reports on the results of a March 9, 2011 conference. *Health Care Cost Summit: Slowing the Growth of Health Costs — How to Bend the Cost Curve* summarizes the conversation, which emphasized the need for system-wide solutions and the need to focus on care for chronic illnesses. The report is available at:

<http://www.ahipresearch.org/pdfs/March2011CostSummit.pdf>

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In a March 2011 paper for the Urban Institute, Richard W. Johnson and Janice Park investigate *Who Purchases Long-Term Care Insurance?* They break down the 10.7% of Americans who own private long-term care insurance by age, ethnicity, and income level. The entire report is can be found at:

<http://www.urban.org/uploadedpdf/412324-Long-Term-Care-Insurance.pdf>

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The April 2011 issue of the U.S. Bureau of Labor Statistics *Program Perspectives* focuses on "High Deductible Health Plans: A Growing Option in Private Industry." Their report highlights data for private industry workers, including participation and comparisons between deductibles for traditional and high-deductible plans. For the full text, go to:

[http://www.bls.gov/opub/perspectives/program/perspectives\\_vol3\\_issue4.pdf](http://www.bls.gov/opub/perspectives/program/perspectives_vol3_issue4.pdf)

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In the April 2011 issue of *The Gerontologist* (Vol. 51, No. 2), Sunha Choi discusses "Longitudinal Changes in Access to Health Care by Immigrant Status Among Older Adults: The Importance of Health Insurance as a Mediator". Choi finds that recent immigrants are less likely to have Medicare and private insurance over time; this in turn is related to lower probabilities of having a usual source of care (i.e., an *indirect* relationship), though there is no *direct* relationship between immigrant status and having a usual source of care. The abstract is online at:

<http://gerontologist.oxfordjournals.org/content/51/2/156.abstract>

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The U.S. Centers for Disease Control have released a brief report on U.S. life expectancy by race (white/black) and

gender. "Life Expectancy and Years Free of Activity Limitations, by Race and Sex --- United States, 2006" shows both the total life expectancy and the number of years without significant limitations on activity. The difference, which is the number of years of disability, is greatest for black females and least for white males. For the full text from the April 1, 2011 *Morbidity and Mortality Weekly Report* (Vol. 60, No. 12), go to:

[http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6012a7.htm?s\\_cid=mm6012a7\\_w%ED%AF%80%ED%B2%84](http://www.cdc.gov/mmwr/preview/mmwrhtml/mm6012a7.htm?s_cid=mm6012a7_w%ED%AF%80%ED%B2%84)

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The Winter 2010-2011 issue of *Generations: Journal of the American Society on Aging*, is devoted to the topic, "Building a Workforce to Care for an Aging Society: Challenges and Opportunities." It addresses the question of how the U.S. will find and train the 2-to-3 million new health care workers that it needs between now and 2018. For more, see:

<http://www.asaging.org/generations/gen34-4/home.cfm>

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In *Age and Ageing* (May 2011, Vol. 40, No. 3), Yvonne M. Drewes *et al* write about "The Effect of Cognitive Impairment on the Predictive Value of Multimorbidity for the Increase in Disability in the Oldest Old: The Leiden 85-plus Study." Based on research in the Netherlands, the authors found that very old people with two or more serious illnesses are more prone to disability, but that this is not the case when there is cognitive impairment. For the abstract, visit:

<http://ageing.oxfordjournals.org/content/40/3/352.abstract>

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In the same issue, Mark McCann *et al* identify that the presence of potential caregivers within the home, but not

those living elsewhere, is a major factor determining admission to residential care facilities. You can find the abstract of "Living Arrangements, Relationship to People in the Household and Admission to Care Homes for Older People" at: <http://ageing.oxfordjournals.org/content/40/3/358.abstract>

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For an inventory of empirically-derived knowledge on elder mistreatment, a review of the major theoretical approaches to the causes of elder mistreatment, and a proposed new model regarding elder mistreatment of older adults with cognitive impairment, take a look at the May 2011 U.S. Department of Justice report, *Theoretical Model Development in Elder Mistreatment* by Kerry Burnight and Laura Mosqueda. This paper is available online at: <http://www.ncjrs.gov/pdffiles1/nij/grants/234488.pdf>

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In "Spouses, Adult Children, and Children-in-Law as Caregivers of Older Adults: A Meta-analytic Comparison," *Psychology and Aging* (March 2011, Vol. 26, No. 1), Martin Pinguet and Silvia Sörensen compile results from 168 previous studies, finding, among other conclusions, that spouse caregivers report more depression symptoms, greater financial and physical burden, and lower levels of psychological well-being, with higher levels of psychological distress among spouses explained mostly — but not completely — by higher levels of care provision. The abstract can be found at: <http://psycnet.apa.org/index.cfm?fa=browsePA.volumes&jcode=pag>

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R. Turner Goins *et al* report on "Adult Caregiving Among American Indians: The Role of Cultural Factors" in the

June 2011 issue of *The Gerontologist* (Vol. 51, No. 3). Their findings indicate that greater cultural identity and engagement in traditional healing practices are related to caregiving in American Indian populations. The abstract is online at: <http://gerontologist.oxfordjournals.org/content/51/3/310.abstract>

### *Housing, Community, and Leisure*

In *Home Sweet Home: Still*, the PEW Research Center reports that five years after the housing bubble burst, 81% of Americans still believe that buying a home is the best investment one can make. This and other related data is available in the April 12, 2011 release, which you can find at: <http://pewresearch.org/pubs/1960/homeownership-still-thought-best-long-term-investment-by-big-majority>

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The AARP Public Policy Institute's April 2011 report, *How the Travel Patterns of Older Adults Are Changing: Highlights from the 2009 National Household Travel Survey*, by Jana Lynott and Carlos Figueiredo, indicates that travel, especially non-auto travel, by older Americans has increased significantly in recent years. The full report is at: <http://assets.aarp.org/rgcenter/ppi/liv-com/fs218-transportation.pdf>

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The AARP Public Policy Institute also reported, in May, on *Home and Community-Based Long-Term Services and Supports for Older People*. This study, by Enid Krassner, describes the at-home support provided by family and by local services, and also references residential alternatives. It's available in full at: <http://assets.aarp.org/rgcenter/ppi/lrc/fs222-health.pdf>

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A third paper by the AARP Public Policy Institute, *Multigenerational Households Are Increasing*, by Rodney Harrell *et al*, reports an increase in such households from 6.2 to 7.1 million in the U.S. just from 2008 to 2010. See: <http://assets.aarp.org/rgcenter/ppi/econ-sec/fs221-housing.pdf>

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In the April 2011 issue of *The Gerontologist* (Vol. 51, No. 2), Galit Nimrod discusses "The Fun Culture in Seniors' Online Communities". Nimrod finds that the online social culture offers participants many desired benefits, including meaningful play, a sense of community, opportunity to practice and demonstrate their abilities, and means for coping with aging, and that therefore it may have a positive impact on seniors' well-being and successful aging. The abstract is online at: <http://gerontologist.oxfordjournals.org/content/51/2/226.abstract>

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In the same issue of *The Gerontologist*, Frank Oswald *et al* ask, "Is Aging in Place a Resource for or Risk to Life Satisfaction?" Oswald finds, among other results, that apartment size is positively related to life satisfaction in the young-old but negatively related in the old-old. For the old-old, perceived neighborhood quality and outdoor place attachment are more important than for the young-old. Living with others is positively related to life satisfaction only for the young-old. The abstract is online at: <http://gerontologist.oxfordjournals.org/content/51/2/238.abstract>

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Irina Telyukova and Makoto Nakajima have written a paper titled *Home Equity Withdrawal in Retirement* (April 2011) for the Federal Reserve Bank of Phila-

delphia. They find that home equity, while a large portion of many households' "savings," may not be a good asset for retirement purposes because of the high costs of extracting equity for personal use (especially by way of reverse mortgages). You can download the complete text from:

<http://www.philadelphiafed.org/research-and-data/publications/working-papers/2011/wp11-15.pdf>

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In "Activities and Mortality in the Elderly: The Leisure World Cohort Study" (*Journals of Gerontology Series A: Medical Sciences*, Vol. 66A, No. 5, May 2011), Annlia Paganini-Hill *et al* find that among the elderly, participation in leisure activities, *including those that are not physically demanding*, is associated with increased longevity. For the abstract, go to:

<http://biomedgerontology.oxfordjournals.org/content/66A/5/559.abstract>

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In a similar study in the previous issue of the same journal, Bryan D. James *et al* found that social activity is associated with a decreased risk of incident disability in activities of daily living, with better mobility, and with successful conduct of activities of daily living, among community-dwelling older adults. For the abstract of "Relation of Late-Life Social Activity With Incident Disability Among Community-Dwelling Older Adults," go to:

<http://biomedgerontology.oxfordjournals.org/content/66A/4/467.abstract>

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On March 15, 2011, the U.S. Senate Special Committee on Aging conducted a roundtable on *Assisted Living at the Dawn of America's "Age Wave": What Have States Achieved and How is the Federal Role Evolving?* Twenty different experts from state and federal

agencies, the assisted living industry, advocacy groups, and academia weighed in. For more information, including access to the 3-hour video, see: [http://aging.senate.gov/hearing\\_detail.cfm?id=331935&](http://aging.senate.gov/hearing_detail.cfm?id=331935&)

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Mike Cheek presents *Improving Nursing Homes: Impact of the California Culture Change Coalition* (May 2011) on behalf of the California HealthCare Coalition. His findings suggest that culture change can and should flourish, even in the current economic environment, with sufficient strategic planning and efforts to link culture change to existing initiatives that have broad-based support. For the full report, visit: <http://www.chcf.org/~media/Files/PDF/I/PDF%20ImprovingNursingHomesCultureChange.pdf>

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At least we can feel secure that nursing homes do not hire ex-criminals. Or can we? According to a March 2011 report by Daniel R. Levinson, Inspector General of the U.S. Dept. of Health and Human Services, 92% of facilities they investigated had hired at least one person with at least one criminal conviction. A complete copy of *Nursing Facilities' Employment of Individuals with Criminal Convictions* can be found at <http://oig.hhs.gov/oei/reports/oei-07-09-00110.pdf>

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Michelle L. Ackerman *et al* report on "The Impact of Feedback on Self-rated Driving Ability and Driving Self-regulation Among Older Adults" in the June 2011 issue of *The Gerontologist* (Vol. 51, No. 3). The authors found that poor performance on a driving test (provided in connection with an insurance discount) temporarily dampened older drivers' auto use, but not their self-rating of their driving ability. The abstract is online at:

<http://gerontologist.oxfordjournals.org/content/51/3/367.abstract>

### *Family and Social Networks*

A Spanish study by Montserrat Celdrán *et al* reported in the *Journal of Applied Gerontology* (Vol. 30, No. 3, June 2011) found that while the dementia process has a negative impact on the relationship between grandparent and grandchildren, in some cases there was also potential for positive changes, which are mainly related to the ability to keep emotional contact and express positive emotions. See the abstract of "My Grandparent Has Dementia': How Adolescents Perceive Their Relationship With Grandparents With a Cognitive Impairment" at: <http://jag.sagepub.com/content/30/3/332.abstract>

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The Birren Center for Autobiography & Life Review is offering a series of ten online instructional sessions to enable advisers to become "guided autobiography" instructors. For more information, visit: <http://www.guidedautobiography.com/training/>

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In *An In-Depth Look Into Intergenerational Flows*, Oksana Leukhina and Marika Santoro document the nature, frequency, and extent of family financial transfers, which occur mostly from parent to child. In this May 2011 working paper for the Boston College Center for Retirement Research, the authors also note that parents tend to give relatively more to those of their children who provide them with relatively more attention, physical and monetary help. For the complete text, including detailed statistical analyses, go to: [http://crr.bc.edu/images/stories/Working\\_Papers/wp\\_2011-11\\_508.pdf](http://crr.bc.edu/images/stories/Working_Papers/wp_2011-11_508.pdf)

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For the latest U.S. data on marriage

and divorce, see *Number, Timing, and Duration of Marriages and Divorces: 2009*, issued by the U.S. Census Bureau in May. It provides data using detailed demographic categories based on a survey of about 39,000 individuals, and can be found at:

<http://www.census.gov/prod/2011pubs/p70-125.pdf>

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In "Partner Caregiving in Older Cohabiting Couples" (*Journals of Gerontology Series B: Social Sciences*, Vol. 66B, No. 3, May 2011), Claire M. Noël-Miller found that older people are less likely to receive caregiving support from a cohabiting partner than from a marital partner, but that when they do receive such care, the level of effort is about the same. For the abstract, go to:

<http://psychocgerontology.oxfordjournals.org/content/66B/3/341.abstract>

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Howard Litwin and Sharon Shiovitz-Ezra report on "Social Network Type and Subjective Well-being in a National Sample of Older Americans" in the June 2011 issue of *The Gerontologist* (Vol. 51, No. 3). Respondents embedded in network types characterized by greater social capital tended to exhibit better well-being in terms of less loneliness, less anxiety, and greater happiness. The abstract is online at:

<http://gerontologist.oxfordjournals.org/content/51/3/379.abstract>

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A U.S. study by Kelly A. Knochel *et al* reported in the *Journal of Applied Gerontology* (Vol. 30, No. 3, June 2011) found that few agencies that participated in the study provide services targeted to the gay and lesbian population, and some agencies were unwilling to consider their unique needs. See the abstract of "Are Old Lesbian and Gay

People Well Served? Understanding the Perceptions, Preparation, and Experiences of Aging Services Providers" at:

<http://jag.sagepub.com/content/30/3/370.abstract>

### *Spirituality, Purpose, and Meaning*

Can you measure wisdom? In "Comparing the Psychometric Properties of Two Measures of Wisdom: Predicting Forgiveness and Psychological Well-Being with the Self-Assessed Wisdom Scale (SAWS) and the Three-Dimensional Wisdom Scale (3D-WS)," Matthew Taylor *et al* tested out two different approaches and came up with mixed results. The abstract, from Vol. 37, No. 2 of *Experimental Aging Research* (2011) is online at:

<http://www.informaworld.com/smpp/content~db=all~content=a935080926~frm=titlelink>

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Cheryl Holt's article (and accompanying audio comments) on "The Aging Process and the Search for Meaning" are available on the University of Alabama at Birmingham Center for Aging website. Holt is particularly interested in the "meaning-making process" that occurs when something stressful happens to a person, ranging from serious illness to the aging process itself. See:

<http://www.agewell.com/spiritual/02-holt-illness-search.aspx>

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In "Laypeople's Conceptions of Wisdom and Its Development: Cognitive and Integrative Views" (*Journals of Gerontology Series B: Psychological Sciences*, Vol. 66B, No. 3, May 2011), Judith Glück and Susan Bluck found, concerning the development of wisdom, participants with a "cognitive" conception of wisdom viewed learning from experiences and from wise persons as central, while participants with an "integrative conception" rated experience with life

challenges as equally important. For the abstract, go to:

<http://psychsocgerontology.oxfordjournals.org/content/66B/3/321.abstract>

### *End of Life Issues*

A study by Jennifer Davis-Berman reported in the *Journal of Applied Gerontology* (Vol. 30, No. 3, June 2011) found that older people in residential care settings discussing death talked about acceptance more than fear, had mixed notions of the afterlife, were influenced by place of residence, and often brought up suicide as an issue. See the abstract of "Conversations About Death: Talking to Residents in Independent, Assisted, and Long-Term Care Settings" at:

<http://jag.sagepub.com/content/30/3/353.abstract>

*Trends and Variation in End-of-Life Care for Medicare Beneficiaries with Severe Chronic Illness*, an April 12, 2011 report from the Dartmouth Institute for Health Policy and Clinical Practice, by David C. Goodman *et al*, updates previous findings on regional variations in end-of-life care, finding substantial progress during the 2003-2007 period, but also significant differences in quality and in the pace of improvement by region. For the complete study, go to:

[http://www.dartmouthatlas.org/downloads/reports/EOL\\_Trend\\_Report\\_0411.pdf](http://www.dartmouthatlas.org/downloads/reports/EOL_Trend_Report_0411.pdf)

In *Age and Ageing* (May 2011, Vol. 40, No. 3), F. Stewart *et al* write about "Advanced Care Planning in Care Homes for Older People: A Qualitative Study of the Views of Care Staff and Families." Based on extensive interviews at two London-area nursing homes, the researchers found general support among family and staff for such planning, but also identified several obstacles to implementing it. For the abstract, visit:

<http://ageing.oxfordjournals.org/content/40/3/330.abstract>