MIT AgeLab
Preparing for Longevity Advisory Network
Q2 2021 Issue Brief

About PLAN The MIT AgeLab's Preparing for Longevity Advisory Network (PLAN) surveys financial and retirement planning professionals from around the world to better understand the future of advice in the global longevity economy. This brief report highlights topline findings from the Q2 2021 questionnaire.

Survey Participants Data in this brief includes PLAN panel participants who reported working in direct advisory roles with clients, and who completed the questionnaire between June 28th and August 19th, 2021.

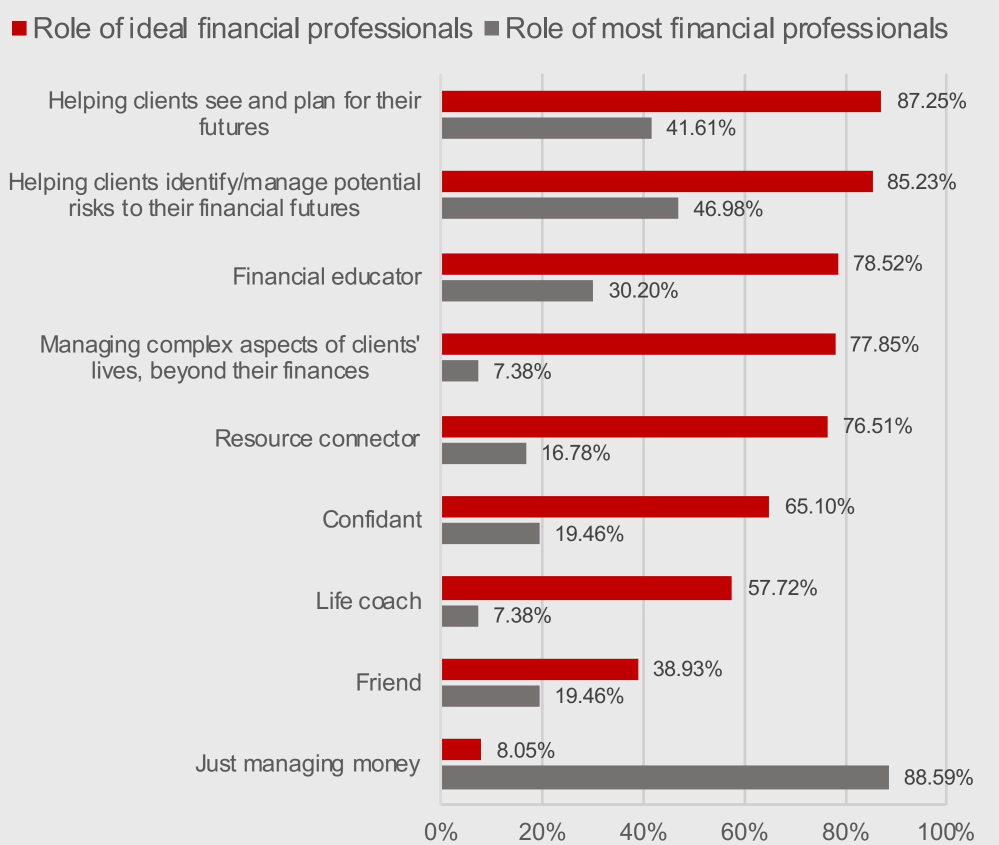
- 33 states, 4 countries represented
- 33.6% female, 63.8% male
- Average age: 55.8

Roles of Financial Professionals: Ideal vs. Actual

Financial professionals were asked to select which roles might align with the *ideal* financial planner. Many of the commonly selected roles were related to the management of clients' finances; an ideal financial professional might help clients see and plan for their futures (87.25%); help clients identify and manage potential risks to their financial futures (85.23%); and serve as a financial educator (78.52%). However, most respondents *also* believed that an ideal financial professional would take on roles not necessarily related to financial management. Over three-quarters of respondents reported that the ideal financial professional would take on the role of managing complex aspects of clients' lives beyond their finances (77.85%), and over half of participants selected other non-financial roles, including resource connector (76.51%), confidant (66.90%), and life coach (57.72%).

Out of the same categories, participants were asked which roles might align with *most* financial planners today. In stark contrast to the findings for ideal advisors, the only role that more than half of participants chose was "just managing money."

Together, these results suggest a gap between the current field of the financial advice and that which financial professionals may envision. There is consensus among advisors themselves that although "just managing money" may be the norm today, the advisor of tomorrow may need to embody a range of roles to best assist their clients.



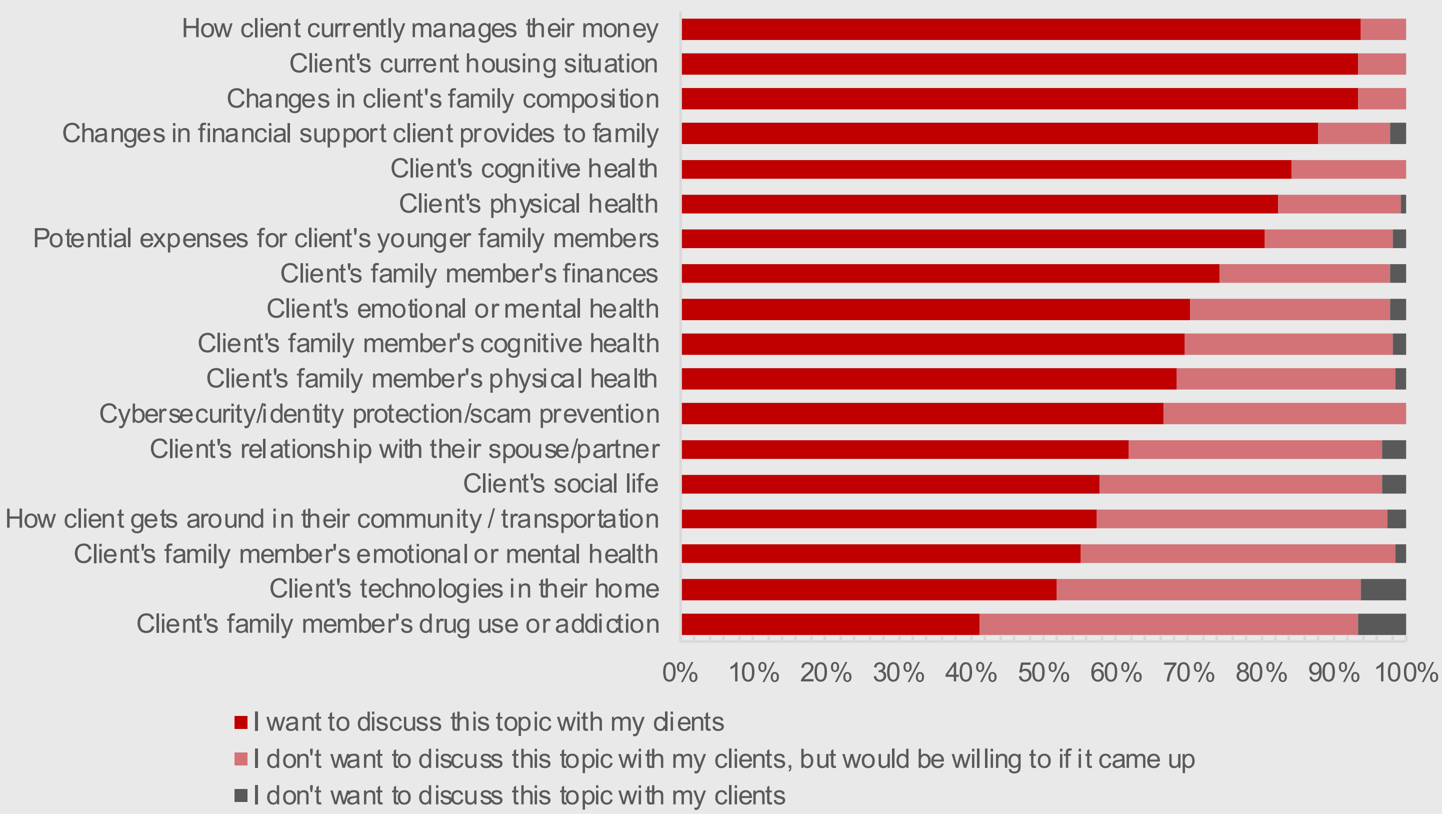
*N=149; Graph depicts percentage of respondents who had selected each role for "ideal" and "most" financial professionals.

Topics of Conversation

Respondents were asked to report the degree to which they would want to speak with clients about a wide variety of financial and non-financial topics. 95% or more of respondents reported wanting to discuss clients' job transitions, new careers, or retirement; future housing situations; potential expenses for their own care or for providing care; estate planning; future goals and aspirations; and financial plans for retirement.

In general, even if respondents did not *want* to discuss certain topics (as was most often the case regarding clients' family members' drug use or addiction, emotional, or mental health issues; or technologies in clients' homes), most reported being *willing* to engage if such topics came up. In fact, over 98% either wanted to or were willing to discuss *all* of the possible topics with their clients.

In all topics except one (clients' technologies in their home), women were as likely or more likely than men to want to discuss the listed topics with their clients. This suggests differences in how male and female advisors perceive their relationship and boundaries with clients.



*N=148; Graph depicts responses to topics with <95% "want to discuss"

Invite others to join PLAN!

agelab.mit.edu/plan

The context of how we live in retirement has changed, and a new approach to anticipating, planning and preparing for older age is accordingly needed. We invite financial advisors, retirement planners, and others in the retirement industry to join PLAN to contribute to the understanding of the future of advice and be among the first to learn key research takeaways.