

The TIAA Institute & Pension Research Council (PRC) Partnership

Call for Proposals

Applying Behavioral Finance to Enhance Retirement Well-Being

Due: April 17, 2017, 5:00 p.m. EST

The TIAA Institute is partnering with the Wharton School's Pension Research Council/Boettner Center at the University of Pennsylvania to fund innovative research that applies principles of behavioral economics to issues related to older Americans' decision-making and retirement well-being. We are now accepting research proposals focused on this topic and plan to allocate a maximum of \$100,000 in grant funds per selected proposal.

Eligibility: Any faculty member with an active appointment at a U.S. college or university is eligible to submit a proposal, as are researchers with appointments at public policy research organizations. Junior faculty members are encouraged to apply and special consideration will be given to their applications.

Priority Areas: We seek proposals to research questions examining how psychological, sociological, behavioral finance and economic factors affect older Americans' decision-making abilities and well-being. Topical areas include:

- Retirement plan defaults for retirees
- The role of simple heuristics
- Guaranteed income defaults
- The role of deferred insurance products
- Estate and tax planning
- The role of advice
- Cognitive decline and financial capability
- The interaction of retirement drawdowns with Social Security and Medicare.

Some of the questions might include:

- What factors (e.g., behavioral biases, engagement, product choices) drive decisions regarding planning, saving, investment, or drawdowns? How and why do these diverge from peoples' stated priorities?
- What plan design features (e.g., choice architecture) can be leveraged in the drawdown stage to promote better retirement income risk management?
- How can financial advice be structured and framed, at and throughout retirement, to address the behavioral biases that discourage annuitization? How and why do retirement payout decisions vary depending on the types of default options plan sponsors have in place during participants' enrollment and investment life cycle phases?
- How does uncertainty regarding future Social Security, Medicare, long-term care, and bequests shape decision-making about plan payouts and asset drawdowns in retirement?

Anticipated Outcomes:

- Innovative research that informs product and service development in the retirement industry, as well as public policy;
- Strong thought leadership at dissemination events highlighting findings; and
- Encouraging new researchers to study the application of behavioral finance to the drawdown or payout phase of retirement.

How to Apply:

Please submit the proposal materials detailed below as **a single integrated file in an e-mail attachment to both:**

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The proposal deadline is April 17, 2017, 5:00 p.m. EST.

Specific instructions for preparation of proposals are as follows:

Proposals should follow NIH-style formats which can be found at:

<http://grants.nih.gov/grants/funding/phs398/phs398.html>

- 1) Face Page, NIH-style: <http://grants.nih.gov/grants/funding/phs398/fp1.pdf>
- 2) Abstract (150 words)
- 3) Proposal Narrative (3-5 pages):
 - a) Title of proposal, name of investigator(s) along with full contact information
 - b) Research Question(s)
 - c) Project Motivation and Goals
 - d) Research Plan/Methodology
 - e) Analytical framework
 - f) Data sources (if any)
 - g) Planned sensitivity analysis (if any)
 - h) Potential Practical Implications and Likely Conclusions
 - i) Timeline for Deliverables (not part of page count; see below for more information)
 - j) List of References cited in the Proposal (not part of page count)
- 4) Bio-sketch, NIH-style: <http://grants.nih.gov/grants/funding/phs398/biosketch.pdf>
- 5) Proposed Budget and Budget Justification, NIH-style: <http://grants.nih.gov/grants/funding/phs398/fp4.pdf>

Note: This grant program will support only the direct costs of research and does not fund overhead or indirect costs. Proposals must include a detailed and complete budget, separately itemizing costs for at least the following expenses:

- Personnel, including salary and benefits for the principal investigator and any co-investigators or research assistants (each separately itemized);
 - Travel for research-related purposes;
 - Equipment, materials, and other expenses, including the itemized costs, if any, of data, postage, and/or printing.
- 6) Complete resumes/C.V.'s of the primary investigator(s)

Deliverables:

- **Interim and Final Reports** on research and financials (see targeted timeline).
- **Working Paper:** The working paper from the project must be suitable for posting as a TIAA Institute *Research Dialogue* on the Institute's web site, and a Working Paper to be posted on the Boettner Center/PRC's website.
- **Non-Technical Report and Executive Summary** outlining the main findings and implications of the research. The non-technical report should be 3-5,000 words in length, and the executive summary approximately 300 words. The report should be suitable for posting as a TIAA Institute *Trends and Issues* note. This note should be a non-technical outline of main research findings in plain English. It should not be a straight copy/paste of sections from the working paper.
- **Up to two oral presentations** of the research may result if requested by the TIAA Institute. Funding for any necessary travel will be provided by the TIAA Institute.

Targeted Timeline:

- Research to be conducted from June 1, 2017 through August 31, 2018.
- Interim Reports: Interim progress and financial report to be submitted October 5, 2017 and February 5, 2018.
- Final Reports: Narrative and financial reports to be submitted September 30, 2018.
- Possible Researcher Workshop Fall 2018.

Recipients of a TIAA Institute/Boettner award will be expected to comply with the following conditions:

- 1) Throughout the project, the PI(s) must obtain IRB approval if they are using human subjects, along with human subject certification training (CITI) and sponsor approval requirements if required by their institution (e.g., foreign clearance). If human subjects are being used, a copy of an IRB letter of approval or exemption must be submitted to the Boettner Center prior to project funding being released.
- 2) PI's are required to acknowledge the grant support received for this research on all papers and presentations stemming from research conducted with this financing. Please use the statement below:

“The project described received funding from the TIAA Institute and Wharton School's Pension Research Council/Boettner Center. The content is solely the responsibility of the author(s) and does not necessarily represent official views of the above-named institutions.”