

From the Editor

This issue contains Issue 4 of Volume 21 of *Financial Services Review (FSR)*. I would like to thank the board and members of the Academy of Financial Services for their continued support. I continue to work in broadening the scope of articles, while still focusing on individual financial management and personal financial planning. I encourage authors to reach out when discussing implications of their findings in a more comprehensive way. As such, all articles in the Journal will more appropriately relate to financial planning issues.

The lead article “Insuring Defined-Benefit Plan Value: An Examination of the Survivor Benefit Plan (SBP) Decision,” is coauthored by Kevin Davis at the USAF Academy and Steve P. Fraser at Florida Gulf Coast University. The U.S. Military Survivor Benefit Plan (SBP) allows military retirees to protect a portion of their retirement income stream by paying a pre-tax premium from their retirement income to insure up to 55% of the retirement income stream. In this study, the authors construct a Monte Carlo simulation model to describe the distributions and implied discount rate for SBP participants. The model demonstrates that the program is quite lucrative for most male retirees. In contrast, the program is less rewarding for female retirees, especially when they are somewhat younger than their spouse.

The second article, “The Demand for Financial Professionals’ Advice: The Role of Financial Knowledge, Satisfaction, and Confidence,” is coauthored by Cliff A. Robb, Patryk Babiarz, and Ann Woodyard., all at the University of Alabama. The authors use a sample provided by the Financial Industry Regulatory Authority (FINRA), to analyze individuals’ use of professional planning advice in the context of personal financial knowledge, financial satisfaction, risk tolerance, and selected sociodemographic variables. Their results show that different characteristics are associated with individuals using different types of financial advice (e.g. debt counseling versus investment planning, or tax assistance). In general, financial knowledge and satisfaction are positively related to using any type of financial advice, and specifically with using advice related to investing and saving, mortgage decisions, insurance, and tax planning. In contrast, knowledge and satisfaction are inversely related to the use of debt counseling.

The third article, “Financial Advice: A Substitute for Financial Literacy?,” is authored by J. Michael Collins at the University of Wisconsin-Madison. The author investigates whether financial advice can provide as a substitute for financial literacy in the financial decision making process. For people who exhibit problems with financial decision making, financial advice has the potential to serve as a substitute for financial knowledge and capability.

However, the author shows that data from the 2009 FINRA Financial Capability Survey provides evidence that advice more often serves as a complement to, rather than a substitute for, financial capability; i.e. individuals with higher incomes, educational attainment, and levels of financial literacy are most likely to receive financial advice.

The fourth article, “Investigating the Role of the *Financial Services Review* at the Intersection of Finance and Financial Planning with Contributor-Based Interjournal Communication Analysis,” is coauthored by Steven L. Beacha and Abhay Kaushika, both at Radford University. *Financial Services Review* (FSR) publishes research that meets the needs of both individual investors and financial professionals which puts FSR at the forefront of research in financial planning. The authors document the publication records of contributors to FSR and other financial planning journals to provide evidence on FSR’s efforts to fulfill its obligation to individual investors. Their results show that FSR strategically assists finance researchers who publish in the area of financial planning to advance their research agendas. The authors find that finance academics at research and masters level universities find FSR to be a prime outlet for their financial planning research.

The final article, “An Empirical Examination of the Performance of Real Estate Mutual Funds 1990–2008,” is coauthored by Abhay Kaushik at Radford University and Anita K. Pennathur at Florida Atlantic University. In this study the authors provide an investigation of the performance of real estate mutual fund managers, including an examination of the impact of the down-market of 2007–2008. Their results show no over-performance for the overall period of 1990–2008; however, after accounting for the down-market period of 2007–2008, fund managers significantly outperform the market for the 1990–2006 period. Their results provide evidence that mutual fund investors can earn superior returns by investing in real estate mutual funds.

I would like to send a special thank you to the many reviewers that have significantly contributed to the quality of our journal by providing timely and thorough reviews of the submissions to our journal.

Thanks to those who make the journal possible, especially the referees and contributing authors. Please consider submission to the *Financial Services Review* and rely on the style information provided to ease readability and streamline the review process. The Journal welcomes articles over the range of areas that comprise personal financial planning. While FSR articles are certainly diverse in terms of topic, data, and method, they are focused in terms of motivation. FSR exists to produce research that addresses issues that matter to individuals. I remain committed to the goal of making *Financial Services Review* the best academic journal in individual financial management and personal financial planning.

Stuart Michelson
Editor *Financial Services Review*