

## From the Editor

Effective with Volume 11, I became the third editor of *Financial Services Review*, following Lewis Mandell and Karen Lahey. I'd like to begin my first Editor's note by offering my sincere thanks to my predecessors. One can't begin to appreciate what it takes to be a journal editor until one does it. In particular, I would like to thank Karen Lahey and her staff at the University of Akron for great support during the transition of the journal. On a more personal level, I owe Karen Lahey a great deal for the time and insights she has shared with me as I undertake this task.

Volume 11 begins our publishing relationship with Cadmus and hopefully ends a turbulent period in the journal's history with publishers. For the first time, the Academy of Financial Services truly owns its journal. I thank all of the members who worked with me through the publishing transition. We all have Karen Lahey to thank for keeping the journal on mission during the publishing turmoil. *Financial Services Review* has a defined niche; it examines financial issues that impact the individual. The articles are academic in style but also appeal to practitioners who desire more rigorous treatment than is available in most professional publications. Our treatment of financial topics is intended to be broad, so long as the motivation is tied to why the issue and analysis are relevant to individual financial management. I plan to stay in this niche, as I view it to reflect the mission of the Academy of Financial Services. Though papers in our journal might involve the same data or topic as other academic journals, many of those journals shun the motivation we demand—that of why the issue matters to individuals. As such, we have a place among academic journals that is largely our own.

My first volume reflects one of the goals I have for the journal in the short term. I plan to start each issue with an invited article by well-recognized experts from an area within the universe of topics we address. The expert classification indeed fits two of the three authors on the first of these invited articles. I am indeed fortunate to join two giants in financial service research, Kenneth Black, Jr., and Harold D. Skipper, in authoring the lead article for Volume 11, Number 1. Kenneth Black, Jr. is Regents Professor Emeritus at Georgia State University, and retired editor of the *Journal of Financial Service Professionals* (previously known as the *Journal of the American Society of CLU & ChFC*). In holding that editorship for nearly 40 years, Dr. Black established a track record of influence and integrity that has

no equal. Dr. Harold Skipper, present Chairman of the Department of Risk Management and Insurance at Georgia State, is arguably the best-known insurance scholar in the world. He has held the C. V. Starr Chair of International Insurance and was the 1999 holder of the Thomas P. Bowles, Jr., Chair of Actuarial Science. He served as a consultant to the Paris-based Organization for Economic Cooperation and Development on insurance-related public policy issues. He was also Economics Affairs Officer with the United Nations in Geneva. Like Dr. Black, Dr. Skipper is a past President of the American Risk and Insurance Association. The Black and Skipper textbook, *Life and Health Insurance*, is currently in its 13<sup>th</sup> edition and is the standard for all textbooks in the area.

Our article, "Issues in comprehensive personal financial planning," really has three purposes. The first is to establish a discussion about the theoretical basis for financial planning. The second and third are to provoke research into the costs and benefits of financial planning delivery models and financial service credentials, respectively. We hope that you find the article useful in triggering thoughts on these matters. As editor, I welcome work in these areas.

The second article is by William Reichenstein, who holds the Pat and Thomas R. Powers Chair in Investment Management at Baylor University. Professor Reichenstein critically examines the issue of who should buy a nonqualified tax-deferred annuity. He observes that, in most cases, annuity costs make them suboptimal investments. The third article is by Dale Domian and Marie Racine of the University of Saskatchewan. They examine the role of leverage in stock portfolios, finding that modest amounts of leverage enhance performance, but larger amounts harm wealth. The fourth article is by H. Kent Baker, Walayet Khan, and Tarun Mukherjee. Professor Baker is the University Professor of Finance at American University; Professor Khan is from the University of Evansville; Professor Mukherjee is from the University of New Orleans. These authors examine direct investing through stock purchase plans. Low cost and convenience are key factors in the success of these plans. The fifth article is by Robert Dubil of the University of Connecticut. Professor Dubil's work involves modeling an investor's liquidation decision should he own a large position in a single stock. This analysis is certainly relevant to the financial challenge facing many individuals with undiversified portfolios. The last article is by Charles Hodges and James Yoder of the State University of West Georgia and Walton Taylor of the University of Southern Mississippi. These authors demonstrate how beta and Treynor ratio are sensitive to investment horizon. Interpreting betas and Treynor ratios over longer horizons should be done with caution.

In sum, I thank the Academy of Financial Services membership for their support of our journal. The journal's associate editors are owed special thanks for their rapid response to review requests during the editorial and publisher transition. Please continue to send me articles that are motivated by impact on individuals. I remain committed to making the journal appear on a quarterly basis and be the best academic outlet in individual financial management and personal financial planning.

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