

## From the Editor

The lead article in this volume is by John Haslem of the University of Maryland, Kent Baker of American University, and David Smith of the University at Albany, SUNY. They investigate the commodity-like nature of retail S&P 500 index funds. The authors find that these retail index funds have a wide range of expense ratios, inconsistent with their commodity nature. They also determine that fund performance is sensitive to expense level, as higher-cost index funds tend to under-perform their lower cost counterparts. The implications of this study are that some investors are uninformed and overpay for index fund management. Given the explosive growth of index funds, this research is critically important. I am pleased to add it to the line of papers in *Financial Services Review* examining the relevance of costs for investors.

The second article is by Gene Stout and John Mitchell of Central Michigan University. They examine retirement withdrawal planning, simulating both investment returns and mortality. The authors find that including mortality considerations results in a significantly lower probability of portfolio ruin. This paper offers both strong academic intuition and practical relevance as it joins the growing line of academic research in *Financial Services Review* on investing in retirement.

The third article is by Steven Dolvin and William Templeton of Butler University. They provide a clinical study to examine the effect of employee education on asset allocation choices. The authors find that after attending retirement planning seminars, employees tend to reallocate toward more efficient portfolios. The dataset and analysis thus offer an interesting experiment on the relationship between financial education and investor decision-making.

The fourth article is by James Grant and Emery Trahan. Dr. Grant is from JLG Research and the University of Massachusetts. Professor Trahan is at Northeastern University. Their paper examines tactical asset allocation around presidential elections. The authors find that neither Democrats nor Republicans provide superior risk-reward opportunities over the entire range of asset allocations. The former party tends to offer better risk-reward tradeoffs for stock-heavy portfolios, while the latter's superiority is more in the balanced (stock-bond-cash) range.

The last article is by Joel Gold, Charlotte Pryor, and Philip Jagolinzer of the University

of Southern Maine. They survey business schools to ascertain what is being taught in the introductory personal financial planning course. The authors then compare the survey results to the Model Curriculum provided by CFP Board and determine that there is a wide disparity between the Model and what actually is taught. The paper offers useful insights to schools offering and considering personal financial planning curricula.

Thanks again to those who make the journal possible. Please consider membership in the Academy of Financial Services and submission to *Financial Services Review*. *Financial Services Review* is the oldest and best-recognized academic outlet for articles related to individual financial management. I welcome articles over the range of areas that comprise personal financial planning. While our articles are certainly eclectic in terms of topic, data, and method, they are focused in terms of motivation. We exist to produce research that addresses issues that matter to individuals and that have relevance to the emerging academic discipline of personal financial planning. I remain committed to maintaining the journal's reputation as the best academic outlet in this specialty area.

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