

45

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How much should Norm and Sally save for retirement and invest their retirement savings?

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How long should they work and when will they retire?

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75

How should they drawdown their assets in retirement?

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75

Should they tap their home equity for retirement income?

75

85

Sally is widowed and now bears the full implications of decisions the group had made earlier in the game.

Evaluations of the game

Matthew Greenwald and Associates conducted a focus group evaluation of the game and found:

" Reactions to the game are overwhelmingly positive. Participants quickly become engaged in the process of the game and do not lose interest. The game helps them see they have a lot at stake and that they need to be involved in decisions that will impact them over the long term even more than their husbands."

The Greenwald evaluation also reports feedback from focus group participants:

" I thought the Game was great. It gave tremendous information."

" I'm motivate to take a good hard look at what I'm doing."

" Getting information from an educational institution like BC makes it a little more objective."

" The Game addresses a need for women to become more involved in retirement planning decisions."

The full Greenwald evaluation, and the game itself, are available without charge at the Center for Retirement Research website: www.bc.edu/crr/grs_game.cgi.

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RICH SLOW

A unique interactive game that **motivates women to become more actively engaged in retirement planning.**

GET RICH SLOW specifically targets key impediments women face by providing a fun, non-threatening group experience.

In the game, women make decisions and experience the implications of their decisions — and also chance events like stock market booms and busts, job loss, and health shocks. By playing this interactive game in a group setting, facilitated by an experienced moderator, women get a clear overview of the financial planning process, the unique retirement income needs of women, and the hands-on experience essential to feel confident in moving ahead.

The Structure of the Game




The Game is divided into five ages — 45, 55, 65, 75, and 85. At each age, except the last, the participants as a group make key decisions for a fictional couple — Norm and Sally. At each age, the decisions participants make focus on a particular issue in the retirement planning process.



Each age begins with a **"Free Money Round"** when the participants are asked two to four factual questions. If their answer is correct, \$1,000 is added to Norm and Sally's nest egg. The Free Money Round is fun. It also gives participants important information they will need in the key **"Decision Round."**

In the **"Decision Round,"** the participants hear about Norm and Sally's current situation and make the decisions that will affect Norm and Sally's financial future. At the start of the next age, the game combines the decisions the group made with a spin of the wheel of fortune. The spin determines whether the stock market boomed or crashed, and whether Norm lost his job or suffered a health shock.

Game Overview

45	55	65	75	85
<p>Age 45</p> <p>Here the focus is on financial decisions — how much to save for retirement and how to invest that money. Participants are exposed to key concepts, such as the issue of “risk versus return” in investing. Participants then decide how much income a fictional couple, Norm and Sally, should give up and contribute to their retirement account, and how much to put in stocks and how much in bonds. Participants must also decide how Norm and Sally will pay their son’s college tuition.</p>	<p>Age 55</p> <p>The focus at age 55 is how much longer Norm and Sally plan on working. Norm actually lost his job, “leaked” some 401(k) assets, and now has another job. Sally is offered another job, which pays less but is much more “fun.” Should she take it? How does that influence her planned retirement age?</p>	<p>Age 65</p> <p>The key issue here is the drawdown decision. The participants learn about the rising length of retirements and what they can expect from Social Security. They also learn about health shocks, as Norm has a heart attack. Participants then must choose how to invest Norm and Sally’s nest egg and draw out an income — How much in stocks? How much in bonds? How much in an annuity? Sally is also offered a part time job, which would allow her to delay collecting Social Security until age 68, and then collect a higher benefit. Should she take the job?</p>	<p>Age 75</p> <p>The new issue here is the importance of home equity in retirement planning. The participants learn how large a fraction of the net worth of the elderly is tied up in the equity of their home. They also learn about Social Security survivor benefits, which will be a piece of Sally’s life income. The participants are then asked if Norm and Sally want to downsize, take out a reverse mortgage, or just stand pat in their house — which is what most older people do.</p>	<p>Age 85</p> <p>Sally is now a widow. She has just her Social Security benefit, a much diminished DB pension from Norm’s first job (diminished by inflation and the 50 percent survivor benefit) and the income generated by the saving, investment, drawdown, and home equity decisions made over the course of the game. For most women, this is where the implications of inadequate retirement planning emerge most powerfully.</p>
				

Objectives

The Game aims at giving participants a “road map to retirement” — a framework of six interconnected decisions that, along with the performance of the economy, will largely determine their well-being in retirement:

- How Much to Save.
- How to Allocate One’s Assets.
- How Long to Remain in the Labor Force.
- How to Draw Down One’s Assets in Retirement.
- How to Use One’s House as a Retirement Asset.
- How Well They Communicate with Their Husbands.

The Unique Approach

Participants will get this framework through experience — by making these decisions and then experiencing the implications of their decisions. And they make these decisions, and experience these implications, in a relaxed group setting with an experienced advisor.

GET RICH SLOW was developed by the Center for Retirement Research at Boston College and the Educational Technology Center at Northeastern University. It is funded by the NASD Investor Education Foundation and available without charge at www.bc.edu/crr/grs_game.cgi.