

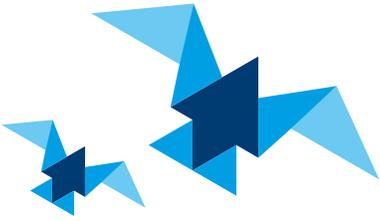
ENHANCING OUR UNDERSTANDING OF RETIREMENT AND SAVINGS

PURPOSE

The range of financial products for saving and risk management has experienced significant growth over the past 40 years, all within a context of advancements in technology, and transformations in the workplace as well as in retirement. Yet, research has shown that savers have limited knowledge of financial matters. Moreover, perceptions and psychological factors have been shown to play a key role in their decision-making process.

How can we ensure alignment between consumers-savers, the role played by the financial sector, the regulatory framework and public policy on retirement and savings? These questions, which have been sparsely explored in Quebec universities, are the focus of the Retirement and Savings Institute (RSI) created by HEC Montréal.

rsi.hec.ca



MISSION AND OBJECTIVES

The aim of the Retirement and Savings Institute is to promote cutting-edge research at HEC Montréal, leading to a better understanding of retirement, savings and insurance issues. In order to achieve this, the Institute specifically intends to:

- Facilitate the establishment of a critical mass of retirement and savings researchers in many disciplines and fields represented at HEC Montréal;
- Support the recruitment of world-class professors-researchers at HEC Montréal;
- Ensure the organization of international-level thematic events;
- Support the transfer and dissemination of research findings on retirement and savings.

EXPERTISE

The Institute's mission is centered on attracting researchers working on subjects of interest. For this purpose, the RSI **can support the hiring of professors** and **support research units** (such as chairs) at HEC Montréal, with the aim of attracting and retaining high-level researchers.

At present, the Institute supports the work of two research chairs interested in key issues: the Power Corporation of Canada Research Chair in Insurance and Pension Plans (chaire-power-rra.hec.ca/en/), and the Research Chair in Intergenerational Economics (creei.ca/en/), a chair that brings together two universities including HEC Montréal. These chairs are the driving force behind the RSI's projects, and are part of the long-term objective to create a research network centered on the Institute and structured by it.



The Retirement and Savings Institute is at the center of a thematic research network

The Institute caters to the next generation of researchers thanks to the **Henri-Paul-Rousseau Scholarship**, offered to HEC Montréal doctoral students with exceptional academic records. This scholarship provides an incentive for the best emerging researchers to steer their interest towards retirement and savings.

Hosting promising doctoral and postdoctoral researchers for research stays promotes exchanges and the eventual recruitment of young researchers. To that end, and in order to encourage world-class researchers to come to the School, the RSI has **implemented a visitors' program**. Short stays ranging from one to six weeks are offered to both experienced and up-and-coming researchers. Such visits provide an opportunity to showcase ongoing work, maintain existing collaborations or develop new ones, and to interest the HEC Montréal community in issues pertaining to retirement and savings.

RESEARCH

A **project incubator** provides startup funds for HEC Montréal research projects that will lead to scientific publications, the organization of events or the receipt of grants. The use of these funds is left to the discretion of the researchers.

In partnership with financial services suppliers, the Institute will exploit **detailed big data** on savers. This will enable new possibilities in the analysis of behaviour and market structure. Providing visiting and Institute researchers with access to such individual data on saving and retirement will become a signature feature of the Institute.

Each year, the Institute carries out **original surveys** on subjects dealing with savings, retirement and risk. The use of a reliable and recognized Web panel (*AskingCanadians*) makes it possible to conduct highly complex surveys. It also enables the simultaneous measurement of multiple dimensions of interest in the financial and economic areas, such as perceptions, preferences, and level of financial literacy. These surveys are made available to the researchers of the Institute interested in seeing them cover specific dimensions; they can also spark the interest of high-level researchers. The surveys constitute the second signature feature of the Institute.

At a rate of 3 per year, the surveys have notably covered:

- Long-term care insurance
- Annuities
- Reverse mortgages
- RRSP and TFSA contribution choices
- Optimal decumulation choices
- Knowledge of the different parts of the retirement income system – a theme that will be addressed annually and will become a brand of the RSI: **the RSI Index**

DISSEMINATION

Apart from publishing preliminary research results in **working papers**, the Institute organizes various **events** every year, both academic and non-academic.

Conferences and workshops attract researchers from around the world to HEC Montréal and the Institute, while events of interest to decision-makers and the industry provide a forum to share research findings and make them tangible.

The RSI research program breaks down into **4 domains and 3 cross-cutting themes**, at the intersection of which are the different projects.

THEMES	DOMAINS
Behaviour	Retirement
Optimality and Decision Aids	Saving
Financial Knowledge	Debt
	Insurance



COLLABORATORS

The RSI has a vast global network of research collaborators which enables it to participate jointly in research projects and dissemination initiatives. This network also serves to attract, as potential hires or as visiting researchers, established and up-and-coming researchers working on subjects that are relevant for the Institute.

- Center for the Economic Analysis of Risk (CEAR), Georgia State University, Atlanta, GA, U.S.
- Center for the Study of Aging (RAND), Santa Monica, CA, U.S.
- Global Financial Literacy Excellence Center (GFLEC), George Washington University School of Business, Washington, DC, U.S.
- Global Risk Institute (GRI), Toronto, Canada
- Government of Canada (GC), Ottawa, Canada
- The Risk and Insurance Institute of Le Mans (IRA), Le Mans Université, France
- Institute of Labor Economics (IZA), Bonn, Germany
- Michigan Retirement and Disability Research Center (MRDRC), University of Michigan, Ann Arbor, MI, U.S.
- National Bureau of Economic Research (NBER), Cambridge, MA, U.S.
- Network for Studies on Pensions, Aging and Retirement (NETSPAR), Tilburg, Netherlands
- Pension Research Center (PeRCent), Copenhagen Business School (CBS), Copenhagen, Denmark
- Pension Research Council (PRC), Wharton School of Business, University of Pennsylvania, Philadelphia, PA, U.S.
- USC Dornsife Center for Economic and Social Research (CESR), University of Southern California, Los Angeles, CA, U.S.

PARTNER

The Retirement and Savings Institute was established in late 2017 thanks to a major donation from Power Corporation of Canada to the Campus Montréal campaign. Power Corporation of Canada is a leading international management and holding company founded in 1925. It has interests in many financial services companies through its subsidiary, Power Financial Corporation. Many other partners will be approached to contribute towards, and take part, in the cutting-edge research and dissemination activities of the Institute.



POWER CORPORATION
OF CANADA

HEC MONTRÉAL

TEAM AND GOVERNANCE

Institute members are HEC Montréal professors working on topics of interest, and those whose work is accomplished or published with the support of the Institute. Associate researchers and graduate students become members over time, as do additional external fellows and HEC Montréal professors working in various fields.

Team in 2019

- **Pierre-Carl Michaud**, Director and Professor, Department of Applied Economics; and Holder of the Research Chair in Intergenerational Economics
- **Martin Boyer**, Member and Professor, Department of Finance; and Holder of the Power Corporation of Canada Research Chair in Insurance and Pension Plans
- **Philippe d'Astous**, Member and Assistant Professor, Department of Finance
- **Lanny Zrill**, Member and Assistant Professor, Department of Applied Economics
- **Pascal St-Amour**, Member, Affiliated Professor, HEC Montréal and Full Professor, HEC Lausanne
- **Bertrand Achou**, Associate Researcher
- **Franca Glenzer**, Associate Researcher
- **Bernard Morency**, Adjunct Professor, Retirement and Savings Institute
- **Henri-Paul Rousseau**, Adjunct Professor, Retirement and Savings Institute
- **Ismaël Choinière Crèvecoeur**, Fellow and Ph.D. student in economics, Université du Québec à Montréal
- **Irina Gemmo**, Fellow and Postdoctoral Researcher, ETH Zürich
- **Tatyana Koreshkova**, Fellow and Associate Professor, Concordia University
- **Derek Messacar**, Fellow and Research Analyst, Statistics Canada; and Adjunct Professor, Memorial University
- **Tammy Schirle**, Fellow and Professor, Wilfrid Laurier University
- **Stefan Staubli**, Fellow and Associate Professor, University of Calgary
- **David Boisclair**, Executive Director
- **Lee Boyle**, Executive Administrative Assistant
- **Yann Décarie**, Research Officer
- **François Laliberté-Auger**, Research Officer
- **Pierre-Yves Yanni**, Research Officer

Director

Professor in the Department of Applied Economics at HEC Montréal, **Pierre-Carl Michaud** is also Research Associate in the Aging Program at the National Bureau of Economic Research (NBER).

In addition to having been a member of the *Commission d'examen de la fiscalité québécoise* (Quebec tax review commission), Professor Michaud is a renowned specialist on matters of retirement and savings. Moreover, his connections within a vast international network facilitate the recruitment of researchers, as well as networking with different partners. He holds a PhD in economics from Tilburg University, in the Netherlands.

Advisory Committee

The role of the Advisory Committee is to advise the director of the Institute on the development and implementation of activities, especially in terms of their relevance to HEC Montréal, the research community and the Canadian and Quebec societies. It also assists the director and executive director in establishing the Institute's orientations and links with both national and international research and practice communities.

In addition to the director of the Institute, the Committee consists of the following: the Director of Research and Knowledge Transfer at HEC Montréal (**Caroline Aubé**); a representative of the partner (**Pierre Piché**, Power Corporation of Canada); an expert from the Quebec financial community (**Bernard Morency**, HEC Montréal); and a university researcher from outside Quebec (**Olivia S. Mitchell**, Wharton School of Business, University of Pennsylvania).

RETIREMENT AND SAVINGS INSTITUTE

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