

Decision Making at Retirement High Stakes for the Long Haul

Donald G. MacGregor¹

ABSTRACT

As millions of Americans prepare for retirement, they face some of the most important decisions of their lives with respect to their financial well-being. Critical to success in retirement is the application of sound principles of judgment and decision making. This book chapter draws upon research and practice in the areas of human judgment and structured decision making to provide financial advisors with practical techniques that they use to provide prescriptive guidance to their clients. Research from the psychology of aging is presented in terms of the challenges that people face in their retirement years managing complex financial concepts, as well as the difficulties advisors face in working with clients who are experiencing cognitive deficits of aging. Practical guidance for advisors is provided that can be useful for facilitating advisor-client communication and understanding of financial health.

Suggested Citation: MacGregor, D.G. (2006). Decision Making at Retirement: High Stakes for the Long Haul. In H. Evensky & D. Katz (Eds.), *Retirement Income Redesign: Master Plans for Distribution*. (pp. 33-48). New York: Bloomberg Press.

¹ Contact Author: Donald G. MacGregor, Ph.D., MacGregor Bates, Inc. 1010 Villard Avenue, Cottage Grove, OR 97424 tel. 541-942-5727 fax. 541-942-8041 email: donald@macgregorbates.com