Speaker: Dr. Catherine Donnelly

Talk Title: Simplifying retirement by aligning communication with retirement incomes

Talk Abstract:

Many pension savers have little idea of what level of income they may receive in retirement. This makes it difficult for them to adjust their contributions to target their desired level of income. Or they may not realise until very late that they need to work longer to achieve their desired retirement lifestyle.

We show how we can help savers target a certain level of retirement income with a reasonable high certainty. Importantly, we also show how different technical formulations of the problem lead to quite different retirement outcomes for the pension saver. We find that a behavioural finance approach can lead to an attractive solution.

Speaker Bio:

After her undergraduate degree at the University of Cambridge, Catherine Donnelly worked for several years in the pensions industry in the UK in both pensions and investment consultancy roles. She returned to university to do a Masters degree at the University of Oxford, followed by a PhD at the University of Waterloo, Canada. After a couple of years as a postdoctoral researcher at RiskLab, ETH Zurich, Switzerland, she took up a lecturing position at Heriot-Watt in 2011.

Her current research interests are to propose and analyse ways in which a group of people can share their risks, with a focus on sharing their investment and mortality risks. She has been an editor of the ASTIN Bulletin since January 2018.