

In partnership with:



- 10 hours of CFP®CE Credit -

## ***Applied Behavioral Economics for Financial Advisors*** *Berkeley, California*

### ***November 14<sup>th</sup>***

6:30 pm Happy Hour at the Faculty Club (optional)—for those who arrive early, drop in for a casual beer and a bite, and meet your professor and colleagues

### ***November 15<sup>th</sup>***

8:30 am Arrival and breakfast

9:00 am Morning session, led by Professor Shachar Kariv

#### *The New Language of Understanding Clients*

- Separate fact and fiction about behavioral economics
- Define and reach the highest standard of knowing the client
- Understand the fundamental trade-off decisions facing clients everyday
- Examine the theory and history that has led to today's breakthroughs
- Examine Risk, Time and Social Preferences at high level
- Dive Deep into Risk Preferences, Risk Capacity, Risk Needed
- Dissect Risk Preferences into its component parts and be able to diagnose each

Over the last 30 years, behavioral economics has evolved to do a far better job of explaining how people make decisions with their money. In this section, we'll cut thru the hype and narrow in on the specific areas financial advisors can scale and measure to predict client behavior and create better outcomes.

Noon Lunch

1:00 pm Afternoon session, led by Professor Shachar Kariv

#### *Getting Your Hands Dirty: Intersection of Technology and Behavior*

- Naturally Occurring Data – the Amazon Example
- Gamification and Behavioral Economics
- Behavioral Economics and Compliance Safeguards
- Interpreting Results: Risk Tolerance and Loss Aversion
- Interpreting Results: Decision Consistency
- Defining and Managing “Fit”
- Constructing Optimal Portfolios

In this section, we'll explore how behavioral economics bridges the realm of economic theory and the real world of delivering advice. We'll use case studies and put you in the cockpit with gamified, client-facing tools to examine how to connect clients' preferences directly to portfolio construction and the advice journey.

*3:30 pm Panel—Future of Advice: Leading the Charge on Financial Wellbeing*

- What is a sustainable model for advice?
- What experiences exist from class participants?
- What do our panelists say about emerging advice models?
- A sneak peek at the next 36 months of fintech in consumer and HNW advice

This panel of advice leaders and innovators, at the coal face of innovation, will share their views on the future direction of advice. They will take questions and open the floor for debate.

*6:00 pm Cocktails and Dinner, hosted by Allianz Life Exchange*

## **November 16<sup>th</sup>**

*8:30 am* Arrival and breakfast

*9:00 am* Morning session, led by Professor Shachar Kariv

*What's Important? The Marriage of Goals Based Advice and Behavioral Economics*

In this section, Professor Kariv will bring it all together to explore how technology grounded in behavioral economics clarifies enormously complex client situations involving the balancing of goals, preferences and constraints.

- Define goal-based planning from a scientific and behavioral economics viewpoint
- Understand the difference between ranking goals and prioritizing them
- Examine the economic theory around consumption, substitution and goal nesting

- Preview how goal prioritization technology works over time

11:00 am Group Roundtable Discussion & Wrap Up

*Behavioral Economics: Fad or Fundamental?*

Can advisors shift their value add to higher order activities? More insightful client discovery, more effective behavioral coaching, and extension into adjacent lifestyle issues that support wellbeing.

Noon Lunch, adjourn by 1 pm