

# **How Bank of America Is Transforming Retirement and Powering the Longevity Economy**

**BANK OF AMERICA** 

“Every business should have a playbook to prepare for the upcoming *Decade of Healthy Ageing*. Our members are leading the way in aligning their ‘aging strategies’ to 21st-century aging realities, and through our GCOA Playbook, we’ll show you how it’s done.”

—**Michael W. Hodin, PhD**  
CEO, Global Coalition on Aging

**The Global Coalition on Aging (GCOA) Playbook Series** captures best practices and key insights from the global business leaders who are embracing one of the most transformative mega-trends of our time: population aging. With the GCOA Playbook, we aim to help forward-thinking businesses and executives seize aging as a driver of engagement, productivity and competitive advantage.

We built the GCOA Playbook upon proven aging strategies that stretch across all facets of a global business—from C-Suite and HR to marketing, from customer acquisition to employee retention, and from successful thought leadership to improving the bottom-line. Our featured companies are not only “walking the walk.” They are seeing real results.

# Landscape

Longevity is transforming the global business environment. As the world's population ages, customer needs are evolving, and workforces now include five generations. Increasingly, an individual's finances must last for a 100-year life. Twentieth-century retirement is fading, replaced by new ideas aligned to 21st-century demographic realities. In today's global business environment, the focus on sustainability is central to competitive success—and the role of longevity in this context is just beginning to be understood.

We are launching the GCOA Playbook to share proven, actionable insights on these trends—creating a unique resource that features the pioneering efforts of GCOA members. In this inaugural issue, we focus on Bank of America and how the company has become a leading corporate voice on aging over the past decade.

# Key Insights on How Bank of America Is Transforming Retirement and Powering the Longevity Economy

Bank of America has established itself as a global leader on aging, actively pursuing an “aging strategy” across multiple facets of its business and achieving numerous successes over the past decade, to power a valuable and sustainable business model.

At the center of its strategy, Bank of America has driven research-based insights into the dual pillars of financial security and financial wellness. Bank of America has displayed continuous and sustainable leadership in this area, described best by American Federation for Aging Research (AFAR) Executive Director Stephanie Lederman as a “sensitive, proactive approach” in their research “to develop innovative programs that help address the increased and the evolving needs of the company’s clients and employees.”

Bank of America has executed on this strategy to become a leading voice in the space. As a result, Bank of America was the only private-sector participant at the World Health Organization’s Stakeholder Meeting to develop their *Global Strategy and Action Plan* in 2017, which led to the creation of the *Decade of Healthy Ageing*. With this achievement, Bank of America solidified its status as a key player

“The successful and sustainable Bank of America retirement business is based on the connection between our business strategy and the realization that the 20th-century idea of retirement no longer applies but must be reframed and reimagined for today’s longevity economy.”

**-Lorna Sabbia**

Head of Retirement and Personal Wealth Solutions,  
Bank of America

in the global effort toward healthy, active and productive aging. Its singular positioning at the WHO was matched by Bank of America’s stand-out role in the U.S. at the 2015 White House Conference on Aging; recognition for its innovative approaches to finance and Alzheimer’s by Queen Silvia of Sweden; and, engagement with the Japanese as a leader in their Finance Ministry’s G20 work on aging.

Based on Bank of America’s experiences and success, here are six key insights and tangible actions companies should take today that will lead to competitive value, strategic positioning and commercial returns:



## Longevity must be linked to business goals and decisions.

- **Assess the impact of longevity on your workforce, customers and valued stakeholders.**

Bank of America regularly surveys its clients (institutional and personal) and employees to learn how longevity is affecting their challenges, goals and use of financial products. Further, Bank of America conducts large-scale survey research to validate their understanding and provide leadership positioning on these issues.

- **Link business and societal goals to aging.**

Bank of America recognizes that the structure of society is fundamentally changing to more old than young. Understanding—and shaping—how consumer and workplace needs change in light of this demographic transformation allows Bank of America to do good for society and do well as a business. Addressing longevity is not a “nice-to-have.” It is essential to drive business growth.

- **Be a leader on public policy changes.**

Bank of America understands that financial advisors play an important role in spotting signs of health decline—including cognitive decline—and they've advocated for related policy changes. For example, Bank of America has called for consumer protections such as providing advisors with a contact authorization form to ask about a client's health status or to address possible financial exploitation.

- **Establish your core and defining platform(s) for strategic execution.**

Bank of America recognizes "financial wellness" as a core platform for the strategic execution of 21st-century retirement planning. This strategy is based on key insights:

- » **Health and wealth** are undeniably related to one another. Maintaining one's health plays a critical role in enabling a longer and more productive life, yet financial security also plays into this equation.
- » **Planning for one's later years** is increasingly important given longer lifespans, particularly as healthcare and long-term care costs increase with age.
- » **The economic consequences** quickly trickle down to families and caregivers. Early on, Bank of America identified the imperative for the financial services industry to define and lead conversations on financial wellness, financial education and financial caregiving in the context of longevity.



## Strategic partnerships are key to leadership positioning.

- **Identify and work with a cross-section of expert partners to shape new models.**

Bank of America knows the value of creating a network of partnerships with experts in aging, science, health and economics across nonprofits, academia, research organizations and other business sectors. Key partnerships include the Gerontological Society of America, the American Federation for Aging Research, USC Davis School of Gerontology, Age Wave, Stanford Center on Longevity, University of Pennsylvania Business School and Memory Center, National Alliance for Caregiving, Milken Center for Successful Aging and the Global Coalition on Aging.

- **Be bold as a new player in the aging space.**

Early in strategy development, Bank of America helped found the Global Coalition on Aging (GCOA) as a third-party enabler to engage on the cutting edge of reimagining and reframing how the financial sector, business generally and the NGO and academic communities would approach longevity. Through guiding and advising GCOA, Bank of America senior executives were also building the company's



own credibility and momentum that could give prominence and position to the Bank by virtue of the relationship, activities and powerful networks.

- **Develop partnerships to establish trust as the sustainable basis for change.**

Through trusted and strategic partnerships, Bank of America identified powerful insights and ideas that impact strategic business goals, as well societal change. These insights have led to actions on topics including:

- » [The longevity economy](#) and what it means for all businesses;
- » [The role of financial advisors](#) in understanding life priorities in the context of lifetime savings and investments;
- » [Elder caregiving](#) and the effects on personal well-being, family relationships, finances and worker productivity;
- » [Alzheimer's and financial planning](#), examining the connections and responses.

- **Extend the partnerships across the organization and embed in operational excellence.**

After producing co-branded research, roundtables, symposia and resources on these topics, Bank of America and its executives are now sought after as trusted voices on transforming retirement and financial wellness in the longevity economy.

“As we live longer lives, it is important to have strategies focused on the individual, family, community and policy—to enable productive and healthy aging. At Bank of America, we are committed to developing the partnerships, insights and actions to help along this journey.”

**—Kevin F. Crain**

Head of Workplace Solutions Integration, Bank of America,  
Co-Chair, The Commission for an Age-friendly NYC



## Powerful research sets the stage and reframes the conversation.

- **Identify and target one to three big ideas that integrate business goals and partnerships.**

Bank of America has led the way in researching and defining a range of topics including the longevity economy, cognitive decline related to financial planning, elder caregiving in the workplace and financial wellness. It takes leadership and insightful evaluation—aligned with business goals and partnerships—to bring transformative conversations to new audiences.

- **Set the new conversation within a relatable context.**

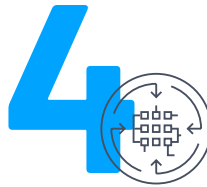
As Bank of America considered how to conduct groundbreaking research, it also recognized the need to connect this research to existing goals and context. In particular, Bank of America knew that understanding clients' long-term priorities in the context of longevity meant building trust, serving clients better over the long term and therefore retaining clients—and this remained at the core of the company's research focus.

- **Ask the important questions.**

In a series of research studies, Bank of America outlined *Seven Life Priorities* (health, home, family, giving, leisure, work and finances) to help financial advisors meet the specific needs of their clients, which are increasingly relevant to saving and working differently as connected to longer lifespans.

- **Be the first to define what's happening.**

In 2018, Bank of America partnered with the Gerontological Society of America to produce *Longevity Economics: Leveraging the Advantages of an Aging Society*. The report outlined the impact of growing demographic changes on the global economy, and the need for society to enhance and expand this "Longevity Economy." The study addresses specific areas in which older Americans can be drivers of growth and calls for dismantling ageist assumptions.



## Show commitment to longevity issues through operational changes.

- **Hire talent to match the longevity strategy.**

In 2014, Bank of America hired a Director of Financial Gerontology, the first gerontologist at a major financial services firm. She works with Merrill's ~15,000 financial advisors so they are prepared to provide counsel to older clients on issues at the intersection of aging and finances.

- **Create new programs for education and informed action.**

Bank of America launched a groundbreaking Longevity Training Certificate Program, in partnership with the USC Leonard Davis School of Gerontology, to offer insights into the different aspects of aging, their influence on life decisions, and implications for the workforce and retirement planning. The first-of-its-kind program is available to Merrill Lynch's financial advisors, as well as Bank of America's institutional clients and employees.

- **Adapt the company's benefits package to retain valued talent.**

Bank of America's best-in-class support for eldercare stands out as a model for the financial services industry and all employers. Based on its work in the aging space, Bank of America created new eldercare benefits like subsidized emergency backup care, senior care consultations and legal consultations through LifeCare.



## Leadership on longevity combines cutting-edge innovation with society-wide commitments.

- **Address the stigmatized issues; they are the most challenging—and the most critical.**

Bank of America worked with GCOA to address a key issue for its workforce, but one that is often stigmatized: elder caregiving. Bank of America has launched a number of activities in this area.

These forums and conversations have confirmed that the issue of caregiving is a huge opportunity for employees and employers, and Bank of America has already responded with effective leadership.

- **Establish leadership with what you say and how you act.**

In January 2018, Bank of America partnered with the New York Academy of Medicine, GCOA and AARP New York on a first-ever Financial Wellness Symposium in New York City. The symposium built consensus among thought leaders on new approaches to

financial wellness and retirement, highlighting the correlation between financial wellness and physical wellness.

As an outcome of the symposium, Bank of America pursued new research on the shift from the traditional three-phase lifespan (childhood, working age, and retirement) towards a new six-phase model. Research focused on defining these new life stages: early adulthood, parenting, caregiving, retirement, widowhood and end of life/legacy. These six life stages recognize the nuance behind consumers' needs over time and better equip financial advisors to assist clients with long-term planning.

- **Be a pioneer in your industry sector.**

Bank of America has both prepared the environment for a society-wide conversation on longevity and paved the way for its own leadership: as a founding member of GCOA, the only financial services company at events like the 2015 White House Conference on Aging, and a member of influential boards like the World Dementia Council. This corporate strategic positioning will provide strong business value.





## Never stop communicating about the longevity imperative. Always encourage action.

- **Communicate based on operating and partnering differently.**

Bank of America emphasized that the longevity conversation is not about aging, but because of aging—and translated that emphasis into partnering, operating and communicating differently. This approach helped to gain trust from customers, employees and society at large, engaging every generation in the conversation.

- **Integrate longevity into all communications—internally and externally.**

Together with its many partners, Bank of America is constantly communicating its powerful work on longevity in mainstream media, in thought leader circles, with clients, in the workplace, domestically and globally. This multifaceted approach changes the expectations in both societal thought and companies' practices to help maximize the potential of the growing longevity economy and Bank of America's own leadership role.

- **Communicate to shape the external environment and create a new ecosystem.**

Bank of America has been an early mover with its thought leadership strategy and resulting actions and communications on longevity. For the financial services industry, there is a knock-on effect; Bank of America has helped create the new “ecosystem” in which the sector is seen as proactive and even innovative, framing the conversation about the transformation of the traditional 20th-century retirement model. This effective communication helps remove barriers that can expedite changes for healthier, more active and more productive aging.

“We are investing in thought leadership to generate industry-leading insights and translating those insights into action, including training programs on the life priorities and stages for our financial advisors.”

**-Surya Kolluri**

Managing Director, RPWS Office of Thought Leadership,  
Bank of America

For more information on how leading companies are shaping the longevity economy to drive value for clients, employees, their businesses and society, visit [www.globalcoalitiononaging.com](http://www.globalcoalitiononaging.com).





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